

1 [Formation of a Community Facilities District and Approving Related Agreements]

2 **Resolution approving the formation of a community facilities district and the issuance**  
3 **of special tax bonds by the Association of Bay Area Governments Finance Authority**  
4 **for nonprofit corporations related to City fees and charges applicable to new**  
5 **development projects; making certain findings; approving the form of Joint Community**  
6 **Facilities Agreement; and granting general authority to City officials to take actions**  
7 **necessary or desirable to implement the purposes of this resolution.**

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9 WHEREAS, The Board of Supervisors (the "Board") of the City and County of San  
10 Francisco (the "City") has adopted various ordinances and the Public Utilities Commission has  
11 adopted various resolutions to impose certain public improvement impact fees, in-lieu  
12 development fees, capacity charges and connection fees (collectively, the "Development  
13 Impact Fees and Charges") related to new development projects in the City; and,

14 WHEREAS, In order to improve the financial feasibility of new development in the City,  
15 the City would like to make available a program to permit public financing for all or a portion of  
16 the Development Impact Fees and Charges through the formation of a community facilities  
17 district (a "CFD") under the Mello-Roos Community Facilities Act of 1982, as amended (the  
18 "Act"); and,

19 WHEREAS, The program would allow for property owners to annex into the CFD to  
20 financed the costs of the Development Impact Fees and Charges, and special tax bonds  
21 would be issued by the CFD (the "Bonds") the proceeds of which will be used to pay for the  
22 costs of the public facilities for which the Development Impact Fees and Charges were  
23 imposed (the "Public Facilities"); and,

1           WHEREAS, The annexing property owners would satisfy their obligation to pay the  
2           Development Impact Fees and Charges by means of the Bond proceeds made available to  
3           the City to finance the costs of the Public Facilities; and,

4           WHEREAS, The CFD would levy special taxes against the property owners in the  
5           CFD, and such special taxes would be used to repay the Bonds; and,

6           WHEREAS, The ABAG Finance Authority for Nonprofit Corporations, a joint exercise of  
7           powers agency established under the laws of the State of California (the "Authority") has been  
8           requested to consider the establishment of the CFD and the issuance of the Bonds therefor to  
9           finance the Public Facilities; and,

10          WHEREAS, The City is a member of the Authority; and,

11          WHEREAS, The Authority's "Guidelines for Issuance" require that the member of the  
12          Authority in whose jurisdiction the CFD will be located adopt a resolution recommending  
13          approval of the financing of the Public Facilities by a CFD created and governed by the Board  
14          of Directors of the Authority (acting through its Executive Committee), prior to consideration of  
15          the financing and final approval by the Authority; and,

16          WHEREAS, In order to enable the CFD to finance the Public Facilities, Section  
17          53316.2 of the California Government Code requires that the City and the Authority enter into  
18          a joint community facilities agreement with respect to the Public Facilities, and Section  
19          6586.5(a)(2) of the California Government Code (the "Code") requires that this Board hold a  
20          public hearing regarding the proposed CFD financing and make certain findings with respect  
21          to the proposed financing; and,

22          WHEREAS, Attached hereto as Exhibit A is a form of joint community facilities  
23          agreement by and between the City and the Authority relating to the Public Facilities eligible to  
24          be financed by the CFD and provides that such Public Facilities shall be owned or operated  
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1 by the City (the “Joint Community Facilities Agreement”), and such agreement is on file with  
2 the Clerk of the Board of Supervisors (the “Clerk of the Board”); and,

3 WHEREAS, This Board has on this date held a duly noticed public hearing on the  
4 financing of the Public Facilities with the proceeds of the Bonds, as required by the Code;  
5 and,

6 WHEREAS, It is in the public interest and for the public benefit, and in furtherance of  
7 the desire of the Board to improve the feasibility of new development in the City that this  
8 Board recommend approval of the formation by the Authority of the CFD, the issuance of the  
9 Bonds by the Authority for the CFD to finance the Public Facilities, and the execution and  
10 delivery of the Joint Community Facilities Agreement by the City, and make certain findings in  
11 connection with the financing of the Public Facilities with proceeds of the Bonds; and,

12 WHEREAS, The Board now desires to recommend the approval of the financing of the  
13 Public Facilities by a CFD governed by the Board of Directors of the Authority, to approve the  
14 form of Joint Community Facilities Agreement and to make findings required under the Code  
15 with respect to the financing; and,

16 WHEREAS, The City shall have no obligation or liability of any kind whatsoever with  
17 respect to the formation or administration of the CFD, or the issuance or repayment of the  
18 Bonds, and no City revenues shall be available to repay the Bonds; now, therefore be it

19 RESOLVED, By the Board as follows:

20 Section 1. The Board hereby finds and declares the above recitals are true and  
21 correct.

22 Section 2. The Board hereby approves the establishment of a CFD by the Board of  
23 Directors of the Authority and the issuance of one or more series of the Bonds by the CFD in  
24 an initial aggregate principal amount not to exceed \$75,000,000 to finance the Public  
25 Facilities.

1 Section 3. The Joint Community Facilities Agreement, in the form on file with the Clerk  
2 of the Board, is hereby approved, and the Mayor or his designee is hereby authorized and  
3 directed for and on behalf of the City to execute and deliver said Joint Community Facilities  
4 Agreement together with any changes or modifications thereto deemed necessary or  
5 convenient, in consultation with the City Attorney, in order to carry out the purposes of this  
6 Resolution.

7 Section 4. The Board hereby declares that the Joint Community Facilities Agreement  
8 will be beneficial to the residents residing and to reside within the area in which the Public  
9 Facilities may be constructed.

10 Section 5. This Board hereby finds that significant public benefits will arise from the  
11 financing of the Public Facilities with the proceeds of the Bonds, including employment  
12 benefits from the construction of the Public Facilities and otherwise incident to new  
13 development occurring in the City, all in accordance with Section 6586 of the Code.

14 Section 6. The Board approves the issuance of the Bonds in one or more series by the  
15 Authority for the CFD, and the financing of the Public Facilities with the proceeds of the  
16 Bonds; provided however, that such Bond shall be issued in a amount not greater than  
17 \$75,000,000, and provided no revenues of the City shall be pledged or made available to  
18 repay the Bonds.

19 Section 7. The approval of the formation of a CFD by the Board of Directors of the  
20 Authority and the issuance of the Bonds by the Authority for the purposes herein provided is  
21 neither an approval of the underlying credit or security of any borrower or proposed financing  
22 nor an approval of the financial structure of the Bonds.

23 Section 8. The Mayor or his designee are hereby authorized and directed, for and in  
24 the name and on behalf of the City, to do any and all things and take any and all actions and  
25 execute and deliver any and all certificates, agreements and other documents, which they, or

1 any of them, may deem necessary or advisable, in consultation with the City Attorney, in order  
2 to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes  
3 thereof and of the documents herein approved in accordance with this Resolution.

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