

File No. 161124

Committee Item No. _____

Board Item No. 49.

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____

Date: _____

Board of Supervisors Meeting

Date: January 24, 2017

Cmte Board

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| <input type="checkbox"/> | <input checked="" 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 type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
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| <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 |
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OTHER

(Click the text below for a direct link to the document)

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|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Resolution Exhibit A</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Controller letter - November 14, 2016</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CFD Map</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Petition Waivers</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Director of Elections letter - January 13, 2017</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Hearing notice - printed December 25, 2016</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
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Prepared by: John Carroll

Date: January 19, 2017

Prepared by: _____

Date: _____

1 [Calling Special Election - Community Facilities District No. 2016-1 (Treasure Island)]

2
3 **Resolution calling a special election in City and County of San Francisco Community**
4 **Facilities District No. 2016-1 (Treasure Island); and determining other matters in**
5 **connection therewith.**

6
7 WHEREAS, Pursuant to the Mello-Roos Community Facilities Act of 1982, constituting
8 Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California
9 Government Code ("Mello-Roos Act"), this Board of Supervisors ("Board of Supervisors") of
10 the City and County of San Francisco ("City"), State of California, has adopted a resolution
11 entitled "Resolution of formation of City and County of San Francisco Community Facilities
12 District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future Annexation Area,
13 and determining other matters in connection therewith" ("Resolution of Formation"), on file
14 with the Clerk of the Board of Supervisors in File No. 161122, ordering (i) the formation of (A)
15 "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)"
16 ("CFD"), (B) "Improvement Area No. 1 of the City and County of San Francisco Community
17 Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 1"), and (C) a future
18 annexation area for the CFD ("Future Annexation Area"); and (ii) authorizing the levy of a
19 special tax on property within Improvement Area No. 1 and preliminarily establishing an
20 appropriations limit for Improvement Area No. 1; and

21 WHEREAS, This Board of Supervisors has also adopted a resolution entitled
22 "Resolution determining necessity to incur bonded indebtedness and other debt in an amount
23 not to exceed \$5.0 billion for the City and County of San Francisco Community Facilities
24 District No. 2016-1 (Treasure Island) and determining other matters in connection therewith"
25 ("Resolution Determining Necessity"), on file with the Clerk of the Board of Supervisors in File

1 No. 161123, determining (i) the necessity to incur bonded indebtedness and other debt (as
2 defined in the Mello-Roos Act) in the maximum aggregate principal amount of \$250 million for
3 Improvement Area No. 1 upon the security of the special tax to be levied within Improvement
4 Area No. 1 pursuant to the Mello-Roos Act and (ii) the necessity to incur bonded indebtedness
5 and other debt (as defined in the Mello-Roos Act) in the maximum aggregate principal amount
6 of \$4.75 billion for the territory in the CFD that is not in Improvement Area No. 1 (“Non-
7 Improvement Area No. 1 Indebtedness”) upon the security of the special tax to be levied in
8 such territory pursuant to the Mello-Roos Act; and

9 WHEREAS, Pursuant to the provisions of the Resolution of Formation and the
10 Resolution Determining Necessity, the propositions of the levy of the special tax, the
11 establishment of the appropriations limit and the incurring of the bonded indebtedness and
12 other debt for Improvement Area No. 1 shall be submitted to the qualified electors of
13 Improvement Area No. 1 as required by the provisions of the Mello-Roos Act; now, therefore,
14 be it

15 RESOLVED, That pursuant to Mello-Roos Act Sections 53326, 53351 and 53325.7, the
16 issues of the levy of the special tax, the incurring of bonded indebtedness and other debt and
17 the establishment of the appropriations limit for Improvement Area No. 1 shall be submitted to
18 the qualified electors (as defined below) of Improvement Area No. 1 at an election called
19 therefor as provided below; and, be it

20 FURTHER RESOLVED, The designation as an improvement area of any territory
21 annexing to the CFD, the maximum amount of bonded indebtedness and other debt for such
22 improvement area, the rate and method of apportionment of special tax for such improvement
23 area and the appropriations limit for such improvement area shall be identified and approved
24 in the unanimous approval executed by property owners in connection with their annexation to
25 the CFD (each, a “Unanimous Approval”) and in accordance with the Annexation Approval

1 Procedures described in the Resolution of Formation, and the amount of the maximum
2 indebtedness for such improvement area shall be subtracted from the Non-Improvement Area
3 No. 1 Indebtedness Limit as set forth in a resolution of this Board of Supervisors, which shall
4 result in a reduction in the Non-Improvement Area No. 1 Indebtedness Limit; and, be it

5 FURTHER RESOLVED, That this Board of Supervisors hereby finds that fewer than 12
6 persons residing in Improvement Area No. 1 have been registered to vote within the territory
7 of Improvement Area No. 1 for each of the 90 days preceding the close of the public hearings
8 heretofore conducted and concluded by this Board of Supervisors for the purposes of these
9 proceedings, and accordingly, and pursuant to Mello-Roos Act Section 53326, this Board of
10 Supervisors finds that, for these proceedings, the qualified electors are the landowners within
11 Improvement Area No. 1 and that the vote shall be by such landowners or their authorized
12 representatives, each having one vote for each acre or portion thereof such landowner owns
13 in Improvement Area No. 1 not exempt from the special tax as of the close of the public
14 hearings; and, be it

15 FURTHER RESOLVED, That this Board of Supervisors hereby calls a special election
16 in Improvement Area No. 1 to consider the propositions of the levy of the special tax, the
17 establishment of the appropriations limit and the incurring of the bonded indebtedness and
18 other debt for Improvement Area No. 1, which election shall be held on January 24, 2017, and
19 the results thereof canvassed at the meeting of this Board of Supervisors on January 24,
20 2017; and, be it

21 FURTHER RESOLVED, The Director of Elections of the City and County of San
22 Francisco is hereby designated as the official to conduct the election and to receive all ballots
23 until 3:00 p.m. on the election date, and it is hereby acknowledged that the Clerk of the Board
24 of Supervisors and the Director of Elections has on file the Resolution of Formation, a certified
25 map of the boundaries of the CFD and Improvement Area No. 1, and a sufficient description

