

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2016-1
(Treasure Island)

OFFICIAL BALLOT
SPECIAL TAX ELECTION

Improvement Area No. 1

This ballot is for a special, landowner election. You must return this ballot in the enclosed postage paid envelope to the office of the Director of Elections of the City and County of San Francisco no later than the hour of 3:00 p.m. on January 24, 2017, either by mail or in person. The office of the Director of Elections of the City and County of San Francisco is located at 1 Dr. Carlton B. Goodlett Place, San Francisco, California 94102.

To vote, mark a cross (X) on the voting line after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the Director of Elections of the City and County of San Francisco and obtain another.

Shall the City and County of San Francisco ("City") levy a special tax solely on lands within Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) ("Improvement Area") in accordance with the rate and method contained in the Board of Supervisors resolution entitled "Resolution of formation of City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future Annexation Area, and determining other matters in connection therewith" ("Formation Resolution"), commencing in the City's fiscal year 2017-18, to pay for the public facilities and the public services specified in the Formation Resolution and to pay the costs of the City in administering the Improvement Area; shall the annual appropriations limit of the Improvement Area be established in the amount of \$90 million; and shall the City issue bonds and incur other debt ("bonds") for the Improvement Area in one or more series in the maximum aggregate principal amount of \$250 million with interest at a rate or rates not to exceed the maximum interest rate permitted by law at the time of sale of such bonds on behalf of the Improvement Area, the proceeds of which bonds will be used to acquire and/or construct certain facilities and pay for the costs of issuing the bonds and related expenses?

YES: X
NO:

By execution in the space provided below, you also indicate your waiver of (i) the time limit pertaining to the conduct of the election, (ii) any requirement for analysis and arguments with respect to the ballot measure, and (iii) any irregularity in the proceedings that may be claimed as a result of the application of such waivers.

Number of Votes: 3

Number of acreage: 2.61

Property Owner:

TREASURE ISLAND DEVELOPMENT AUTHORITY
a California nonprofit public benefit corporation

By:  _____

Name: Robert P. Beck

Title: Treasure Island Director

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YES: _____

NO: _____

By execution in the space provided below, you also indicate your waiver of (i) the time limit pertaining to the conduct of the election, (ii) any requirement for analysis and arguments with respect to the ballot measure, and (iii) any irregularity in the proceedings that may be claimed as a result of the application of such waivers.

Number of Votes: 14

Number of acreage: 13.26

Property Owner:

TREASURE ISLAND SERIES 1, LLC,
a Delaware limited liability company

By:  _____

Name: Jonathan M. Jaffe

Its: Vice President

By:  _____

Name: Christopher Meany

Title: Authorized Signatory

CANVASS AND STATEMENT OF RESULT OF ELECTION

CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 2016-1
(Treasure Island)

Improvement Area No. 1

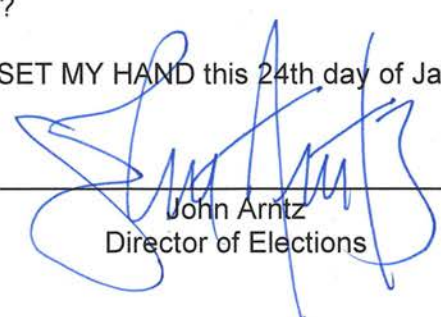
I hereby certify that on January 24, 2017 I canvassed the returns of the election held on January 24, 2017 in Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) and the total number of ballots cast in said Improvement Area and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

	Qualified Landowner <u>Votes</u>	Votes Cast	<u>YES</u>	<u>NO</u>
City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Special Tax Election, January 24, 2017	17	<u>17</u>	<u>17</u>	<u> </u>

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IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 24th day of January, 2017.

By: _____


John Arntz
Director of Elections

Treasure Island Development Program

Community Facilities District Formation

January 24, 2017



Treasure Island Development Program

Development Program



Up to 8,000 homes
(2,173 Affordable)



Up to 500 Hotel Rooms



Up to 450,000sf Retail &
Historic Reuse



Up to 100,000sf Office

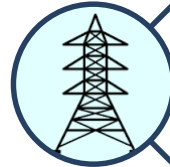
Public Benefits



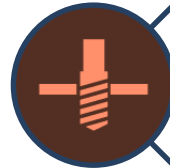
300 acres of open space
(capital and O&M)



Transit equipment, facilities and
operating subsidy



New utilities, streets, police & fire
station, community facilities, and
other public infrastructure

