

File No. 191076

Committee Item No. 2

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: Nov. 13, 2019

Board of Supervisors Meeting:

Date: _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>REG Letter – October 19, 2019</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Port – Draft Public Agency Statement and Consent Docs</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Boundary Map</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referrals FYI – October 30 and 31, 2019</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Prepared by: John Carroll

Date: Nov. 8, 2019

Prepared by: John Carroll

Date: _____

1 [Resolution of Intention - Establishing the Pier 70 Condominiums Special Tax District 2019-1]

2
3 **Resolution declaring the intention of the Board of Supervisors to establish City and**
4 **County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) and a**
5 **Future Annexation Area; ordering and setting a time and place for a public hearing of**
6 **the Board of Supervisors, sitting as a Committee of the Whole, on January 14, 2020;**
7 **determining other matters in connection therewith, as defined herein; and making**
8 **findings under the California Environmental Quality Act.**
9

10 WHEREAS, California Statutes of 1968, Chapter 1333 ("Burton Act") and San
11 Francisco Charter Section 4.114 and Appendix B, beginning at Section B3.581, empower the
12 City and County of San Francisco ("City"), acting through the San Francisco Port Commission
13 ("Port" or "Port Commission"), with the power and duty to use, conduct, operate, maintain,
14 manage, regulate, and control the lands within Port jurisdiction; and

15 WHEREAS, FC Pier 70, LLC, a Delaware limited liability company ("Master
16 Developer") and the City, acting by and through the Port, are parties to a Disposition and
17 Development Agreement (as amended from time to time, "DDA"), including a Financing Plan
18 (as amended from time to time, "Financing Plan"), that governs the disposition and
19 development of approximately 28 acres of land in the waterfront area of the City known as
20 Pier 70 ("Project Site"); and

21 WHEREAS, In the general election held on November 4, 2014, an initiative entitled, the
22 "Union Iron Works Historic District Housing, Waterfront Parks, Jobs and Preservation
23 Initiative" ("Proposition F"), was approved by the voters in the City; and
24
25

1 WHEREAS, The DDA contemplates a project ("Project") under which the Port would
2 initially lease the Project Site to the Master Developer for infrastructure development, and,
3 ultimately, lease and sell parcels in the Project Site to vertical developers, for development of
4 a mixed-use project described in the DDA; and

5 WHEREAS, The City anticipates that, in addition to the public infrastructure and private
6 development described above, future improvements will be necessary to ensure that the
7 shoreline, public facilities, and public access improvements will be protected should sea level
8 rise in the vicinity of the Project Site, and the Board of Supervisors of the City ("Board of
9 Supervisors") desires to provide a mechanism to pay for the costs of such improvements; and

10 WHEREAS, At its hearing on August 24, 2017, and prior to recommending proposed
11 Planning Code amendments for approval, by Motion No. 19976, the Planning Commission
12 certified a Final Environmental Impact Report ("FEIR") for the Project (Case
13 No. 2014-001272ENV) pursuant to the California Environmental Quality Act (CEQA)
14 (California Public Resources Code Section 21000 et seq.), the CEQA Guidelines (14 Cal.
15 Code Reg. Section 15000 et seq.), and Chapter 31 of the Administrative Code; a copy of said
16 Motion is on file with the Clerk of the Board of Supervisors in File No. 170930, and is
17 incorporated herein by reference; and

18 WHEREAS, In recommending the proposed Planning Code amendments for approval
19 by this Board of Supervisors at its hearing on August 24, 2017, by Motion No. 19977, the
20 Planning Commission also adopted findings under CEQA, including a statement of overriding
21 consideration, and a Mitigation Monitoring and Reporting Program ("MMRP"); a copy of said
22 Motion and MMRP are on file with the Clerk of the Board of Supervisors in File No. 170930,
23 and is incorporated herein by reference; and

24 WHEREAS, Under Chapter 43, Article X of the San Francisco Administrative Code (as
25 it may be amended from time to time, "Code"), which Code incorporates by reference the

1 Mello-Roos Community Facilities Act of 1982, as amended ("Mello-Roos Act"), this Board of
2 Supervisors is authorized to establish a special tax district and to act as the legislative body
3 for a special tax district; and

4 WHEREAS, This Board of Supervisors now desires to proceed with the establishment
5 of a special tax district in order to finance the costs of infrastructure and other authorized
6 facilities and certain services necessary or incident to development of the Project Site,
7 including, without limitation, future improvements necessitated by sea level rise; and

8 WHEREAS, The Financing Plan provides for the possibility of annexation of certain
9 parcels into the proposed special tax district, and this Board of Supervisors further desires to
10 undertake proceedings to provide for future annexation of territory to the proposed special tax
11 district; now, therefore, be it

12 RESOLVED, That this Board of Supervisors proposes to conduct proceedings to
13 establish a special tax district pursuant to the Code and hereby determines that public
14 convenience and necessity require that a future annexation area be established; and, be it

15 FURTHER RESOLVED, That the name proposed for the special tax district is "City and
16 County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums)" ("Special
17 Tax District"); and, be it

18 FURTHER RESOLVED, That the name proposed for the territory proposed to be
19 annexed into the Special Tax District in the future is "City and County of San Francisco
20 Community Facilities District No. 2019-1 (Pier 70 Condominiums) (Future Annexation Area)"
21 ("Future Annexation Area"); and, be it

22 FURTHER RESOLVED, That the proposed boundaries of the Special Tax District and
23 the Future Annexation Area are as shown on the map of them on file with the Clerk of the
24 Board of Supervisors, which boundaries are hereby preliminarily approved and to which map
25 reference is hereby made for further particulars, and the Clerk of the Board of Supervisors is

1 hereby directed to record, or cause to be recorded, the map of the boundaries of the Special
2 Tax District and the Future Annexation Area in the office of the Assessor-Recorder for the City
3 and County of San Francisco within 15 days of the date of adoption of this Resolution; and, be
4 it

5 FURTHER RESOLVED, That, from time to time, parcels within the Future Annexation
6 Area shall be annexed to the Special Tax District only with the unanimous approval (each, a
7 "Unanimous Approval") of the owner or owners of each parcel or parcels at the time that such
8 parcel(s) are annexed; pursuant to Section 43.10.14 of the Code, a Unanimous Approval
9 executed by the owner of a parcel constitutes the vote of the qualified elector in favor of the
10 matters addressed in the Unanimous Approval for purposes of the California Constitution,
11 including, but not limited to, Articles XIII A and XIII C; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby determines that any
13 property for which the owner or owners execute a Unanimous Approval in accordance with
14 applicable law shall be added to the Special Tax District without any further hearings or
15 proceedings and the Clerk of the Board of Supervisors is hereby directed to record an
16 amendment to the notice of special tax lien for the Special Tax District pursuant to Streets &
17 Highways Code Section 3117.5 as a result of which the obligation to pay the Special Tax shall
18 become a lien upon the annexed property; provided, however, the designation of property as
19 Future Annexation Area and the ability to annex property to the Special Tax District based on
20 a Unanimous Approval shall not limit, in any way, the annexation of property in the Future
21 Annexation Area to the Special Tax District pursuant to other provisions of applicable law;
22 and, be it

23 FURTHER RESOLVED, That the Director of the Controller's Office of Public Finance
24 ("Director") is hereby directed, from time to time in her discretion, to cause to be recorded one
25 or more consolidated maps of the Special Tax District reflecting all prior modifications,

1 amendments, and annexations pursuant to Section 3113.5 of the Streets & Highways Code;
2 and, be it

3 FURTHER RESOLVED, That the type of facilities proposed to be financed by the
4 Special Tax District and the Future Annexation Area shall consist of those listed as facilities
5 on Exhibit A hereto and hereby incorporated herein ("Facilities"), subject to compliance with
6 the Code, and this Board of Supervisors hereby determines that the Facilities are necessary
7 to meet increased demands placed upon local agencies as the result of development
8 occurring within the Special Tax District and the Future Annexation Area and that the
9 financing of such Facilities constitutes a public purpose of the City; and, be it

10 FURTHER RESOLVED, That in order to advance the public purposes of the City, the
11 Special Taxes and proceeds of bonds and other debt issued by the Special Tax District may
12 be used to finance the incidental expenses described in Exhibit A hereto and hereby
13 incorporated herein ("incidental expenses"); and, be it

14 FURTHER RESOLVED, That this Board of Supervisors hereby finds and determines
15 that the public interest will not be served by allowing the property owners in the Special Tax
16 District to enter into a contract in accordance with Mello-Roos Act Section 53329.5(a), and
17 notwithstanding the foregoing, this Board of Supervisors, on behalf of the Special Tax District,
18 may enter into one or more contracts directly with any of the owners or lessees of property in
19 the Special Tax District with respect to the construction and/or acquisition of any portion of the
20 Facilities; and, be it

21 FURTHER RESOLVED, That the Director is hereby authorized and directed to enter
22 into joint community facilities agreements with any entity that will own or operate any of the
23 Facilities, as may be necessary to comply with the provisions of the Code, and this Board of
24 Supervisors' approval of a joint community facilities agreement shall be conclusively
25 evidenced by the execution and delivery thereof by the Director, and this Board of Supervisors

1 hereby declares that such joint agreements will be beneficial to owners and lessees of
2 property in the area of the Special Tax District; and, be it

3 FURTHER RESOLVED, That the type of services proposed to be financed by the
4 Special Tax District and the Future Annexation Area shall consist of those listed in Exhibit A
5 hereto and hereby incorporated herein ("Services"), subject to compliance with the Code. This
6 Board of Supervisors hereby determines that the Services are necessary to meet increased
7 demands for such services placed upon local agencies as the result of development occurring
8 within the area of the Special Tax District and the Future Annexation Area and that the
9 financing of such Services constitutes a public purpose of the City; and, be it

10 FURTHER RESOLVED, That except to the extent that funds are otherwise available,
11 the City will levy a special tax ("Special Tax") to pay directly for the Facilities, to pay for the
12 Services, to pay for the incidental expenses and to pay the principal and interest on bonds
13 and other debt (as defined in the Mello-Roos Act) of the City issued for the Special Tax
14 District to finance the Facilities; and, be it

15 FURTHER RESOLVED, That the Special Tax will be secured by recordation of a
16 continuing lien against all non-exempt real property in the Special Tax District, and will be
17 levied annually within the Special Tax District, and collected in the same manner as ordinary
18 ad valorem property taxes, or in such other manner as this Board of Supervisors or its
19 designee shall determine, including direct billing of the affected owners or lessees of property
20 in the Special Tax Districts; and, be it

21 FURTHER RESOLVED, That the proposed rate and method of apportionment of the
22 Special Tax among the parcels of real property within the Special Tax District, in sufficient
23 detail to allow each owner of property within the Special Tax District to estimate the maximum
24 amount such owner will have to pay, is described in Exhibit B attached hereto and hereby
25 incorporated herein ("Rate and Method"); and, be it

1 FURTHER RESOLVED, That the Special Tax to be levied in the Special Tax District
2 shall not be levied in the Special Tax District to finance Facilities after the fiscal year
3 established for that purpose in the Rate and Method, except that a Special Tax that was
4 lawfully levied in or before the final tax year and that remains delinquent may be collected in
5 subsequent years. Under no circumstances shall the Special Tax levied against any parcel in
6 the Special Tax District to finance Facilities ("Facilities Special Tax") in any fiscal year be
7 increased in that fiscal year as a consequence of delinquency or default by the owner or
8 lessee of any other parcel or parcels within the Special Tax District by an amount that
9 exceeds 10 percent of the maximum Facilities Special Tax applicable to such parcel for that
10 fiscal year; and, be it

11 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the provisions
12 of Mello-Roos Act Sections 53313.6, 53313.7 and 53313.9 (relating to adjustments to *ad*
13 *valorem* property taxes and schools financed by a community facilities district) are
14 inapplicable to the proposed Special Tax District; and, be it

15 FURTHER RESOLVED, That as required by Mello-Roos Act Section 53339.3(d), this
16 Board of Supervisors hereby determines that the Special Tax proposed to pay for the
17 Facilities to be supplied within the Future Annexation Area that are financed with bonds that
18 have already been issued and that are secured by previously-existing areas of the Special
19 Tax District will be equal to the Special Taxes levied to pay for the same Facilities in
20 previously-existing areas of the Special Tax District, except that (i) a higher Special Tax may
21 be levied within the Future Annexation Area to pay for the same Facilities to compensate for
22 the interest and principal previously paid from Special Taxes in the original area of the Special
23 Tax District, less any depreciation allocable to the financed Facilities and (ii) a higher Special
24 Tax may be levied in the Future Annexation Area to pay for new or additional Facilities, with or
25 without bond financing; and, be it

1 FURTHER RESOLVED, That as required by the Mello-Roos Act, this Board of
2 Supervisors hereby further determines that the Special Tax proposed to pay for Services to be
3 supplied within the Future Annexation Area shall be equal to any Special Tax levied to pay for
4 the same Services in the existing Special Tax District, except that a higher or lower tax may
5 be levied within the Future Annexation Area to the extent that the actual cost of providing the
6 Services in the Future Annexation Area is higher or lower than the cost of providing those
7 Services in the existing Special Tax District. In so finding, this Board of Supervisors does not
8 intend to limit its ability to levy a Special Tax within the Future Annexation Area to provide new
9 or additional services beyond those supplied within the existing Special Tax District or its
10 ability to implement changes to the extent permitted by law; and, be it

11 FURTHER RESOLVED, That as of the date hereof, there are no Assessor's Parcels
12 (as defined in the Rate and Method) within the proposed boundaries of the Special Tax
13 District that are owned by a public entity, including the United States, the State of California
14 and/or the City, or any departments or political subdivisions thereof ("public entity"), that are
15 intended to be exempt from the levy of Special Taxes except the Tax-Exempt Port Parcels (as
16 defined in the Rate and Method). The Board of Supervisors intends for Assessor's Parcels
17 within the proposed boundaries of the Special Tax District (other than the Tax-Exempt Port
18 Parcels) that are purchased by a public entity after formation of the Special Tax District to be
19 Taxable Parcels (as defined in the Rate and Method), and, if a public entity purchases a
20 Taxable Parcel in the Special Tax District after formation of the Special Tax District, the
21 obligation to pay Special Taxes on such Taxable Parcel shall be governed by Section 53317.3
22 and 53317.5 of the Mello-Roos Act; and, be it

23 FURTHER RESOLVED, That in the event that a portion of the property within the
24 Special Tax District shall become for any reason exempt, wholly or in part, from the levy of the
25 Special Tax, this Board of Supervisors will, on behalf of the Special Tax District, increase the

1 levy to the extent necessary upon the remaining property within the Special Tax District which
2 is not exempt in order to yield the required debt service payments and other annual expenses
3 of the Special Tax District, if any, subject to the provisions of the Rate and Method; and, be it

4 FURTHER RESOLVED, That the levy of the Special Tax in the Special Tax District
5 shall be subject to the approval of the qualified electors of the Special Tax District at a special
6 election, and the proposed voting procedure shall be by mailed or hand-delivered ballot
7 among the landowners in the Special Tax District, with each landowner having one vote for
8 each acre or portion of an acre such landowner owns in the Special Tax District not exempt
9 from the Special Tax; and, be it

10 FURTHER RESOLVED, That the Director, Department of Elections has reported that
11 there were no registered voters in the boundaries of the proposed special tax district as of
12 October 19, 2019; and, be it

13 FURTHER RESOLVED, That this Board of Supervisors has received and hereby
14 approves, ratifies and accepts a Public Agency Statement and Consent executed by the Port
15 Commission in which it declares that the City is a "landowner" in the Special Tax District (as
16 defined in the Mello-Roos Act) and qualified elector for the Special Tax District because the
17 property owned by the City within the proposed boundaries of the Special Tax District either
18 will be (a) transferred by conveyance of the fee interest to private ownership for the
19 construction of improvements, in which case the City agrees that such property will be subject
20 to the special tax on the same basis as private property within the Special Tax District and
21 affirmatively waives any defense based on the fact of public ownership to any action to
22 foreclose on such property in the event of nonpayment of the special tax or (b) leased to a
23 nonexempt person or entity and, pursuant to Section 53340.1 of the Mello-Roos Act, the
24 special tax will be levied on the leasehold interest and payable by the owner of the leasehold
25

1 interest, a copy of which Public Agency Statement and Consent is on file with the Clerk of the
2 Board of Supervisors in File No. 191076 and is incorporated herein by reference; and, be it

3 FURTHER RESOLVED, That this Board of Supervisors has received and hereby
4 accepts a Consent and Waiver Relating to Formation of a Special Tax District executed by the
5 Executive Director of the Port Commission, as authorized representative of 64 PKN Owner,
6 LLC, the other landowner in the boundaries of the proposed Special Tax District, a copy of
7 which Consent and Waiver Relating to Formation of a Special Tax District is on file with the
8 Clerk of the Board of Supervisors in File No. 191076 and is incorporated herein by reference;
9 and, be it

10 FURTHER RESOLVED, That a special tax shall be levied in the Future Annexation
11 Area only with the Unanimous Approval of the owner or owners of each parcel or parcels at
12 the time that parcel or those parcels are annexed into the Special Tax District and in
13 accordance with the procedure established by applicable law; and, be it

14 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
15 the legislative body of the Special Tax District, to cause bonds of the City and other debt (as
16 defined in the Mello-Roos Act) to be issued for the Special Tax District pursuant to the Code
17 to finance in whole or in part the construction and/or acquisition of the Facilities and the
18 incidental expenses; and, be it

19 FURTHER RESOLVED, That such debt may include an agreement by the Special Tax
20 District (or the City on behalf of the Special Tax District) to repay the City, acting by and
21 through the Port Commission, for one or more advances of land proceeds and other sources
22 of Port funding to pay the costs of the Facilities and incidental expenses ("Advances"), which
23 repayment obligation ("Repayment Obligation") may be evidenced by a promissory note
24 ratified or executed by the Special Tax District (or the City on behalf of the Special Tax
25 District) in favor of the Port Commission; and

1 FURTHER RESOLVED, That the bonds and other debt shall be in the aggregate
2 principal amount of not to exceed \$1,697,600,000 ("Limit"), shall be issued in such series and
3 bear interest payable semi-annually or in such other manner as this Board of Supervisors
4 shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by
5 applicable law at the time of sale of each series of bonds and other debt, and shall mature not
6 later than 40 years from the date of the issuance thereof; and, be it

7 FURTHER RESOLVED, That because the City expects to repay the Repayment
8 Obligation with, among other sources, Special Taxes and proceeds of bonded indebtedness
9 and other debt incurred by or on behalf of the Special Tax District, the Board of Supervisors
10 hereby determines that (i) the Repayment Obligation shall be included in the calculation of the
11 Limit and (ii) any such bonded indebtedness or other debt (as defined in the Mello-Roos Act)
12 incurred by or on behalf of the Special Tax District to repay the Repayment Obligation (and
13 the related costs of issuance and costs of funding a debt service reserve fund) shall not be
14 included in the calculation of the Limit; and, be it

15 FURTHER RESOLVED, That the Director, as the officer having charge and control of
16 the Facilities and the Services in and for the Special Tax District and the Future Annexation
17 Area, is hereby directed to study said proposed Facilities and Services and to make, or cause
18 to be made, and file with the Clerk of the Board of Supervisors a report in writing ("Special Tax
19 District Report") presenting the following:

- 20 (a) A description of the Facilities and the Services by type which will be required to
21 adequately meet the needs of the Special Tax District and the Future Annexation Area.
- 22 (b) An estimate of the fair and reasonable cost of the Facilities including the cost of
23 acquisition of lands, rights-of-way and easements, any physical facilities required in
24 conjunction therewith and incidental expenses in connection therewith, including the costs of
25

1 the proposed bond financing and other debt and all other related costs as provided in Mello-
2 Roos Act Section 53345.3.

3 (c) An estimate of the fair and reasonable cost of the Services and incidental
4 expenses in connection therewith, and all other related costs.

5 The Special Tax District Report shall be made a part of the record of the public hearing
6 specified below; and, be it

7 FURTHER RESOLVED, January 14, 2020, at 3:00 p.m. or as soon as possible
8 thereafter, and the Board of Supervisors Chamber, 1 Dr. Carlton B. Goodlett Place, San
9 Francisco, California, are hereby fixed as the time and place when and where this Board of
10 Supervisors, as the legislative body for the Special Tax District, will conduct a public hearing
11 on the establishment of the Special Tax District and the Future Annexation Area, and consider
12 and finally determine whether the public interest, convenience and necessity require the
13 formation of the Special Tax District and the Future Annexation Area and the levy of the
14 Special Tax and, be it

15 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
16 to cause notice of the public hearing to be given by publication one time in a newspaper
17 published in the area of the Special Tax District and the Future Annexation Area. The
18 publication shall be completed at least seven days before the date of the public hearing
19 specified above. The notice shall be substantially in the form specified in Mello-Roos Act
20 Section 53322, with the form summarizing the provisions hereof hereby specifically approved;
21 and, be it

22 FURTHER RESOLVED, Notwithstanding the foregoing, because of the complexity
23 associated with the Project and the Financing Plan, the Board of Supervisors hereby
24 authorizes the Clerk of the Board of Supervisors to determine that the public hearing should
25 be held on a later date or time and to cause notice of such later date or time to be given by

1 publication one time in a newspaper published in the area of the Special Tax District and the
2 Future Annexation Area; and, be it

3 FURTHER RESOLVED, That Mello-Roos Act Section 53314.9 provides that, either
4 before or after formation of the Special Tax District, the City may accept advances of funds
5 and may provide, by resolution, for the use of those funds, including but not limited to pay any
6 cost incurred by the local agency in creating the Special Tax District, and may agree to
7 reimburse the advances under all of the following conditions: (A) the proposal to repay the
8 advances is included both in the resolution of intention and the resolution of formation to
9 establish the Special Tax District; and (B) any proposed special tax is approved by the
10 qualified electors of the Special Tax District and, if the qualified electors of the Special Tax
11 District do not approve the proposed special tax, the City shall return any funds which have
12 not been committed for any authorized purpose by the time of the election and, in furtherance
13 of Mello-Roos Act Section 53314.9, the Board of Supervisors hereby declares its intent to
14 enter into an agreement providing for the advance and reimbursement of funds between the
15 Port and the Master Developer; and, be it

16 FURTHER RESOLVED, That Mello-Roos Act Section 53314.9 provides that, either
17 before or after formation of the Special Tax District, the City may accept work in-kind from any
18 source, including, but not limited to, private persons or private entities, may provide, by
19 resolution, for the use of that work in-kind for any authorized purpose and this Board of
20 Supervisors may enter into an agreement, by resolution, with the person or entity advancing
21 the work in-kind, to reimburse the person or entity for the value, or cost, whichever is less, of
22 the work in-kind, as determined by this Board of Supervisors, with or without interest, under
23 the conditions specified in the Mello-Roos Act. Any work in-kind must be performed or
24 constructed as if the work had been performed or constructed under the direction and
25 supervision, or under the authority of, the City and, in furtherance of Mello-Roos Act

1 Section 53314.9, the Board of Supervisors previously authorized the Port to enter into an
2 acquisition and reimbursement agreement with the Master Developer and other entities
3 responsible for developing the Project pursuant to Resolution No. 401-17, adopted by this
4 Board of Supervisors on October 31, 2017 (which resolution was signed by the Mayor on
5 November 9, 2017); and, be it

6 FURTHER RESOLVED, That this Board of Supervisors reserves to itself the right and
7 authority set forth in Mello-Roos Act Section 53344.1, subject to any limitations set forth in any
8 bond resolution or trust indenture related to the issuance of bonds; and, be it

9 FURTHER RESOLVED, That this Board of Supervisors hereby waives any provisions
10 of the Amended and Restated Local Goals and Policies for Community Facilities Districts and
11 Special Tax Districts ("Goals and Policies") adopted by this Board of Supervisors by
12 Resolution No. 414-13 to the extent the Goals and Policies are inconsistent with the
13 provisions hereof or the DDA; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors hereby approves and ratifies
15 the appointment of the Port as the CFD Agent (as defined in the DDA) for the Special Tax
16 District and approves and ratifies all actions taken prior to the date hereof by the Port in its
17 capacity as CFD Agent, including, but not limited to, execution of one or more promissory
18 notes to evidence the Repayment Obligation and execution of one more pledge agreements
19 with an infrastructure financing district to receive property tax revenues to repay the
20 Repayment Obligation; and, be it

21 FURTHER RESOLVED, That in accordance with the actions contemplated herein, this
22 Board of Supervisors has reviewed the FEIR, concurs with its conclusions, affirms the
23 Planning Commission's certification of the FEIR, and finds that the actions contemplated
24 herein are within the scope of the Project described and analyzed in the FEIR; and, be it
25

1 FURTHER RESOLVED, That this Board of Supervisors hereby adopts and
2 incorporates by reference as though fully set forth herein the Planning Commission's CEQA
3 approval findings in the MMRP, including the statement of overriding considerations, and
4 adopts and incorporates by reference as though fully set forth herein the Project's MMRP;
5 and, be it

6 FURTHER RESOLVED, That this Resolution shall in no way obligate this Board of
7 Supervisors to form the Special Tax District and the Future Annexation Area. The formation of
8 the Special Tax District and the Future Annexation Area shall be subject to the approval of
9 this Board of Supervisors by resolution following the holding of the public hearing referred to
10 above; and, be it

11 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
12 word of this resolution, or any application thereof to any person or circumstance, is held to be
13 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
14 shall not affect the validity of the remaining portions or applications of this resolution, this
15 Board of Supervisors hereby declaring that it would have passed this resolution and each and
16 every section, subsection, sentence, clause, phrase, and word not declared invalid or
17 unconstitutional without regard to whether any other portion of this resolution or application
18 thereof would be subsequently declared invalid or unconstitutional; and, be it

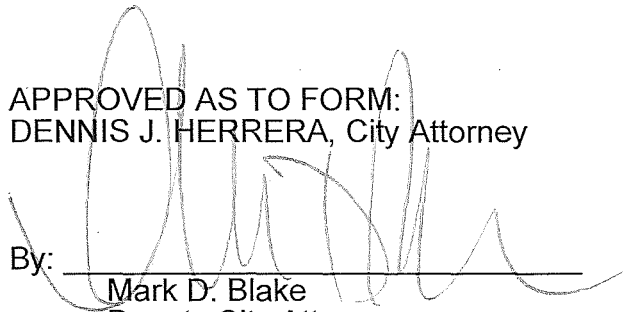
19 FURTHER RESOLVED, That the Mayor, the Controller, the Director, the Clerk of the
20 Board of Supervisors and any and all other officers of the City are hereby authorized, for and
21 in the name of and on behalf of the City, to do any and all things and take any and all actions,
22 including execution and delivery of any and all documents, assignments, certificates,
23 requisitions, agreements, notices, consents, instruments of conveyance, warrants and
24 documents, which they, or any of them, may deem necessary or advisable in order to
25 effectuate the purposes of this Resolution; provided however that any such actions be solely

1 intended to further the purposes of this Resolution, and are subject in all respects to the terms
2 of the Resolution; and, be it

3 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
4 consistent with any documents presented herein, and heretofore taken are hereby ratified,
5 approved and confirmed by this Board of Supervisors; and, be it

6 FURTHER RESOLVED, That this Resolution shall take effect upon its adoption.

7
8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA, City Attorney

10
11 By: 
12 Mark D. Blake
13 Deputy City Attorney
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EXHIBIT A

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2019-1
(Pier 70 Condominiums)

DESCRIPTION OF FACILITIES, SERVICES AND OTHER COSTS TO BE
FINANCED BY THE SPECIAL TAX DISTRICT

City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) (as originally configured and as expanded through annexation of property in the future, the “STD”), is authorized to finance the Facilities, Services and Incidental Costs described in this Exhibit A. Capitalized terms used in this Exhibit A but not defined herein have the meaning given them in (1) the Appendix to Transaction Documents for the Pier 70 28-Acre Site Project, attached as an appendix to the Disposition and Development Agreement (“DDA”), dated as of May 2, 2018, by and between the Port and the Developer, including all exhibits and attachments, as may be amended from time to time and (2) those definitions included in the Vertical Disposition and Development Agreement for Parcel K North, dated February 8, 2019 (“VDDA”). When used in this Exhibit A, “including” has the meaning given to it in the DDA.