1 to allow the Director of Elections to determine the electors of Improvement Area No. 1, and
2 pursuant to Mello-Roos Act Section 53327, the election shall be conducted by messenger or
3 mail-delivered ballot pursuant to California Elections Code Section 4000, except that Mello-
4 Roos Act Sections 53326 and 53327 Act shall govern for purposes of determining the date of
5 election; and, be it

6 FURTHER RESOLVED, That as authorized by Mello-Roos Act Section 53353.5, the three
7 propositions described above shall be combined into a single ballot measure for Improvement Area
8 No. 1, the form of which is attached hereto as Exhibit "A" and by this reference incorporated herein
9 and the form of ballot is hereby approved, and the Director of Elections is hereby authorized and
10 directed to cause a ballot, in substantially the form of Exhibit "A," to be delivered to each of the
11 qualified electors of Improvement Area No. 1, and each ballot shall indicate the number of votes to be
12 voted by the respective landowner to which the ballot pertains, and each ballot shall be accompanied
13 by all supplies and written instructions necessary for the use and return of the ballot, and the envelope
14 to be used to return the ballot was enclosed with the ballot, had the return postage prepaid, and
15 contained the following: (a) the name and address of the landowner, (b) a declaration, under penalty of
16 perjury, stating that the voter is the owner of record or authorized representative of the landowner
17 entitled to vote and is the person whose name appears on the envelope, (c) the printed name,
18 signature and address of the voter, (d) the date of signing and place of execution of the declaration
19 pursuant to clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be
20 opened only by the canvassing board of the election; and, be it

21 FURTHER RESOLVED, That this Board of Supervisors hereby further finds that the
22 provisions of Mello-Roos Act Section 53326 requiring a minimum of 90 days following the
23 adoption of the Resolution of Formation to elapse before the special election are for the
24 protection of the qualified electors of Improvement Area No. 1, and there is on file with the
25 Clerk of the Board of Supervisors and the Director of Elections a written waiver executed by

1 all of the qualified electors of Improvement Area No. 1 allowing for a shortening of the time for
2 the special election to expedite the process of formation of Improvement Area No. 1 and
3 waiving any requirement for notice, analysis and arguments in connection with the election,
4 and accordingly, this Board of Supervisors finds and determines that the qualified electors
5 have been fully apprised of and have agreed to the shortened time for the election and waiver
6 of analysis and arguments, and have thereby been fully protected in these proceedings, and
7 this Board of Supervisors also finds and determines that the Director of Elections has
8 concurred in the shortened time for the election; and, be it

9 FURTHER RESOLVED, Analysis and arguments with respect to the ballot measures
10 are hereby waived, as provided in Mello-Roos Act Section 53327; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the proposed
12 issuance of bonds and other debt for Improvement Area No. 1 constitutes a "local bond
13 measure" within the meaning of California Government Code Sections 53410 *et seq.*, and as
14 a result, the bond measure shall include the propositions set forth above and the following: (a)
15 the specific purpose of the bonds and other debt shall be as set forth in the propositions; (b)
16 any proceeds received from the sale of any bonds and other debt shall be applied only to the
17 purposes set forth in the propositions; (c) the proceeds of any bonds and other debt shall be
18 deposited into special accounts to be created therefor as part of the issuance of the bonds
19 and other debt; and (d) the City shall cause a report to be prepared annually under
20 Government Code Section 53411; and, be it

21 FURTHER RESOLVED, That under Government Code Section 50075.1, the following
22 accountability provisions shall apply to the special taxes: (a) the provision and/or acquisition of
23 the Facilities and the Services, the payment of debt service on the bonds and other debt and
24 the incidental costs thereof, all as defined in the Resolution of Formation, shall constitute the
25 specific single purpose; (b) the proceeds shall be applied only to the specific purposes

1 identified in (a) above; (c) there shall be created special account(s) or funds(s) into which the
2 proceeds shall be deposited; and (d) there shall be caused to be prepared an annual audit
3 and report of the CFD; and, be it

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

12 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
13 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
14 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
15 things and take any and all actions, including execution and delivery of any and all
16 documents, assignments, certificates, requisitions, agreements, notices, consents,
17 instruments of conveyance, warrants and documents, which they, or any of them, may deem
18 necessary or advisable in order to effectuate the purposes of this Resolution; provided
19 however that any such actions be solely intended to further the purposes of this Resolution,
20 and are subject in all respects to the terms of the Resolution; and, be it

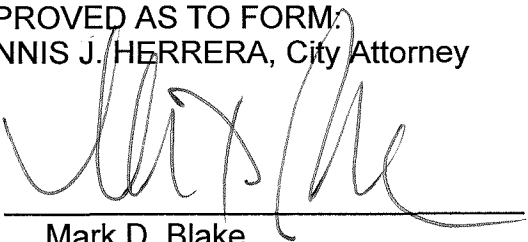
21 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
22 consistent with any documents presented herein, and heretofore taken are hereby ratified,
23 approved and confirmed by this Board of Supervisors; and, be it

24 FURTHER RESOLVED, That this Resolution shall take effect upon its enactment.
25 Enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution

1 unsigned or does not sign the resolution within ten days of receiving it, or the Board of
2 Supervisors overrides the Mayor's veto of the resolution.

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

6
7 By: _____



8 Mark D. Blake
9 Deputy City Attorney

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EXHIBIT A

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 2:00 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: _____

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: _____

Property Owner: [Property Owner Name]

By: _____

Name:

Title:



CITY AND COUNTY OF SAN FRANCISCO

OFFICE OF THE CONTROLLER



Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

Nadia Sesay
Director
Office of Public Finance

MEMORANDUM

TO: Honorable Mayor Edwin M. Lee
Honorable Members, Board of Supervisors

FROM: Nadia Sesay, Public Finance Director 
Robert Beck, Treasure Island Director 

SUBJECT: Treasure Island/Yerba Buena Island: Affordable Housing Funding Plan

DATE: Monday, November 14, 2016

This memorandum identifies strategies to address the affordable housing funding gap in the Treasure Island Program as they relate to legislative actions pending at the Board of Supervisors.

