

1 [Issuance of Special Tax Bonds - Community Facilities District No. 2014-1 - Not to Exceed
2 \$1,400,000,000]

3 **Resolution authorizing the issuance and sale of not to exceed \$1,400,000,000 Special**
4 **Tax Bonds for City and County of San Francisco Community Facilities District No.**
5 **2014-1 (Transbay Transit Center) and determining other matters in connection**
6 **therewith.**

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8 WHEREAS, On September 23, 2009, the Board of Supervisors considered and
9 adopted "Local Goals and Policies for Community Facilities Districts and Special Tax Districts"
10 (the "Goals and Policies"), which Goals and Policies, among other things, relate to the
11 formation of community facilities districts under the Mello-Roos Community Facilities Act of
12 1982, as amended, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with
13 Section 53311) of the California Government Code (the "Mello-Roos Act"); and

14 WHEREAS, The Board of Supervisors has conducted proceedings under and pursuant
15 to the Mello-Roos Act to form "City and County of San Francisco Community Facilities District
16 No. 2014-1 (Transbay Transit Center)" (the "CFD"), to authorize the levy of special taxes upon
17 the land within the CFD and to authorize the issuance of bonds and other debt (as defined in
18 the Mello-Roos Act) secured by said special taxes for the purpose of financing certain public
19 improvements (the "Facilities"), all as described in those proceedings; and

20 WHEREAS, The rate and method of apportionment of special taxes for the CFD is in
21 compliance with the Mello-Roos Act and the Goals and Policies; and

22 WHEREAS, The Board of Supervisors now wishes to provide for the issuance of one or
23 more series of special tax bonds to finance a portion of the Facilities and related costs and
24 expenses, and there has been submitted to this Board of Supervisors a form of Fiscal Agent
25 Agreement (the "Fiscal Agent Agreement") providing for the issuance of the special tax bonds

1 for the CFD in one or more series and the use of the proceeds of those bonds, and this Board
2 of Supervisors with the aid of its staff has reviewed the Fiscal Agent Agreement and found it
3 to be in proper order; now, therefore, be it

4 RESOLVED, That the foregoing recitals are true and correct; and, be it

5 FURTHER RESOLVED, That pursuant to the Mello-Roos Act, this Resolution and the
6 Fiscal Agent Agreement (including one or more supplements thereto, as provided in the Fiscal
7 Agent Agreement), one or more series of special tax bonds designated the “City and County
8 of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) Special
9 Tax Bonds,” (the “Bonds”) in an aggregate principal amount not to exceed One Billion Four
10 Hundred Million Dollars (\$1,400,000,000) are hereby authorized to be issued from time to
11 time. The Bonds shall be secured by a pledge of and payable from proceeds of the special
12 tax levied in the CFD. The Bonds shall be dated; be executed in the form and denominations;
13 be registered; mature; be payable at the place, on the interest payment dates and in the
14 priorities and manner; bear interest at the rates; and be subject to the terms of redemption
15 and other terms as shall be provided in the Fiscal Agent Agreement as finally executed and
16 delivered (including one or more supplements thereto); provided, however, that the Fiscal
17 Agent Agreement shall not (a) authorize an aggregate principal amount of Bonds in excess of
18 One Billion Four Hundred Million Dollars (\$1,400,000,000); (b) provide for an average interest
19 rate on the Bonds in excess of the highest rate permitted by applicable law at the time of the
20 sale of the Bonds; or (c) provide for a maturity of any series of the Bonds in excess of 30
21 years. The proceeds of the bonds and other revenues, including special tax revenues, shall
22 be invested and special tax revenues and other funds available to the CFD may be used to
23 make payment to the United States of any excess investment earnings required to be rebated
24 by federal law all as set forth in the Fiscal Agent Agreement; and, be it

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1 FURTHER RESOLVED, That issuance of the Bonds shall be subject to compliance
2 with the Mello-Roos Act and this Resolution. The Bonds shall not be issued until such time as,
3 except as otherwise permitted by Section 53345.8 of the Mello-Roos Act, the value of the real
4 property subject to special taxes levied in the CFD is at least three times the principal amount
5 of the Bonds to be issued and the principal amount of all other bonds and other debt that will
6 be outstanding following issuance of the Bonds that are secured by (i) a special tax levied
7 pursuant to the Mello-Roos Act on property within the CFD or (ii) a special assessment levied
8 on property within the CFD; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors hereby approves the form of
10 the Fiscal Agent Agreement by and between the City and a fiscal agent (the "Fiscal Agent")
11 with respect to the Bonds, in substantially the form on file with the Clerk of the Board of
12 Supervisors. Each of the Mayor, the Controller and the Director of the Office of Public
13 Finance, or such other official of the City as may be designated by such officials (each, an
14 "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the Clerk
15 of the Board of Supervisors is hereby authorized and directed to attest to, the Fiscal Agent
16 Agreement in substantially the form on file with the Clerk of the Board of Supervisors, together
17 with such additions or changes as are approved by such Authorized Officer upon consultation
18 with the City Attorney and the City's bond counsel, including such additions or changes as are
19 necessary or advisable to permit the timely issuance, sale and delivery of the Bonds. The
20 approval of such additions or changes shall be conclusively evidenced by the execution and
21 delivery by an Authorized Officer of the Fiscal Agent Agreement (or one or more supplements
22 thereto). The Board of Supervisors hereby directs the Authorized Officers to name a fiscal
23 agent for the Bonds. The terms and provisions of the Fiscal Agent Agreement, as executed,
24 are incorporated herein by this reference as if fully set forth herein; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors hereby directs the Authorized
2 Officers to return to the Board of Supervisors with a recommendation as to the method for
3 selling one or more series of the Bonds, whether competitive or negotiated, and for approval
4 of all related sales documentation; and, be it

5 FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of
6 the City (including, but not limited to, the Authorized Officers) with respect to the
7 establishment of the CFD, the levy of the special tax and the issuance of the Bonds are
8 hereby approved, confirmed and ratified, and the appropriate officers of the City are hereby
9 authorized and directed to do any and all things and take any and all actions and execute any
10 and all certificates, agreements and other documents, which they, or any of them, may deem
11 necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds
12 in accordance with this Resolution, and any certificate, agreement, and other document
13 described in the documents herein approved. All actions to be taken by an Authorized Officer,
14 as defined herein, may be taken by such Authorized Officer or any designee, with the same
15 force and effect as if taken by the Authorized Officer; and, be it

16 FURTHER RESOLVED, That the Director of the Office of Public Finance and the City
17 Attorney, in consultation with bond counsel, are hereby authorized and directed to initiate a
18 judicial validation action with respect to the CFD and the Bonds pursuant to Code of Civil
19 Procedure Section 860 et seq.; and, be it

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

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3 APPROVED AS TO FORM:
4 DENNIS J. HERRERA, City Attorney

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6 By: _____
7 Mark D. Blake
8 Deputy City Attorney
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