

1 [Issuance of Special Tax Bonds - Improvement Area No. 1 of the City and County of San
2 Francisco Community Facilities District No. 2016-1 (Treasure Island) - Not to Exceed
3 Aggregate Principal Amount of \$41,340,000]

4 **Resolution supplementing Resolution No. 12-17 authorizing the issuance and sale of**
5 **one or more series of Special Tax Bonds for City and County of San Francisco**
6 **Community Facilities District No. 2016-1 (Treasure Island) with respect to its**
7 **Improvement Area No. 1 in the aggregate principal amount not to exceed \$41,340,000;**
8 **approving related documents, including an Official Statement, First Supplement to**
9 **Fiscal Agent Agreement, Bond Purchase Agreement and Continuing Disclosure**
10 **Undertaking, and determining other matters in connection therewith, as defined herein.**

11
12 WHEREAS, This Board of Supervisors ("Board of Supervisors") of the City and County
13 of San Francisco ("City") previously conducted proceedings under and pursuant to the Mello-
14 Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of
15 Title 5 (commencing with Section 53311) of the California Government Code ("Mello-Roos
16 Act"), to form "City and County of San Francisco Community Facilities District No. 2016-1
17 (Treasure Island)" ("CFD") and "Improvement Area No. 1 of the City and County of San
18 Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area
19 No. 1"), to authorize the levy of special taxes upon the land within Improvement Area No. 1
20 and issue bonds secured by the special taxes levied in Improvement Area No. 1 for financing
21 certain public improvements ("Authorized Facilities") in the aggregate principal amount of
22 \$250,000,000, all as described in those proceedings; and

23 WHEREAS, Pursuant to Resolution No. 12-17, which was adopted by the Board on
24 January 24, 2017, and signed by the Mayor on February 3, 2017 ("Original Resolution of
25 Issuance"), this Board of Supervisors authorized the issuance of up to \$250,000,000 of

1 bonded indebtedness and other debt on behalf of the CFD with respect to Improvement Area
2 No. 1, directed staff to prepare documentation for such bonded indebtedness and other debt
3 and return to this Board of Supervisors for approval of such documentation; and

4 WHEREAS, Pursuant to Resolution No. 411-20, which was approved by the Board of
5 Supervisors on September 22, 2020 and signed by the Mayor on September 25, 2020 (“First
6 Supplemental Resolution of Issuance”) and a Fiscal Agent Agreement, dated as of October 1,
7 2020 (“Master Fiscal Agent Agreement”), by and between the City and Zions Bancorporation,
8 National Association (“Fiscal Agent”), the Board of Supervisors previously issued the following
9 special tax bonds on behalf of the CFD with respect to Improvement Area No. 1 (“2020
10 Bonds”): \$17,135,000 Improvement Area No. 1 of the City and County of San Francisco
11 Community Facilities District No. 2016-1 (Treasure Island) Special Tax Bonds, Series 2020;
12 and

13 WHEREAS, The Board of Supervisors now wishes to supplement the Original
14 Resolution of Issuance to provide for the issuance of one or more additional series of special
15 tax bonds (the “Bonds”) on a parity basis with the 2020 Bonds to finance a portion of the
16 Authorized Facilities and related costs and expenses; and

17 WHEREAS, There has been submitted to this Board of Supervisors a form of a First
18 Supplement to the Fiscal Agent Agreement between the City and the Fiscal Agent (“First
19 Supplement”; together with the Master Fiscal Agent Agreement, “Fiscal Agent Agreement”),
20 which supplements the Master Fiscal Agent Agreement for the purposes of issuing one or
21 more additional series of special tax bonds, and this Board of Supervisors with the aid of its
22 staff has reviewed the First Supplement and found it to be in proper order; and

23 WHEREAS, There has also been submitted to this Board of Supervisors a form of
24 preliminary Official Statement in connection with the marketing of the Bonds and this Board of
25

1 Supervisors, with the aid of its staff, has reviewed the preliminary Official Statement to assure
2 disclosure of all material facts relating to the Bonds; and

3 WHEREAS, In accordance with Government Code, Section 5852.1, this Board of
4 Supervisors has obtained and disclosed a good faith estimate prepared by the City's
5 municipal advisor of (a) the true interest cost of the Bonds, (b) the finance charge of the
6 Bonds, (c) the amount of proceeds received by the City for sale of the Bonds less the finance
7 charge and any reserves or capitalized interest paid or funded with proceeds of the Bonds,
8 and (d) the sum total of all payments the City will make to pay debt service on the Bonds plus
9 the finance charge of the Bonds not paid with the proceeds of the Bonds; and