Executive Summary

- In 2011, the Board of Supervisors adopted a series of resolutions to approve numerous entitlement and transaction documents relating to Treasure Island/Yerba Buena Island Development Project.
- The Project includes the development of 8,000 new homes (including 2,173 or 27.2% affordable units), 300 acres of parks and open space, roughly 550,000 square feet of commercial and retail space, and up to 500 hotel rooms.
- Treasure Island Community Development ("TICD") is required to deliver a wide range of public improvements, including geotechnically stabilizing the project site; constructing new roadways, utilities, and other public infrastructure to support the Project; and constructing new ferry facilities, a new police/fire public safety building, and other community facilities.
- The City, in partnership with Treasure Island Homeless Development Initiative ("TIHDI"), is required to develop the affordable housing units.
- The City is obligated under the Disposition and Development Agreement dated June 7, 2011 ("DDA") to establish the required public financing mechanisms as development commences.
- The first five of seventeen resolutions and ordinance required to form the Infrastructure Financing and Revitalization District ("IRFD") and Community Facilities District ("CFD") are pending at the Board of Supervisors. If adopted the resolutions are adopted, the formation of the districts would be considered by the Board of Supervisors in January following Public Hearings on the districts.
- The IRFD will allow Treasure Island Development Authority ("TIDA") to capture property tax increment for affordable housing and to reimburse Treasure Island Community Development ("TICD") for eligible public infrastructure expenses.

- The CFD will place a supplemental assessment on development parcels which will reimburse eligible TICD public infrastructure expenses and will fund future sea level rise adaptation strategies and park & open space maintenance, but which cannot finance affordable housing.
- The 2011 agreements allowed for 1,684 affordable units with the option to develop up to 1,866 affordable units without compensation to the developer, TICD, although it was not determined at the time how the City might finance these additional units.
- Since the adoption of the DDA in 2011 revised projections have identified a gap of \$382 million across a total cost of \$968 million to construct the 1,864 units.
- The gap includes funding an additional 184 affordable housing units, increased construction cost, and lost contributions from State and Federal funding programs which no longer exist. Most notable is the loss due to dissolution of redevelopment of the Educational Revenue Augmentation Fund (“ERAF”) which represent 25.3% of the 1% ad valorem property tax.
- Potential solutions to close the affordable housing funding gap will be available in near-, mid-, and long-term, over the life of the development and will entail future Board actions and change in State law.
- The City is projected to deliver 720 TIDA/TIHDI affordable units over 7 parcels between 2018 – when the first parcel will be available – and 2026 with funding in the near-term from MOHCD.
- The committed and project-generated sources funds 1,429 units (including the 720 units above) or 65% of the affordable housing obligation, including inclusionary units, over the life of the development.
- To the extent that we are able to further realize the potential funding sources identified in this memo, 1,967 units or 90% of the affordable housing obligation including inclusionary units can be delivered over the life of the development.
- Although the City has rights to develop over 20 parcels, the City projects it can construct the 1,864 units on only 17 parcels. Therefore, the City has 3 parcels available for future affordable housing development beyond the 8,000 units and outside of the scope of the development.

Affordable Housing Program

Table 1 below, summarizes some of the key characteristics of the affordable housing program and costs in 2011 compared to 2016.

Table 1: Affordable Housing Program – 2011 and 2016

	2011	2016
Total Affordable Housing Units	2,000	2,173
TIDA/TIHDI Units	1,684	1,864
Inclusionary Units	316	309
Total Cost of TIDA/TIHDI Units	\$600 million	\$968 million
Estimated Funding Gap	\$144+ million*	\$382 million

* – Includes expired Federal and State sources, TIHDI financing obligation, and construction of Tax Credit ineligible market rate units.

With the elimination of redevelopment, the Project was limited to the share of ad valorem property taxes allocated to San Francisco as a City and County which are 64.7% of the total revenues. State law authorizing the formation of Infrastructure Financing Districts (“IFDs”) allowed the City to leverage these revenues in a manner similar to redevelopment law. In the Finance Plan and Housing Plan as revised following the dissolution of redevelopment, the City dedicated 56.7% of the ad valorem tax revenues to the financing of the public improvements, with 82.5% of that amount committed to the reimbursement of TICD for the provision of infrastructure improvements and 17.5% of that amount set aside to finance affordable housing to be constructed by TIDA and TIHDI. The resultant financing structure is reflected in Table 2.

Table 2: Available Tax Increment Under Redevelopment Law vs Treasure Island Post-Redevelopment Finance Plan

	RDA*	IFD**	Notes
General Fund Subtotal	13%	8%	8% of local Tax Increment to GF; 56.7 to project implementation
SF School District	6.5%	7.7%	Not available under IFD
ERAF	-	25.3%	Not available under IFD
Other Districts	0.5%	2.3%	Not available under IFD
Affordable Housing	20%	9.92%	=17.5% of 56.7%
Available for Infrastructure	60%	46.78%	=82.5% of 56.7%
Total	100%	100%	

- * – Under Redevelopment Law, the State committed the ERAF share of property tax increment derived from the project area to the Redevelopment Agency (“RDA”) for the financing of public improvements and affordable housing within the project area.
- ** – Per the Treasure Island Finance Plan, local Tax Increment is to be leveraged through an Infrastructure and Revitalization Financing District (“IFD”)

Addressing the Funding Gap

As illustrated in Table 3, the \$382 million funding gap considers only funding contributions from affordable housing tax credits, TICD’s affordable housing subsidy payment, and tax increment to be leveraged through the IRFD. The committed and project-generated sources funds 1,429 units or 65% of affordable housing obligation, which includes inclusionary units. It does not factor in potential contributions from potential state and local revenues. There are several other avenues that we can pursue to close the funding gap, but the pursuit of these revenues will, by necessity, unfold over time. It is difficult to currently predict with certainty the timing of sources and amounts available to contribute to the final funding program. If these potential funding sources are realized, 1,967 units or 90% of the affordable housing obligation including inclusionary units will be delivered over the life of the development.

The City is exploring a number of alternative funding sources to close the funding gap. The funding source with the potential greatest impact is the restoration of the State ERAF share that was lost when the State dissolved redevelopment in 2011. The restoration of the ERAF Share is one of several of the funding strategies which would require State legislation. The Infrastructure Financing Plan before the Board provides that any additional revenues arising from changes in IRFD law including the reinstatement of ERAF and/or the pledge of MVLFF would be used exclusively to finance affordable housing.