AUTHORIZED FACILITIES

The STD is authorized to finance the purchase, construction, reconstruction, expansion, improvement, or rehabilitation of all or any portion of the facilities authorized to be financed by

1 the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos
2 Community Facilities Act of 1982 (Cal. Gov't Code Section 53311 et seq.), including:

- 3
4 1. Land Acquisition – includes, but is not limited to, acquisition of land for public
5 improvements or for other requirements under the DDA and VDDA.
6
- 7 2. Demolition and Abatement – includes, but is not limited to, Site Preparation costs,
8 including abatement of hazardous materials, removal of below-grade, at-grade, and
9 above-grade facilities, and recycling or disposal of waste, including demolition and
10 abatement within future vertical sites that is necessary for Horizontal Improvements.
11
- 12 3. Auxiliary Water Supply System - includes, but is not limited to, main pipe, laterals, valves,
13 fire hydrants, cathodic protection, tie-ins, and any other components required for onsite
14 and offsite high pressure water supply network intended for fire suppression.
15
- 16 4. Low Pressure Water - includes, but is not limited to, main pipe, laterals, water meters,
17 water meter boxes, back flow preventers, gate valves, air valves, blow-offs, fire hydrants,
18 cathodic protection, tie-ins, and any other components required for onsite and offsite low
19 pressure water supply network intended for domestic use.
20
- 21 5. Non-Potable Water - includes, but is not limited to, main pipe, laterals, water meters,
22 water meter boxes, back flow preventers, gate valves, air valves, blow-offs, cathodic
23 protection, tie-ins, blackwater treatment facility (whether publicly or privately owned), and
24 any other components required for non-potable water supply network intended to provide
25

1 treated wastewater for use in, among other things, irrigation of parks, landscaping, and
2 non-potable uses within buildings.

3
4 6. Combined Sanitary Sewer and Stormwater Management– includes, but is not limited to,
5 retrofit of existing combined sewer facilities, new gravity main pipe, force main pipe and
6 associated valves, laterals, manholes, catch basins, traps, air vents, pump stations,
7 outfalls, lift stations, connections to existing systems, stormwater treatment BMPs such
8 as detention vaults, and any other components required for a network intended to convey
9 storm water and sanitary sewage, including components, such as ejector pumps,
10 associated with vertical buildings to meet design criteria for the Horizontal
11 Improvements.

12
13 7. Joint Trench & Dry Utilities – includes, but is not limited to, installation of primary and
14 secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, gas
15 main, and anodes for dry utilities including electrical, gas, telephone, cable, internet, and
16 information systems.

17
18 8. Earthwork and Retaining Walls – includes, but is not limited to, Site Preparation activities
19 including importation of clean fill materials, clearing and grubbing, slope stabilization,
20 ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock
21 fragmentation, grading, placement of fill, compaction, retaining walls, subdrainage,
22 erosion control, temporary fencing, and post-construction stabilization such as
23 hydroseeding. Also, includes, but is not limited to, excavation of future vertical
24 development sites if the excavated soils is used on site for purposes of raising Horizontal
25 Improvements.

1
2 9. Roadways – includes, but is not limited to, Public ROWs, road subgrade preparation,
3 aggregate base, concrete roadway base, asphalt wearing surface, concrete curb,
4 concrete gutter, medians, colored asphalt and concrete, pavers, speed bumps,
5 sawcutting, grinding, conform paving, resurfacing, any other components required for
6 onsite and offsite roadways, transit stops, bus facilities, permanent pavement marking
7 and striping, traffic control signage, traffic light signals, offsite traffic improvements, and
8 any other components or appurtenant features as required in the approved Improvement
9 Plan details and specifications. through the permitting process.

10
11 10. Streetscape – includes, but is not limited to, subgrade preparation, aggregate base,
12 sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole
13 foundations, signage, emergency services infrastructure, landscaping (including trees
14 and silva cells and/or structural soil), irrigation, street furniture, waste receptacles, bike
15 racks, shared bike parking facilities (whether publicly or privately owned), newspaper
16 stands, any other components or appurtenant features as required in the approved
17 Improvement Plan details and specifications through the permitting process, and
18 interpretative signage and facilities.

19
20 11. Parks and Public Space – includes, but is not limited to, fine grading, storm drainage and
21 treatment, sanitary sewer, low pressure water, park lighting, community wifi, security
22 infrastructure, low-voltage electrical, various hardscaping, irrigation, landscaping,
23 various concrete structures, site furnishings, public art, viewing platforms, retrofit of
24 shoreline structures and slopes (including demolition, excavation, installation of
25 revetment, structural repair, and any other components, e.g., Shoreline Improvements),

1 and any other associated work in publicly accessible spaces such as parks, open
2 spaces, plazas, and mid-block passages, including publicly-accessible parks, plazas,
3 mid-block passages and open space that is located on private property, but identified as
4 public open space, mid-block passages, streets or streetscapes in the DDA or Design
5 for Development.

6
7 12. Historic Rehabilitation Required for Horizontal Improvements – includes, but is not
8 limited to, eligible cost for relocation, structural retrofit, repair, and rehabilitation of historic
9 buildings associated with horizontal public improvements, such as Building 12 lifting,
10 Building 21 relocation, Building 108 reuse for blackwater treatment, and Building 15
11 structural frame.

12
13 13. Hazardous Soil Removal – includes, but is not limited to, removal and disposal of
14 contaminated soil which cannot be reused on site in accordance with the Pier 70 Risk
15 Management Plan, Pier 70 Master Plan Area, dated July 25, 2013, and associated with
16 Horizontal Improvements.

17
18 14. Shoreline Adaptation Studies - includes, but is not limited to, analysis and planning to
19 characterize the preferred Shoreline Protection Project and alternatives, including pre-
20 entitlement planning and design work, environmental review, negotiation, and
21 Regulatory Approvals related to the Shoreline Protection Facilities, conducted in
22 accordance with Pier 70 Financing Plan Section 4.7(f) (Determining Pier 70 Shoreline
23 Protection Facilities).

1 15. Shoreline Protection Facilities includes, but is not limited to, future waterfront
2 Improvements at the San Francisco shoreline to protect the area from perils associated
3 with seismic events and climate change, including sea level rise and floods, and other
4 public improvements approved by the Port Commission and the Board of Supervisors.

5
6 16. Noonan Replacement Space, a space to accommodate the Noonan Space Lease in a
7 new or rehabilitated building that meets the requirements of DDA § 7.13 (Noonan
8 Replacement Space) for which the Port has issued a Temporary Certificate of
9 Occupancy and Noonan moving costs related to relocating Noonan Tenants from the
10 existing Noonan Building to the Noonan Replacement Space.

11
12 17. Arts Building, a new building on Parcel E4 with space dedicated and restricted to
13 arts/light industrial uses in accordance with DDA § 7.12 (Arts Building) and the Arts
14 Program, as well as community space that can be funded under the Financing Plan.

15
16 18. Historic Building Feasibility Gap as specified in Financing Plan Section 11.1 (Subsidy for
17 Historic Buildings 12 and 21).

18 19. Deferred Infrastructure.

19
20 20. Entitlement costs, including Entitlement Costs and costs to obtain approvals necessary
21 to proceed with development, incurred after the Reference Date to develop
22 improvements authorized to be financed by the San Francisco Special Tax Financing
23 Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982
24 (Cal. Gov't Code Section 53311 et seq.), such as the cost to comply with the California
25 Environmental Quality Act, negotiate transaction documents, permitting of Horizontal

1 Improvements, subdivision mapping, conduct community outreach, and prepare
2 development design and land use requirements, but not expenses related to any
3 campaign or ballot measure or any other expenses prohibited by law. Entitlement costs
4 may include interim costs as approved from time to time by the Board of Supervisors.
5

6 21. Associated Public Benefits.
7

8 22. Miscellaneous Horizontal Development Costs - any other Horizontal Development Costs
9 associated with implementing the DDA and VDDA, including any additional costs that
10 the Parties agree shall be incurred by the Developer for the Project, including workforce
11 liaisons; studies and consultants required to comply with the DDA, such as auditors,
12 inspectors, attorneys and appraisers; replacement and rework costs, including repairs to
13 correct incidental damage that occurs throughout the course of construction and
14 restoration of roadway pavement in areas where there are trenches excavated after the
15 initial roadway is paved, and maintenance prior to acceptance by the City and/or Port.
16

17 23. Any other costs authorized to be financed by the STD under the DDA and VDDA.
18

19 24. Soft Costs required to support the construction of the Horizontal Improvements and
20 implementation of the DDA and VDDA, including developer management costs,
21 construction management Fees, and asset management costs.
22

23 25. Developer Mitigation Measures, including the formation of the Transportation
24 Management Association and dust, vibration and asbestos monitoring.
25

1 26. Miscellaneous Costs, such as costs associated with implementing the DDA and VDDA,
2 including any additional costs that the Parties have agreed shall be incurred by the
3 Developer for the Project, such as master planning for each phase, audits, appraisals,
4 workforce development costs (such as a liaison), cash payments and community
5 outreach initiatives.

6
7
8 Any facility authorized to be financed by the STD may be financed through the construction and
9 acquisition of the facility or through the payment of fees for such facility.

10
11 The facilities authorized to be financed may be located within or outside the boundaries of the
12 STD.

13
14 The facilities to be financed shall include all Hard Costs and Soft Costs associated with the
15 facilities, including the costs of the acquisition of land and rights-of-way, the costs of design,
16 engineering and planning, the costs of any environmental or traffic studies, surveys or other
17 reports, costs related to landscaping and irrigation, soils and other environmental testing and
18 observation, permits, plan check, and inspection fees, insurance, legal and related overhead
19 costs, bonding, trailer rental, utility bills, site security, coordination and supervision and any
20 other costs or appurtenances related to any of the foregoing as further defined in one or more
21 acquisition agreements with the developer of the property in the STD.

22
23 The facilities to be financed shall also include all incidental expenses, defined as follows:
24
25

1 (1) The cost of planning and designing facilities to be financed by the STD, including the cost
2 of environmental evaluations of those facilities.

3
4 (2) The costs associated with the creation of the STD, issuance of bonds, determination of the
5 amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order
6 to carry out the authorized purposes of the STD.

7
8 (3) Any other expenses incidental to the construction, completion, and inspection of the
9 authorized work, including costs for temporary facilities with a useful life of at least 3 years
10 that are required to construct an authorized facility.

11
12 (4) Special taxes levied on a property in the STD and paid by the Master Developer on behalf
13 of a local agency or other landowner prior to the development of the property.

14
15 The facilities to be financed also includes the interim cost of the facilities, which shall mean the
16 Developer Return or Port Return, as applicable, and any interest payable on any promissory
17 note payable to the STD.

18
19 The STD may also apply bond proceeds and special taxes to repay the Port Commission for
20 advances made to pay for authorized costs, under any promissory note or otherwise.

21
22 Special taxes may be collected and set-aside in designated funds and collected over several
23 years (i.e., reserves), and used to fund facilities authorized to be financed by the STD.

AUTHORIZED SERVICES

Special taxes collected in the STD may finance, in whole or in part, the services authorized to be financed by the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982 (Cal. Gov't Code Section 53311 et seq.), for the FC Project Area, and areas outside the FC Project Area, not including the 20th Street CFD, including:

- Maintenance, capital repair, replacement and operation (including public events) of Public Spaces, including facilities for public enjoyment, such as public parks, public recreational facilities, public access, open space, and other public amenities, some of which may be rooftop facilities or located on private property but identified as public open space in the DDA or Design for Development.
- Maintenance, capital repair, replacement and operation of Public Right-of-Ways (ROWs), including public streets, sidewalks, shared public ways, mid-block passages, bicycle lanes, and other paths of travel, associated landscaping and furnishings, retaining walls within the ROWs, and related amenities in the FC Project Area, including any portion of the Building 15 structure over 22nd Street, some of which may be located on private property but identified as public open space in the DDA or Design for Development.
- Maintenance, capital repair, replacement and operation of Shoreline Improvements in and adjacent to the FC Project Area that were completed per the DDA, such as shoreline restoration, including installation of stone columns, pilings, secant walls, and other

1 structures to stabilize the seawall or shoreline, removal of bay fill, creation of waterfront
2 public access to or environmental remediation of the San Francisco waterfront.

- 3
- 4 • Maintenance, capital repair, replacement and operation of landscaping and irrigation
5 systems and other equipment, material, and supplies directly related to maintaining and
6 replacing landscaped areas and water features in Public Spaces and Public ROWs.
- 7
- 8 • Maintenance, capital repair, replacement and operation as needed of Public Spaces,
9 including street cleaning and paving.
- 10
- 11 • Maintenance, capital repair, replacement and operation of lighting, rest rooms, trash
12 receptacles, park benches, planting containers, picnic tables, bollards, bicycle racks and
13 corrals, and other furniture and fixtures and signage in Public Spaces and Public ROWs.
- 14
- 15 • Maintenance, capital repair, replacement and operation of utilities in Public Spaces and
16 Public ROWs.
- 17
- 18 • General liability insurance for any Public ROWs or structures in Public ROWs that Public
19 Works does not submit to the Board of Supervisors for City acceptance for City General
20 Fund liability purposes and other commercially reasonable insurance coverages.
- 21
- 22 • Port, City, or third party personnel, administrative, and overhead costs related to
23 maintenance or to contracting for and managing third-party maintenance, including rent
24 for storage space needed to support the maintenance activities.
- 25 • Any other costs authorized to be financed by the STD under the DDA and VDDA.

1 Special taxes may be collected and set-aside in designated funds and collected over several
2 years (i.e., reserves), and used to fund services authorized to be financed by the STD. The term
3 “**operation**” includes providing security and hosting special events.
4

5 **INCIDENTAL COSTS**

6

7 Special taxes collected in the STD will also fund, in whole or in part, the incidental costs
8 associated with the facilities and services authorized to be financed. Incidental costs include,
9 but are not limited to:

- 10
- 11 1. Administrative expenses and fees including costs incurred to form the STD, to
12 annex territory to the STD, to annually administer the STD, to levy and collect
13 special taxes for the STD, and any other costs incurred in standard administration
14 of the STD by the City or their authorized consultants;
 - 15
 - 16 2. Any amounts needed to cure actual or estimated delinquencies in special taxes
17 for the current or previous fiscal years;
 - 18
 - 19 3. Bond related expenses, including underwriters discount, reserve fund, capitalized
20 interest, bond, disclosure, and underwriter counsel fees and all other incidental
21 expenses; and
 - 22
 - 23 4. Reimbursement of costs related to the formation of the STD advanced by the City
24 and any landowner(s) in the STD, or any party related to any of the foregoing, as
25 well as reimbursement of any costs advanced by the City or any landowner(s) in

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the STD or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the STD.

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EXHIBIT B

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2019-1
(Pier 70 Condominiums)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

Special Taxes applicable to each Taxable Parcel in the City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Taxable Parcels, as described below. All Taxable Parcels in the STD shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the STD.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“28-Acre Site” is defined in the Appendix.

“Administrative Expenses” means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City carrying out duties with respect to the STD and the Bonds, including, but not limited to, levying and collecting the Special Taxes, the fees and expenses of legal counsel, charges levied by the City, including the Controller’s Office, the Treasurer and Tax Collector’s Office, the City Attorney, and the Port, costs related to property

1 owner inquiries regarding the Special Taxes, costs associated with appeals or requests for
2 interpretation associated with the Special Taxes and this RMA, costs associated with
3 annexation of property into the STD, amounts needed to pay rebate to the federal government
4 with respect to the Bonds, costs associated with complying with any continuing disclosure
5 requirements for the City and any other major property owner (whether or not deemed to be an
6 obligated person), costs associated with foreclosure and collection of delinquent Special Taxes,
7 and all other costs and expenses of the City in any way related to the establishment or
8 administration of the STD.

9
10 **“Administrator”** means the Director of the Office of Public Finance or his/her designee who
11 shall be responsible for administering the Special Taxes according to this RMA.

12
13 **“Affordable Housing Project”** means a residential or primarily residential project, as
14 determined by the Review Authority, within which 100% of the residential units have a deed
15 restriction recorded on title of the property that (i) limits the rental rates on the units or (ii) in any
16 other way is intended to restrict the current or future value of the unit, as determined by the
17 Review Authority.

18
19 **“Airspace Parcel”** means a Taxable Parcel with an assigned Assessor’s Parcel number that
20 constitutes vertical space of an underlying land parcel.

21
22 **“Apartment Building”** means a residential or mixed-use building within which all of the
23 residential units are offered for rent to the general public and are not available for sale to or
24 ownership by individual homebuyers.

1 **“Appendix”** means the Appendix to Transaction Documents for the Pier 70 28-Acre Site
2 Project.

3
4 **“Arts Building Special Tax Bonds”** means any Bonds secured by the Arts Building Special
5 Taxes that are issued to pay Arts Building Costs.

6
7 **“Arts Building Costs”** means up to \$20 million in costs (or such other amount identified in the
8 Financing Plan) associated with the Arts Building, the Noonan Replacement Space and
9 community facilities allocated under the Financing Plan, and authorized to be financed by the
10 Arts Building Special Tax and Arts Building Special Tax Bonds by the Financing Plan and by
11 the formation proceedings for the STD and the Leased Properties STD No. 2019-2.

12
13 **“Arts Building Special Tax”** means a special tax levied in Tax Zone 2 in any Fiscal Year to
14 pay the Arts Building Special Tax Requirement.

15
16 **“Arts Building Special Tax Requirement”** means the amount necessary in any Fiscal Year
17 to pay: (i) pay principal and interest on Arts Building Special Tax Bonds that are due in the
18 calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Arts Building Special
19 Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate
20 payments; (iii) replenish reserve funds created for Arts Building Special Tax Bonds under the
21 applicable Indenture to the extent such replenishment has not been included in the computation
22 of the Arts Building Special Tax Requirement in a previous Fiscal Year; (iv) cure any
23 delinquencies in the payment of principal or interest on Arts Building Special Tax Bonds which
24 have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay other
25 obligations described in the Financing Plan; and (vii) pay directly for Arts Building Costs. The

1 amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by:
2 (a) interest earnings on or surplus balances in funds and accounts for the Arts Building Special
3 Tax Bonds to the extent that such earnings or balances are available to apply against such
4 costs pursuant to the applicable Indenture; (b) in the sole and absolute discretion of the Port,
5 proceeds received by the STD from the collection of penalties associated with delinquent Arts
6 Building Special Taxes; and (c) any other revenues available to pay such costs, as determined
7 by the Administrator, the City, and the Port.

8
9 **“Assessor’s Parcel”** or **“Parcel”** means a lot or parcel, including an Airspace Parcel, shown
10 on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

11
12 **“Assessor’s Parcel Map”** means an official map of the County Assessor designating Parcels
13 by Assessor’s Parcel number.

14
15 **“Association”** means a homeowners or property owners association, including any
16 master or sub-association, that provides services to, and collects dues, fees, or charges
17 from, property within the STD.

18
19
20 **“Association Square Footage”** means square footage within a building that is (i) on
21 property in the STD that is owned in fee or by easement by, or leased to, an Association, not
22 including any such property that is located directly under a residential structure, and (ii) used
23 for purposes of the Association and not leased or otherwise used for purposes that are not
24 part of the operation of the Association.

1 **“Authorized Expenditures”** means, separately with respect to the Facilities Special Tax, Arts
2 Building Special Tax, and Services Special Tax, those costs, facilities or public services
3 authorized to be funded by the applicable Special Taxes as set forth in the Financing Plan and
4 the documents adopted by the Board at STD Formation, as may be amended from time to time.

5
6 **“Base Arts Building Special Tax”** means, for any Square Footage Category in Tax Zone 2,
7 the per-square foot Arts Building Special Tax identified in Table 2 in Section C below.

8
9 **“Base Facilities Special Tax”** means, for any Square Footage Category, the per-square foot
10 Facilities Special Tax for Square Footage within such Square Footage Category, as identified
11 in Table 1 in Section C below.

12
13 **“Base Services Special Tax”** means, for any Square Footage Category, the per-square foot
14 Services Special Tax for Square Footage within such Square Footage Category, as identified
15 in Table 3 in Section C below.

16
17 **“Base Special Tax”** means:

18
19 *For Tax Zone 1:* collectively, the Base Facilities Special Tax and the Base Services
20 Special Tax, and

21
22 *For Tax Zone 2:* collectively, the Base Facilities Special Tax, the Base Arts Building
23 Special Tax, and the Base Services Special Tax.

24
25

1 **“Board”** means the Board of Supervisors of the City, acting as the legislative body of STD No.
2 2019-1.

3
4 **“Bond Sale”** means, for the Facilities Special Tax, issuance of any Facilities Special Tax Bonds
5 and, for the Arts Building Special Tax, issuance of any Arts Building Special Tax Bonds.

6
7 **“Bonds”** means bonds or other debt (as defined in the CFD Law), whether in one or more
8 series, that are issued or assumed by or for the STD to finance Authorized Expenditures
9 including any Arts Building Special Tax Bonds and Facilities Special Tax Bonds. The term
10 **“Bonds”** includes any promissory note executed by or on behalf of the STD for the benefit of the
11 Port.

12
13 **“Building Permit”** means a permit that is issued by the Port or the City that allows for
14 vertical construction of a building or buildings, including any addendum to a site permit, but
15 excluding a separate permit issued for construction of building foundations.

16
17 **“Capitalized Interest”** means funds in any capitalized interest account available to pay debt
18 service on Bonds.

19
20 **“Certificate of Occupancy”** means the first certificate, including any temporary certificate of
21 occupancy, issued by the Port or the City to confirm that a building or a portion of a building has
22 met all of the building codes and can be occupied for residential or non-residential use. For
23 purposes of this RMA, **“Certificate of Occupancy”** shall not include any certificate of occupancy
24 that was issued prior to January 1, 2018 for a building within the STD; however, any subsequent
25 certificates of occupancy that are issued for new construction or expansion of a building shall

1 be deemed a Certificate of Occupancy and the Special Taxes shall apply to the associated
2 Square Footage.

3
4 “**CFD Law**” means the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X),
5 which incorporates the Mello-Roos Community Facilities Act of 1982 (Cal. Gov’t Code §§
6 53311-53368).

7
8 “**City**” means the City and County of San Francisco, California.

9
10 “**County**” means the City and County of San Francisco, California.

11
12 “**DDA**” means the Disposition and Development Agreement between the Port and the
13 Developer, including all exhibits and attachments, as may be amended from time to time.

14
15 “**Deputy Director**” means the Deputy Director of Finance and Administration for the Port or
16 other such official that acts as the chief financial officer for the Port.

17
18 “**Developed Property**” means, in any Fiscal Year, the following:

19
20 **For Tax Zone 1:**

21
22 *For levy of the Facilities Special Tax:* all Taxable Parcels for which the 36-month
23 anniversary of the VDDA Execution Date has occurred in a preceding Fiscal Year,
24 regardless of whether a Building Permit has been issued.

1 *For levy of the Services Special Tax:* all Taxable Parcels for which a Certificate of
2 Occupancy was issued on or prior to June 30 of the preceding Fiscal Year, but not prior
3 to January 1, 2018.

4
5 **For Tax Zone 2:**

6
7 *For levy of the Facilities Special Tax and Arts Building Special Tax:* all Taxable Parcels
8 for which the 36-month anniversary of the VDDA Execution Date has occurred in a
9 preceding Fiscal Year, regardless of whether a Building Permit has been issued. For any
10 Taxable Parcel on which a structure is built and occupied without execution of a VDDA,
11 such Taxable Parcel shall be categorized as Developed Property in the Fiscal Year in
12 which a Certificate of Occupancy was issued on or prior to June 30 of the preceding
13 Fiscal Year.

14
15 *For levy of the Services Special Tax:* all Taxable Parcels for which a Certificate of
16 Occupancy was issued on or prior to June 30 of the preceding Fiscal Year, but not prior
17 to January 1, 2018.

18
19 **“Developer”** means FC Pier 70, LLC, or any successor or assign, as tenant under the Master
20 Lease.

21
22 **“Developer Private Agreement”** means all of the following: (i) the Developer has agreed
23 pursuant to Section 4.12(b)(2)(A) of the Financing Plan to pay the Facilities Special Tax on
24 Undeveloped Property of Vertical Developers; (ii) the Developer has entered into such a written
25 agreement with each Vertical Developer; and (iii) the San Francisco Port Commission has

1 agreed to the levy of a Facilities Special Tax on Undeveloped Property based on such
2 agreements.

3
4 **“Developer Public Agreement”** means all of the following: (i) the Developer has entered into
5 an agreement with the Port pursuant to Section 4.12(b)(2)(B) of the Financing Plan to pay the
6 Facilities Special Tax on Port-Owned Development Parcels; and (ii) the San Francisco Port
7 Commission has agreed to the levy of Facilities Special Taxes on the Port-Owned Development
8 Parcels.

9
10 **“Development Approval Documents”** means, collectively, the DDA, any Vertical DDAs, any
11 Final Maps, Review Authority approvals, condominium plans, or other such approved or
12 recorded document or plan that identifies the type of structure(s), acreage, or Square Footage
13 approved for development on Taxable Parcels.

14
15 **“Escalator”** means the lesser of the following: (i) the annual percentage increase, if any, in the
16 Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-Hayward
17 region (base years 1982-1984=100) published by the Bureau of Labor Statistics of the United
18 States Department of Labor, or, if such index is no longer published, a similar escalator that is
19 determined by the Port and City to be appropriate, and (ii) five percent (5%).

20
21 **“Estimated Base Arts Building Special Tax Revenues”** means, at any point in time, the
22 amount calculated by the Administrator by multiplying the Base Arts Building Special Tax by
23 Square Footage within each Square Footage Category proposed for development in Tax Zone
24 2 and, if applicable, in completed buildings on a Taxable Parcel in Tax Zone 2.

1 **“Estimated Base Facilities Special Tax Revenues”** means, at any point in time, the amount
2 calculated by the Administrator by multiplying the Base Facilities Special Tax by Square
3 Footage within each Square Footage Category proposed for development and, if applicable, in
4 completed buildings on a Taxable Parcel.

5
6 **“Exempt Association Square Footage”** means, prior to the First Bond Sale, any Association
7 Square Footage in or expected in a building on any Parcel of Developed Property. After the
8 First Bond Sale, “Exempt Association Square Footage” for any building on a Parcel of
9 Developed Property shall be the sum of the following, as determined by the Review Authority:

- 10
11 1. Square footage in or expected in the building that, at the time the Parcel became
12 Developed Property, was determined by the Review Authority to be reserved for
13 Association Square Footage; and
14
15 2. Square footage in or expected in the building that (i) exceeds the original Exempt
16 Association Square Footage determined when the Parcel became Developed Property,
17 and (ii) if exempted from Special Taxes, would not reduce coverage on outstanding
18 Bonds below the Required Coverage.

19
20 The Administrator and the Review Authority will maintain a record of the amount and location
21 of Exempt Association Square Footage within each building in the STD. If, in any Fiscal Year,
22 the Administrator determines that square footage that had been designated as Exempt
23 Association Square Footage no longer meets the definition set forth above, such square footage
24 shall be assigned by the Review Authority to the appropriate Square Footage Category and
25 taxed accordingly pursuant to this RMA.