10 WHEREAS, All conditions, things and acts required to exist, to have happened and to
11 have been performed precedent to and in the issuance of the Bonds and the levy of the
12 special taxes as contemplated by this Resolution and the documents referred to herein exist,
13 have happened and have been performed in due time, form and manner as required by the
14 laws of the State of California, including the Mello-Roos Act; now, therefore, be it

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

16 FURTHER RESOLVED, That pursuant to the Mello-Roos Act, this Resolution and the
17 Fiscal Agent Agreement, one or more series of Bonds, in an aggregate principal amount not
18 to exceed \$41,340,000, are hereby authorized to be issued; and, be it

19 FURTHER RESOLVED, That the Bonds shall be dated, bear interest at the rates,
20 mature on the dates, be issued in the form, be subject to redemption, and otherwise be issued
21 on the terms and conditions, all as set forth in the Fiscal Agent Agreement and in accordance
22 with this Resolution; provided, however, that the interest rate borne by each series of Bonds
23 shall not exceed the maximum rate permitted by law; the Bonds may be issued as tax-exempt
24 bonds or as taxable bonds; the Fiscal Agent, an Authorized Officer (as defined herein) and
25 other responsible officers of the City are hereby authorized and directed to take such actions

1 as are required to cause the delivery of the Bonds upon receipt of the purchase price thereof;
2 and, be it

3 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the issuance
4 of the Bonds is in compliance with the Mello-Roos Act and applicable provisions of the City's
5 "Amended and Restated Local Goals and Policies for Community Facilities Districts and
6 Special Tax Districts" adopted by this Board of Supervisors on November 26, 2013, by
7 Resolution No. 414-13, and signed by the Mayor on November 27, 2013 ("Goals and
8 Policies"). More specifically, this Board of Supervisors hereby makes the following
9 determinations:

10 (i) The rate and method of apportionment of special taxes for Improvement
11 Area No. 1 is in compliance with the Goals and Policies.

12 (ii) The appraisal described in the preliminary Official Statement (the
13 "Appraisal") has been prepared in accordance with the Goals and Policies.

14 (iii) Section 53345.8 of the Mello-Roos Act requires, with certain exceptions,
15 that the value of the real property subject to special taxes levied in Improvement Area
16 No. 1 must be at least three times the principal amount of the Bonds and the principal
17 amount of all other bonds that will be outstanding following issuance of the Bonds that
18 are secured by a special tax levied pursuant to the Mello-Roos Act on property within
19 the Improvement Area No. 1 or a special assessment levied on property within
20 Improvement Area No. 1, and this Board of Supervisors hereby determines that the
21 Appraisal concludes that the market value of the property within Improvement Area No.
22 1 (subject to the various assumptions and conditions set forth in the Appraisal) is at
23 least three times (i) the maximum initial principal amount of the Bonds authorized by
24 this Resolution and (ii) the outstanding principal amount of all other outstanding bonds

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1 that are secured by a special tax or special assessment levied on property within
2 Improvement Area No. 1; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby approves the form of
4 the First Supplement, in substantially the form on file with the Clerk of the Board of
5 Supervisors; each of the Mayor, the Controller and the Director of the Office of Public
6 Finance, or such other official of the City as may be designated by such officials (each, an
7 “Authorized Officer”), is hereby authorized and directed to execute and deliver, and the Clerk
8 of the Board of Supervisors is hereby authorized and directed to attest to, the First
9 Supplement in substantially the form on file with the Clerk of the Board of Supervisors,
10 together with such additions or changes as are approved by such Authorized Officer upon
11 consultation with the City Attorney and the City’s bond counsel, including such additions or
12 changes as are necessary or advisable to permit the timely issuance, sale and delivery of the
13 Bonds; the approval of such additions or changes shall be conclusively evidenced by the
14 execution and delivery by an Authorized Officer of the First Supplement; the proceeds of the
15 Bonds shall be used as set forth in the Fiscal Agent Agreement; the terms and provisions of
16 the First Supplement, as executed, are incorporated herein by this reference as if fully set
17 forth herein; and, be it

18 FURTHER RESOLVED, That this Board of Supervisors hereby approves the Official
19 Statement prepared in connection with the Bonds in the form on file with the Clerk of the
20 Board of Supervisors, together with any changes therein or additions thereto deemed
21 advisable by an Authorized Officer after consultation with the City’s disclosure counsel; the
22 Board hereby approves and authorizes the distribution by the Underwriter of the Bonds
23 (defined below) of the preliminary Official Statement to prospective purchasers of the Bonds,
24 and authorizes and directs an Authorized Officer on behalf of the City to deem the preliminary
25 Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934