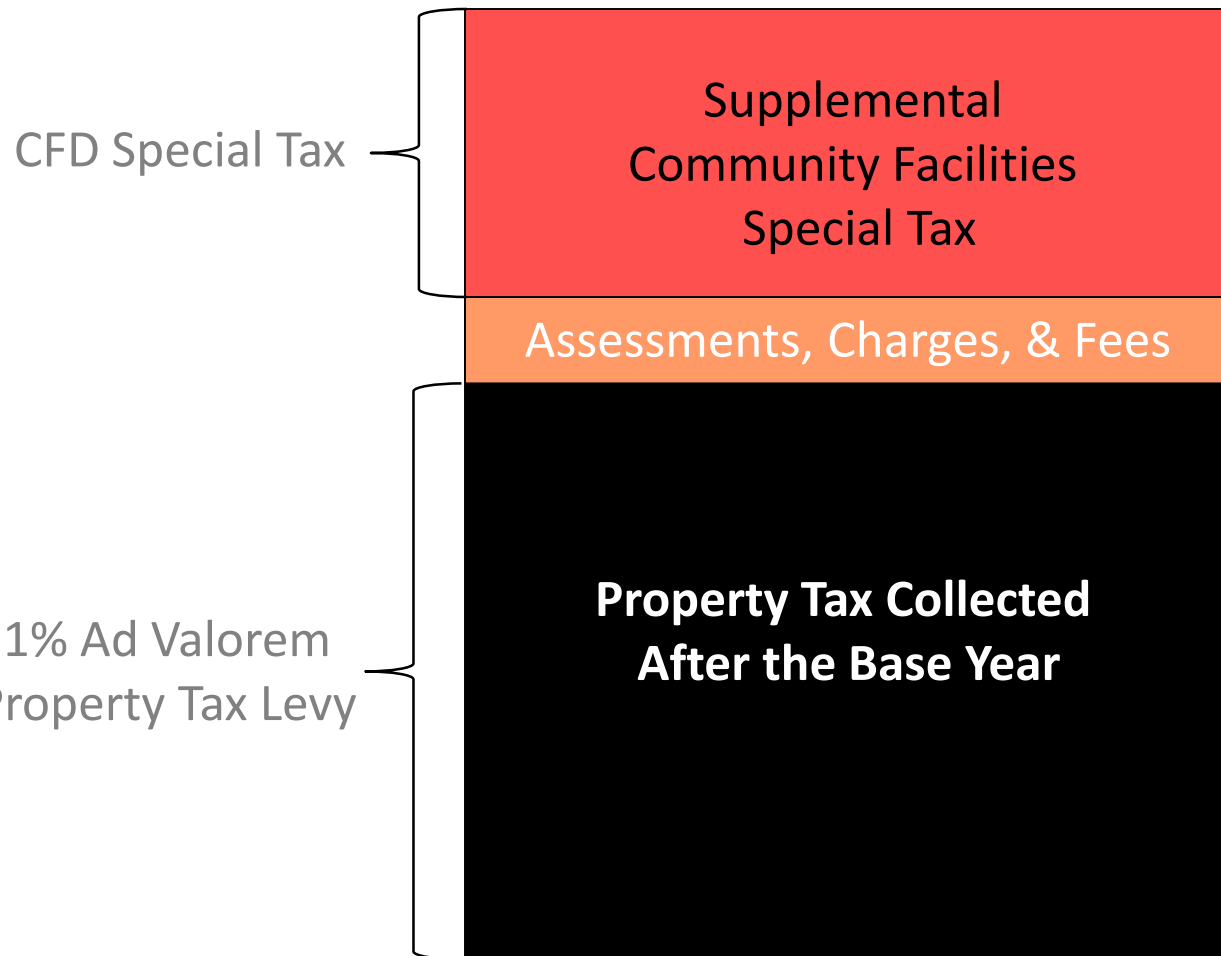


Geotechnical improvements



Sea level rise adaptations
(present & future)

CFD Special Taxes



Community Facilities District

- Levies a supplemental special tax on properties within the district
- Tax based on square footage and land use – commercial/retail, hotel, or residential type (townhome, low-, mid-, or high-rise)
- Funds eligible infrastructure expenses with a useful life of five years or more
- May also finance services and maintenance activities, but may not fund affordable housing
- Intended to:
 - Reimburse eligible developer public infrastructure costs
 - Finance future sea level rise adaptations
 - Provide on-going revenue stream to fund maintenance of TIDA facilities, parks and open spaces

Community Facilities District

- Initially a Facilities (capital) CFD
 - First 42 years after bond issuance committed to developer reimbursement of infrastructure/public benefits (plus on-going O&M expenses)
 - Establish capital reserve of \$250 million (2016\$) for sea level rise adaptations
- Transition from Facility CFD to Maintenance CFD after 99 years, if not earlier
- Term of Maintenance CFDs are not limited by law
 - Proposed to continue in perpetuity

Community Facilities District Formation

- Government Code 53321 prescribes the proceedings for the formation of Community Facilities Districts (CFDs)
- December 6th Board of Supervisors Approvals
 - 0506-16: Resolution of intention to Establish Community Facilities District No. 2016-1
 - 0510-16: Resolution of Intention to Incur Bonded Indebtedness

Actions Before the Board Today

Formation of an Community Facilities District (CFD)

- Public hearing
- Resolution of formation of CFD Improvement Area No. 1 and future annexation area
- Resolution of necessity to incur bonded indebtedness
- Resolution calling for a special election
- Special election
- Resolution confirming election results
- Ordinance ordering levy of special taxes
- Resolution authorizing bond issuance

Future Actions

- Initial CFD bond issuance will precede the issuance of bonds under the IRFD
- Office of Public Finance and TIDA will return to the Board of Supervisors prior to each bond issuance

Discussion