1
2 **“Exempt Non-Residential Square Footage”** means any ground level retail uses within a
3 building that is otherwise comprised of Residential Square Footage, as reflected on the Building
4 Permit or Vertical DDA and as determined in the sole discretion of the Administrator and the
5 Port. If, in any Fiscal Year, the Administrator identifies Non-Residential Square Footage on a
6 ground level Parcel that had been taxed in the prior Fiscal Year based on Residential Square
7 Footage that had been constructed, or expected to be constructed, on the Parcel, the
8 Administrator will apply Section D.3 to determine if the Non-Residential Square Footage will be
9 Exempt Non-Residential Square Footage or Taxable Non-Residential Square Footage.

10
11 **“Expected Land Uses”** means the total Square Footage in each Square Footage Category
12 expected on each Planning Parcel in the STD. The Expected Land Uses at STD Formation are
13 identified in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

14
15 **“Expected Maximum Arts Building Special Tax Revenues”** means the aggregate Arts
16 Building Special Tax that can be levied based on application of the Base Arts Building Special
17 Tax to the Expected Land Uses in Tax Zone 2. The Expected Maximum Arts Building Special
18 Tax Revenues for each Planning Parcel in Tax Zone 2 at the time of STD Formation are shown
19 in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

20
21 **“Expected Maximum Facilities Special Tax Revenues”** means the aggregate Facilities
22 Special Tax that can be levied based on application of the Base Facilities Special Tax to the
23 Expected Land Uses. The Expected Maximum Facilities Special Tax Revenues for each
24 Planning Parcel at STD Formation are shown in Attachment 3 and may be revised pursuant to
25 Sections B, C, D, and E below.

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“Expected Taxable Property” means, in any Fiscal Year, any Parcel within the STD that: (i) pursuant to the Development Approval Documents, was expected to be a Taxable Parcel; (ii) is not a Port-Owned Development Parcel; (iii) based on the Expected Land Uses, was assigned Expected Maximum Facilities Special Tax Revenues or Expected Maximum Arts Building Special Tax Revenues; and (iv) subsequently falls within one or more of the categories that would otherwise be exempt from Special Taxes pursuant to Section H below.

“Facilities Special Tax” means a special tax levied in any Fiscal Year to pay the Facilities Special Tax Requirement.

“Facilities Special Tax Bonds” means any Bonds secured by Facilities Special Taxes.

“Facilities Special Tax Requirement” means the amount necessary in any Fiscal Year to pay: (i) pay principal and interest on Facilities Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Facilities Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Facilities Special Tax Bonds under the applicable Indenture to the extent such replenishment has not been included in the computation of the Facilities Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Facilities Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay other obligations described in the Financing Plan; and (vii) pay directly for Authorized Expenditures, so long as such levy under this clause (vii) does not increase the Facilities Special Tax levied on Undeveloped Property. The amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by: (a) interest

1 earnings on or surplus balances in funds and accounts for the Facilities Special Tax Bonds to
2 the extent that such earnings or balances are available to apply against such costs pursuant to
3 the applicable Indenture; (b) in the sole and absolute discretion of the Port, proceeds received
4 by the STD from the collection of penalties associated with delinquent Facilities Special Taxes;
5 and (c) any other revenues available to pay such costs, as determined by the Administrator, the
6 City, and the Port.

7
8 **“Final Map”** means a final map, or portion thereof, recorded by the County pursuant to the
9 Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates
10 individual lots on which Building Permits for new construction may be issued without further
11 subdivision.

12
13 **“Financing Plan”** means the Financing Plan attached as Exhibit C1 to, and incorporated into,
14 the DDA, as such plan may be amended or supplemented from time to time in accordance with
15 the terms of the DDA.

16
17 **“First Bond Sale”** means, for the Facilities Special Tax, a Bond Sale of the first series of
18 Facilities Special Tax Bonds, and, for the Arts Building Special Tax, a Bond Sale of the first
19 series of Arts Building Special Tax Bonds.

20
21 **“Fiscal Year”** means the period starting July 1 and ending on the following June 30.

22
23 **“For-Sale Residential Square Footage”** means the Square Footage within one or more For-
24 Sale Residential Units.

1 **“For-Sale Residential Unit”** means an individual Residential Unit that is not a Rental Unit.

2
3 **“Future Annexation Area”** means that geographic area that, at STD Formation, was
4 considered potential annexation area for the STD and which was, therefore, identified as “future
5 annexation area” on the recorded STD boundary map. Such designation does not mean that
6 any or all of the Future Annexation Area will annex into the STD, but should owners of property
7 designated as Future Annexation Area choose to annex, the annexation may be processed
8 pursuant to the annexation procedures in the CFD Law for territory included in a future
9 annexation area, as well as the procedures established by the Board.

10
11 **“Indenture”** means any indenture, fiscal agent agreement, resolution, or other instrument
12 pursuant to which Bonds are issued, as modified, amended, or supplemented from time to time,
13 and any instrument replacing or supplementing the same.

14
15 **“Land Use Change”** means a change to the Expected Land Uses after STD
16 Formation.

17
18 **“Leased Properties STD No. 2019-2”** means the City and County of San Francisco Special
19 Tax District No. 2019-2 (Pier 70 Leased Properties).

20
21 **“Master Lease”** means a lease for all or part of the 28-Acre Site that, with licenses for other
22 portions of Pier 70, allows the Developer to take possession of the FC Project Area (as defined
23 in the Appendix) and construct horizontal improvements approved under the DDA.

1 **“Maximum Arts Building Special Tax”** means the greatest amount of Arts Building Special
2 Tax that can be levied on a Taxable Parcel in Tax Zone 2 in any Fiscal Year determined in
3 accordance with Sections C, D, and E below.

4
5 **“Maximum Arts Building Special Tax Revenues”** means, at any point in time, the aggregate
6 Maximum Arts Building Special Tax that can be levied on all Taxable Parcels in Tax Zone 2.

7
8 **“Maximum Facilities Special Tax”** means the greatest amount of Facilities Special Tax that
9 can be levied on a Taxable Parcel in any Fiscal Year determined in accordance with Sections
10 C, D, and E below.

11
12 **“Maximum Facilities Special Tax Revenues”** means, at any point in time, the aggregate
13 Maximum Facilities Special Tax that can be levied on all Taxable Parcels.

14
15 **“Maximum Services Special Tax”** means the greatest amount of Services Special Tax that
16 can be levied on a Taxable Parcel in any Fiscal Year determined in accordance with Sections
17 C, D, and E below.

18
19 **“Maximum Services Special Tax Revenues”** means, at any point in time, the aggregate
20 Maximum Services Special Tax that can be levied on all Taxable Parcels.

21
22 **“Maximum Special Tax”** means, for any Taxable Parcel in Tax Zone 1 in any Fiscal Year, the
23 sum of the Maximum Facilities Special Tax and Maximum Services Special Tax. For any
24 Taxable Parcel in Tax Zone 2, “Maximum Special Tax” means in any Fiscal Year, the sum of
25

1 the Maximum Facilities Special Tax, Maximum Arts Building Special Tax, and Maximum
2 Services Special Tax.

3
4 **“Maximum Special Tax Revenues”** means, collectively, the Maximum Facilities Special Tax
5 Revenues, the Maximum Arts Building Special Tax Revenues, and the Maximum Services
6 Special Tax Revenues.

7
8 **“Non-Residential Square Footage”** means Square Footage that is or is expected to be space
9 within any structure or portion thereof intended or primarily suitable for, or accessory to,
10 occupancy by retail, office, commercial, or any other Square Footage in a building that does not
11 meet the definition of Residential Square Footage or Exempt Association Square Footage. The
12 Administrator, in conjunction with the Review Authority, shall make the final determination as to
13 the amount of Non-Residential Square Footage on any Taxable Parcel within the STD, and
14 such determination shall be conclusive and binding. Incidental retail or commercial uses in an
15 Affordable Housing Project that is not Expected Taxable Property shall be Exempt Non-
16 Residential Square Footage. Non-Residential Square Foot means a single square-foot unit of
17 Non-Residential Square Footage.

18
19 **“Planning Code”** means the Planning Code of the City and County of San Francisco, as it may
20 be amended from time to time.

21
22 **“Planning Parcel”** means a geographic area within the STD that, for planning and entitlement
23 purposes, has been designated as a separate Parcel with an alpha, numeric, or alpha-numeric
24 identifier to be used for reference until an Assessor’s Parcel is created and an Assessor’s Parcel
25

1 number is assigned. The Planning Parcels at STD Formation are identified in Attachment 1
2 hereto and may be revised pursuant to Sections D and E below.

3
4 **“Port”** means the Port of San Francisco.

5
6 **“Port-Owned Development Parcel”** means any Parcel of Undeveloped Property in the STD
7 that is anticipated to be developed by a Vertical Developer but which is, at the time of calculation
8 of a Special Tax levy, owned by the Port.

9
10 **“Proportionately”** means, for Developed Property, that the ratio of the actual
11 Services Special Tax levied in any Fiscal Year to the Maximum Services Special Tax
12 authorized to be levied in that Fiscal Year is equal for all Parcels of Developed Property in
13 the same zone. For Undeveloped Property, “Proportionately” means that the ratio of the
14 actual Facilities Special Tax levied to the Maximum Facilities Special Tax is equal for all
15 Parcels of Undeveloped Property in the same zone. For Expected Taxable Property,
16 “Proportionately” means that the ratio of the actual Facilities Special Tax and Arts Building
17 Special Tax levied to the Maximum Facilities Special Tax and Maximum Arts Building
18 Special Tax is equal for all Parcels of Expected Taxable Property in the same zone.

19
20 **“Public Property”** means any property within the boundaries of the STD that is owned by or
21 leased to the federal government, State of California, City, or public agency other than the Port.
22 Parcels of Public Property shall be taxed as Developed Property or Undeveloped Property, as
23 determined by the Administrator pursuant to the definitions set forth in this RMA.

1 **“Remainder Special Taxes”** means, as calculated between September 1st and December 31st
2 of any Fiscal Year, any Facilities Special Tax and Arts Building Special Tax revenues that were
3 collected in the prior Fiscal Year and were not needed to: (i) pay debt service on the applicable
4 Facilities Special Tax Bonds or Arts Building Special Tax Bonds that was due in the calendar
5 year that begins in the Fiscal Year in which the Remainder Special Taxes were levied; (ii) pay
6 periodic costs on the applicable Facilities Special Tax Bonds or Arts Building Special Tax
7 Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments
8 on such Facilities Special Tax Bonds or Arts Building Special Tax Bonds; (iii) replenish reserve
9 funds created for the applicable Facilities Special Tax Bonds or Arts Building Special Tax Bonds
10 under the Indenture; (iv) cure any delinquencies in the payment of principal or interest on the
11 applicable Facilities Special Tax Bonds or Arts Building Special Tax Bonds which have occurred
12 in the prior Fiscal Year; (v) pay other obligations described in the Financing Plan; or (vi) pay
13 Administrative Expenses that have been incurred, or are expected to be incurred, by the City
14 and Port prior to the receipt of additional Facilities Special Tax and Arts Building Special Tax
15 proceeds.

16
17 **“Rental Residential Square Footage”** means Square Footage that is or is expected to be
18 used for one or more of the following uses: (i) Rental Units; (ii) any type of group or student
19 housing that provides lodging for a week or more and may or may not have individual cooking
20 facilities, including but not limited to boarding houses, dormitories, housing operated by medical
21 institutions, and single room occupancy units; or (iii) a residential care facility that is not staffed
22 by licensed medical professionals. The Review Authority shall make the determination as to
23 the amount of Rental Residential Square Footage on a Taxable Parcel in the STD.

24
25 **“Rental Unit”** means a Residential Unit within an Apartment Building.

1
2 **“Required Coverage”** means (i) for Arts Building Special Tax Bonds, the amount by
3 which the Maximum Arts Building Special Tax Revenues must exceed the Arts Building
4 Special Tax Bond debt service and priority Administrative Expenses (if any), as set forth in
5 the applicable Indenture, Certificate of Special Tax Consultant, or other STD Formation
6 Proceedings or Bond document that identifies the minimum required debt service coverage;
7 and (ii) for Facilities Special Tax Bonds, the amount by which the Maximum Facilities Special
8 Tax Revenues must exceed the Facilities Special Tax Bond debt service and priority
9 Administrative Expenses (if any), as set forth in the applicable Indenture, Certificate of
10 Special Tax Consultant, or other STD Formation Proceedings or Bond document that
11 identifies the minimum required debt service coverage.

12
13 **“Residential Square Footage”** means, collectively, For-Sale Residential Square Footage and
14 Rental Residential Square Footage. Residential Square Foot means a single square-foot unit
15 of Residential Square Footage.

16
17 **“Residential Unit”** means a room or suite of two or more rooms that is designed for residential
18 occupancy for 32 consecutive days or more, including provisions for sleeping, eating and
19 sanitation. “Residential Unit” includes, but is not limited to, an individual townhome,
20 condominium, flat, apartment, or loft unit, and individual units within a senior or assisted living
21 facility.

22
23 **“Review Authority”** means the Deputy Director of Real Estate & Development for the Port or
24 an alternate designee from the Port or the City who is responsible for approvals and
25 entitlements of a development project.

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“**RMA**” means this Rate and Method of Apportionment of Special Taxes.

“**Services Special Tax**” means a special tax levied in any Fiscal Year to pay the Services Special Tax Requirement.

“**Services Special Tax Requirement**” means the amount necessary in any Fiscal Year to: (i) pay the costs of operations and maintenance or other public services that are included as Authorized Expenditures; (ii) cure delinquencies in the payment of Services Special Taxes in the prior Fiscal Year; and (iii) pay Administrative Expenses.

“**Special Taxes**” means:

For Tax Zone 1: the Facilities Special Tax and Services Special Tax.

For Tax Zone 2: the Facilities Special Tax, Arts Building Special Tax, and Services Special Tax.

“**Square Footage**” means: (i) for Rental Residential Square Footage and Non-Residential Square Footage, the net rentable, net leasable, and net saleable square footage on a Taxable Parcel, as determined by the Review Authority in conjunction with the Vertical Developer; (ii) for For-Sale Residential Square Footage, the square footage of each individual Residential Unit, as reflected on a condominium plan, site plan, or Building Permit, provided by the Vertical Developer or the Port, or expected pursuant to Development Approval Documents, and (iii) for Association Square Footage, the net rentable, net leasable, and net saleable square footage in

1 a building on a Taxable Parcel owned by or leased to an Association. If a Building Permit is
2 issued that will increase the Square Footage on any Parcel, the Administrator shall, in the first
3 Fiscal Year after the final Building Permit inspection has been conducted in association with
4 such expansion, work with the Review Authority to recalculate (i) the Square Footage on the
5 Taxable Parcel, and (ii) the Maximum Special Taxes for the Parcel based on the increased
6 Square Footage. The final determination of Square Footage for each Square Footage Category
7 on each Taxable Parcel shall be made by the Review Authority.

8
9 **“Square Footage Category”** means, individually, Non-Residential Square Footage or
10 Residential Square Footage.

11
12 **“STD”** or **“STD No. 2019-1”** means the City and County of San Francisco Special Tax District
13 No. 2019-1 (Pier 70 Condominiums).

14
15 **“STD Formation”** means the date on which the Board approved documents to form
16 the STD.

17
18 **“STD Formation Proceedings”** means the proceedings to form the STD, including all
19 resolutions, reports, and notices.

20
21 **“Tax-Exempt Port Parcels”** means Port-owned parcels that are or are intended to be used as
22 streets, walkways, alleys, rights of way, parks, or open space.

1 **“Tax Zone”** means a separate and distinct geographic area in the STD within which one or
2 more Special Taxes are applied at a rate or in a manner that is different than in other areas
3 within the STD. The two Tax Zones at STD Formation are identified in Attachment 2 hereto.
4

5 **“Taxable Association Square Footage”** means any Association Square Footage in a building
6 that does not meet the definition of Exempt Association Square Footage. Taxable Association
7 Square Footage shall be assigned by the Review Authority to the appropriate Square Footage
8 Category and taxed accordingly pursuant to this RMA.
9

10 **“Taxable Non-Residential Square Footage”** means any Non-Residential Square Footage in
11 a building that does not meet the definition of Exempt Non-Residential Square Footage.
12

13 **“Taxable Parcel”** means any Parcel within the STD that is not exempt from Special Taxes
14 pursuant to law or Section H below.
15

16 **“Transition Event”** shall be deemed to have occurred when the Administrator determines that:
17 (i) all Arts Building Special Tax Bonds secured by the levy and collection of Arts Building Special
18 Taxes in Tax Zone 2 have been fully repaid or there are sufficient revenues available to fully
19 repay the Arts Building Special Tax Bonds in funds and accounts that, pursuant to the applicable
20 Indenture, will require such revenues to be applied to repay the Arts Building Special Tax
21 Bonds; (ii) all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to
22 the City; and (iii) the proportional share of Arts Building Costs allocated to Tax Zone 2 have
23 been paid, as determined by the Port.
24
25

1 **“Transition Year”** means the first Fiscal Year in which the Administrator determines that the
2 Transition Event occurred in the prior Fiscal Year.

3
4 **“Undeveloped Property”** means, in any Fiscal Year, all Taxable Parcels that are not
5 Developed Property, or Expected Taxable Property.

6
7 **“VDDA Execution Date”** means the date on which a Vertical DDA was executed between the
8 Port and a Vertical Developer.

9
10 **“Vertical DDA”** means, for a Taxable Parcel, an executed Vertical Disposition and
11 Development Agreement between the Port and a Vertical Developer.

12
13 **“Vertical Developer”** means a developer that has entered into a Vertical DDA for construction
14 of vertical improvements on a Taxable Parcel.

15
16
17 **B. DATA FOR STD ADMINISTRATION**

18
19 On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor’s
20 Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether
21 each Taxable Parcel is Developed Property, Undeveloped Property (including Port-Owned
22 Development Parcels), or Expected Taxable Property; (ii) the Planning Parcel and Tax Zone
23 within which each Assessor’s Parcel is located; (iii) for Developed Property, the For-Sale
24 Residential Square Footage, Rental Residential Square Footage, Exempt Non-Residential
25 Square Footage, Taxable Non-Residential Square Footage, Exempt Association Square

1 Footage, and Taxable Association Square Footage on each Parcel; (iv) the appropriate Square
2 Footage Category into which any Taxable Association Square Footage should be assigned,
3 and (v) the Facilities Special Tax Requirement, Arts Building Special Tax Requirement, and
4 Services Special Tax Requirement for the Fiscal Year.

5
6 The Administrator shall also: (i) coordinate with the Deputy Director to determine whether the
7 Transition Event occurred in the prior Fiscal Year; (ii) coordinate with the Treasurer-Tax
8 Collector's Office to determine if there have been any Special Tax delinquencies or repayment
9 of Special Tax delinquencies in prior Fiscal Years; (iii) in consultation with the Review Authority,
10 review the Development Approval Documents and communicate with the Developer and
11 Vertical Developers regarding proposed Land Use Changes; and (iv) upon each annexation,
12 Land Use Change, and notification of executed Vertical DDAs, update Attachment 3 to reflect
13 the then-current Expected Land Uses, Expected Maximum Facilities Special Tax Revenues and
14 Expected Maximum Arts Building Special Tax Revenues. The Developer, Port, and Vertical
15 Developer shall notify the Administrator each time a Vertical DDA is executed in order for the
16 Administrator to keep track of VDDA Execution Dates for each Vertical DDA.

17
18 In any Fiscal Year, if it is determined that (i) a parcel map or condominium plan was recorded
19 after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not
20 incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the
21 map or plan was recorded, the Assessor does not yet recognize the newly-created Parcels, and
22 (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the
23 Administrator shall calculate the Special Taxes for the property affected by recordation of the
24 map or plan by determining the Special Taxes that applies separately to each newly-created
25

1 Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided
2 by recordation of the parcel map or condominium plan.

3
4
5 **C. MAXIMUM SPECIAL TAXES**

6
7 In calculating Maximum Special Taxes pursuant to this Section C, in any Fiscal Year in which
8 the boundaries of the Planning Parcels are not identical to the boundaries of the then-current
9 Assessor's Parcels, the Administrator shall review the Expected Land Uses for each Planning
10 Parcel and assign the Maximum Special Taxes to the then-current Assessor's Parcels. The
11 Maximum Special Tax Revenues after such allocation shall not be less than the Maximum
12 Special Tax Revenues prior to the allocation.

13
14 **1. *Undeveloped Property***

15
16 **1a. *Facilities Special Tax***

17
18 The Maximum Facilities Special Tax for Undeveloped Property in all Tax Zones shall be
19 the Expected Maximum Facilities Special Tax Revenues shown in Attachment 3 of this
20 RMA, as it may be amended as set forth herein.

1 **1b. Arts Building Special Tax and Services Special Tax**

2
3 No Arts Building Special Tax or Services Special Tax shall be levied on Parcels of
4 Undeveloped Property in any Tax Zone within the STD.

5
6 **2. Developed Property**

7
8 **2a. Facilities Special Tax**

9
10 When a Taxable Parcel (or multiple Taxable Parcels within a building) becomes
11 Developed Property, the Administrator shall use the Base Facilities Special Taxes
12 shown in Table 1 below and apply the steps set forth in this Section 2a to determine
13 the Maximum Facilities Special Tax for the Parcel(s):

14
15 *Step 1.* The Administrator shall review the Building Permit, Certificate of
16 Occupancy, Vertical DDA, condominium plan, architectural drawings,
17 Development Approval Documents, information provided by the Developer,
18 or Vertical Developer, and any other documents or data that estimate or
19 identify the Residential Square Footage or Non-Residential Square Footage
20 anticipated on the Taxable Parcel(s).

21
22 *Step 2.* Using the information from Step 1:

- 23
24 ▪ Based on the Tax Zone in which the Taxable Parcel(s) is located, multiply
25 the applicable Base Facilities Special Tax from Table 1 for Residential

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Square Footage by the total Residential Square Footage expected within each building on the Taxable Parcel(s).

- Based on the Tax Zone in which the Taxable Parcel(s) is located, multiply the applicable Base Facilities Special Tax from Table 1 for Taxable Non-Residential Square Footage by the total Taxable Non-Residential Square Footage expected within each building on the Taxable Parcel(s).

- If, based on the Expected Land Uses, the Administrator determines that there is Expected Taxable Property within any building, multiply the applicable Base Facilities Special Tax from Table 1 based on what had been anticipated on the Expected Taxable Property by the Square Footage of the Expected Land Uses for that Expected Taxable Property.

Prior to the First Bond Sale, the Maximum Facilities Special Tax for the Taxable Parcel(s) shall be the sum of the amounts calculated above, and Steps 3 and 4 below shall not apply.

After the First Bond Sale, the Administrator shall apply Steps 3 and 4 to determine the Maximum Facilities Special Tax for the Taxable Parcel(s).

Step 3. Sum the amounts calculated in Step 2 to determine the Estimated Base Facilities Special Tax Revenues for the Taxable Parcel(s).

1 Step 4. Compare the Estimated Base Facilities Special Tax Revenues from Step 3
2 to the Expected Maximum Facilities Special Tax Revenues, and apply one
3 of the following, as applicable:
4

5 ■ *If the Estimated Base Facilities Special Tax Revenues are: (i) greater than
6 or equal to the Expected Maximum Facilities Special Tax Revenues or (ii)
7 less than the Expected Maximum Facilities Special Tax Revenues, but the
8 Maximum Facilities Special Tax Revenues, assuming the same land uses
9 that went into the calculation of the Estimated Base Facilities Special Tax
10 Revenues, are still sufficient to provide Required Coverage, then the
11 Maximum Facilities Special Tax for the Taxable Parcel(s) shall be
12 determined by multiplying the applicable Base Facilities Special Taxes by
13 the Square Footage of each Square Footage Category expected within
14 the building(s) on the Taxable Parcel(s). The Administrator shall update
15 Attachment 3 to reflect the adjusted Expected Maximum Facilities Special
16 Tax Revenues and the new Maximum Facilities Special Tax Revenues.*

17
18 ■ *If the Estimated Base Facilities Special Tax Revenues are less than the
19 Expected Maximum Facilities Special Tax Revenues, and the Maximum
20 Facilities Special Tax Revenues, assuming the same land uses that went
21 into the calculation of the Estimated Base Facilities Special Tax
22 Revenues, are insufficient to provide Required Coverage, then the Base
23 Facilities Special Taxes that were applied in Step 4 shall be increased
24 proportionately until the amount that can be levied on the Taxable
25 Parcel(s), combined with the Expected Maximum Facilities Special Tax*

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Revenues from other Planning Parcels in the STD, is sufficient to maintain Required Coverage; provided, however, such increase cannot exceed, in the aggregate, the amount by which Expected Maximum Facilities Special Tax Revenues from the Taxable Parcel exceeds the Estimated Base Facilities Special Tax Revenues from the Taxable Parcel(s).

After proportionately increasing the Base Facilities Special Taxes to an amount that will maintain Required Coverage, the Administrator shall use the adjusted per-square foot rates to calculate the Maximum Facilities Special Tax for each Taxable Parcel for which the increased Base Facilities Special Tax was determined to be necessary pursuant to this Step 4. The Administrator shall also revise Attachment 3 to reflect the new Expected Maximum Facilities Special Tax Revenues.

Table 1 Base Facilities Special Tax		
Square Footage Category	Base Facilities Special Tax in Tax Zone 1 (FY 2019-20) *	Base Facilities Special Tax in Tax Zone 2 (FY 2019-20) *
Residential Square Footage	\$5.22 per Residential Square Foot	\$4.89 per Residential Square Foot
Taxable Non-Residential Square Footage	\$5.22 per Non-Residential Square Foot	\$4.89 per Non-Residential Square Foot

* The Base Facilities Special Taxes shown above shall be escalated as set forth in Section D.1.

Unless and until individual Assessor's Parcels are created for Non-Residential Square Footage and Residential Square Footage within a building, the Administrator shall sum the Facilities Special Tax that, pursuant to Section F below, would be levied on all land uses on a Taxable Parcel and levy this aggregate Facilities Special Tax amount on the Taxable Parcel.

If, in any Fiscal Year, the Maximum Facilities Special Tax is determined for any Parcels of Developed Property for which a Building Permit had not yet been issued and, if, when a Building Permit is issued on the Parcel, the Residential Square Footage or Non-Residential Square Footage is different than the Residential Square Footage or Non-Residential Square Footage that was used to determine the Maximum Facilities Special Tax, then the Administrator shall once again apply Steps 1 through 4 in this Section C.2a to recalculate the Maximum Facilities Special Tax for the Parcel based on the Residential Square Footage or Non-Residential Square Footage that was

1 determined when the Building Permit was issued. The Administrator shall do a final
2 check of the Residential Square Footage and Non-Residential Square Footage for the
3 Parcel when a Certificate of Occupancy is issued. Once again, if the Residential
4 Square Footage or Non-Residential Square Footage is different than the Residential
5 Square Footage or Non-Residential Square Footage that was used to determine the
6 Maximum Facilities Special Tax after the Building Permit was issued, then the
7 Administrator shall apply Steps 1 through 4 in this Section C.2a to recalculate the
8 Maximum Facilities Special Tax for the Parcel.

9
10 **2b. Arts Building Special Tax**

11
12 Prior to the Transition Year, when a Taxable Parcel (or multiple Taxable Parcels within
13 a building) in Tax Zone 2 becomes Developed Property, the Administrator shall use the
14 Base Arts Building Special Taxes shown in Table 2 below and apply the steps set forth
15 in this Section 2b to determine the Maximum Arts Building Special Tax for the Taxable
16 Parcel(s). No Arts Building Special Tax shall be levied on Parcels in Tax Zone 1.