Table 3: Net Funding Need (\$ in Millions)

	Amount
Estimated Cost of Construction	(968)
Committed Non-Project Sources (Tax Credits)	449
Project Generated Sources (Net Increment, Other)	138
Affordable Housing Need	(382)
Short-Term MOHCD Funding	30
State Legislative Changes:	
ERAF Share: 25.3% (Bond Proceeds)	206
IRFD Extension	38
Net Funding Need Gap	(108)
Future Local Shares	
GF Share: 8%	65
Leverage Island Revenue	TBD
Future MOHCD Funding	TBD

It is also useful to understand when potential sources may be available to support the housing program. Table 4, below, illustrates which sources may be available in the near-, mid-, and long-term.

Table 4: Affordable Housing Funding Sources

	Near-Term	Mid-Term	Long-Term
Local Project Generated Sources			
GF Share: 8%		X	X
Leverage Island Revenue	X	X	X
Grants			
AHSC	X	X	
No Place Like Home		X	
Legislative Changes			
State ERAF Share		X	X
IRFD Extension			X
MOHCD Funding	X	X	X

Conclusion

TIDA and TIHDI have been working with the MOHCD to develop a funding strategy with an emphasis on projects deliverable over the next 10 years. It is very difficult to predict with any certainty what local revenues will be available beyond 10 years and what other projects will be competing for those resources. Based on our efforts, we project that we will be able to deliver 720 TIDA/TIHDI affordable units between 2018 – when the first parcel will be available – and 2026 with approximately \$30 million in support from MOHCD. These projections do not assume external grants or the legislative changes described above which could make more funds available. To the extent that we are able to realize the potential funding sources identified above, 1,967 units or 90% of the affordable housing obligation including inclusionary units will be delivered over the life of the development.

To date, TICD has demolished structures on Yerba Buena Island and, in August, began demolition on Treasure Island. TICD has taken bids for the initial infrastructure contracts on Yerba Buena Island – for new water storage reservoirs and for new roadways and utility infrastructure – and those contractors are poised to mobilize and begin construction in the coming weeks.

For this work to continue moving forward, it is essential that the City and TIDA commence formation of the initial IRFD and CFD to demonstrate the capacity to reimburse TICD – and, by extension, their lenders – for eligible work as it is completed. A delay in the formation of the IRFD and CDF would slow the release of funds and progress to implement the Program would stall.

The administration of the IRFD and CFD will require TIDA and the Office of Public Finance to appear regularly before the Board of Supervisors to authorize future bond sales and take other actions. We would update the Board of the progress in funding individual affordable housing projects and narrowing the overall funding gap as a regular part of every report.

Your consideration of this matter is greatly appreciated. Please contact Nadia Sesay at 415-554-554-5956 or Bob Beck at 415-274-0646 if you have any questions.

CC: Angela Calvillo, Clerk of the Board of Supervisors
Ben Rosenfield, Controller
Naomi Kelly, City Administrator
Nicole Elliott, Director of Legislative & Government Affairs
Mawuli Tugbenyoh, Mayor's Liaison to the Board of Supervisors
Melissa Whitehouse, Mayor's Budget Director
Olson Lee, Mayor's Office of Housing and Community Development
Kate Hartley, Mayor's Office of Housing and Community Development
Harvey Rose, Budget Analyst

PROPOSED BOUNDARIES OF
 CITY AND COUNTY OF SAN FRANCISCO
 COMMUNITY FACILITIES DISTRICT NO. 2016-1
 (TREASURE ISLAND)
 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__.

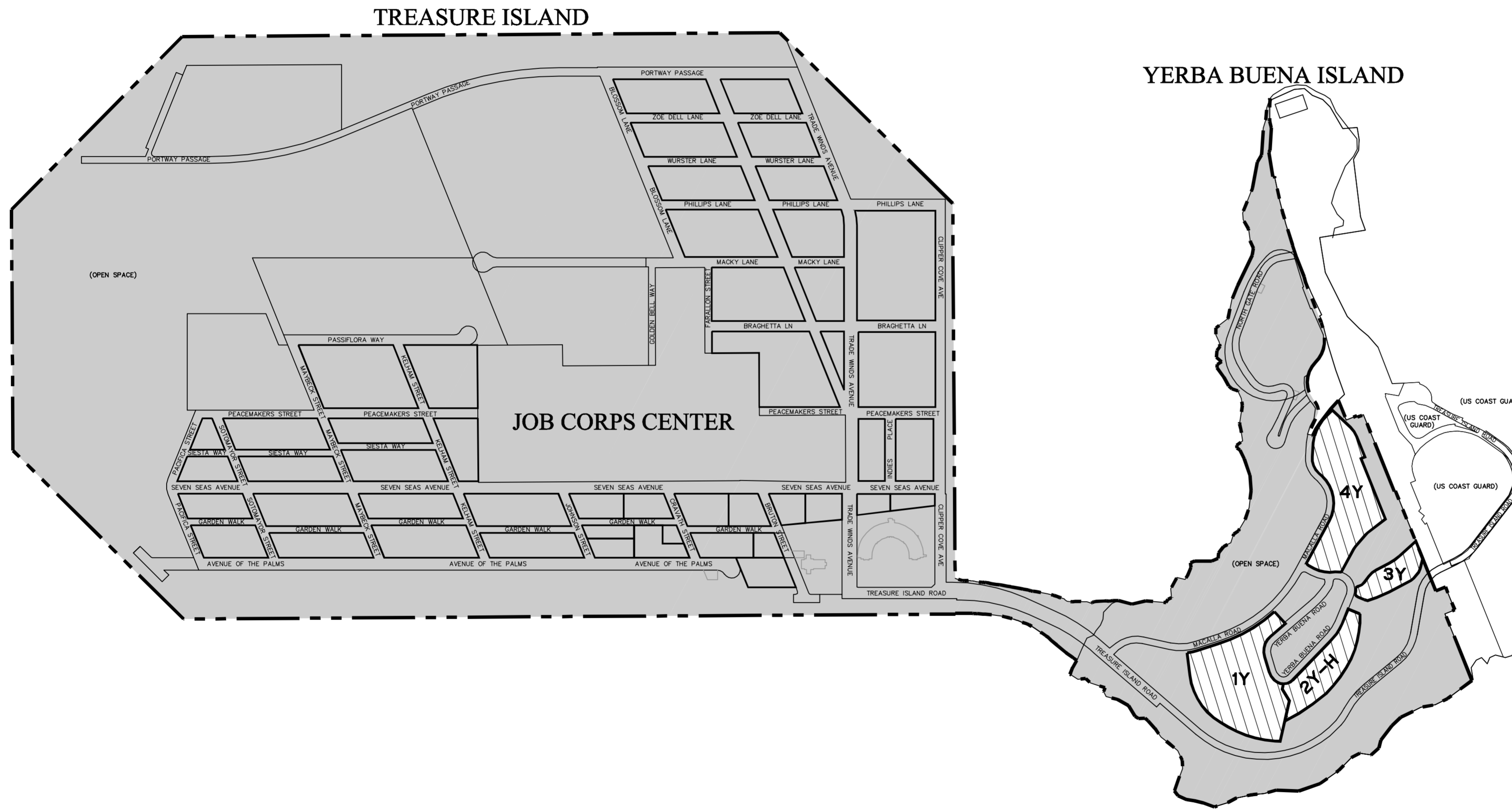
 (Clerk of the Board of Supervisors)