1 (“Rule”) prior to its distribution to prospective purchasers of the Bonds. The execution of the
2 final Official Statement, which shall include then current financial information regarding
3 Improvement Area No. 1 and such other changes and additions thereto deemed advisable by
4 an Authorized Officer and such information permitted to be excluded from the preliminary
5 Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the
6 Official Statement by the City; and, be it

7 FURTHER RESOLVED, That this Board of Supervisors hereby approves the form of
8 the continuing disclosure undertaking (“Continuing Disclosure Undertaking”) with respect to
9 the Bonds in the form thereof attached to the Official Statement on file with the Clerk of the
10 Board of Supervisors; an Authorized Officer is hereby authorized and directed to complete
11 and execute the Continuing Disclosure Undertaking on behalf of the City with such changes,
12 additions or deletions as may be approved by the Authorized Officer in consultation with the
13 City’s disclosure counsel; and, be it

14 FURTHER RESOLVED, That the form of the Bond Purchase Agreement ("Purchase
15 Contract") providing for the sale of the Bonds by the City to Stifel, Nicolaus & Company,
16 Incorporated and RBC Capital Markets, LLC, as underwriters (collectively, "Underwriter"), on
17 file with the Clerk of the Board is hereby approved and each of the Authorized Officers is
18 hereby authorized to execute the Purchase Contract in the form so approved, with such
19 additions thereto and changes therein as are necessary to conform the Purchase Contract to
20 the dates, amounts and interest rates applicable to the Bonds as of the sale date or as are
21 approved by an Authorized Officer upon consultation with the City Attorney and the City’s
22 bond counsel; provided that the maximum amount of Underwriter’s discount on the sale of
23 each series of Bonds may not exceed 1.50% of the par amount of such series of Bonds.
24 Approval of such additions and changes shall be conclusively evidenced by the execution and
25 delivery of the Purchase Contract by an Authorized Officer; this Board of Supervisors hereby

1 finds that sale of the Bonds to the Underwriter at a negotiated sale pursuant to the Purchase
2 Contract will result in a lower overall cost than would be achieved by selling the Bonds
3 utilizing competitive bidding; and, be it

4 FURTHER RESOLVED, Pursuant to Section 53345.8 of the Act, this Board of
5 Supervisors hereby finds and determines that an Authorized Officer may not execute and
6 deliver the Bond Purchase Agreement unless the Appraisal concludes that the taxable
7 property in Improvement Area No. 1 has a market value (subject to the various assumptions
8 and conditions set forth in the Appraisal) at least three times the principal amount of the
9 Bonds to be sold and the principal amount of all other bonds outstanding that are secured by
10 a special tax levied pursuant to the Act on property within Improvement Area No. 1 or a
11 special assessment levied on property within the Improvement Area No. 1; and, be it

12 FURTHER RESOLVED, That the Bonds shall be prepared, executed and delivered to
13 the Fiscal Agent for authentication, all in accordance with the terms of the Fiscal Agent
14 Agreement and the Purchase Contract; and, be it

15 FURTHER RESOLVED, That the Director of the Office of Public Finance is hereby
16 authorized to determine, after consultation with the City's bond counsel, municipal advisors
17 and the Underwriter, (i) the name of the Bonds, (ii) whether all or a portion of one or more
18 series of Bonds shall be designated as "green bonds," (iii) the final principal amount of each
19 series of the Bonds and (iv) whether each series of the Bonds will be issued as tax-exempt or
20 taxable bonds; and, be it

21 FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of
22 the City (including, but not limited to, the Authorized Officers) with respect to the
23 establishment of the CFD and Improvement Area No. 1, the annexation of properties to
24 Improvement Area No. 1, the levy of the special tax and the issuance of the Bonds are hereby
25 approved, confirmed and ratified, and the appropriate officers of the City are hereby

1 authorized and directed to do any and all things and take any and all actions and execute any
2 and all certificates, agreements and other documents, which they, or any of them, may deem
3 necessary or advisable in order to accomplish the purposes of this Resolution and
4 consummate the lawful issuance and delivery of the Bonds in accordance with this
5 Resolution, any determination authorized by this Resolution, and any certificate, agreement,
6 and other document described in the documents herein approved; all actions to be taken by
7 an Authorized Officer, as defined herein, may be taken by such Authorized Officer or any
8 designee, with the same force and effect as if taken by the Authorized Officer; and, be it

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

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

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19 APPROVED AS TO FORM:
20 DENNIS J. HERRERA, City Attorney

21
22 By: /s/ Mark D. Blake
23 Mark D. Blake
24 Deputy City Attorney

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