Table 2 Base Arts Building Special Tax in Tax Zone 2		
Square Footage Category	Base Arts Building Special Tax in Tax Zone 2 Before the Transition Year (FY 2019-20) *	Base Arts Building Special Tax in Tax Zone 2 in and After the Transition Year (FY 2019-20) *
Residential Square Footage	\$0.66 per Residential Square Foot	\$0.00 per Residential Square Foot
Taxable Non-Residential Square Footage	\$0.66 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

* The Base Arts Building Special Taxes shown above shall be escalated as set forth in Section D.1.

Step 1. The Administrator shall review the Building Permit, Certificate of Occupancy, Vertical DDA, condominium plan, architectural drawings, Development Approval Documents, information provided by the Port, Developer or Vertical Developer, and any other documents or data that estimate or identify the Square Footage within each Square Footage Category to determine Residential Square Footage or Non-Residential Square Footage anticipated within each building on the Taxable Parcel(s).

Step 2. Using the information from Step 1:

- For Tax Zone 2 only, multiply the applicable Base Arts Building Special Tax from Table 2 for Residential Square Footage by the total Residential Square Footage expected within each building on the Taxable Parcel(s).

- 1 ▪ For Tax Zone 2 only, multiply the applicable Base Arts Building Special
2 Tax from Table 2 for Taxable Non-Residential Square Footage by the total
3 Taxable Non-Residential Square Footage expected on the Taxable
4 Parcel(s).
- 5
- 6 ▪ If, based on the Expected Land Uses, the Administrator determines that
7 there is Expected Taxable Property within the building(s) in Tax Zone 2,
8 multiply the applicable Base Arts Building Special Tax from Table 2 based
9 on what had been anticipated on the Expected Taxable Property by the
10 Square Footage of the Expected Land Uses within each building.

11

12 Prior to the First Bond Sale, the Maximum Arts Building Special Tax for the
13 Taxable Parcel(s) shall be the sum of the amounts calculated above, and
14 Steps 3 and 4 below shall not apply.

15

16 After the First Bond Sale, the Administrator shall apply Steps 3 and 4 to
17 determine the Maximum Arts Building Special Tax for the Taxable
18 Parcel(s).

19

20 *Step 3.* Sum the amounts calculated in Step 2 to determine the Estimated Base
21 Arts Building Special Tax Revenues for the Taxable Parcel(s).

22

23 *Step 4.* Compare the Estimated Base Arts Building Special Tax Revenues from
24 Step 3 to the Expected Maximum Arts Building Special Tax Revenues, and
25 apply one of the following, as applicable:

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▪ *If the Estimated Base Arts Building Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Arts Building Special Tax Revenues or (ii) less than the Expected Maximum Arts Building Special Tax Revenues, but the Maximum Arts Building Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Arts Building Special Tax Revenues, are still sufficient to provide Required Coverage, then the Maximum Arts Building Special Tax for each Taxable Parcel shall be determined by multiplying the applicable Base Arts Building Special Taxes by the Square Footage of each Square Footage Category expected within the building(s) on the Taxable Parcel(s). The Administrator shall update Attachment 3 to reflect the adjusted Expected Maximum Arts Building Special Tax Revenues and the new Maximum Arts Building Special Tax Revenues.*

▪ *If the Estimated Base Arts Building Special Tax Revenues are less than the Expected Maximum Arts Building Special Tax Revenues, and the Maximum Arts Building Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Arts Building Special Tax Revenues, are insufficient to provide Required Coverage, then the Base Arts Building Special Taxes that were applied in Step 4 shall be increased proportionately until the amount that can be levied on the Taxable Parcel(s), combined with the Expected Maximum Arts Building Special Tax Revenues from other Planning Parcels in the STD, is sufficient to maintain Required Coverage; provided, however, such*

1 increase cannot exceed, in the aggregate, the amount by which Expected
2 Maximum Arts Building Special Tax Revenues from the Taxable Parcel
3 exceeds the Estimated Base Arts Building Special Tax Revenues from
4 the Taxable Parcel(s).

5
6 After proportionately increasing the Base Arts Building Special Taxes to
7 an amount that will maintain Required Coverage, the Administrator shall
8 use the adjusted per-square foot rates to calculate the Maximum Arts
9 Building Special Tax for each Taxable Parcel for which the increased
10 Base Arts Building Special Tax was determined to be necessary
11 pursuant to this Step 4. The Administrator shall also revise Attachment
12 3 to reflect the new Expected Maximum Arts Building Special Tax
13 Revenues.

14
15 Unless and until individual Assessor's Parcels are created for Non-Residential Square
16 Footage and Residential Square Footage within a building, the Administrator shall sum
17 the Arts Building Special Tax that, pursuant to Section F below, would be levied on all
18 land uses on a Parcel and levy this aggregate Arts Building Special Tax amount on the
19 Parcel.

20
21 If, in any Fiscal Year, the Maximum Arts Building Special Tax is determined for any
22 Parcels of Developed Property for which a Building Permit had not yet been issued
23 and, if, when a Building Permit is issued on the Parcel, the Residential Square Footage
24 or Non-Residential Square Footage is different than the Residential Square Footage or
25 Non-Residential Square Footage that was used to determine the Maximum Arts

1 Building Special Tax, then the Administrator shall once again apply Steps 1 through 4
2 in this Section C.2b to recalculate the Maximum Arts Building Special Tax for the
3 Parcel(s) based on the Residential Square Footage or Non-Residential Square
4 Footage that was determined when the Building Permit was issued. The Administrator
5 shall do a final check of the Residential Square Footage and Non-Residential Square
6 Footage within the building when a Certificate of Occupancy is issued. Once again, if
7 the Residential Square Footage or Non-Residential Square Footage is different than
8 the Residential Square Footage or Non-Residential Square Footage that was used to
9 determine the Maximum Arts Building Special Tax after the Building Permit was issued,
10 then the Administrator shall apply Steps 1 through 4 in this Section C.2b to recalculate
11 the Maximum Arts Building Special Tax for the Parcel.

12
13 If one or more Building Permits have been issued for development of structures on a
14 Taxable Parcel, and additional structures are anticipated to be built on the Taxable
15 Parcel as shown in the Development Approval Documents, the Administrator shall,
16 regardless of the definitions set forth herein, categorize the buildings for which Building
17 Permits have been issued as Developed Property and, if the 36-month anniversary of
18 the VDDA Execution Date has not occurred in a previous Fiscal Year, any remaining
19 buildings for which Building Permits have not yet been issued shall not be subject to the
20 Arts Building Special Tax until either: (i) a Building Permit is issued for such remaining
21 buildings, or (ii) the Fiscal Year in which the 36-month anniversary of the VDDA
22 Execution Date. To determine the Arts Building Special Tax for any such Parcel, the
23 Administrator shall take the sum of the Arts Building Special Taxes determined for each
24 building.

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2c. Services Special Tax

Upon issuance of the first Certificate of Occupancy for a building on a Taxable Parcel, the Administrator shall reference Table 3 and apply the steps below to determine the Maximum Services Special Tax for the Parcel:

Table 3 Base Services Special Tax			
Square Footage Category	Base Services Special Tax in Tax Zone 1 (FY 2019-20)*	Base Services Special Tax in Tax Zone 2 Before the Transition Year (FY 2019-20) *	Base Services Special Tax in Tax Zone 2 In and After the Transition Year (FY 2019-20) *
Residential Square Footage	\$1.68 per Residential Square Foot	\$1.34 per Residential Square Foot	\$2.02 per Residential Square Foot
Taxable Non-Residential Square Footage	\$1.68 per Non-Residential Square Foot	\$1.34 per Non-Residential Square Foot	\$2.02 per Non-Residential Square Foot

*** The Base Services Special Tax for each Tax Zone shown above shall be escalated as set forth in Section D.2.**

Step 1. Review the Certificate of Occupancy, Building Permit, Vertical DDA, condominium plan, Development Approval Documents, architectural drawings, information provided by the Port, Developer or Vertical Developer, and coordinate with the Review Authority to determine the Residential

1 Square Footage and Non-Residential Square Footage anticipated within
2 each building.

3
4 *Step 2.* Using the information from Step 1:

- 5
- 6 ■ After consideration of the Tax Zone for the building and the Transition
7 Year, multiply the applicable Base Services Special Tax from Table 3 for
8 Residential Square Footage by the total Residential Square Footage
9 within each building.

 - 10
 - 11 ■ Based on the Tax Zone in which the building is located and the Transition
12 Year, multiply the applicable Base Services Special Tax from Table 3 for
13 Taxable Non-Residential Square Footage by the total Taxable Non-
14 Residential Square Footage expected in the building.
- 15

16 The Maximum Services Special Tax for the Parcel shall be the sum of the amounts
17 calculated pursuant to this Step 2.

18

19 If additional structures are anticipated to be built on the Parcel as shown in the
20 Development Approval Documents, the Administrator shall, regardless of the definitions
21 set forth herein, categorize each building for which a Certificate of Occupancy has been
22 issued as Developed Property, and any remaining buildings for which Certificates of
23 Occupancy have not yet been issued shall not be subject to a Services Special Tax until
24 a Certificate of Occupancy is issued for such remaining buildings. To determine the
25

1 Services Special Tax for any such Parcel, the Administrator shall take the sum of the
2 Services Special Taxes determined for each building.

3
4 **3. *Expected Taxable Property***

5
6 Depending on the Tax Zone in which a Parcel of Expected Taxable Property is located, the
7 Maximum Facilities Special Tax and, if applicable, Maximum Arts Building Special Tax assigned
8 to the Parcel shall be the Expected Maximum Facilities Special Tax Revenues and, if applicable,
9 Expected Maximum Arts Building Special Tax Revenues that were assigned to the Parcel (as
10 determined by the Administrator) based on the Expected Land Uses prior to the Administrator
11 determining that such Parcel had become Expected Taxable Property. In the Transition Year
12 and each Fiscal Year thereafter, no Arts Building Special Tax shall be levied on Expected
13 Taxable Property.

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16 **D. CHANGES TO THE MAXIMUM SPECIAL TAXES**

17
18 **1. *Annual Escalation of Facilities Special Tax and Arts Building Special Tax***

19
20 Beginning July 1, 2020 and each July 1 thereafter, each of the following amounts shall
21 be increased by 2% of the amount in effect in the prior Fiscal Year: the Base Facilities Special
22 Tax for each Tax Zone in Table 1; the Base Arts Building Special Tax for Tax Zone 2 in Table
23 2; the Expected Maximum Facilities Special Tax Revenues in Attachment 3, the Expected
24 Maximum Arts Building Special Tax Revenues in Attachment 3, and the Maximum Facilities
25 Special Tax and Maximum Arts Building Special Tax assigned to each Taxable Parcel.

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2. Annual Escalation of Services Special Tax

Beginning July 1, 2020 and each July 1 thereafter, the Base Services Special Tax for each Tax Zone in Table 3 and the Maximum Services Special Tax assigned to each Taxable Parcel shall be adjusted by the Escalator.

3. Changes in Square Footage Category on a Parcel of Developed Property

If any Parcel that had been taxed as Developed Property in a prior Fiscal Year is rezoned or otherwise has a Land Use Change, the Administrator shall, separately for each of the Special Taxes, multiply the applicable Base Special Tax by the total Residential Square Footage and Taxable Non-Residential Square Footage on the Parcel after the Land Use Change; if the First Bond Sale has not yet occurred, the combined amount of the applicable Special Taxes shall be the Maximum Special Tax for the Parcel. If the First Bond Sale has taken place, the Administrator shall apply the remainder of this Section D.3.

If the Maximum Special Tax that would apply to the Parcel after the Land Use Change is greater than the Maximum Special Tax that applied to the Parcel prior to the Land Use Change, the Administrator shall increase the Maximum Special Tax for the Parcel to the amount calculated based on the Land Use Change. If the Maximum Special Tax after the Land Use Change is less than the Maximum Special Tax that applied prior to the Land Use Change, there shall be no change to the Maximum Special Tax for the Parcel. Under no circumstances shall the Maximum Special Tax on any Parcel of Developed Property be reduced, regardless of changes

1 in Square Footage Category or Square Footage on the Parcel, including reductions in Square
2 Footage that may occur due to demolition, fire, water damage, or acts of God.

3
4 **4. *Changes to Planning Parcels and Expected Land Uses***

5
6 If, at any time prior to the First Bond Sale, the Developer or a Vertical Developer makes changes
7 to the boundaries of the Planning Parcels or the Expected Land Uses within one or more
8 Planning Parcels, the Administrator shall update the Expected Land Uses and Expected
9 Maximum Facilities Special Tax Revenues and Expected Maximum Arts Building Special Tax
10 Revenues, which will be reflected on an updated Attachment 3. In addition, the Administrator
11 will request updated Attachments 1 and 2 from the Developer.

12
13 If, after the First Bond Sale, the Developer or a Vertical Developer proposes to make changes
14 to the boundaries of the Planning Parcels or the Expected Land Uses within one or more
15 Planning Parcels, the Administrator shall meet with the Port, Developer, and any affected
16 Vertical Developers to review the proposed changes and evaluate the impact on the Expected
17 Maximum Facilities Special Tax Revenues and Expected Maximum Arts Building Special Tax
18 Revenues. If the Administrator determines that such changes will not reduce Required
19 Coverage on Bonds that have been issued, the Port will decide whether to allow the proposed
20 changes and corresponding redistribution of the Maximum Facilities Special Tax Revenues and
21 Maximum Arts Building Special Tax Revenues. If such changes are permitted, the
22 Administrator will update Attachment 3 and request updated Attachments 1 and 2 from the
23 Developer. If the Administrator determines that the proposed changes will reduce Required
24 Coverage on Bonds that have been issued, the Port will not permit the changes.

1 **5. *Reduction in Maximum Facilities Special Taxes Prior to First Bond Sale***

2
3 Prior to the First Bond Sale, as set forth in the Financing Plan, the Port, Developer, and any
4 affected Vertical Developer in Tax Zone 1 may agree to a proportional or disproportional
5 reduction in the Base Facilities Special Tax. If the parties agree to such a reduction, the Port
6 will direct the Administrator to use the reduced Base Facilities Special Tax for purposes of
7 levying the taxes pursuant to this RMA, and such reduction shall be codified by recordation of
8 an amended Notice of Special Tax Lien against all Taxable Parcels within the STD. The
9 reduction shall be made without a vote of the qualified STD electors.

10
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12 **E. ANNEXATIONS**

13
14 If, in any Fiscal Year, a property owner within the Future Annexation Area wants to annex
15 property into Zone 2 of the STD, the Administrator shall apply the following steps as part of the
16 annexation proceedings:

17
18 *Step 1.* Working with Port staff, the Administrator shall determine the Expected Land
19 Uses for the area to be annexed.

20
21 *Step 2.* The Administrator shall prepare or have prepared updated Attachments 1, 2,
22 and 3 to reflect the annexed property and identify the revised Expected Land
23 Uses, Expected Maximum Facilities Special Tax Revenues and Expected
24 Maximum Arts Building Special Tax Revenues. After the annexation is
25 complete, the application of this RMA shall be based on the adjusted Expected

1 Land Uses and Maximum Facilities Special Tax Revenues and Maximum Arts
2 Building Special Tax Revenues, as applicable, including the newly annexed
3 property.

4
5 *Step 3.* The Administrator shall ensure that a Notice of Special Tax Lien is recorded
6 against all Parcels that are annexed to the STD.

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9 **F. METHOD OF LEVY OF THE SPECIAL TAXES**

10
11 **1. *Facilities Special Tax***

12
13 Each Fiscal Year, the Administrator shall determine the Facilities Special Tax Requirement for
14 the Fiscal Year, and the Facilities Special Tax shall be levied according to the steps outlined
15 below:

16
17 **a. In Any Fiscal Year in Which There is No Developer Private Agreement or**
18 **Developer Public Agreement in Place**

19
20 *Step 1.* In all Fiscal Years, the Maximum Facilities Special Tax shall be levied on all
21 Parcels of Developed Property regardless of debt service on Bonds (if any),
22 and any Remainder Special Taxes collected shall be applied as set forth in
23 the Indenture and the Financing Plan.

1 *Step 2.* After the First Bond Sale, if additional revenue is needed after Step 1 in order
2 to meet the Facilities Special Tax Requirement after Capitalized Interest has
3 been applied to reduce the Facilities Special Tax Requirement, the Facilities
4 Special Tax shall be levied Proportionately on each Parcel of Expected
5 Taxable Property, up to 100% of the Maximum Facilities Special Tax for each
6 Parcel of Expected Taxable Property.

7
8 **b. In Any Fiscal Year in Which There is Either or Both a Developer Private**
9 **Agreement and/or a Developer Public Agreement in Place**

10
11 *Step 1.* In all Fiscal Years, the Maximum Facilities Special Tax shall be levied on all
12 Parcels of Developed Property regardless of debt service on Bonds (if any),
13 and any Remainder Special Taxes collected shall be applied as set forth in
14 the Indenture and the Financing Plan.

15
16 *Step 2.* After the First Bond Sale, but only if a Developer Private Agreement is in place,
17 if additional revenue is needed after Step 1 in order to meet the Facilities
18 Special Tax Requirement after Capitalized Interest has been applied to reduce
19 the Facilities Special Tax Requirement, the Facilities Special Tax shall be
20 levied Proportionately on each Parcel of Undeveloped Property that is not a
21 Port-Owned Development Parcel, up to 100% of the Maximum Facilities
22 Special Tax for each Parcel of Undeveloped Property that is not a Port-Owned
23 Development Parcel for such Fiscal Year.

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Step 3. After the First Bond Sale, but only if a Developer Public Agreement is in place, if additional revenue is needed after Step 2 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Port-Owned Development Parcel, up to 100% of the Maximum Facilities Special Tax for each Port-Owned Development Parcel for such Fiscal Year.

Step 4: After the First Bond Sale, if additional revenue is needed after Step 3 in order to meet the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Parcel of Expected Taxable Property, up to 100% of the Maximum Facilities Special Tax for each Parcel of Expected Taxable Property.

2. ***Arts Building Special Tax***

Step 1. Each Fiscal Year the Maximum Arts Building Special Tax shall be levied on each Taxable Parcel of Developed Property. Any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan. The Arts Building Special Tax may not be levied on Undeveloped Property.

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Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Arts Building Special Tax Requirement, the Arts Building Special Tax shall be levied Proportionately on each Parcel of Expected Taxable Property, up to 100% of the Maximum Arts Building Special Tax for each Parcel of Expected Taxable Property.

3. ***Services Special Tax***

Each Fiscal Year, the Administrator shall coordinate with the City and the Port to determine the Services Special Tax Requirement for the Fiscal Year. The Services Special Tax shall then be levied Proportionately on each Parcel of Developed Property, up to 100% of the Maximum Services Special Tax for each Parcel of Developed Property for such Fiscal Year until the amount levied is equal to the Services Special Tax Requirement. The Services Special Tax may not be levied on Undeveloped Property or Expected Taxable Property.

G. COLLECTION OF SPECIAL TAXES

Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes on the regular tax roll, provided, however, that the City may directly bill Special Taxes, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods as authorized by the CFD Law. The Board of Supervisors has ordered any Special Taxes to be levied on leasehold interests to be levied on the secured roll. The Special Tax bill for any Parcel subject

1 to a leasehold interest will be sent to the same party that receives the possessory interest tax
2 bill associated with the leasehold.

3
4 In calculating the Facilities Special Tax Requirement, under no circumstances may the Facilities
5 Special Tax that is levied on a Taxable Parcel in a Fiscal Year be increased by more than ten
6 percent (10%) of the Maximum Facilities Special Tax for that Parcel (or such lesser amount
7 required by the CFD Law) as a consequence of delinquency or default in payment of Facilities
8 Special Taxes levied on another Parcel(s) in the STD.

9
10 The Facilities Special Tax shall be levied and collected on a Taxable Parcel until the Fiscal Year
11 that is the 120th Fiscal Year in which the Facilities Special Tax has been levied on the Taxable
12 Parcel.

13
14 The Arts Building Special Tax shall be levied and collected until the earlier of: (i) the Transition
15 Year, and (ii) the 120th Fiscal Year in which the Arts Building Special Tax has been levied on
16 the Taxable Parcel.

17
18 The Services Special Tax shall be levied and collected in perpetuity.

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21 **H. EXEMPTIONS**

22
23 Notwithstanding any other provision of this RMA, no Special Taxes shall be levied on Affordable
24 Housing Projects, Tax-Exempt Port Parcels, or Exempt Association Square Footage unless
25 such uses are Expected Taxable Property.

1 **I. INTERPRETATION OF SPECIAL TAX FORMULA**

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3 The City may interpret, clarify, and revise this RMA to correct any inconsistency, vagueness, or
4 ambiguity, by resolution or ordinance, as long as such interpretation, clarification, or revision
5 does not materially affect the levy and collection of the Special Taxes and any security for any
6 Bonds.

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9 **J. SPECIAL TAX APPEALS**

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11 Any taxpayer who wishes to challenge the accuracy of computation of the Special Taxes in any
12 Fiscal Year may file an application with the Administrator. The Administrator, in consultation
13 with the City Attorney, shall promptly review the taxpayer's application. If the Administrator
14 concludes that the computation of the Special Taxes was not correct, the Administrator shall
15 correct the Special Tax levy and, if applicable in any case, a refund shall be granted. If the
16 Administrator concludes that the computation of the Special Taxes was correct, then such
17 determination shall be final and conclusive, and the taxpayer shall have no appeal to the Board
18 from the decision of the Administrator.

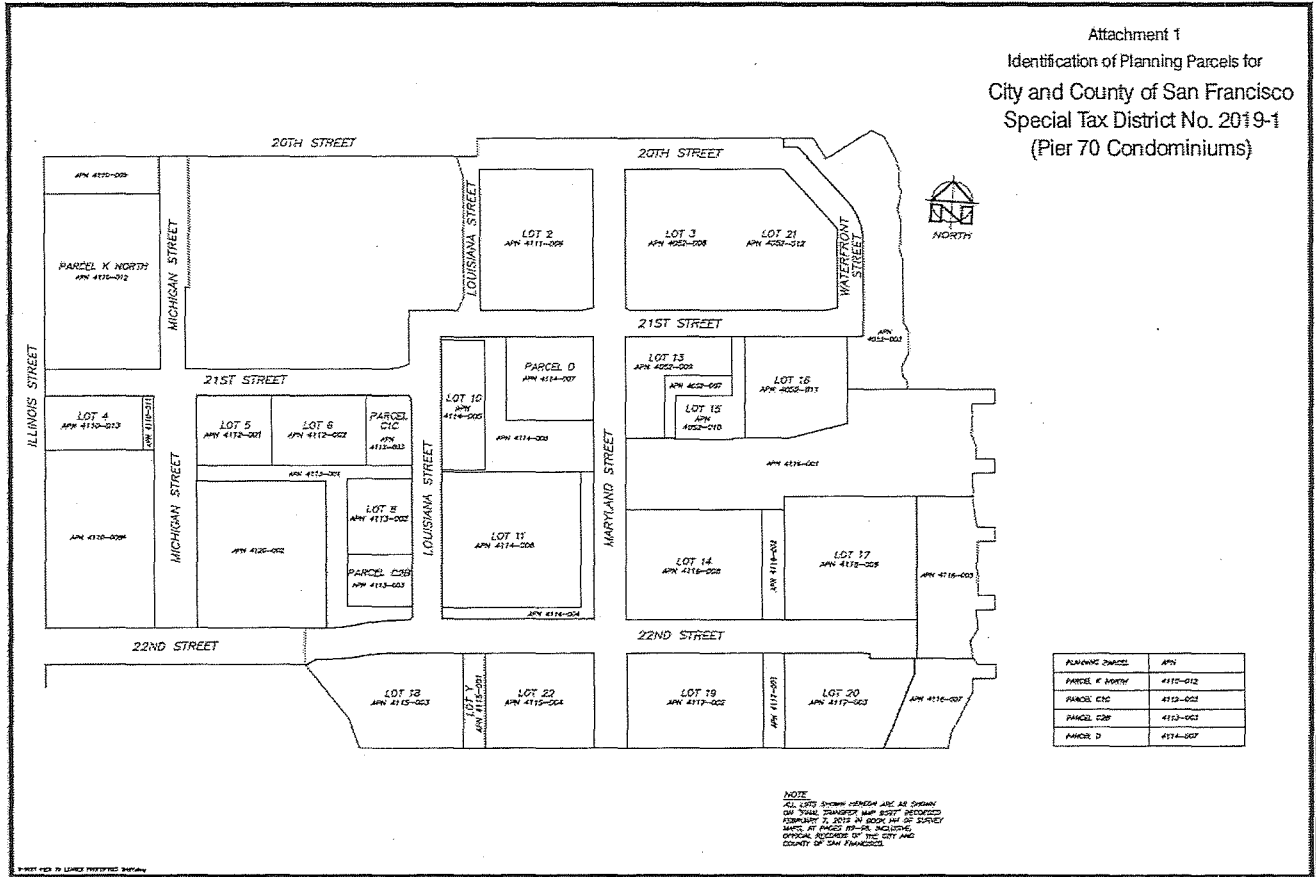
19
20 The filing of an application or an appeal shall not relieve the taxpayer of the obligation to pay
21 the Special Taxes when due.

22
23 Nothing in this Section J shall be interpreted to allow a taxpayer to bring a claim that would
24 otherwise be barred by applicable statutes of limitation set forth in the CFD Law or elsewhere
25 in applicable law.