(2) I hereby certify that the within map showing proposed boundaries of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), 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 regular meeting thereof, held on the ____ day of _____, 20__, by its Resolution No. _____.

 (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 Assessor-Recorder in the City and County of San Francisco, State of California.

 (Assessor-Recorder of the City and County of San Francisco)



LEGEND

	Boundaries of Community Facilities District No. 2016-1 (Improvement Area No. 1)
	Future Annexation Area

Assessor's Parcel Number of Property in Improvement Area No. 1	
Developable Parcel	Assessor's Parcel Number(s)
1Y	8948/001
2Y-H	8949/001
3Y	8952/001
4Y	8954/001

Reference is hereby made to the maps maintained by the Office of the Assessor-Recorder of the City and County of San Francisco for an exact description of the lines and dimensions of each lot and parcel.

Prepared by:
 BkF Engineers

**PETITION
TO CREATE A
COMMUNITY FACILITIES DISTRICT
(Including Waivers)**

December 1, 2016

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:

This Petition to Create a Community Facilities District (including Waivers) (this "Petition") is submitted pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311 and following of the California Government Code) (the "Mello-Roos Act").

1. Property Owner. This Petition is submitted to the City and County of San Francisco (the "City") by the owner (the "Property Owner") of the fee simple interest in the parcels of land identified by Assessor Parcel Numbers below (the "Property"). The undersigned Property Owner warrants to the City that it is authorized to execute this Petition and that the Property Owner's submission of this Petition and participation in the City's proceedings under the Mello-Roos Act will not constitute a violation or event of default under any existing financing arrangement to which the Property Owner is a party or in any way otherwise affect the Property Owner's ownership of such Property, including but not limited to any "due-on-encumbrance" clauses under any existing deeds of trust secured by the Property.

2. Request to Institute Proceedings. The Property Owner hereby petitions the City to undertake the following proceedings under the Mello-Roos Act:

(a) the creation of a community facilities district to be designated "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" (the "CFD"), an improvement area within the CFD to be designated "Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 1") and a future annexation area for the CFD to be designated "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) (Future Annexation Area)," with the proposed boundary shown in the proposed map attached as Exhibit B hereto and incorporated herein by reference;

(b) the levy of special taxes in Improvement Area No. 1 pursuant to a Rate and Method of Apportionment of Special Tax (the "Rate and Method") to be prepared by the City, subject to the two-thirds vote of the owners of the taxable property in Improvement Area No. 1; and

(c) the issuance of special tax bonds and other debt (as defined in the Mello-Roos Act) for the CFD and Improvement Area No. 1 in an amount to be determined during the formation proceedings.

3. Boundaries of CFD. The Property Owner hereby asks that the proposed boundaries of the CFD and Improvement Area No. 1 be as shown in Exhibit B. The proposed boundaries of the CFD and Improvement Area No. 1 include the single parcel owned by the Property Owner listed below.

4. Purpose of CFD. The Property Owner hereby asks that the CFD, Improvement Area No. 1 and any improvement area created in the future from the property in the Future Annexation Area (a "Future Improvement Area") be created for the purpose of financing the public facilities (the "Facilities") and the public services described in Exhibit A attached hereto and incorporated herein by reference. Within Improvement Area No. 1 and each Future Improvement Area, the Property Owner will request from time to time that the Board of Supervisors issue special tax bonds in one or more series to finance the Facilities and the related incidental expenses of the proceedings and bond financing.

5. Elections. The Property Owner hereby consents to a special landowner election being held under the Mello-Roos Act to authorize the special taxes and the issuance of the bonds and other debt (as defined in the Mello-Roos Act) and to establish an appropriations limit for Improvement Area No. 1, 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 CFD, Improvement Area No. 1 and the Future Annexation Area under the Mello-Roos Act or as soon thereafter as possible.

6. Waivers. To expedite the completion of the proceedings for the CFD, Improvement Area No. 1 and the Future Annexation Area, all notices of hearings and all notices of election, applicable waiting periods under the Mello-Roos Act 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 Mello-Roos Act, the California Elections Code or otherwise.

This Petition 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 Petition, the persons below agree to all of the above.

The property that is the subject of this Petition is identified as City and County of San Francisco Assessor Parcel No.: 8949-001

Total Acreage: 2.61 acres

Mailing Address:

Robert P. Beck
Treasure Island Director
Treasure Island Development
Authority
One Avenue of the Palms, Suite
241
Treasure Island
San Francisco, CA 94130

The name of the owner of record of such property and the petitioner and its mailing address is:

TREASURE ISLAND DEVELOPMENT
AUTHORITY,
a California non-profit public benefit corporation

By: 
Name: Robert P. Beck
Title: Treasure Island Director

EXHIBIT A

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

DESCRIPTION OF FACILITIES AND SERVICES TO BE FINANCED BY THE CFD AND EACH CURRENT AND FUTURE IMPROVEMENT AREA THEREIN

FACILITIES

It is intended that the CFD, Improvement Area No. 1, and each Future Improvement Area will be authorized to finance all or a portion of the costs of the acquisition, construction and improvement of any of the following types of facilities:

- A. Facilities to be Acquired from Third Parties
 1. Acquisition - includes acquisition of land for public improvements.
 2. Abatement - includes abatement of hazardous materials and disposal of waste.
 3. Demolition - removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste.
 4. Supplemental Fire Water Supply System - including, but not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, manifolds, air-gap back flow preventer, wharf fire hydrants, portable water pumper, and tie-ins for onsite water supply network that is unique to San Francisco intended for fire suppression.
 5. Low Pressure Water - including, but not limited to, main pipe, pressure reducing stations, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, fire hydrants, cathodic protection, and tie-ins for onsite and offsite low pressure water supply network intended for domestic use.
 6. Water Tank Facilities – including, but not limited to, storage tanks, pumps, and other facilities associated with water storage.
 7. Recycled Water - including, but not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, cathodic protection, and tie-ins for recycled water supply network intended to provide treated wastewater for use in irrigation of parks and landscaping as well as graywater uses within buildings.
 8. Storm Drainage System – including, but not limited to, main pipe, laterals, manholes, catch basins, air vents, stormwater treatment facilities, connections to existing systems, headwalls, outfalls, and lift stations for a network intended to convey onsite and offsite separated storm water.
 9. Separated Sanitary Sewer – including, but not limited to, main pipe, laterals, manholes, traps, air vents, connections to existing systems, force main pipe and associated valves and cleanouts, and pump and lift stations for a network intended to convey separated sanitary sewage.
 10. Joint Trench – including, but not limited to, the electrical substation, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, and anodes, for dry utilities including but not limited to electrical and information systems.
 11. Earthwork – including, but not limited to, importation of clean fill materials, clearing and grubbing, slope stabilization, ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock fragmentation, placement of fill, compaction, grading, erosion control, deep vibratory soil compaction, cement deep soil mix (CDSM) columns and panels, stone columns, and post-construction stabilization such as hydroseeding.

12. Retaining Walls – including, but not limited to, excavation, foundations, construction of retaining walls, subdrainage, and backfilling.

13. Highway Ramps, Roadways, Pathways, Curb, and Gutter – including, but not limited to, road subgrade preparation, aggregate base, concrete roadway base, asphalt wearing surface, concrete curb, concrete gutter, medians, colored asphalt and concrete, speed tables, class 1 and 2 bike facilities (e.g., cycle tracks), sawcutting, grinding, conform paving, resurfacing, for onsite and offsite roadways.

14. Traffic – including, but not limited to, transit stops, transit facilities, transit buses and ferries, bridge structures, permanent pavement marking and striping, traffic control signage, traffic light signals, pedestrian traffic lighting, and contributions for offsite traffic improvements.

15. Streetscape – including, but not limited to, subgrade preparation, aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole foundations, landscaping, irrigation, street furniture, waste receptacles, newspaper stands, and public art.

16. Shoreline Improvements – including, but not limited to, demolition, excavation, installation of revetment, structural improvements of shoreline and revetment, and structural repair for replacement or retrofit of shoreline structures.

17. Parks – including, but not limited to, ground improvement, subgrade preparation, landscaping and trees, aggregate base, sidewalks, pavers, decomposed granite, lighting, irrigation, furniture, decks, fountains, and restrooms.

18. Ferry Terminal – including, but not limited to, foundations, ferry shelter building, signs, electronic toll collection system, breakwaters, pier, gangway, float, restroom, bike storage

19. Hazardous Soil Removal – removal and disposal of contaminated soil.

20. Community Facilities – including, but not limited to, costs of police station, fire station, community center spaces for uses including reading room/library, senior/adult services, teen/youth center, outdoor performance and gathering spaces, community gardens, public school, childcare centers, public recreational facilities including ballfields, playing fields and sports centers, and publicly-owned parking garages.

21. Any other amounts specifically identified in the DDA as a Qualified Project Cost.

22. Hard Costs, Soft Costs and Pre-Development Costs, as defined in the Conveyance Agreement, associated with the design, procurement, development and construction of all Facilities listed herein.

B. Authorized Payments

1. Contribution to the City and other public agencies for costs related to open space improvements, transportation and transit facilities, and design and construction of ramps and access roads.

C. Facilities Constructed by the City or TIDA

1. Sea Level Rise Adaptations – including, but not limited to, demolition, excavation, and installation of revetment; structural improvements of shoreline and revetment; construction, improvement or relocation of shoreline structures, seawalls, stormwater pump stations and outfalls; earthwork, grading and landscaping; and the development of intertidal zones or wetlands.

2. Facility Capital Improvements – upgrade, reconstruction, or replacement of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, parks, improvements for sea-level rise, piers, and the Facilities to be Acquired from Third Parties described in Section A of this Exhibit A.

NOTE: The categories of facilities labeled “Facilities Acquired from Third Parties” and “Facilities Constructed by the City or TIDA” reflect current assumptions of the City and TIDA. The CFD shall

be authorized to finance the listed facilities whether they are acquired from third parties or constructed by the City or TIDA.

SERVICES

Special taxes collected in the CFD, Improvement Area No. 1, and each Future Improvement Area will finance, in whole or in part, the following services ("services" shall have the meaning given that term in the Mello-Roos Community Facilities Act of 1982):

- The costs of operating and maintaining Improvements constructed pursuant to the Parks and Open Space Plan within the Project Site, including installing landscaping, all personnel or third-party maintenance costs, costs of maintaining irrigation systems and other equipment directly related to maintenance, maintenance or replacement as needed of landscape areas, water features, bathrooms, trash receptacles, park benches, planting containers, picnic tables, and other equipment or fixtures installed in areas to be maintained, insurance costs, and any other related overhead costs, along with TIDA personnel, administrative, and overhead costs related to maintenance or to contracting for and managing third-party maintenance. The terms used in this paragraph have the meaning given them in the Financing Plan.
- Operating and maintaining TIDA owned structures and facilities within the Project Site, including but not limited to Building 1, Hangers 2 & 3, Pier 1, the Historic Officers' Quarters, Quarters 10 & 62, the Torpedo Building, Chapel, gymnasium, roadways, paths and walkways. Costs include but are not limited to all personnel or third-party maintenance costs, costs of maintaining systems and other equipment directly related to maintenance, as needed, of building systems, roofs, building envelope, and interiors, insurance costs, and any other related overhead costs, along with TIDA personnel, administrative, and overhead costs related to maintenance or to contracting for and managing third-party maintenance. The terms used in this paragraph have the meaning given them in the Financing Plan.

OTHER

The CFD, Improvement Area No. 1, and each Future Improvement Area may also finance any of the following:

1. Bond related expenses, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.
2. Administrative fees of the City and the bond trustee or fiscal agent related to the CFD, Improvement Area No. 1, and each Future Improvement Area and the Bonds.
3. Reimbursement of costs related to the formation of the CFD, Improvement Area No. 1, and each Future Improvement Area advanced by the City, the landowner(s) in the CFD,

Improvement Area No. 1, and each Future Improvement Area, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, the landowner(s) in the CFD, Improvement Area No. 1, and each Future Improvement Area or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD, Improvement Area No. 1, and each Future Improvement Area.

4. Funding a capital reserve fund to finance the Facilities described in this Exhibit A.

EXHIBIT B

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

BOUNDARY MAP

PROPOSED BOUNDARIES OF
 CITY AND COUNTY OF SAN FRANCISCO
 COMMUNITY FACILITIES DISTRICT NO. 2016-1
 (TREASURE ISLAND)
 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__.

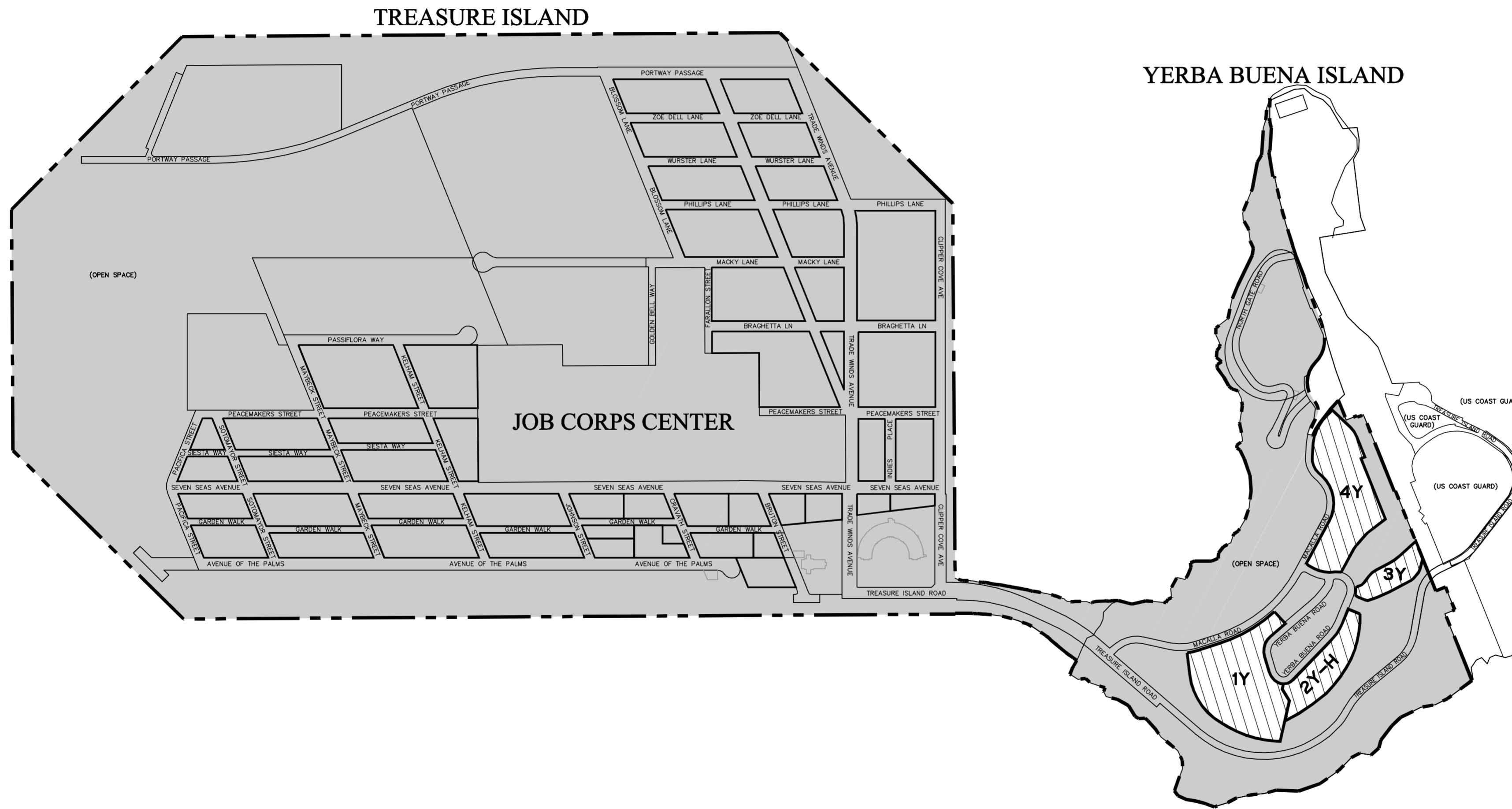
 (Clerk of the Board of Supervisors)

(2) I hereby certify that the within map showing proposed boundaries of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), 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 regular meeting thereof, held on the ____ day of _____, 20__, by its Resolution No. _____.

 (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 Assessor-Recorder in the City and County of San Francisco, State of California.

 (Assessor-Recorder of the City and County of San Francisco)



LEGEND

	Boundaries of Community Facilities District No. 2016-1 (Improvement Area No. 1)
	Future Annexation Area

Assessor's Parcel Number of Property in Improvement Area No. 1	
Developable Parcel	Assessor's Parcel Number(s)
1Y	8948/001
2Y-H	8949/001
3Y	8952/001
4Y	8954/001

Reference is hereby made to the maps maintained by the Office of the Assessor-Recorder of the City and County of San Francisco for an exact description of the lines and dimensions of each lot and parcel.

Prepared by:
 BkF Engineers

**PETITION
TO CREATE A
COMMUNITY FACILITIES DISTRICT
(Including Waivers)**

December 1, 2016

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

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2. Request to Institute Proceedings. The Property Owner hereby petitions the City to undertake the following proceedings under the Mello-Roos Act:

(a) the creation of a community facilities district to be designated "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" (the "CFD"), an improvement area within the CFD to be designated "Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 1") and a future annexation area for the CFD to be designated "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) (Future Annexation Area)," with the proposed boundary shown in the proposed map attached as Exhibit B hereto and incorporated herein by reference;

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(c) the issuance of special tax bonds and other debt (as defined in the Mello-Roos Act) for the CFD and Improvement Area No. 1 in an amount to be determined during the formation proceedings.