ATTACHMENT 1

CITY AND COUNTY OF SAN FRANCISCO SPECIAL TAX DISTRICT No. 2019-1 (PIER 70 CONDOMINIUMS)

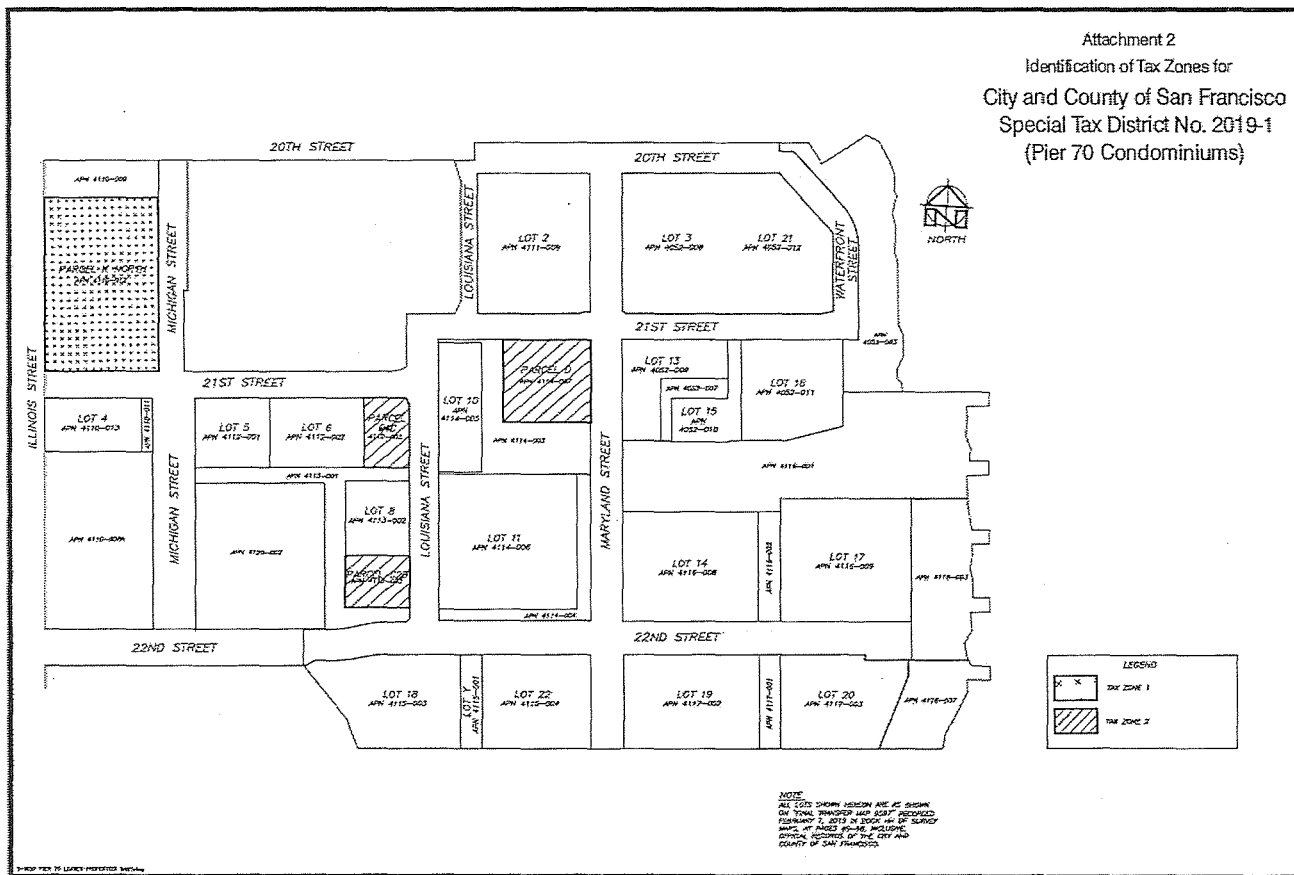
IDENTIFICATION OF PLANNING PARCELS



ATTACHMENT 2

CITY AND COUNTY OF SAN FRANCISCO
 SPECIAL TAX DISTRICT No. 2019-1
 (PIER 70 CONDOMINIUMS)

IDENTIFICATION OF TAX ZONES



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ATTACHMENT 3

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL TAX DISTRICT No. 2019-1

(PIER 70 CONDOMINIUMS)

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**EXPECTED LAND USES, EXPECTED MAXIMUM FACILITIES SPECIAL TAX REVENUES,
AND EXPECTED MAXIMUM ARTS BUILDING SPECIAL TAX REVENUES**

Planning Parcel	Square Footage Category	Expected Square Footage	Expected Maximum Facilities Special Tax Revenues (FY 2019-20)*	Expected Maximum Arts Building Special Tax Revenues (FY 2019-20)
TAX ZONE 1				
Parcel K North	Residential Square Footage	209,000	\$1,090,980	N/A
TAX ZONE 2				
Parcel C1C	Residential Square Footage	50,529	\$247,087	\$33,349
Parcel C2B	Residential Square Footage	52,632	\$257,370	\$34,737
Parcel D	Residential Square Footage	107,282	\$524,609	\$70,806
TOTAL	N/A	419,443	\$2,120,046	\$138,892



**CITY AND COUNTY OF SAN FRANCISCO
DEPARTMENT OF ELECTIONS**

John Arntz, Director

October 19, 2019

Honorable Members
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102

Re: Registered Voters within Boundaries of Proposed "City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums)"

Members of the Board of Supervisors:

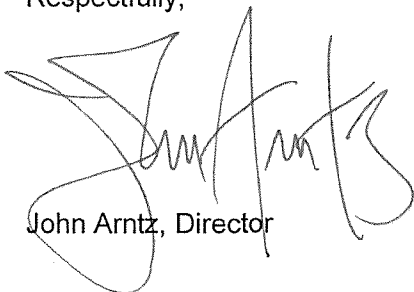
This letter confirms that on October 18, 2019, I reviewed the records of registered voters for the territory that is encompassed within the proposed boundaries of the City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) (the "Special Tax District"), as such territory is (a) shown on the boundary map for the Special Tax District, reference to which maps is hereby made and by this reference incorporated herein and (b) identified by the following list of Assessor Parcel Numbers and landowners:

Block	Lot	Owner per Assessor's Roll	Current Owner (if different)
4110	012	San Francisco Port Commission	64 PKN Owner, LLC*
4112	003	San Francisco Port Commission	
4113	003	San Francisco Port Commission	
4114	007	San Francisco Port Commission	

* To confirm current ownership, I reviewed a Quitclaim Deed dated February 13, 2019 by the City and County of San Francisco, acting by and through the San Francisco Port Commission and the City and County of San Francisco, acting by and through the San Francisco Real Estate Division.

Based on this review, I hereby certify that on the date hereof, there were no registered voters within the boundaries of the Special Tax District.

Respectfully,



John Arntz, Director

English (415) 554-4375
Fax (415) 554-7344
TTY (415) 554-4386

sselections.org
1 Dr. Carlton B. Goodlett Place
City Hall, Room 48, San Francisco, CA 94102

中文 (415) 554-4367
Español (415) 554-4366
Filipino (415) 554-4310

**CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2019-1
(PIER 70 CONDOMINIUMS)**

PUBLIC AGENCY STATEMENT AND CONSENT

_____, 2019

Board of Supervisors of the
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Members of the Board of Supervisors:

The Board of Supervisors of the City and County of San Francisco (the "City") has initiated formation of City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) (the "Special Tax District") under Chapter 43, Article X of the San Francisco Administrative Code (as it may be amended from time to time, the "Code"), which Code incorporates by reference the Mello-Roos Community Facilities Act of 1982, as amended (the "Mello-Roos Act"). This Public Agency Statement and Consent (this "Statement") is submitted in connection with the formation of the Special Tax District pursuant to Sections 53317(f)(1), 53317(f)(3) and 53326(a) of the Mello-Roos Act.

1. Property Owner. This Statement is submitted by the entity identified below (the "Property Owner"), which is the owner of the fee simple title of the parcels of land identified by the Assessor Parcel Numbers listed on Exhibit B attached hereto and incorporated herein by reference (the "Property"). The undersigned warrants to the City with respect to the Property that it is authorized to execute this Statement and that the submission of this Statement and participation in the proceedings to form the Special Tax District will not conflict with or constitute a breach of or default under any applicable law or administrative rule or regulation of the State of California, the United States of America, or of any department, division, agency or instrumentality of the State of California or the United States of America, or under any applicable court or administrative decree or order, or under any loan agreement, note, resolution, indenture, fiscal agent agreement, contract, agreement or other instrument to which the Property Owner is a party or is otherwise subject or bound.

2. Consent to Proceedings. The Property Owner hereby consents to proceedings under the Code to create the Special Tax District. The Property Owner acknowledges that a two-thirds vote of the qualified electors in the Special Tax District that vote on the issues is required for (i) the levy of special taxes in the Special Tax District pursuant to the Rate and Method of Apportionment of Special Tax (the "Rate and Method") to be prepared by the City, (ii) the issuance of special tax bonds and the incurrence of other debt (as defined in the Mello-Roos Act) for the Special Tax District in an amount to be determined during the formation proceedings and (iii) the establishment of an appropriations limit for the Special Tax District in an amount to be determined during the formation proceedings.

The Property Owner hereby declares that it is a "landowner" (as defined in Section 53317(f) of the Mello-Roos Act) for purposes of the formation proceedings for the Special Tax District because the Property either will be (a) transferred by conveyance of the fee interest to private ownership for the construction of improvements, in which case the Property Owner hereby agrees that the Property will be subject to the special tax on the same basis as private property within the Special Tax District and affirmatively waives any defense based on the fact of public ownership to any action to foreclose on the Property in the event of nonpayment of the special tax or (b) leased to a nonexempt person or entity and, pursuant to Section 53340.1 of the Mello-Roos Act, the special tax will be levied on the leasehold interest and payable by the owner of the leasehold interest.

3. Boundaries of CFD. The Property Owner hereby consents to the Property being included within the boundaries of the Special Tax District.

4. Purpose of CFD. The Property Owner acknowledges that the Special Tax District will be created for the purpose of financing the facilities, public services and other costs described in Exhibit A attached hereto and incorporated herein by reference.

5. Elections. The Property Owner hereby consents to a special election being held under the Code to authorize the special taxes and the issuance of the bonds and other debt and to establish an appropriations limit for the Special Tax District, to the consolidation of the matters into a single election and to the election being conducted by the City and its officials, using mailed or hand-delivered ballots, with such ballots being opened and canvassed and the results certified at the same meeting of the Board of Supervisors as the public hearings on the Special Tax District under the Code or as soon thereafter as possible.

6. Waivers. To expedite the completion of the proceedings for the Special Tax District, all notices of hearings and all notices of election, applicable waiting periods under the Code for the election and all ballot analyses and arguments for the election are hereby waived. The Property Owner also waives any requirement as to the specific form of the ballot to be used for the election, whether under the Code, the California Elections Code or otherwise.

This Statement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

By executing this Statement, the Property Owner agrees to all of the above.

CITY AND COUNTY OF SAN FRANCISCO,
ACTING BY AND THROUGH THE SAN
FRANCISCO PORT COMMISSION

By: 

Elaine Forbes
Executive Director
San Francisco Port Commission

EXHIBIT A

**PROPOSED DESCRIPTION OF FACILITIES, SERVICES AND OTHER COSTS TO BE
FINANCED BY THE SPECIAL TAX DISTRICT**

EXHIBIT A

City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) (as originally configured and as expanded through annexation of property in the future, the “STD”), is authorized to finance the Facilities, Services and Incidental Costs described in this Exhibit A. Capitalized terms used in this Exhibit A but not defined herein have the meaning given them in (1) the Appendix to Transaction Documents for the Pier 70 28-Acre Site Project, attached as an appendix to the Disposition and Development Agreement (“DDA”), dated as of May 2, 2018, by and between the Port and the Developer, including all exhibits and attachments, as may be amended from time to time and (2) those definitions included in the Vertical Disposition and Development Agreement for Parcel K North, dated February 8, 2019 (“VDDA”). When used in this Exhibit A, “including” has the meaning given to it in the DDA.

AUTHORIZED FACILITIES

The STD is authorized to finance the purchase, construction, reconstruction, expansion, improvement, or rehabilitation of all or any portion of the facilities authorized to be financed by the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982 (Cal. Gov’t Code Section 53311 et seq.), including:

1. Land Acquisition – includes, but is not limited to, acquisition of land for public improvements or for other requirements under the DDA and VDDA.
2. Demolition and Abatement – includes, but is not limited to, Site Preparation costs, including abatement of hazardous materials, removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste, including demolition and abatement within future vertical sites that is necessary for Horizontal Improvements.
3. Auxiliary Water Supply System - includes, but is not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, tie-ins, and any other components required for onsite and offsite high pressure water supply network intended for fire suppression.
4. Low Pressure Water - includes, but is not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blow-offs, fire hydrants, cathodic protection, tie-ins, and any other components required for onsite and offsite low pressure water supply network intended for domestic use.
5. Non-Potable Water - includes, but is not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blow-offs, cathodic protection, tie-ins, blackwater treatment facility (whether publicly or privately owned), and any other

components required for non-potable water supply network intended to provide treated wastewater for use in, among other things, irrigation of parks, landscaping, and non-potable uses within buildings.

6. Combined Sanitary Sewer and Stormwater Management– includes, but is not limited to, retrofit of existing combined sewer facilities, new gravity main pipe, force main pipe and associated valves, laterals, manholes, catch basins, traps, air vents, pump stations, outfalls, lift stations, connections to existing systems, stormwater treatment BMPs such as detention vaults, and any other components required for a network intended to convey storm water and sanitary sewage, including components, such as ejector pumps, associated with vertical buildings to meet design criteria for the Horizontal Improvements.
7. Joint Trench & Dry Utilities – includes, but is not limited to, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, gas main, and anodes for dry utilities including electrical, gas, telephone, cable, internet, and information systems.
8. Earthwork and Retaining Walls – includes, but is not limited to, Site Preparation activities including importation of clean fill materials, clearing and grubbing, slope stabilization, ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock fragmentation, grading, placement of fill, compaction, retaining walls, subdrainage, erosion control, temporary fencing, and post-construction stabilization such as hydroseeding. Also, includes, but is not limited to, excavation of future vertical development sites if the excavated soils is used on site for purposes of raising Horizontal Improvements.
9. Roadways – includes, but is not limited to, Public ROWs, road subgrade preparation, aggregate base, concrete roadway base, asphalt wearing surface, concrete curb, concrete gutter, medians, colored asphalt and concrete, pavers, speed bumps, sawcutting, grinding, conform paving, resurfacing, any other components required for onsite and offsite roadways, transit stops, bus facilities, permanent pavement marking and striping, traffic control signage, traffic light signals, offsite traffic improvements, and any other components or appurtenant features as required in the approved Improvement Plan details and specifications. through the permitting process.
10. Streetscape – includes, but is not limited to, subgrade preparation, aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole foundations, signage, emergency services infrastructure, landscaping (including trees and silva cells and/or structural soil), irrigation, street furniture, waste receptacles, bike racks, shared bike parking facilities (whether publicly or privately owned), newspaper stands, any other components or appurtenant features as required in the approved Improvement Plan details and specifications through the permitting process, and interpretative signage and facilities.
11. Parks and Public Space – includes, but is not limited to, fine grading, storm drainage and treatment, sanitary sewer, low pressure water, park lighting, community wifi, security

infrastructure, low-voltage electrical, various hardscaping, irrigation, landscaping, various concrete structures, site furnishings, public art, viewing platforms, retrofit of shoreline structures and slopes (including demolition, excavation, installation of revetment, structural repair, and any other components, e.g., Shoreline Improvements), and any other associated work in publicly accessible spaces such as parks, open spaces, plazas, and mid-block passages, including publicly-accessible parks, plazas, mid-block passages and open space that is located on private property, but identified as public open space, mid-block passages, streets or streetscapes in the DDA or Design for Development.

12. Historic Rehabilitation Required for Horizontal Improvements – includes, but is not limited to, eligible cost for relocation, structural retrofit, repair, and rehabilitation of historic buildings associated with horizontal public improvements, such as Building 12 lifting, Building 21 relocation, Building 108 reuse for blackwater treatment, and Building 15 structural frame.
13. Hazardous Soil Removal – includes, but is not limited to, removal and disposal of contaminated soil which cannot be reused on site in accordance with the Pier 70 Risk Management Plan, Pier 70 Master Plan Area, dated July 25, 2013, and associated with Horizontal Improvements.
14. Shoreline Adaptation Studies - includes, but is not limited to, analysis and planning to characterize the preferred Shoreline Protection Project and alternatives, including pre-entitlement planning and design work, environmental review, negotiation, and Regulatory Approvals related to the Shoreline Protection Facilities, conducted in accordance with Pier 70 Financing Plan Section 4.7(f) (Determining Pier 70 Shoreline Protection Facilities).
15. Shoreline Protection Facilities includes, but is not limited to, future waterfront Improvements at the San Francisco shoreline to protect the area from perils associated with seismic events and climate change, including sea level rise and floods, and other public improvements approved by the Port Commission and the Board of Supervisors.
16. Noonan Replacement Space, a space to accommodate the Noonan Space Lease in a new or rehabilitated building that meets the requirements of DDA § 7.13 (Noonan Replacement Space) for which the Port has issued a Temporary Certificate of Occupancy and Noonan moving costs related to relocating Noonan Tenants from the existing Noonan Building to the Noonan Replacement Space.
17. Arts Building, a new building on Parcel E4 with space dedicated and restricted to arts/light industrial uses in accordance with DDA § 7.12 (Arts Building) and the Arts Program, as well as community space that can be funded under the Financing Plan.
18. Historic Building Feasibility Gap as specified in Financing Plan Section 11.1 (Subsidy for Historic Buildings 12 and 21).
19. Deferred Infrastructure.

20. Entitlement costs, including Entitlement Costs and costs to obtain approvals necessary to proceed with development, incurred after the Reference Date to develop improvements authorized to be financed by the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982 (Cal. Gov't Code Section 53311 et seq.), such as the cost to comply with the California Environmental Quality Act, negotiate transaction documents, permitting of Horizontal Improvements, subdivision mapping, conduct community outreach, and prepare development design and land use requirements, but not expenses related to any campaign or ballot measure or any other expenses prohibited by law. Entitlement costs may include interim costs as approved from time to time by the Board of Supervisors.
21. Associated Public Benefits.
22. Miscellaneous Horizontal Development Costs - any other Horizontal Development Costs associated with implementing the DDA and VDDA, including any additional costs that the Parties agree shall be incurred by the Developer for the Project, including workforce liaisons; studies and consultants required to comply with the DDA, such as auditors, inspectors, attorneys and appraisers; replacement and rework costs, including repairs to correct incidental damage that occurs throughout the course of construction and restoration of roadway pavement in areas where there are trenches excavated after the initial roadway is paved, and maintenance prior to acceptance by the City and/or Port.
23. Any other costs authorized to be financed by the STD under the DDA and VDDA.
24. Soft Costs required to support the construction of the Horizontal Improvements and implementation of the DDA and VDDA, including developer management costs, construction management Fees, and asset management costs.
25. Developer Mitigation Measures, including the formation of the Transportation Management Association and dust, vibration and asbestos monitoring.
26. Miscellaneous Costs, such as costs associated with implementing the DDA and VDDA, including any additional costs that the Parties have agreed shall be incurred by the Developer for the Project, such as master planning for each phase, audits, appraisals, workforce development costs (such as a liaison), cash payments and community outreach initiatives.

Any facility authorized to be financed by the STD may be financed through the construction and acquisition of the facility or through the payment of fees for such facility.

The facilities authorized to be financed may be located within or outside the boundaries of the STD.

The facilities to be financed shall include all Hard Costs and Soft Costs associated with the facilities, including the costs of the acquisition of land and rights-of-way, the costs of design, engineering and planning, the costs of any environmental or traffic studies, surveys or other reports, costs related to landscaping and irrigation, soils and other environmental testing and observation, permits, plan check, and inspection fees, insurance, legal and related overhead costs, bonding, trailer rental, utility bills, site security, coordination and supervision and any other costs or appurtenances related to any of the foregoing as further defined in one or more acquisition agreements with the developer of the property in the STD.

The facilities to be financed shall also include all incidental expenses, defined as follows:

- (1) The cost of planning and designing facilities to be financed by the STD, including the cost of environmental evaluations of those facilities.
- (2) The costs associated with the creation of the STD, issuance of bonds, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the STD.
- (3) Any other expenses incidental to the construction, completion, and inspection of the authorized work, including costs for temporary facilities with a useful life of at least 3 years that are required to construct an authorized facility.
- (4) Special taxes levied on a property in the STD and paid by the Master Developer on behalf of a local agency or other landowner prior to the development of the property.

The facilities to be financed also includes the interim cost of the facilities, which shall mean the Developer Return or Port Return, as applicable, and any interest payable on any promissory note payable to the STD.

The STD may also apply bond proceeds and special taxes to repay the Port Commission for advances made to pay for authorized costs, under any promissory note or otherwise.

Special taxes may be collected and set-aside in designated funds and collected over several years (i.e., reserves), and used to fund facilities authorized to be financed by the STD.

AUTHORIZED SERVICES

Special taxes collected in the STD may finance, in whole or in part, the services authorized to be financed by the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982 (Cal. Gov't Code Section 53311 et seq.), for the FC Project Area, and areas outside the FC Project Area, not including the 20th Street CFD, including:

- Maintenance, capital repair, replacement and operation (including public events) of Public Spaces, including facilities for public enjoyment, such as public parks, public recreational

facilities, public access, open space, and other public amenities, some of which may be rooftop facilities or located on private property but identified as public open space in the DDA or Design for Development.

- Maintenance, capital repair, replacement and operation of Public Right-of-Ways (ROWs), including public streets, sidewalks, shared public ways, mid-block passages, bicycle lanes, and other paths of travel, associated landscaping and furnishings, retaining walls within the ROWs, and related amenities in the FC Project Area, including any portion of the Building 15 structure over 22nd Street, some of which may be located on private property but identified as public open space in the DDA or Design for Development.
- Maintenance, capital repair, replacement and operation of Shoreline Improvements in and adjacent to the FC Project Area that were completed per the DDA, such as shoreline restoration, including installation of stone columns, pilings, secant walls, and other structures to stabilize the seawall or shoreline, removal of bay fill, creation of waterfront public access to or environmental remediation of the San Francisco waterfront.
- Maintenance, capital repair, replacement and operation of landscaping and irrigation systems and other equipment, material, and supplies directly related to maintaining and replacing landscaped areas and water features in Public Spaces and Public ROWs.
- Maintenance, capital repair, replacement and operation as needed of Public Spaces, including street cleaning and paving.
- Maintenance, capital repair, replacement and operation of lighting, rest rooms, trash receptacles, park benches, planting containers, picnic tables, bollards, bicycle racks and corrals, and other furniture and fixtures and signage in Public Spaces and Public ROWs.
- Maintenance, capital repair, replacement and operation of utilities in Public Spaces and Public ROWs.
- General liability insurance for any Public ROWs or structures in Public ROWs that Public Works does not submit to the Board of Supervisors for City acceptance for City General Fund liability purposes and other commercially reasonable insurance coverages.
- Port, City, or third party personnel, administrative, and overhead costs related to maintenance or to contracting for and managing third-party maintenance, including rent for storage space needed to support the maintenance activities.
- Any other costs authorized to be financed by the STD under the DDA and VDDA.

Special taxes may be collected and set-aside in designated funds and collected over several years (i.e., reserves), and used to fund services authorized to be financed by the STD. The term "operation" includes providing security and hosting special events.

INCIDENTAL COSTS

Special taxes collected in the STD will also fund, in whole or in part, the incidental costs associated with the facilities and services authorized to be financed. Incidental costs include, but are not limited to:

1. Administrative expenses and fees including costs incurred to form the STD, to annex territory to the STD, to annually administer the STD, to levy and collect special taxes for the STD, and any other costs incurred in standard administration of the STD by the City or their authorized consultants;
2. Any amounts needed to cure actual or estimated delinquencies in special taxes for the current or previous fiscal years;
3. Bond related expenses, including underwriters discount, reserve fund, capitalized interest, bond, disclosure, and underwriter counsel fees and all other incidental expenses; and
4. Reimbursement of costs related to the formation of the STD advanced by the City and any landowner(s) in the STD, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City or any landowner(s) in the STD or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the STD.

EXHIBIT B

ASSESSOR PARCEL NUMBERS

<u>Assessor's Parcel Nos.</u>	<u>Names of Property Owners</u>
4112-003	San Francisco Port Commission
4113-003	San Francisco Port Commission
4114-007	San Francisco Port Commission

**CONSENT AND WAIVER RELATING TO FORMATION OF A
SPECIAL TAX DISTRICT**

_____, 2019

Board of Supervisors of the
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Members of the Board of Supervisors:

The Board of Supervisors of the City and County of San Francisco (the "City") has initiated formation of City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) (the "Special Tax District") under Chapter 43, Article X of the San Francisco Administrative Code (as it may be amended from time to time, the "Code"), which Code incorporates by reference the Mello-Roos Community Facilities Act of 1982, as amended (the "Mello-Roos Act"). This Consent and Waiver Relating to Formation of a Special Tax District (this "Consent and Waiver") is submitted in connection with the formation of the Special Tax District pursuant to Section 53326(a) of the Mello-Roos Act.

1. Property; Property Owner; Authorized Representative. 64 PKN Owner, LLC, a Delaware limited liability company (the "Property Owner") is the owner of 100% of the fee simple interest in property identified as City and County of San Francisco Assessor's Parcel Number Block 4110 Lot 012 (the "Property"). The Property is located within the proposed boundaries of the Special Tax District.

Pursuant to a "Designation of Authorized Representative Pursuant to California Government Code Section 53326(b)" (the "Delegation"), executed by the Property Owner on February 13, 2019, which designation is attached hereto as Exhibit B and incorporated herein by reference, the Property Owner designated the Executive Director of the San Francisco Port Commission (the "Executive Director") as its "authorized representative" in connection with the matters set forth in Section 2.

This Consent and Waiver is submitted by the Executive Director pursuant to the Code to the City. The Executive Director warrants to the City with respect to the Property that she is authorized to execute this Consent and Waiver on behalf of the Property Owner and that the Delegation is in full force and effect.

2. Consent to Proceedings. The Executive Director, as the authorized representative of the Property Owner, hereby consents to all of the following:

- a. Proceedings by the City under the Code to create the Special Tax District, which Special Tax District will initially include the Property; and
- b. A landowner-voter election in accordance with the Code to obtain authorization (1) to levy one or more special taxes for the purpose of financing the facilities, public services and other costs described in Exhibit A attached hereto and incorporated

herein by reference (the "Special Taxes") on the non-exempt property located within the Special Tax District, including the Property and (2) to authorize the issue of special tax bonds and other debt for the Special Tax District, all as shall be more fully established during the course of the legal proceedings for establishment of the Special Tax District.

3. Boundaries of Special Tax District. The Executive Director, as the authorized representative of the Property Owner, hereby consents to the Property being included within the boundaries of the Special Tax District.

4. Elections. The Executive Director, as the authorized representative of the Property Owner, hereby consents to a special election being held under the Code to authorize the matters set forth in Section 2.b, to the consolidation of the matters into a single election and to the election being conducted by the City and its officials, using mailed or hand-delivered ballots, with such ballots being opened and canvassed and the results certified at the same meeting of the Board of Supervisors as the public hearings on the Special Tax District under the Code or as soon thereafter as possible.

5. Waivers. To expedite the completion of the proceedings for the Special Tax District, the Executive Director, as the authorized representative of the Property Owner, hereby waives all notices of hearings and all notices of election, applicable waiting periods under the Code for the election and all ballot analyses and arguments for the election. The Executive Director, as the authorized representative of the Property Owner, hereby also waives any requirement as to the specific form of the ballot to be used for the election, whether under the Code, the California Elections Code or otherwise.

6. Counterparts. This Consent and Waiver may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

By executing this Consent and Waiver, the Executive Director, as the authorized representative of the Property Owner, agrees on behalf of the Property Owner to all of the above.

64 PKN OWNER, LLC, A DELAWARE LIMITED LIABILITY COMPANY

By: its Authorized Representative

By:  _____

Elaine Forbes
Executive Director
San Francisco Port Commission

EXHIBIT A

**PROPOSED DESCRIPTION OF FACILITIES, SERVICES AND OTHER COSTS TO BE
FINANCED BY THE SPECIAL TAX DISTRICT**

EXHIBIT A

City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) (as originally configured and as expanded through annexation of property in the future, the "STD"), is authorized to finance the Facilities, Services and Incidental Costs described in this Exhibit A. Capitalized terms used in this Exhibit A but not defined herein have the meaning given them in (1) the Appendix to Transaction Documents for the Pier 70 28-Acre Site Project, attached as an appendix to the Disposition and Development Agreement ("DDA"), dated as of May 2, 2018, by and between the Port and the Developer, including all exhibits and attachments, as may be amended from time to time and (2) those definitions included in the Vertical Disposition and Development Agreement for Parcel K North, dated February 8, 2019 ("VDDA"). When used in this Exhibit A, "including" has the meaning given to it in the DDA.

AUTHORIZED FACILITIES

The STD is authorized to finance the purchase, construction, reconstruction, expansion, improvement, or rehabilitation of all or any portion of the facilities authorized to be financed by the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982 (Cal. Gov't Code Section 53311 et seq.), including:

1. Land Acquisition – includes, but is not limited to, acquisition of land for public improvements or for other requirements under the DDA and VDDA.
2. Demolition and Abatement – includes, but is not limited to, Site Preparation costs, including abatement of hazardous materials, removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste, including demolition and abatement within future vertical sites that is necessary for Horizontal Improvements.
3. Auxiliary Water Supply System - includes, but is not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, tie-ins, and any other components required for onsite and offsite high pressure water supply network intended for fire suppression.
4. Low Pressure Water - includes, but is not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blow-offs, fire hydrants, cathodic protection, tie-ins, and any other components required for onsite and offsite low pressure water supply network intended for domestic use.
5. Non-Potable Water - includes, but is not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blow-offs, cathodic protection, tie-ins, blackwater treatment facility (whether publicly or privately owned), and any other

components required for non-potable water supply network intended to provide treated wastewater for use in, among other things, irrigation of parks, landscaping, and non-potable uses within buildings.

6. Combined Sanitary Sewer and Stormwater Management– includes, but is not limited to, retrofit of existing combined sewer facilities, new gravity main pipe, force main pipe and associated valves, laterals, manholes, catch basins, traps, air vents, pump stations, outfalls, lift stations, connections to existing systems, stormwater treatment BMPs such as detention vaults, and any other components required for a network intended to convey storm water and sanitary sewage, including components, such as ejector pumps, associated with vertical buildings to meet design criteria for the Horizontal Improvements.
7. Joint Trench & Dry Utilities – includes, but is not limited to, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, gas main, and anodes for dry utilities including electrical, gas, telephone, cable, internet, and information systems.
8. Earthwork and Retaining Walls – includes, but is not limited to, Site Preparation activities including importation of clean fill materials, clearing and grubbing, slope stabilization, ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock fragmentation, grading, placement of fill, compaction, retaining walls, subdrainage, erosion control, temporary fencing, and post-construction stabilization such as hydroseeding. Also, includes, but is not limited to, excavation of future vertical development sites if the excavated soils is used on site for purposes of raising Horizontal Improvements.
9. Roadways – includes, but is not limited to, Public ROWs, road subgrade preparation, aggregate base, concrete roadway base, asphalt wearing surface, concrete curb, concrete gutter, medians, colored asphalt and concrete, pavers, speed bumps, sawcutting, grinding, conform paving, resurfacing, any other components required for onsite and offsite roadways, transit stops, bus facilities, permanent pavement marking and striping, traffic control signage, traffic light signals, offsite traffic improvements, and any other components or appurtenant features as required in the approved Improvement Plan details and specifications. through the permitting process.
10. Streetscape – includes, but is not limited to, subgrade preparation, aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole foundations, signage, emergency services infrastructure, landscaping (including trees and silva cells and/or structural soil), irrigation, street furniture, waste receptacles, bike racks, shared bike parking facilities (whether publicly or privately owned), newspaper stands, any other components or appurtenant features as required in the approved Improvement Plan details and specifications through the permitting process, and interpretative signage and facilities.
11. Parks and Public Space – includes, but is not limited to, fine grading, storm drainage and treatment, sanitary sewer, low pressure water, park lighting, community wifi, security

infrastructure, low-voltage electrical, various hardscaping, irrigation, landscaping, various concrete structures, site furnishings, public art, viewing platforms, retrofit of shoreline structures and slopes (including demolition, excavation, installation of revetment, structural repair, and any other components, e.g., Shoreline Improvements), and any other associated work in publicly accessible spaces such as parks, open spaces, plazas, and mid-block passages, including publicly-accessible parks, plazas, mid-block passages and open space that is located on private property, but identified as public open space, mid-block passages, streets or streetscapes in the DDA or Design for Development.

12. Historic Rehabilitation Required for Horizontal Improvements – includes, but is not limited to, eligible cost for relocation, structural retrofit, repair, and rehabilitation of historic buildings associated with horizontal public improvements, such as Building 12 lifting, Building 21 relocation, Building 108 reuse for blackwater treatment, and Building 15 structural frame.
13. Hazardous Soil Removal – includes, but is not limited to, removal and disposal of contaminated soil which cannot be reused on site in accordance with the Pier 70 Risk Management Plan, Pier 70 Master Plan Area, dated July 25, 2013, and associated with Horizontal Improvements.
14. Shoreline Adaptation Studies - includes, but is not limited to, analysis and planning to characterize the preferred Shoreline Protection Project and alternatives, including pre-entitlement planning and design work, environmental review, negotiation, and Regulatory Approvals related to the Shoreline Protection Facilities, conducted in accordance with Pier 70 Financing Plan Section 4.7(f) (Determining Pier 70 Shoreline Protection Facilities).
15. Shoreline Protection Facilities includes, but is not limited to, future waterfront Improvements at the San Francisco shoreline to protect the area from perils associated with seismic events and climate change, including sea level rise and floods, and other public improvements approved by the Port Commission and the Board of Supervisors.
16. Noonan Replacement Space, a space to accommodate the Noonan Space Lease in a new or rehabilitated building that meets the requirements of DDA § 7.13 (Noonan Replacement Space) for which the Port has issued a Temporary Certificate of Occupancy and Noonan moving costs related to relocating Noonan Tenants from the existing Noonan Building to the Noonan Replacement Space.
17. Arts Building, a new building on Parcel E4 with space dedicated and restricted to arts/light industrial uses in accordance with DDA § 7.12 (Arts Building) and the Arts Program, as well as community space that can be funded under the Financing Plan.
18. Historic Building Feasibility Gap as specified in Financing Plan Section 11.1 (Subsidy for Historic Buildings 12 and 21).
19. Deferred Infrastructure.

20. Entitlement costs, including Entitlement Costs and costs to obtain approvals necessary to proceed with development, incurred after the Reference Date to develop improvements authorized to be financed by the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982 (Cal. Gov't Code Section 53311 et seq.), such as the cost to comply with the California Environmental Quality Act, negotiate transaction documents, permitting of Horizontal Improvements, subdivision mapping, conduct community outreach, and prepare development design and land use requirements, but not expenses related to any campaign or ballot measure or any other expenses prohibited by law. Entitlement costs may include interim costs as approved from time to time by the Board of Supervisors.
21. Associated Public Benefits.
22. Miscellaneous Horizontal Development Costs - any other Horizontal Development Costs associated with implementing the DDA and VDDA, including any additional costs that the Parties agree shall be incurred by the Developer for the Project, including workforce liaisons; studies and consultants required to comply with the DDA, such as auditors, inspectors, attorneys and appraisers; replacement and rework costs, including repairs to correct incidental damage that occurs throughout the course of construction and restoration of roadway pavement in areas where there are trenches excavated after the initial roadway is paved, and maintenance prior to acceptance by the City and/or Port.
23. Any other costs authorized to be financed by the STD under the DDA and VDDA.
24. Soft Costs required to support the construction of the Horizontal Improvements and implementation of the DDA and VDDA, including developer management costs, construction management Fees, and asset management costs.
25. Developer Mitigation Measures, including the formation of the Transportation Management Association and dust, vibration and asbestos monitoring.
26. Miscellaneous Costs, such as costs associated with implementing the DDA and VDDA, including any additional costs that the Parties have agreed shall be incurred by the Developer for the Project, such as master planning for each phase, audits, appraisals, workforce development costs (such as a liaison), cash payments and community outreach initiatives.

Any facility authorized to be financed by the STD may be financed through the construction and acquisition of the facility or through the payment of fees for such facility.

The facilities authorized to be financed may be located within or outside the boundaries of the STD.

The facilities to be financed shall include all Hard Costs and Soft Costs associated with the facilities, including the costs of the acquisition of land and rights-of-way, the costs of design, engineering and planning, the costs of any environmental or traffic studies, surveys or other reports, costs related to landscaping and irrigation, soils and other environmental testing and observation, permits, plan check, and inspection fees, insurance, legal and related overhead costs, bonding, trailer rental, utility bills, site security, coordination and supervision and any other costs or appurtenances related to any of the foregoing as further defined in one or more acquisition agreements with the developer of the property in the STD.

The facilities to be financed shall also include all incidental expenses, defined as follows:

- (1) The cost of planning and designing facilities to be financed by the STD, including the cost of environmental evaluations of those facilities.
- (2) The costs associated with the creation of the STD, issuance of bonds, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the STD.
- (3) Any other expenses incidental to the construction, completion, and inspection of the authorized work, including costs for temporary facilities with a useful life of at least 3 years that are required to construct an authorized facility.
- (4) Special taxes levied on a property in the STD and paid by the Master Developer on behalf of a local agency or other landowner prior to the development of the property.

The facilities to be financed also includes the interim cost of the facilities, which shall mean the Developer Return or Port Return, as applicable, and any interest payable on any promissory note payable to the STD.

The STD may also apply bond proceeds and special taxes to repay the Port Commission for advances made to pay for authorized costs, under any promissory note or otherwise.

Special taxes may be collected and set-aside in designated funds and collected over several years (i.e., reserves), and used to fund facilities authorized to be financed by the STD.

AUTHORIZED SERVICES

Special taxes collected in the STD may finance, in whole or in part, the services authorized to be financed by the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) and the Mello-Roos Community Facilities Act of 1982 (Cal. Gov't Code Section 53311 et seq.), for the FC Project Area, and areas outside the FC Project Area, not including the 20th Street CFD, including:

- Maintenance, capital repair, replacement and operation (including public events) of Public Spaces, including facilities for public enjoyment, such as public parks, public recreational

facilities, public access, open space, and other public amenities, some of which may be rooftop facilities or located on private property but identified as public open space in the DDA or Design for Development.

- Maintenance, capital repair, replacement and operation of Public Right-of-Ways (ROWs), including public streets, sidewalks, shared public ways, mid-block passages, bicycle lanes, and other paths of travel, associated landscaping and furnishings, retaining walls within the ROWs, and related amenities in the FC Project Area, including any portion of the Building 15 structure over 22nd Street, some of which may be located on private property but identified as public open space in the DDA or Design for Development.
- Maintenance, capital repair, replacement and operation of Shoreline Improvements in and adjacent to the FC Project Area that were completed per the DDA, such as shoreline restoration, including installation of stone columns, pilings, secant walls, and other structures to stabilize the seawall or shoreline, removal of bay fill, creation of waterfront public access to or environmental remediation of the San Francisco waterfront.
- Maintenance, capital repair, replacement and operation of landscaping and irrigation systems and other equipment, material, and supplies directly related to maintaining and replacing landscaped areas and water features in Public Spaces and Public ROWs.
- Maintenance, capital repair, replacement and operation as needed of Public Spaces, including street cleaning and paving.
- Maintenance, capital repair, replacement and operation of lighting, rest rooms, trash receptacles, park benches, planting containers, picnic tables, bollards, bicycle racks and corrals, and other furniture and fixtures and signage in Public Spaces and Public ROWs.
- Maintenance, capital repair, replacement and operation of utilities in Public Spaces and Public ROWs.
- General liability insurance for any Public ROWs or structures in Public ROWs that Public Works does not submit to the Board of Supervisors for City acceptance for City General Fund liability purposes and other commercially reasonable insurance coverages.
- Port, City, or third party personnel, administrative, and overhead costs related to maintenance or to contracting for and managing third-party maintenance, including rent for storage space needed to support the maintenance activities.
- Any other costs authorized to be financed by the STD under the DDA and VDDA.

Special taxes may be collected and set-aside in designated funds and collected over several years (i.e., reserves), and used to fund services authorized to be financed by the STD. The term "operation" includes providing security and hosting special events.

INCIDENTAL COSTS

Special taxes collected in the STD will also fund, in whole or in part, the incidental costs associated with the facilities and services authorized to be financed. Incidental costs include, but are not limited to:

1. Administrative expenses and fees including costs incurred to form the STD, to annex territory to the STD, to annually administer the STD, to levy and collect special taxes for the STD, and any other costs incurred in standard administration of the STD by the City or their authorized consultants;
2. Any amounts needed to cure actual or estimated delinquencies in special taxes for the current or previous fiscal years;
3. Bond related expenses, including underwriters discount, reserve fund, capitalized interest, bond, disclosure, and underwriter counsel fees and all other incidental expenses; and
4. Reimbursement of costs related to the formation of the STD advanced by the City and any landowner(s) in the STD, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City or any landowner(s) in the STD or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the STD.

EXHIBIT B
DELEGATION

DELEGATION OF AUTHORITY TO VOTE ON FORMATION OF STD

**DESIGNATION OF AUTHORIZED REPRESENTATIVE
PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 53326(b)**

February 13, 2019

Board of Supervisors
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RE: Formation of Special Tax District for Parcel K North

To Whom It May Concern:

The undersigned (the "Owner") is the owner of property identified as City and County of San Francisco Assessor's Parcel Number Block 4110, Lot 012 (the "Property"). The Property is located within a proposed special tax district to be formed by the City and County of San Francisco (the "Proposed Pier 70 Condo CFD") and is subject to a Vertical Disposition and Development Agreement between the City and County of San Francisco, acting by and through the San Francisco Port Commission and the Owner (the "VDDA"). The Proposed Pier 70 Condo CFD will include properties within a 28-acre portion of Pier 70 that will be developed with residential condominiums. The Proposed Pier 70 Condo CFD does not yet have an official name, but for purposes of this designation, the Proposed Pier 70 Condo CFD shall be that special tax district which is sponsored by the City and County of San Francisco that includes the Property and is authorized to finance the Michigan Street Improvements as defined in the VDDA. The most recent draft of the rate and method of apportionment of special taxes of the Proposed Pier 70 Condo CFD (the "Rate and Method") is attached hereto as Attachment No. 1.

Pursuant to Section 53326(b) of the California Government Code, the Owner does hereby designate the Executive Director of the San Francisco Port Commission as its "authorized representative" in connection with the landowner election on the propositions to (i) form the Proposed Pier 70 Condo CFD, (ii) authorize the levy of special taxes in the Proposed Pier 70 Condo CFD, (iii) authorize the issuance of bonded indebtedness by the City and County of San Francisco for the Proposed Pier 70 Condo CFD, and (iv) establish an appropriations limit for the Proposed Pier 70 Condo CFD. The San Francisco Port Commission is the immediate past owner of the Property.

The true and exact signature of the authorized representative of the Owner is set forth below.

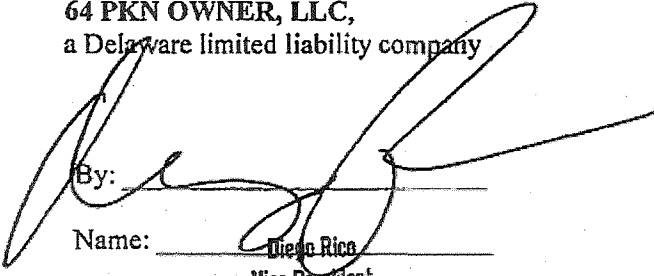
The foregoing authorization shall be effective at any time after the date hereof and shall be revocable by Owner prior to the landowner election only if the Rate and Method is modified in any manner that would increase the amount of the special taxes that may be

levied on the Property, or any portion thereof, or accelerate the timing of the levy of the special taxes on the Property or materially increase the apportionment of the special taxes to the Property relative to the other properties in the Proposed Pier 70 Condo CFD. The Notice of Special Tax attached hereto as Attachment No. 2 is in the form required by Section 53341.5 of the California Government Code and has been executed by the Owner. The Notice of Special Tax provides information about the rate, method of apportionment, and manner of collection of the special tax in sufficient detail to allow the Owner to estimate the maximum amount that the Owner will have to pay

This authorization is revocable by Owner prior to the landowner election only under the conditions described above by written notice to the Board of Supervisors. Unless the authorization herein has been revoked by Owner prior to the landowner election in accordance with the terms of this delegation, the Owner waives its right to make any protest or complaint or undertake any legal action challenging the validity of the election or the validity of the Proposed Pier 70 Condo CFD.

Pursuant to Section 53326(b), set forth below are the authorized signatories for all parties making up the Owner (if more than one person or entity constitutes the Owner, or if ownership is held in the name of more than one person or entity).

64 PKN OWNER, LLC,
a Delaware limited liability company

By: 
Name: Diego Rica
Vice President
Title: _____
Date: _____

ACKNOWLEDGED AND ACCEPTED:

Elaine Forbes
Executive Director
San Francisco Port Commission

levied on the Property, or any portion thereof, or accelerate the timing of the levy of the special taxes on the Property or materially increase the apportionment of the special taxes to the Property relative to the other properties in the Proposed Pier 70 Condo CFD. The Notice of Special Tax attached hereto as Attachment No. 2 is in the form required by Section 53341.5 of the California Government Code and has been executed by the Owner. The Notice of Special Tax provides information about the rate, method of apportionment, and manner of collection of the special tax in sufficient detail to allow the Owner to estimate the maximum amount that the Owner will have to pay

This authorization is revocable by Owner prior to the landowner election only under the conditions described above by written notice to the Board of Supervisors. Unless the authorization herein has been revoked by Owner prior to the landowner election in accordance with the terms of this delegation, the Owner waives its right to make any protest or complaint or undertake any legal action challenging the validity of the election or the validity of the Proposed Pier 70 Condo CFD.

Pursuant to Section 53326(b), set forth below are the authorized signatories for all parties making up the Owner (if more than one person or entity constitutes the Owner, or if ownership is held in the name of more than one person or entity).

64 PKN OWNER, LLC,
a Delaware limited liability company


By: _____

Name: _____

Title: _____

Date: _____

ACKNOWLEDGED AND ACCEPTED:



Elaine Forbes
Executive Director
San Francisco Port Commission

ATTACHMENT NO. 1
RATE AND METHOD

EXHIBIT B

**CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2019-1
(PIER 70 CONDOMINIUMS)**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

Special Taxes applicable to each Taxable Parcel in the City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Taxable Parcels, as described below. All Taxable Parcels in the STD shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the STD.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“28-Acre Site” is defined in the Appendix.

“Administrative Expenses” means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City carrying out duties with respect to the STD and the Bonds, including, but not limited to, levying and collecting the Special Taxes, the fees and expenses of legal counsel, charges levied by the City, including the Controller’s Office, the Treasurer and Tax Collector’s Office, the City Attorney, and the Port, costs related to property owner inquiries regarding the Special Taxes, costs associated with appeals or requests for interpretation associated with the Special Taxes and this RMA, costs associated with annexation of property into the STD, amounts needed to pay rebate to the federal government with respect to the Bonds, costs associated with complying with any continuing disclosure requirements for the City and any other major property owner (whether or not deemed to be an obligated person), costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of the City in any way related to the establishment or administration of the STD.

“Administrator” means the Director of the Office of Public Finance or his/her designee who shall be responsible for administering the Special Taxes according to this RMA.

“Affordable Housing Project” means a residential or primarily residential project, as determined by the Review Authority, within which 100% of the residential units have a deed restriction recorded on title of the property that (i) limits the rental rates on the units or (ii) in any other way is intended to restrict the current or future value of the unit, as determined by the Review Authority.

“Airspace Parcel” means a Taxable Parcel with an assigned Assessor’s Parcel number that constitutes vertical space of an underlying land parcel.

“Apartment Building” means a residential or mixed-use building within which all of the residential units are offered for rent to the general public and are not available for sale to or ownership by individual homebuyers.

“Appendix” means the Appendix to Transaction Documents for the Pier 70 28-Acre Site Project.

“Arts Building Special Tax Bonds” means any Bonds secured by the Arts Building Special Taxes that are issued to pay Arts Building Costs.

“Arts Building Costs” are \$20 million in costs associated with the Arts Building, the Noonan Replacement Space and community facilities allocated under the Financing Plan, and authorized to be financed by the Arts Building Special Tax and Arts Building Special Tax Bonds by the Financing Plan and by the formation proceedings for the STD and the Leased Properties STD No. 2019-2.

“Arts Building Special Tax” means a special tax levied in Tax Zone 2 in any Fiscal Year to pay the Arts Building Special Tax Requirement.

“Arts Building Special Tax Requirement” means the amount necessary in any Fiscal Year to pay: (i) pay principal and interest on Arts Building Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Arts Building Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Arts Building Special Tax Bonds under the applicable Indenture to the extent such replenishment has not been included in the computation of the Arts Building Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Arts Building Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay other obligations described in the Financing Plan; and (vii) pay directly for Arts Building Costs. The amounts referred to in clauses (i) and (vi) may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Arts Building Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the applicable Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Arts Building Special Taxes; and (c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel, including an Airspace Parcel, shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor designating Parcels by Assessor’s Parcel number.

“Authorized Expenditures” means, separately with respect to the Facilities Special Tax, Arts Building Special Tax, and Services Special Tax, those costs, facilities or public services authorized to be funded by the applicable Special Taxes as set forth in the Financing Plan and the documents adopted by the Board at STD Formation, as may be amended from time to time.

“Base Arts Building Special Tax” means, for any Square Footage Category in Tax Zone 2, the per-square foot Arts Building Special Tax identified in Table 2 in Section C below.

“Base Facilities Special Tax” means, for any Square Footage Category, the per-square foot Facilities Special Tax for Square Footage within such Square Footage Category, as identified in Table 1 in Section C below.

“Base Services Special Tax” means, for any Square Footage Category, the per-square foot Services Special Tax for Square Footage within such Square Footage Category, as identified in Table 3 in Section C below.

“Base Special Tax” means:

For Tax Zone 1: collectively, the Base Facilities Special Tax and the Base Services Special Tax, and

For Tax Zone 2: collectively, the Base Facilities Special Tax, the Base Arts Building Special Tax, and the Base Services Special Tax.

“Board” means the Board of Supervisors of the City, acting as the legislative body of STD No. 2019-1.

“Bond Sale” means, for the Facilities Special Tax, issuance of any Facilities Special Tax Bonds and, for the Arts Building Special Tax, issuance of any Arts Building Special Tax Bonds.

“Bonds” means bonds or other debt (as defined in the CFD Law), whether in one or more series, that are issued or assumed by or for the STD to finance Authorized Expenditures including any Arts Building Special Tax Bonds and Facilities Special Tax Bonds.

“Building Permit” means a permit that is issued by the Port or the City that allows for vertical construction of a building or buildings, including any addendum to a site permit, but excluding a separate permit issued for construction of building foundations.

“Capitalized Interest” means funds in any capitalized interest account available to pay debt service on Bonds.

“Certificate of Occupancy” means the first certificate, including any temporary certificate of occupancy, issued by the Port or the City to confirm that a building or a portion of a building has met all of the building codes and can be occupied for residential or non-residential use. For purposes of this RMA, “Certificate of Occupancy” shall not include any certificate of occupancy that was issued prior to January 1, 2018 for a building within the STD; however, any subsequent certificates of occupancy that are issued for new construction or expansion of a building shall be deemed a Certificate of Occupancy and the Special Taxes shall apply to the associated Square Footage.

“CFD Law” means the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X), which incorporates the Mello-Roos Community Facilities Act of 1982 (Cal. Gov’t Code §§ 53311-53368).

“City” means the City and County of San Francisco, California.

“County” means the City and County of San Francisco, California.

“DDA” means the Disposition and Development Agreement between the Port and the Developer, including all exhibits and attachments, as may be amended from time to time.

“Deputy Director” means the Deputy Director of Finance and Administration for the Port or other such official that acts as the chief financial officer for the Port.

“Developed Property” means, in any Fiscal Year, the following:

For Tax Zone 1:

For levy of the Facilities Special Tax: all Taxable Parcels for which the 36-month anniversary of the VDDA Execution Date has occurred in a preceding Fiscal Year, regardless of whether a Building Permit has been issued.

For levy of the Services Special Tax: all Taxable Parcels for which a Certificate of Occupancy was issued on or prior to June 30 of the preceding Fiscal Year, but not prior to January 1, 2018.

For Tax Zone 2:

For levy of the Facilities Special Tax and Arts Building Special Tax: all Taxable Parcels for which the 36-month anniversary of the VDDA Execution Date has occurred in a preceding Fiscal Year, regardless of whether a Building Permit has been issued.

For levy of the Services Special Tax: all Taxable Parcels for which a Certificate of Occupancy was issued on or prior to June 30 of the preceding Fiscal Year, but not prior to January 1, 2018.

“Developer” means FC Pier 70, LLC, or any successor or assign, as tenant under the Master Lease.

“Developer Private Agreement” means all of the following: (i) the Developer has agreed pursuant to Section 4.12(b)(2)(A) of the Financing Plan to pay the Facilities Special Tax on Undeveloped Property of Vertical Developers; (ii) the Developer has entered into such a written agreement with each Vertical Developer; and (iii) the San Francisco Port Commission has agreed to the levy of a Facilities Special Tax on Undeveloped Property based on such agreements.

“Developer Public Agreement” means all of the following: (i) the Developer has entered into an agreement with the Port pursuant to Section 4.12(b)(2)(B) of the Financing Plan to pay the Facilities Special Tax on Port-Owned Development Parcels; and (ii) the San Francisco Port Commission has agreed to the levy of Facilities Special Taxes on the Port-Owned Development Parcels.

“Development Approval Documents” means, collectively, the DDA, any Vertical DDAs, any Final Maps, Review Authority approvals, condominium plans, or other such approved or recorded document or plan that identifies the type of structure(s), acreage, or Square Footage approved for development on Taxable Parcels.

“Escalator” means the lesser of the following: (i) the annual percentage increase, if any, in the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-Hayward region (base years 1982-1984=100) published by the Bureau of Labor Statistics of the United States Department of Labor, or, if such index is no longer published, a similar escalator that is determined by the Port and City to be appropriate, and (ii) five percent (5%).

“Estimated Base Arts Building Special Tax Revenues” means, at any point in time, the amount calculated by the Administrator by multiplying the Base Arts Building Special Tax by Square Footage within each Square Footage Category proposed for development in Tax Zone 2 and, if applicable, in completed buildings on a Taxable Parcel in Tax Zone 2.

“Estimated Base Facilities Special Tax Revenues” means, at any point in time, the amount calculated by the Administrator by multiplying the Base Facilities Special Tax by Square Footage within each Square Footage Category proposed for development and, if applicable, in completed buildings on a Taxable Parcel.

“Exempt Non-Residential Square Footage” means any ground level retail uses within a building that is otherwise comprised of Residential Square Footage, as reflected on the Building Permit or Vertical DDA and as determined in the sole discretion of the Administrator and the Port. If, in any Fiscal Year, the Administrator identifies Non-Residential Square Footage on a ground level Parcel that had been taxed in the prior Fiscal Year based on Residential Square Footage that had been constructed, or expected to be constructed, on the Parcel, the Administrator will apply Section D.3 to determine if the Non-Residential Square Footage will be Exempt Non-Residential Square Footage or Taxable Non-Residential Square Footage.

“Expected Land Uses” means the total Square Footage in each Square Footage Category expected on each Planning Parcel in the STD. The Expected Land Uses at STD Formation are identified in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Maximum Arts Building Special Tax Revenues” means the aggregate Arts Building Special Tax that can be levied based on application of the Base Arts Building Special Tax to the Expected Land Uses in Tax Zone 2. The Expected Maximum Arts Building Special Tax Revenues for each Planning Parcel in Tax Zone 2 at the time of STD Formation are shown in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Maximum Facilities Special Tax Revenues” means the aggregate Facilities Special Tax that can be levied based on application of the Base Facilities Special Tax to the Expected Land Uses. The Expected Maximum Facilities Special Tax Revenues for each Planning Parcel at STD Formation are shown in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Taxable Property” means, in any Fiscal Year, any Parcel within the STD that: (i) pursuant to the Development Approval Documents, was expected to be a Taxable Parcel; (ii) is

not a Port-Owned Development Parcel; (iii) based on the Expected Land Uses, was assigned Expected Maximum Facilities Special Tax Revenues or Expected Maximum Arts Building Special Tax Revenues; and (iv) subsequently falls within one or more of the categories that would otherwise be exempt from Special Taxes pursuant to Section H below.

“Facilities Special Tax” means a special tax levied in any Fiscal Year to pay the Facilities Special Tax Requirement.

“Facilities Special Tax Bonds” means any Bonds secured by Facilities Special Taxes.

“Facilities Special Tax Requirement” means the amount necessary in any Fiscal Year to pay: (i) pay principal and interest on Facilities Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Facilities Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Facilities Special Tax Bonds under the applicable Indenture to the extent such replenishment has not been included in the computation of the Facilities Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Facilities Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay other obligations described in the Financing Plan; and (vii) pay directly for Authorized Expenditures, so long as such levy under this clause (vii) does not increase the Facilities Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (vi) may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Facilities Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the applicable Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Facilities Special Taxes; and (c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port.

“Final Map” means a final map, or portion thereof, recorded by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots on which Building Permits for new construction may be issued without further subdivision.

“Financing Plan” means the Financing Plan attached as Exhibit C1 to, and incorporated into, the DDA, as such plan may be amended or supplemented from time to time in accordance with the terms of the DDA.

“First Bond Sale” means, for the Facilities Special Tax, a Bond Sale of the first series of Facilities Special Tax Bonds, and, for the Arts Building Special Tax, a Bond Sale of the first series of Arts Building Special Tax Bonds.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“For-Sale Residential Square Footage” means the Square Footage within one or more For-Sale Residential Units.

“For-Sale Residential Unit” means an individual Residential Unit that is not a Rental Unit.

“Future Annexation Area” means that geographic area that, at STD Formation, was considered potential annexation area for the STD and which was, therefore, identified as “future annexation area” on the recorded STD boundary map. Such designation does not mean that any or all of the Future Annexation Area will annex into the STD, but should owners of property designated as Future Annexation Area choose to annex, the annexation may be processed pursuant to the annexation procedures in the CFD Law for territory included in a future annexation area, as well as the procedures established by the Board.

“Indenture” means any indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Change” means a change to the Expected Land Uses after STD Formation.

“Leased Properties STD No. 2019-2” means the City and County of San Francisco Special Tax District No. 2019-2 (Pier 70 Leased Properties).

“Master Lease” means a lease for all or part of the 28-Acre Site that, with licenses for other portions of Pier 70, allows the Developer to take possession of the FC Project Area (as defined in the Appendix) and construct horizontal improvements approved under the DDA.

“Maximum Arts Building Special Tax” means the greatest amount of Arts Building Special Tax that can be levied on a Taxable Parcel in Tax Zone 2 in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Arts Building Special Tax Revenues” means, at any point in time, the aggregate Maximum Arts Building Special Tax that can be levied on all Taxable Parcels in Tax Zone 2.

“Maximum Facilities Special Tax” means the greatest amount of Facilities Special Tax that can be levied on a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Facilities Special Tax Revenues” means, at any point in time, the aggregate Maximum Facilities Special Tax that can be levied on all Taxable Parcels.

“Maximum Services Special Tax” means the greatest amount of Services Special Tax that can be levied on a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Services Special Tax Revenues” means, at any point in time, the aggregate Maximum Services Special Tax that can be levied on all Taxable Parcels.

“Maximum Special Tax” means, for any Taxable Parcel in Tax Zone 1 in any Fiscal Year, the sum of the Maximum Facilities Special Tax and Maximum Services Special Tax. For any Taxable Parcel in Tax Zone 2, “Maximum Special Tax” means in any Fiscal Year, the sum of the Maximum Facilities Special Tax, Maximum Arts Building Special Tax, and Maximum Services Special Tax.

“Maximum Special Tax Revenues” means, collectively, the Maximum Facilities Special Tax Revenues, the Maximum Arts Building Special Tax Revenues, and the Maximum Services Special Tax Revenues.

“Non-Residential Square Footage” means Square Footage that is or is expected to be space within any structure or portion thereof intended or primarily suitable for, or accessory to, occupancy by retail, office, commercial, or any other Square Footage in a building that does not meet the definition of Residential Square Footage. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Non-Residential Square Footage on any Taxable Parcel within the STD, and such determination shall be conclusive and binding. Incidental retail or commercial uses in an Affordable Housing Project shall be Exempt Non-Residential Square Footage. Non-Residential Square Foot means a single square-foot unit of Non-Residential Square Footage.

“Planning Code” means the Planning Code of the City and County of San Francisco, as it may be amended from time to time.

“Planning Parcel” means a geographic area within the STD that, for planning and entitlement purposes, has been designated as a separate Parcel with an alpha, numeric, or alpha-numeric identifier to be used for reference until an Assessor’s Parcel is created and an Assessor’s Parcel number is assigned. The Planning Parcels at STD Formation are identified in Attachment 1 hereto.

“Port” means the Port of San Francisco.

“Port-Owned Development Parcel” means any Parcel of Undeveloped Property in the STD that is anticipated to be developed by a Vertical Developer but which is, at the time of calculation of a Special Tax levy, owned by the Port.

“Proportionately” means, for Developed Property, that the ratio of the actual Services Special Tax levied in any Fiscal Year to the Maximum Services Special Tax authorized to be levied in that Fiscal Year is equal for all Parcels of Developed Property in the same zone. For Undeveloped Property, “Proportionately” means that the ratio of the actual Facilities Special Tax levied to the Maximum Facilities Special Tax is equal for all Parcels of Undeveloped Property in the same zone. For Expected Taxable Property, “Proportionately” means that the ratio of the actual Facilities Special Tax and Arts Building Special Tax levied to the Maximum Facilities Special Tax and Maximum Arts Building Special Tax is equal for all Parcels of Expected Taxable Property in the same zone.

“Public Property” means any property within the boundaries of the STD that is owned by or leased to the federal government, State of California, City, or public agency other than the Port. Notwithstanding the foregoing, any property subject to a Vertical DDA shall not, during the lease term, be considered Public Property and shall be taxed and classified according to the use on the Parcel(s).

“Remainder Special Taxes” means, as calculated between September 1st and December 31st of any Fiscal Year, any Facilities Special Tax and Arts Building Special Tax revenues that were collected in the prior Fiscal Year and were not needed to: (i) pay debt service on the applicable

Facilities Special Tax Bonds or Arts Building Special Tax Bonds that was due in the calendar year that begins in the Fiscal Year in which the Remainder Special Taxes were levied; (ii) pay periodic costs on the applicable Facilities Special Tax Bonds or Arts Building Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on such Facilities Special Tax Bonds or Arts Building Special Tax Bonds; (iii) replenish reserve funds created for the applicable Facilities Special Tax Bonds or Arts Building Special Tax Bonds under the Indenture; (iv) cure any delinquencies in the payment of principal or interest on the applicable Facilities Special Tax Bonds or Arts Building Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay other obligations described in the Financing Plan; or (vi) pay Administrative Expenses that have been incurred, or are expected to be incurred, by the City and Port prior to the receipt of additional Facilities Special Tax and Arts Building Special Tax proceeds.

“Rental Residential Square Footage” means Square Footage that is or is expected to be used for one or more of the following uses: (i) Rental Units; (ii) any type of group or student housing that provides lodging for a week or more and may or may not have individual cooking facilities, including but not limited to boarding houses, dormitories, housing operated by medical institutions, and single room occupancy units; or (iii) a residential care facility that is not staffed by licensed medical professionals. The Review Authority shall make the determination as to the amount of Rental Residential Square Footage on a Taxable Parcel in the STD.

“Rental Unit” means a Residential Unit within an Apartment Building.

“Required Coverage” means (i) for Arts Building Special Tax Bonds, the amount by which the Maximum Arts Building Special Tax Revenues must exceed the Arts Building Special Tax Bond debt service and priority Administrative Expenses (if any), as set forth in the applicable Indenture, Certificate of Special Tax Consultant, or other STD Formation Proceedings or Bond document that identifies the minimum required debt service coverage; and (ii) for Facilities Special Tax Bonds, the amount by which the Maximum Facilities Special Tax Revenues must exceed the Facilities Special Tax Bond debt service and priority Administrative Expenses (if any), as set forth in the applicable Indenture, Certificate of Special Tax Consultant, or other STD Formation Proceedings or Bond document that identifies the minimum required debt service coverage.

“Residential Square Footage” means, collectively, For-Sale Residential Square Footage and Rental Residential Square Footage. Residential Square Foot means a single square-foot unit of Residential Square Footage.

“Residential Unit” means a room or suite of two or more rooms that is designed for residential occupancy for 32 consecutive days or more, including provisions for sleeping, eating and sanitation. “Residential Unit” includes, but is not limited to, an individual townhome, condominium, flat, apartment, or loft unit, and individual units within a senior or assisted living facility.

“Review Authority” means the Deputy Director of Real Estate & Development for the Port or an alternate designee from the Port or the City who is responsible for approvals and entitlements of a development project.

“RMA” means this Rate and Method of Apportionment of Special Taxes.

“Services Special Tax” means a special tax levied in any Fiscal Year to pay the Services Special Tax Requirement.

“Services Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay the costs of operations and maintenance or other public services that are included as Authorized Expenditures; (ii) cure delinquencies in the payment of Services Special Taxes in the prior Fiscal Year; and (iii) pay Administrative Expenses.

“Special Taxes” means:

For Tax Zone 1: the Facilities Special Tax and Services Special Tax.

For Tax Zone 2: the Facilities Special Tax, Arts Building Special Tax, and Services Special Tax.

“Square Footage” means: (i) for Rental Residential Square Footage and Non-Residential Square Footage, the net saleable square footage on a Taxable Parcel, as determined by the Review Authority in conjunction with the Vertical Developer; and (ii) for For-Sale Residential Square Footage, the square footage of each individual Residential Unit, as reflected on a condominium plan, site plan, or Building Permit, provided by the Vertical Developer or the Port, or expected pursuant to Development Approval Documents. If a Building Permit is issued that will increase the Square Footage on any Parcel, the Administrator shall, in the first Fiscal Year after the final Building Permit inspection has been conducted in association with such expansion, work with the Review Authority to recalculate (i) the Square Footage on the Taxable Parcel, and (ii) the Maximum Special Taxes for the Parcel based on the increased Square Footage. The final determination of Square Footage for each Square Footage Category on each Taxable Parcel shall be made by the Review Authority.

“Square Footage Category” means, individually, Non-Residential Square Footage or Residential Square Footage.

“STD” or **“STD No. 2019-1”** means the City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums).

“STD Formation” means the date on which the Board approved documents to form the STD.

“STD Formation Proceedings” means the proceedings to form the STD, including all resolutions, reports, and notices.

“Tax-Exempt Port Parcels” means Port-owned parcels that are or are intended to be used as streets, walkways, alleys, rights of way, parks, or open space.

“Tax Zone” means a separate and distinct geographic area in the STD within which one or more Special Taxes are applied at a rate or in a manner that is different than in other areas within the STD. The two Tax Zones at STD Formation are identified in Attachment 2 hereto.

“Taxable Non-Residential Square Footage” means any Non-Residential Square Footage in a building that does not meet the definition of Exempt Non-Residential Square Footage.

“Taxable Parcel” means any Parcel within the STD that is not exempt from Special Taxes pursuant to law or Section H below.

“Transition Event” shall be deemed to have occurred when the Administrator determines that: (i) all Arts Building Special Tax Bonds secured by the levy and collection of Arts Building Special Taxes in Tax Zone 2 have been fully repaid or there are sufficient revenues available to fully repay the Arts Building Special Tax Bonds in funds and accounts that, pursuant to the applicable Indenture, will require such revenues to be applied to repay the Arts Building Special Tax Bonds; (ii) all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to the City; and (iii) the proportional share of Arts Building Costs allocated to Tax Zone 2 have been paid, as determined by the Port.

“Transition Year” means the first Fiscal Year in which the Administrator determines that the Transition Event occurred in the prior Fiscal Year.

“Undeveloped Property” means, in any Fiscal Year, all Taxable Parcels that are not Developed Property, or Expected Taxable Property.

“VDDA Execution Date” means the date on which a Vertical DDA was executed between the Port and a Vertical Developer.

“Vertical DDA” means, for a Taxable Parcel, an executed Vertical Disposition and Development Agreement between the Port and a Vertical Developer.

“Vertical Developer” means a developer that has entered into a Vertical DDA for construction of vertical improvements on a Taxable Parcel.

B. DATA FOR STD ADMINISTRATION

On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether each Taxable Parcel is Developed Property, Undeveloped Property (including Port-Owned Development Parcels), or Expected Taxable Property; (ii) the Planning Parcel and Tax Zone within which each Assessor’s Parcel is located; (iii) for Developed Property, the For-Sale Residential Square Footage, Rental Residential Square Footage, Exempt Non-Residential Square Footage, and Taxable Non-Residential Square Footage on each Parcel; and (iv) the Facilities Special Tax Requirement, Arts Building Special Tax Requirement, and Services Special Tax Requirement for the Fiscal Year.

The Administrator shall also: (i) coordinate with the Deputy Director to determine whether the Transition Event occurred in the prior Fiscal Year; (ii) coordinate with the Treasurer-Tax Collector’s Office to determine if there have been any Special Tax delinquencies or repayment of Special Tax delinquencies in prior Fiscal Years; (iii) in consultation with the Review Authority, review the Development Approval Documents and communicate with the Developer and

Vertical Developers regarding proposed Land Use Changes; and (iv) upon each annexation, Land Use Change, and notification of executed Vertical DDAs, update Attachment 3 to reflect the then-current Expected Land Uses, Expected Maximum Facilities Special Tax Revenues and Expected Maximum Arts Building Special Tax Revenues. The Developer, Port, and Vertical Developer shall notify the Administrator each time a Vertical DDA is executed in order for the Administrator to keep track of VDDA Execution Dates for each Vertical DDA.

In any Fiscal Year, if it is determined that (i) a parcel map or condominium plan was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the map or plan was recorded, the Assessor does not yet recognize the newly-created Parcels, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Taxes for the property affected by recordation of the map or plan by determining the Special Taxes that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map or condominium plan.

C. MAXIMUM SPECIAL TAXES

In calculating Maximum Special Taxes pursuant to this Section C, in any Fiscal Year in which the boundaries of the Planning Parcels are not identical to the boundaries of the then-current Assessor's Parcels, the Administrator shall review the Expected Land Uses for each Planning Parcel and assign the Maximum Special Taxes to the then-current Assessor's Parcels. The Maximum Special Tax Revenues after such allocation shall not be less than the Maximum Special Tax Revenues prior to the allocation.

1. *Undeveloped Property*

1a. Facilities Special Tax

The Maximum Facilities Special Tax for Undeveloped Property in all Tax Zones shall be the Expected Maximum Facilities Special Tax Revenues shown in Attachment 3 of this RMA, as it may be amended as set forth herein.

1b. Arts Building Special Tax and Services Special Tax

No Arts Building Special Tax or Services Special Tax shall be levied on Parcels of Undeveloped Property in any Tax Zone within the STD.

2. *Developed Property*

2a. Facilities Special Tax

When a Taxable Parcel (or multiple Taxable Parcels within a building) becomes Developed Property, the Administrator shall use the Base Facilities Special Taxes shown in Table 1 below and apply the steps set forth in this Section 2a to determine the Maximum Facilities Special Tax for the Parcel(s):

Step 1. The Administrator shall review the Building Permit, Certificate of Occupancy, Vertical DDA, condominium plan, architectural drawings, Development Approval Documents, information provided by the Developer, or Vertical Developer, and any other documents or data that estimate or identify the Residential Square Footage or Non-Residential Square Footage anticipated on the Taxable Parcel(s).

Step 2. Using the information from Step 1:

- Based on the Tax Zone in which the Taxable Parcel(s) is located, multiply the applicable Base Facilities Special Tax from Table 1 for Residential Square Footage by the total Residential Square Footage expected within each building on the Taxable Parcel(s).
- Based on the Tax Zone in which the Taxable Parcel(s) is located, multiply the applicable Base Facilities Special Tax from Table 1 for Taxable Non-Residential Square Footage by the total Taxable Non-Residential Square Footage expected within each building on the Taxable Parcel(s).
- If, based on the Expected Land Uses, the Administrator determines that there is Expected Taxable Property within any building, multiply the applicable Base Facilities Special Tax from Table 1 based on what had been anticipated on the Expected Taxable Property by the Square Footage of the Expected Land Uses for that Expected Taxable Property.

Prior to the First Bond Sale, the Maximum Facilities Special Tax for the Taxable Parcel(s) shall be the sum of the amounts calculated above, and Steps 3 and 4 below shall not apply.

After the First Bond Sale, the Administrator shall apply Steps 3 and 4 to determine the Maximum Facilities Special Tax for the Taxable Parcel(s).

Step 3. Sum the amounts calculated in Step 2 to determine the Estimated Base Facilities Special Tax Revenues for the Taxable Parcel(s).

Step 4. Compare the Estimated Base Facilities Special Tax Revenues from Step 3 to the Expected Maximum Facilities Special Tax Revenues, and apply one of the following, as applicable:

- *If the Estimated Base Facilities Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Facilities Special Tax Revenues or (ii) less than the Expected Maximum Facilities Special Tax Revenues, but the Maximum Facilities Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Facilities Special Tax Revenues, are still sufficient to provide Required Coverage, then the Maximum Facilities Special Tax for the Taxable Parcel(s) shall*

be determined by multiplying the applicable Base Facilities Special Taxes by the Square Footage of each Square Footage Category expected within the building(s) on the Taxable Parcel(s). The Administrator shall update Attachment 3 to reflect the adjusted Expected Maximum Facilities Special Tax Revenues and the new Maximum Facilities Special Tax Revenues.

- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, and the Maximum Facilities Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Facilities Special Tax Revenues, are insufficient to provide Required Coverage, then the Base Facilities Special Taxes that were applied in Step 4 shall be increased proportionately until the amount that can be levied on the Taxable Parcel(s), combined with the Expected Maximum Facilities Special Tax Revenues from other Planning Parcels in the STD, is sufficient to maintain Required Coverage; provided, however, such increase cannot exceed, in the aggregate, the amount by which Expected Maximum Facilities Special Tax Revenues from the Taxable Parcel exceeds the Estimated Base Facilities Special Tax Revenues from the Taxable Parcel(s).*

After proportionately increasing the Base Facilities Special Taxes to an amount that will maintain Required Coverage, the Administrator shall use the adjusted per-square foot rates to calculate the Maximum Facilities Special Tax for each Taxable Parcel for which the increased Base Facilities Special Tax was determined to be necessary pursuant to this Step 4. The Administrator shall also revise Attachment 3 to reflect the new Expected Maximum Facilities Special Tax Revenues.

Table 1 Base Facilities Special Tax		
Square Footage Category	Base Facilities Special Tax in Tax Zone 1 (FY 2017-18) *	Base Facilities Special Tax in Tax Zone 2 (FY 2017-18) *
Residential Square Footage	\$5.02 per Residential Square Foot	\$4.70 per Residential Square Foot
Taxable Non-Residential Square Footage	\$5.02 per Non-Residential Square Foot	\$4.70 per Non-Residential Square Foot

* The Base Facilities Special Taxes shown above shall be escalated as set forth in Section D.1.

Unless and until individual Assessor's Parcels are created for Non-Residential Square Footage and Residential Square Footage within a building, the Administrator shall sum the Facilities Special Tax that, pursuant to Section F below, would be levied on all land

uses on a Taxable Parcel and levy this aggregate Facilities Special Tax amount on the Taxable Parcel.

If, in any Fiscal Year, the Maximum Facilities Special Tax is determined for any Parcels of Developed Property for which a Building Permit had not yet been issued and, if, when a Building Permit is issued on the Parcel, the Residential Square Footage or Non-Residential Square Footage is different than the Residential Square Footage or Non-Residential Square Footage that was used to determine the Maximum Facilities Special Tax, then the Administrator shall once again apply Steps 1 through 4 in this Section C.2a to recalculate the Maximum Facilities Special Tax for the Parcel based on the Residential Square Footage or Non-Residential Square Footage that was determined when the Building Permit was issued. The Administrator shall do a final check of the Residential Square Footage and Non-Residential Square Footage for the Parcel when a Certificate of Occupancy is issued. Once again, if the Residential Square Footage or Non-Residential Square Footage is different than the Residential Square Footage or Non-Residential Square Footage that was used to determine the Maximum Facilities Special Tax after the Building Permit was issued, then the Administrator shall apply Steps 1 through 4 in this Section C.2a to recalculate the Maximum Facilities Special Tax for the Parcel.

2b. Arts Building Special Tax

Prior to the Transition Year, when a Taxable Parcel (or multiple Taxable Parcels within a building) in Tax Zone 2 becomes Developed Property, the Administrator shall use the Base Arts Building Special Taxes shown in Table 2 below and apply the steps set forth in this Section 2b to determine the Maximum Arts Building Special Tax for the Taxable Parcel(s). No Arts Building Special Tax shall be levied on Parcels in Tax Zone 1.

Table 2 Base Arts Building Special Tax in Tax Zone 2		
Square Footage Category	Base Arts Building Special Tax in Tax Zone 2 Before the Transition Year (FY 2017-18) *	Base Arts Building Special Tax in Tax Zone 2 in and After the Transition Year (FY 2017-18) *
Residential Square Footage	\$0.64 per Residential Square Foot	\$0.00 per Residential Square Foot
Taxable Non-Residential Square Footage	\$0.64 per Non-Residential Square Foot	\$0.00 per Non-Residential Square Foot

* The Base Arts Building Special Taxes shown above shall be escalated as set forth in Section D.1.

Step 1. The Administrator shall review the Building Permit, Certificate of Occupancy, Vertical DDA, condominium plan, architectural drawings, Development Approval Documents, information provided by the Port, Developer or Vertical Developer, and any other documents or data that estimate or identify the Square Footage within each Square Footage Category to determine Residential Square Footage or Non-Residential Square Footage anticipated within each building on the Taxable Parcel(s).

Step 2. Using the information from Step 1:

- For Tax Zone 2 only, multiply the applicable Base Arts Building Special Tax from Table 2 for Residential Square Footage by the total Residential Square Footage expected within each building on the Taxable Parcel(s).
- For Tax Zone 2 only, multiply the applicable Base Arts Building Special Tax from Table 2 for Taxable Non-Residential Square Footage by the total Taxable Non-Residential Square Footage expected on the Taxable Parcel(s).
- If, based on the Expected Land Uses, the Administrator determines that there is Expected Taxable Property within the building(s) in Tax Zone 2, multiply the applicable Base Arts Building Special Tax from Table 2 based on what had been anticipated on the Expected Taxable Property by the Square Footage of the Expected Land Uses within each building.

Prior to the First Bond Sale, the Maximum Arts Building Special Tax for the Taxable Parcel(s) shall be the sum of the amounts calculated above, and Steps 3 and 4 below shall not apply.

After the First Bond Sale, the Administrator shall apply Steps 3 and 4 to determine the Maximum Arts Building Special Tax for the Taxable Parcel(s).

Step 3. Sum the amounts calculated in Step 2 to determine the Estimated Base Arts Building Special Tax Revenues for the Taxable Parcel(s).

Step 4. Compare the Estimated Base Arts Building Special Tax Revenues from Step 3 to the Expected Maximum Arts Building Special Tax Revenues, and apply one of the following, as applicable:

- *If the Estimated Base Arts Building Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Arts Building Special Tax Revenues or (ii) less than the Expected Maximum Arts Building Special Tax Revenues, but the Maximum Arts Building Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Arts Building Special Tax Revenues, are still sufficient to provide Required Coverage, then the Maximum Arts Building Special Tax for each Taxable Parcel shall be determined by multiplying the applicable Base Arts Building Special Taxes by the Square Footage of each Square Footage Category expected within the building(s) on the Taxable Parcel(s). The Administrator shall update Attachment 3 to reflect the adjusted Expected Maximum Arts Building Special Tax Revenues and the new Maximum Arts Building Special Tax Revenues.*
- *If the Estimated Base Arts Building Special Tax Revenues are less than the Expected Maximum Arts Building Special Tax Revenues, and the*

Maximum Arts Building Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Arts Building Special Tax Revenues, are insufficient to provide Required Coverage, then the Base Arts Building Special Taxes that were applied in Step 4 shall be increased proportionately until the amount that can be levied on the Taxable Parcel(s), combined with the Expected Maximum Arts Building Special Tax Revenues from other Planning Parcels in the STD, is sufficient to maintain Required Coverage; provided, however, such increase cannot exceed, in the aggregate, the amount by which Expected Maximum Arts Building Special Tax Revenues from the Taxable Parcel exceeds the Estimated Base Arts Building Special Tax Revenues from the Taxable Parcel(s).

After proportionately increasing the Base Arts Building Special Taxes to an amount that will maintain Required Coverage, the Administrator shall use the adjusted per-square foot rates to calculate the Maximum Arts Building Special Tax for each Taxable Parcel for which the increased Base Arts Building Special Tax was determined to be necessary pursuant to this Step 4. The Administrator shall also revise Attachment 3 to reflect the new Expected Maximum Arts Building Special Tax Revenues.

Unless and until individual Assessor's Parcels are created for Non-Residential Square Footage and Residential Square Footage within a building, the Administrator shall sum the Arts Building Special Tax that, pursuant to Section F below, would be levied on all land uses on a Parcel and levy this aggregate Arts Building Special Tax amount on the Parcel.

If, in any Fiscal Year, the Maximum Arts Building Special Tax is determined for any Parcels of Developed Property for which a Building Permit had not yet been issued and, if, when a Building Permit is issued on the Parcel, the Residential Square Footage or Non-Residential Square Footage is different than the Residential Square Footage or Non-Residential Square Footage that was used to determine the Maximum Arts Building Special Tax, then the Administrator shall once again apply Steps 1 through 4 in this Section C.2b to recalculate the Maximum Arts Building Special Tax for the Parcel(s) based on the Residential Square Footage or Non-Residential Square Footage that was determined when the Building Permit was issued. The Administrator shall do a final check of the Residential Square Footage and Non-Residential Square Footage within the building when a Certificate of Occupancy is issued. Once again, if the Residential Square Footage or Non-Residential Square Footage is different than the Residential Square Footage or Non-Residential Square Footage that was used to determine the Maximum Arts Building Special Tax after the Building Permit was issued, then the Administrator shall apply Steps 1 through 4 in this Section C.2b to recalculate the Maximum Arts Building Special Tax for the Parcel.

If one or more Building Permits have been issued for development of structures on a Taxable Parcel, and additional structures are anticipated to be built on the Taxable Parcel as shown in the Development Approval Documents, the Administrator shall, regardless of the definitions set forth herein, categorize the buildings for which Building Permits

have been issued as Developed Property and, if the 36-month anniversary of the VDDA Execution Date has not occurred in a previous Fiscal Year, any remaining buildings for which Building Permits have not yet been issued shall not be subject to a Arts Building Special Tax until either: (i) a Building Permit is issued for such remaining buildings, or (ii) the Fiscal Year in which the 36-month anniversary of the VDDA Execution Date. To determine the Arts Building Special Tax for any such Parcel, the Administrator shall take the sum of the Arts Building Special Taxes determined for each building.

2c. Services Special Tax

Upon issuance of the first Certificate of Occupancy for a building on a Taxable Parcel, the Administrator shall reference Table 3 and apply the steps below to determine the Maximum Services Special Tax for the Parcel:

Table 3 Base Services Special Tax			
Square Footage Category	Base Services Special Tax in Tax Zone 1 (FY 2017-18)*	Base Services Special Tax in Tax Zone 2 Before the Transition Year (FY 2017-18) *	Base Services Special Tax in Tax Zone 2 In and After the Transition Year (FY 2017-18) *
Residential Square Footage	\$1.57 per Residential Square Foot	\$1.25 per Residential Square Foot	\$1.89 per Residential Square Foot
Taxable Non-Residential Square Footage	\$1.57 per Non-Residential Square Foot	\$1.25 per Non-Residential Square Foot	\$1.89 per Non-Residential Square Foot

* The Base Services Special Tax for each Tax Zone shown above shall be escalated as set forth in Section D.2.

Step 1. Review the Certificate of Occupancy, Building Permit, Vertical DDA, condominium plan, Development Approval Documents, architectural drawings, information provided by the Port, Developer or Vertical Developer, and coordinate with the Review Authority to determine the Residential Square Footage and Non-Residential Square Footage anticipated within each building.

Step 2. Using the information from Step 1:

- After consideration of the Tax Zone for the building and the Transition Year, multiply the applicable Base Services Special Tax from Table 3 for Residential Square Footage by the total Residential Square Footage within each building.
- Based on the Tax Zone in which the building is located and the Transition Year, multiply the applicable Base Services Special Tax from Table 3 for Taxable Non-Residential Square Footage by the total Taxable Non-Residential Square Footage expected in the building.

The Maximum Services Special Tax for the Parcel shall be the sum of the amounts calculated pursuant to this Step 2.

If additional structures are anticipated to be built on the Parcel as shown in the Development Approval Documents, the Administrator shall, regardless of the definitions set forth herein, categorize each building for which a Certificate of Occupancy has been issued as Developed Property, and any remaining buildings for which Certificates of Occupancy have not yet been issued shall not be subject to a Services Special Tax until a Certificate of Occupancy is issued for such remaining buildings. To determine the Services Special Tax for any such Parcel, the Administrator shall take the sum of the Services Special Taxes determined for each building.

3. *Expected Taxable Property*

Depending on the Tax Zone in which a Parcel of Expected Taxable Property is located, the Maximum Facilities Special Tax and, if applicable, Maximum Arts Building Special Tax assigned to the Parcel shall be the Expected Maximum Facilities Special Tax Revenues and, if applicable, Expected Maximum Arts Building Special Tax Revenues that were assigned to the Parcel (as determined by the Administrator) based on the Expected Land Uses prior to the Administrator determining that such Parcel had become Expected Taxable Property. In the Transition Year and each Fiscal Year thereafter, no Arts Building Special Tax shall be levied on Expected Taxable Property.

D. CHANGES TO THE MAXIMUM SPECIAL TAXES

1. *Annual Escalation of Facilities Special Tax and Arts Building Special Tax*

Beginning July 1, 2018 and each July 1 thereafter, each of the following amounts shall be increased by 2% of the amount in effect in the prior Fiscal Year: the Base Facilities Special Tax for each Tax Zone in Table 1; the Base Arts Building Special Tax for Tax Zone 2 in Table 2; the Expected Maximum Facilities Special Tax Revenues in Attachment 3, the Expected Maximum Arts Building Special Tax Revenues in Attachment 3, and the Maximum Facilities Special Tax and Maximum Arts Building Special Tax assigned to each Taxable Parcel.

2. *Annual Escalation of Services Special Tax*

Beginning July 1, 2018 and each July 1 thereafter, the Base Services Special Tax for each Tax Zone in Table 3 and the Maximum Services Special Tax assigned to each Taxable Parcel shall be adjusted by the Escalator.

3. *Changes in Square Footage Category on a Parcel of Developed Property*

If any Parcel that had been taxed as Developed Property in a prior Fiscal Year is rezoned or otherwise has a Land Use Change, the Administrator shall, separately for each of the Special Taxes, multiply the applicable Base Special Tax by the total Residential Square Footage and Taxable Non-Residential Square Footage on the Parcel after the Land Use Change; if the First Bond Sale has not yet occurred, the combined amount of the applicable Special Taxes shall be the Maximum Special Tax for the Parcel. If the First Bond Sale has taken place, the Administrator shall apply the remainder of this Section D.3.

If the Maximum Special Tax that would apply to the Parcel after the Land Use Change is greater than the Maximum Special Tax that applied to the Parcel prior to the Land Use Change, the Administrator shall increase the Maximum Special Tax for the Parcel to the amount calculated based on the Land Use Change. If the Maximum Special Tax after the Land Use Change is less than the Maximum Special Tax that applied prior to the Land Use Change, there shall be no change to the Maximum Special Tax for the Parcel. Under no circumstances shall the Maximum Special Tax on any Parcel of Developed Property be reduced, regardless of changes in Square Footage Category or Square Footage on the Parcel, including reductions in Square Footage that may occur due to demolition, fire, water damage, or acts of God.

4. Changes to Planning Parcels and Expected Land Uses

If, at any time prior to the First Bond Sale, the Developer or a Vertical Developer makes changes to the boundaries of the Planning Parcels or the Expected Land Uses within one or more Planning Parcels, the Administrator shall update the Expected Land Uses and Expected Maximum Facilities Special Tax Revenues and Expected Maximum Arts Building Special Tax Revenues, which will be reflected on an updated Attachment 3. In addition, the Administrator will request updated Attachments 1 and 2 from the Developer.

If, after the First Bond Sale, the Developer or a Vertical Developer proposes to make changes to the boundaries of the Planning Parcels or the Expected Land Uses within one or more Planning Parcels, the Administrator shall meet with the Port, Developer, and any affected Vertical Developers to review the proposed changes and evaluate the impact on the Expected Maximum Facilities Special Tax Revenues and Expected Maximum Arts Building Special Tax Revenues. If the Administrator determines that such changes will not reduce Required Coverage on Bonds that have been issued, the Port will decide whether to allow the proposed changes and corresponding redistribution of the Maximum Facilities Special Tax Revenues and Maximum Arts Building Special Tax Revenues. If such changes are permitted, the Administrator will update Attachment 3 and request updated Attachments 1 and 2 from the Developer. If the Administrator determines that the proposed changes will reduce Required Coverage on Bonds that have been issued, the Port will not permit the changes.

5. Reduction in Maximum Facilities Special Taxes Prior to First Bond Sale

Prior to the First Bond Sale, as set forth in the Financing Plan, the Port, Developer, and any affected Vertical Developer in Tax Zone 1 may agree to a proportional or disproportional reduction in the Base Facilities Special Tax. If the parties agree to such a reduction, the Port will direct the Administrator to use the reduced Base Facilities Special Tax for purposes of levying the taxes pursuant to this RMA, and such reduction shall be codified by recordation of an amended Notice of Special Tax Lien against all Taxable Parcels within the STD. The reduction shall be made without a vote of the qualified STD electors.

E. ANNEXATIONS

If, in any Fiscal Year, a property owner within the Future Annexation Area wants to annex property into the STD, the Administrator shall apply the following steps as part of the annexation proceedings:

- Step 1.* Working with Port staff, the Administrator shall determine the Expected Land Uses for the area to be annexed and the Tax Zone into which the property will be placed.
- Step 2.* The Administrator shall prepare or have prepared updated Attachments 1, 2, and 3 to reflect the annexed property and identify the revised Expected Land Uses, Expected Maximum Facilities Special Tax Revenues and Expected Maximum Arts Building Special Tax Revenues. After the annexation is complete, the application of this RMA shall be based on the adjusted Expected Land Uses and Maximum Facilities Special Tax Revenues and Maximum Arts Building Special Tax Revenues, as applicable, including the newly annexed property.
- Step 3.* The Administrator shall ensure that a Notice of Special Tax Lien is recorded against all Parcels that are annexed to the STD.

F. METHOD OF LEVY OF THE SPECIAL TAXES

1. *Facilities Special Tax*

Each Fiscal Year, the Administrator shall determine the Facilities Special Tax Requirement for the Fiscal Year, and the Facilities Special Tax shall be levied according to the steps outlined below:

a. In Any Fiscal Year in Which There is No Developer Private Agreement or Developer Public Agreement in Place

- Step 1.* In all Fiscal Years, the Maximum Facilities Special Tax shall be levied on all Parcels of Developed Property regardless of debt service on Bonds (if any), and any Remainder Special Taxes collected shall be applied as set forth in the Indenture and the Financing Plan.
- Step 2.* After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Parcel of Expected Taxable Property, up to 100% of the Maximum Facilities Special Tax for each Parcel of Expected Taxable Property.

b. In Any Fiscal Year in Which There is Either or Both a Developer Private Agreement and/or a Developer Public Agreement in Place

- Step 1.* In all Fiscal Years, the Maximum Facilities Special Tax shall be levied on all Parcels of Developed Property regardless of debt service on Bonds (if any), and any Remainder Special Taxes collected shall be applied as set forth in the Indenture and the Financing Plan.

Step 2. After the First Bond Sale, but only if a Developer Private Agreement is in place, if additional revenue is needed after Step 1 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property that is not a Port-Owned Development Parcel, up to 100% of the Maximum Facilities Special Tax for each Parcel of Undeveloped Property that is not a Port-Owned Development Parcel for such Fiscal Year.

Step 3. After the First Bond Sale, but only if a Developer Public Agreement is in place, if additional revenue is needed after Step 2 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Port-Owned Development Parcel, up to 100% of the Maximum Facilities Special Tax for each Port-Owned Development Parcel for such Fiscal Year.

Step 4: After the First Bond Sale, if additional revenue is needed after Step 3 in order to meet the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Parcel of Expected Taxable Property, up to 100% of the Maximum Facilities Special Tax for each Parcel of Expected Taxable Property.

2. *Arts Building Special Tax*

Step 1. Each Fiscal Year the Maximum Arts Building Special Tax shall be levied on each Taxable Parcel of Developed Property. Any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan. The Arts Building Special Tax may not be levied on Undeveloped Property.

Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Arts Building Special Tax Requirement, the Arts Building Special Tax shall be levied Proportionately on each Parcel of Expected Taxable Property, up to 100% of the Maximum Arts Building Special Tax for each Parcel of Expected Taxable Property.

3. *Services Special Tax*

Each Fiscal Year, the Administrator shall coordinate with the City and the Port to determine the Services Special Tax Requirement for the Fiscal Year. The Services Special Tax shall then be levied Proportionately on each Parcel of Developed Property, up to 100% of the Maximum Services Special Tax for each Parcel of Developed Property for such Fiscal Year until the amount levied is equal to the Services Special Tax Requirement. The Services Special Tax may not be levied on Undeveloped Property or Expected Taxable Property.

G. COLLECTION OF SPECIAL TAXES

Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes on the regular tax roll, provided, however, that the City may directly bill Special Taxes, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods as authorized by the CFD Law. The Board of Supervisors has ordered any Special Taxes to be levied on leasehold interests to be levied on the secured roll. The Special Tax bill for any Parcel subject to a leasehold interest will be sent to the same party that receives the possessory interest tax bill associated with the leasehold.

The Facilities Special Tax shall be levied and collected on a Taxable Parcel until the Fiscal Year that is the 120th Fiscal Year in which the Facilities Special Tax has been levied on the Taxable Parcel.

The Arts Building Special Tax shall be levied and collected until the earlier of: (i) the Transition Year, and (ii) the 120th Fiscal Year in which the Arts Building Special Tax has been levied on the Taxable Parcel.

The Services Special Tax shall be levied and collected in perpetuity.

H. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Taxes shall be levied on Affordable Housing Projects or Tax-Exempt Port Parcels unless such parcels are Expected Taxable Property.

Notwithstanding any other provision of this RMA, no Facilities Special Taxes or Arts Building Special Taxes shall be levied on Public Property unless all of the following conditions apply: (i) the First Bond Sale has occurred; (ii) based on reference to Attachment 3 (as may be updated as set forth herein), a Parcel was assigned Expected Land Uses; and (iii) if the Parcel were to be exempt from the Facilities Special Tax or Arts Building Special Tax, the Expected Maximum Facilities Special Tax Revenues or Expected Maximum Arts Building Special Tax Revenues would be reduced to a point at which the applicable Required Coverage on Bonds (if any) could not be maintained. If all of the above conditions apply, the Administrator can levy the Facilities Special Tax or Arts Building Special Tax on Public Property as needed to maintain Required Coverage.

Parcels of Public Property shall only be exempt from Facilities Special Taxes or Arts Building Special Taxes if: (a) the First Bond Sale has not occurred and the Port determines that it is in the best interest of the parties to exempt the Parcel(s); or (b) the First Bond Sale has occurred, the Port determines that it is in the best interest of the parties to exempt the Parcel(s), and such exemption will not reduce the Expected Maximum Facilities Special Tax Revenues or Expected Maximum Arts Building Special Tax Revenues to the point at which the applicable Required Coverage cannot be maintained. Unless an exemption is provided pursuant to (a) or (b) above, Parcels of Public Property shall be taxed as Developed Property, Undeveloped Property, or

Expected Taxable Property, as determined by the Port. Services Special Taxes will not be levied on Public Property.

I. INTERPRETATION OF SPECIAL TAX FORMULA

The City may interpret, clarify, and revise this RMA to correct any inconsistency, vagueness, or ambiguity, by resolution or ordinance, as long as such interpretation, clarification, or revision does not materially affect the levy and collection of the Special Taxes and any security for any Bonds.

J. SPECIAL TAX APPEALS

Any taxpayer who wishes to challenge the accuracy of computation of the Special Taxes in any Fiscal Year may file an application with the Administrator. The Administrator, in consultation with the City Attorney, shall promptly review the taxpayer's application. If the Administrator concludes that the computation of the Special Taxes was not correct, the Administrator shall correct the Special Tax levy and, if applicable in any case, a refund shall be granted. If the Administrator concludes that the computation of the Special Taxes was correct, then such determination shall be final and conclusivs, and the taxpayer shall have no appeal to the Board from the decision of the Administrator.

The filing of an application or an appeal shall not relieve the taxpayer of the obligation to pay the Special Taxes when due.

Nothing in this Section J shall be interpreted to allow a taxpayer to bring a claim that would otherwise be barred by applicable statutes of limitation set forth in the CFD Law or elsewhere in applicable law.

ATTACHMENT 1

**CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2019-1
(PIER 70 CONDOMINIUMS)**

IDENTIFICATION OF PLANNING PARCELS

ATTACHMENT 2

**CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2019-1
(PIER 70 CONDOMINIUMS)**

IDENTIFICATION OF TAX ZONES

ATTACHMENT 3

**CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2019-1
(PIER 70 CONDOMINIUMS)**

**EXPECTED LAND USES, EXPECTED MAXIMUM FACILITIES SPECIAL TAX REVENUES,
AND EXPECTED MAXIMUM ARTS BUILDING SPECIAL TAX REVENUES**

Planning Parcel	Square Footage Category	Expected Square Footage	Expected Maximum Facilities Special Tax Revenues (FY 2017-18)*	Expected Maximum Arts Building Special Tax Revenues (FY 2017-18)
<i>TAX ZONE 1</i>				
Parcel K North	Residential Square Footage	209,000	\$1,049,180	N/A
<i>TAX ZONE 2</i>				
Parcel C1C				
Parcel C2B				
Parcel D				
TOTAL	N/A			

ATTACHMENT NO. 2
NOTICE OF SPECIAL TAX

ATTACHMENT 2

NOTICE OF SPECIAL TAX

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2019-__
(PIER 70 CONDOMINIUMS)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY IDENTIFIED AS FOLLOWS (THE "PROPERTY"):

[insert APN and legal description]

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR ENTERING INTO A CONTRACT TO PURCHASE THIS PROPERTY. THE SELLER IS REQUIRED TO GIVE YOU THIS NOTICE AND TO OBTAIN A COPY SIGNED BY YOU TO INDICATE THAT YOU HAVE RECEIVED AND READ A COPY OF THIS NOTICE.

Each Assessor's Parcel (also, a "Parcel") of this Property (in existence now or as further subdivided in the future) is subject to a facilities special tax (the "Facilities Special Tax") and services special tax (the "Services Special Tax" and, with the Facilities Special Tax, the "Special Taxes") that are in addition to the regular property taxes and any other charges, fees, special taxes, and benefit assessments on the Property. The Special Taxes are imposed on each Parcel of the Property because it is a new development, and is not necessarily imposed generally upon property outside of this new development. If you fail to pay the Special Taxes levied on a Parcel of the Property when due each year, the delinquent Parcel may be foreclosed upon and sold. The Special Taxes are used to provide facilities and public services that are likely to particularly benefit the Property. YOU SHOULD TAKE THE SPECIAL TAXES AND THE BENEFITS FROM THE FACILITIES AND PUBLIC SERVICES FOR WHICH THEY PAY INTO ACCOUNT IN DECIDING WHETHER TO BUY THIS PROPERTY.

The Property you are purchasing is located within the boundaries of City and County of San Francisco Special Tax District No. 2019-__ (Pier 70 Condominiums) ("Pier 70 Condo CFD"); within the boundaries of the Pier 70 Condo CFD, the Property is located in Zone 1. The Special Taxes are levied pursuant to a Rate and Method of Apportionment of Special Taxes (the "Rate and Method") for the Pier 70 Condo CFD. A copy of the Rate and Method applicable to this Property is attached as Exhibit "C" to the Notice of Special Tax Lien attached hereto as Exhibit 1 (the "Notice of Special Tax Lien"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Rate and Method.

Classification of Property

At the time of formation of the Pier 70 Condo CFD, the Property will constitute Undeveloped Property. The Property will become Developed Property for purposes of the levy of

the Facilities Special Tax and the Services Special Tax as set forth in the definition of Developed Property in the Rate and Method:

(1) For levy of the Facilities Special Tax: all Taxable Parcels for which the 36-month anniversary of the VDDA Execution Date has occurred in a preceding Fiscal Year, regardless of whether a Building Permit has been issued.

(2) For levy of the Services Special Tax: all Taxable Parcels for which a Certificate of Occupancy was issued on or prior to June 30 of the preceding Fiscal Year, but not prior to January

1, 2018. Maximum Special Taxes

The Maximum Facilities Special Tax and the Maximum Services Special Tax are defined in the Rate and Method as follows:

“Maximum Facilities Special Tax” means the greatest amount of Facilities Special Tax that can be levied on a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E of the Rate and Method. Table 1 in the Rate and Method identifies the Base Facilities Special Tax, which will be used to determine the Maximum Facilities Special Tax when a Taxable Parcel becomes Developed Property.

“Maximum Services Special Tax” means the greatest amount of Services Special Tax that can be levied on a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E of the Rate and Method. Table 3 in the Rate and Method identifies the Base Services Special Tax, which will be used to determine the Maximum Services Special Tax upon issuance of the first Certificate of Occupancy on a Taxable Parcel. Adjustments to the Maximum Special Taxes

Section D of the Rate and Method describes the circumstances in which the Maximum Facilities Special Tax and the Maximum Services Special Taxes may be adjusted, including annual escalation, rezoning or other Land Use Changes, changes in Expected Land Uses and changes in the boundaries of the Planning Parcels. In addition, the Maximum Facilities Special Taxes may be reduced prior to the First Bond Sale as described in Section D.

Term of the Special Taxes

The Facilities Special Tax shall be levied and collected on a Taxable Parcel until the Fiscal Year that is the 120th Fiscal Year in which the Facilities Special Tax has been levied on the Taxable Parcel.

The Services Special Tax shall be levied and collected in perpetuity. Prepayment

The Special Taxes may not be prepaid.

Authorized Facilities and Services

The authorized facilities that are being paid for by the Facilities Special Taxes, and by the money received from the sale of bonds that are being repaid by the Facilities Special Taxes, are described in Exhibit B to the Notice of Special Tax Lien attached hereto as Exhibit 1.

These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired.

The authorized public services that are being paid for by the Special Tax are described in Exhibit B to the Notice of Special Tax Lien attached hereto as Exhibit 1.

Further Information

YOU MAY OBTAIN A COPY OF THE RESOLUTION OF FORMATION THAT AUTHORIZED CREATION OF PIER 70 CONDO CFD, AND THAT SPECIFIES MORE PRECISELY HOW THE SPECIAL TAXES ARE APPORTIONED TO EACH PARCEL OF THE PROPERTY AND HOW THE PROCEEDS OF THE SPECIAL TAXES WILL BE USED, FROM THE SPECIAL TAX CONSULTANT, GOODWIN CONSULTING GROUP, INC., 333 UNIVERSITY AVE # 160, SACRAMENTO, CA 95825, TELEPHONE: (916) 561-0890. THERE MAY BE A CHARGE FOR THESE DOCUMENTS NOT TO EXCEED THE REASONABLE COST OF PROVIDING THE DOCUMENTS.

Acknowledgment

I (WE) ACKNOWLEDGE THAT I (WE) HAVE READ THIS NOTICE AND RECEIVED A COPY OF THIS NOTICE PRIOR TO ENTERING INTO A CONTRACT TO PURCHASE OR DEPOSIT RECEIPT WITH RESPECT TO THE ABOVE-REFERENCED PROPERTY. I (WE) UNDERSTAND THAT I (WE) MAY TERMINATE THE CONTRACT TO PURCHASE OR DEPOSIT RECEIPT WITHIN THREE DAYS AFTER RECEIVING THIS NOTICE IN PERSON OR WITHIN FIVE DAYS AFTER IT WAS DEPOSITED IN THE MAIL BY GIVING WRITTEN NOTICE OF THAT TERMINATION TO THE OWNER, SUBDIVIDER, OR AGENT SELLING THE PROPERTY.

DATE: _____

BUYER: _____

DATE: _____

BUYER: _____

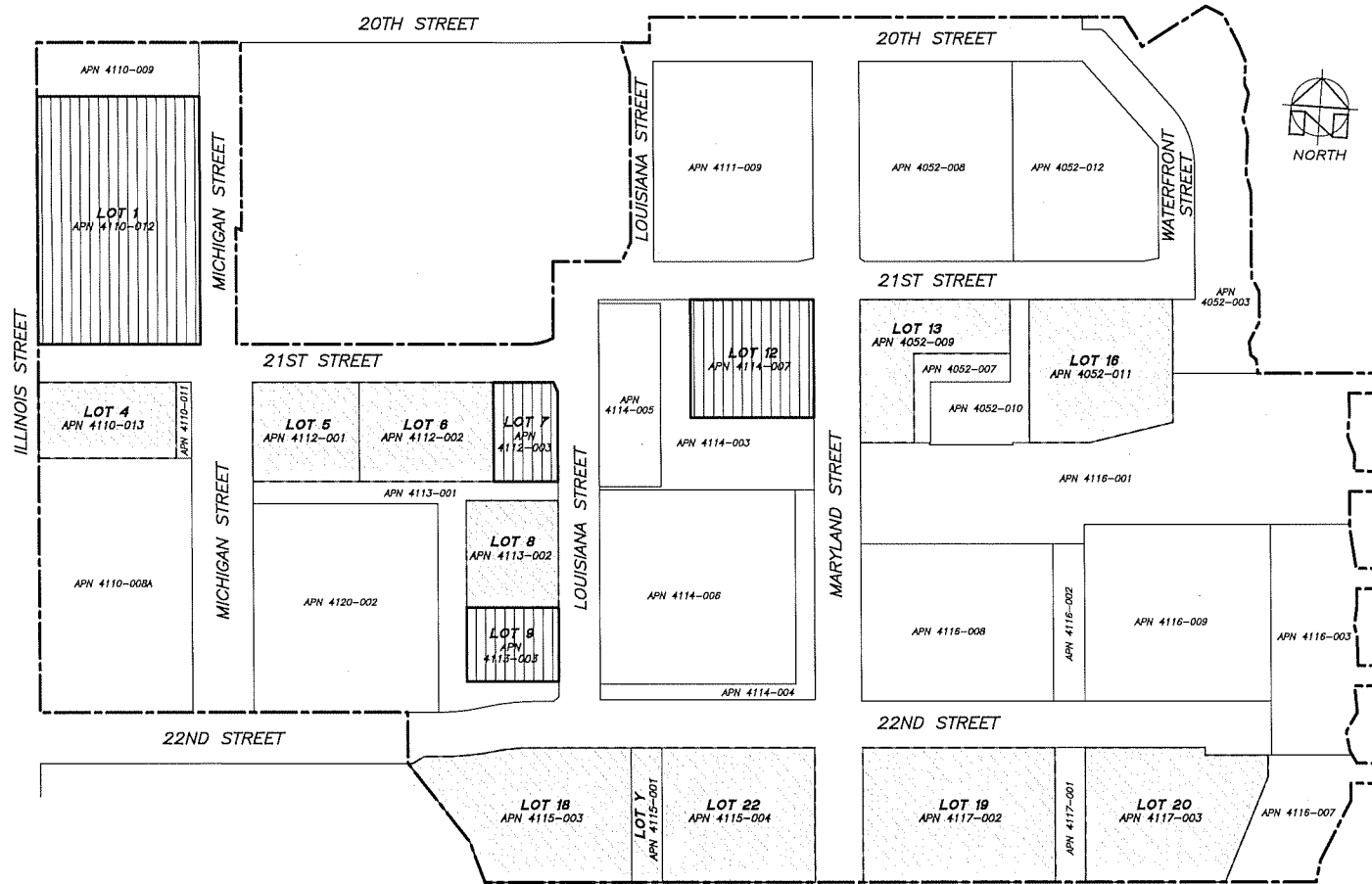
DATE: _____

BUYER: _____

EXHIBIT 1
NOTICE OF SPECIAL TAX LIEN

[see attached]

Proposed Boundaries of
 City and County of San Francisco
 Special Tax District No. 2019-1
 (Pier 70 Condominiums)
 City and County of San Francisco
 State of California



1. FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO THIS _____ DAY OF _____, 20____.

ANGELA CALVILLO
 CLERK OF THE BOARD OF SUPERVISORS

2. I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO SPECIAL TAX DISTRICT NO. 2019-1 (PIER 70 CONDOMINIUMS), CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20____, BY ITS RESOLUTION NO. _____.

ANGELA CALVILLO
 CLERK OF THE BOARD OF SUPERVISORS

3. FILED THIS _____ DAY OF _____, 20____, AT THE HOUR OF _____ O'CLOCK _____ M., IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY ASSESSOR-RECORDER IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

COUNTY ASSESSOR-RECORDER,
 CITY AND COUNTY OF SAN FRANCISCO

LEGEND	
APN	ASSESSOR'S PARCEL NUMBER
	PIER 70 SUD BOUNDARY
	SPECIAL TAX DISTRICT NO. 2019-1 (PIER 70 CONDOMINIUMS)
	FUTURE ANNEXATION AREA

NOTE
 ALL LOTS SHOWN HEREON ARE AS SHOWN ON "FINAL TRANSFER MAP 9597" RECORDED FEBRUARY 7, 2019 IN BOOK HH OF SURVEY MAPS, AT PAGES 89-96, INCLUSIVE, OFFICIAL RECORDS OF THE CITY AND COUNTY OF SAN FRANCISCO.

MARTIN M. RON ASSOCIATES, INC.
 Land Surveyors
 859 HARRISON STREET, SUITE 200
 San Francisco, California 94107

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Elaine Forbes, Executive Director, Port of San Francisco
John Arntz, Director, Department of Elections

FROM: John Carroll, Assistant Clerk, Government Audit and Oversight
Committee, Board of Supervisors

DATE: October 30, 2019

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by mayor Breed on October 22, 2019:

File No. 191076

Resolution declaring the intention of the Board of Supervisors to establish City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) and a Future Annexation Area; determining other matters in connection therewith, as defined herein; and making findings under the California Environmental Quality Act.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Daley Dunham, Port of San Francisco
Wyatt Donnelly-Landolt, Port of San Francisco
Amy Quesada, Port of San Francisco

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Regina Dick-Endrizzi, Director
Small Business Commission, City Hall, Room 448

FROM: John Carroll, Assistant Clerk, Government Audit and Oversight Committee,
Board of Supervisors

DATE: October 31, 2019

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Government Audit and Oversight Committee

The Board of Supervisors' Government Audit and Oversight Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 191076

Resolution declaring the intention of the Board of Supervisors to establish City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) and a Future Annexation Area; determining other matters in connection therewith, as defined herein; and making findings under the California Environmental Quality Act.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, California 94102.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

_____ No Comment

_____ Recommendation Attached

Chairperson, Small Business Commission

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

RECEIVED
10/22/19 @ 5:42pm
S

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Sophia Kittler
RE: Resolution of Intention to Establish City and County of San Francisco
Special Tax District No. 2019-1 (Pier 70 Condominiums)
DATE: Tuesday, October 22, 2019

SIC

Resolution of Intention to establish City and County of San Francisco Special Tax District No. 2019-1 (Pier 70 Condominiums) and a Future Annexation Area, determining other matters in connection therewith and making findings under the California Environmental Quality Act.

Please note that Supervisor Walton is a co-sponsor of this legislation.

Should you have any questions, please contact Sophia Kittler at 415-554-6153.