3. Boundaries of CFD. The Property Owner hereby asks that the proposed boundaries of the CFD and Improvement Area No. 1 be as shown in Exhibit B. The proposed boundaries of the CFD and Improvement Area No. 1 include all of the Property owned by the Property Owner and one parcel owned by the Treasure Island Development Authority.

4. Purpose of CFD. The Property Owner hereby asks that the CFD, Improvement Area No. 1 and any improvement area created in the future from the property in the Future Annexation Area (a "Future Improvement Area") be created for the purpose of financing the public facilities (the "Facilities") and the public services described in Exhibit A attached hereto and incorporated herein by reference. Within Improvement Area No. 1 and each Future Improvement Area, the Property Owner will request from time to time that the Board of Supervisors issue special tax bonds in one or more series to finance the Facilities and the related incidental expenses of the proceedings and bond financing.

5. Elections. The Property Owner hereby consents to a special landowner election being held under the Mello-Roos Act to authorize the special taxes and the issuance of the bonds and other debt (as defined in the Mello-Roos Act) and to establish an appropriations limit for Improvement Area No. 1, 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 CFD, improvement Area No. 1 and the Future Annexation Area under the Mello-Roos Act or as soon thereafter as possible.

6. Waivers. To expedite the completion of the proceedings for the CFD, Improvement Area No. 1 and the Future Annexation Area, all notices of hearings and all notices of election, applicable waiting periods under the Mello-Roos Act 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 Mello-Roos Act, the California Elections Code or otherwise.

7. Deposits. Compliance with the provisions of subsection (d) of Section 53318 of the Mello-Roos Act has been accomplished by a deposit of funds by the Property Owner with the City, made not later than the date of submission of this Petition to the Clerk of the Board of Supervisors, pursuant to an agreement between the City and the Property Owner to pay the estimated costs to be incurred by the City in conducting proceedings for establishment of the CFD.

This Petition 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 Petition, the persons below agree to all of the above.

The property that is the subject of this Petition is identified as City and County of San Francisco Assessor Parcel Nos.: 8948-001; 8952-001; 8954-001

Total Acreage: 13.26 acres

Mailing Address:

Treasure Island Project Manager
Treasure Island Series 1, LLC
One Sansome Street, Suite 3200
San Francisco, CA 94104

Treasure Island Project Manager
Treasure Island Series 1, LLC
4 Embarcadero Center
Suite 3300
San Francisco, CA 94111

The name of the owner of record of such property and the petitioner and its mailing address is:

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

By executing this Petition, the persons below agree to all of the above.

The property that is the subject of this Petition is identified as City and County of San Francisco Assessor Parcel Nos.: 8948-001; 8952-001; 8954-001

Total Acreage: 13.26 acres

Mailing Address:

Treasure Island Project Manager
Treasure Island Series 1, LLC
One Sansome Street, Suite 3200
San Francisco, CA 94104

Treasure Island Project Manager
Treasure Island Series 1, LLC
4 Embarcadero Center
Suite 3300
San Francisco, CA 94111

The name of the owner of record of such property and the petitioner and its mailing address is:

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

EXHIBIT A

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

DESCRIPTION OF FACILITIES AND SERVICES TO BE FINANCED BY THE CFD AND EACH CURRENT AND FUTURE IMPROVEMENT AREA THEREIN

FACILITIES

It is intended that the CFD, Improvement Area No. 1, and each Future Improvement Area will be authorized to finance all or a portion of the costs of the acquisition, construction and improvement of any of the following types of facilities:

- A. Facilities to be Acquired from Third Parties
 1. Acquisition - includes acquisition of land for public improvements.
 2. Abatement - includes abatement of hazardous materials and disposal of waste.
 3. Demolition - removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste.
 4. Supplemental Fire Water Supply System - including, but not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, manifolds, air-gap back flow preventer, wharf fire hydrants, portable water pumper, and tie-ins for onsite water supply network that is unique to San Francisco intended for fire suppression.
 5. Low Pressure Water - including, but not limited to, main pipe, pressure reducing stations, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, fire hydrants, cathodic protection, and tie-ins for onsite and offsite low pressure water supply network intended for domestic use.
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 9. Separated Sanitary Sewer – including, but not limited to, main pipe, laterals, manholes, traps, air vents, connections to existing systems, force main pipe and associated valves and cleanouts, and pump and lift stations for a network intended to convey separated sanitary sewage.
 10. Joint Trench – including, but not limited to, the electrical substation, installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, and anodes, for dry utilities including but not limited to electrical and information systems.
 11. Earthwork – including, but not limited to, importation of clean fill materials, clearing and grubbing, slope stabilization, ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock fragmentation, placement of fill, compaction, grading, erosion control, deep vibratory soil compaction, cement deep soil mix (CDSM) columns and panels, stone columns, and post-construction stabilization such as hydroseeding.

12. Retaining Walls – including, but not limited to, excavation, foundations, construction of retaining walls, subdrainage, and backfilling.

13. Highway Ramps, Roadways, Pathways, Curb, and Gutter – including, but not limited to, road subgrade preparation, aggregate base, concrete roadway base, asphalt wearing surface, concrete curb, concrete gutter, medians, colored asphalt and concrete, speed tables, class 1 and 2 bike facilities (e.g., cycle tracks), sawcutting, grinding, conform paving, resurfacing, for onsite and offsite roadways.

14. Traffic – including, but not limited to, transit stops, transit facilities, transit buses and ferries, bridge structures, permanent pavement marking and striping, traffic control signage, traffic light signals, pedestrian traffic lighting, and contributions for offsite traffic improvements.

15. Streetscape – including, but not limited to, subgrade preparation, aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole foundations, landscaping, irrigation, street furniture, waste receptacles, newspaper stands, and public art.

16. Shoreline Improvements – including, but not limited to, demolition, excavation, installation of revetment, structural improvements of shoreline and revetment, and structural repair for replacement or retrofit of shoreline structures.

17. Parks – including, but not limited to, ground improvement, subgrade preparation, landscaping and trees, aggregate base, sidewalks, pavers, decomposed granite, lighting, irrigation, furniture, decks, fountains, and restrooms.

18. Ferry Terminal – including, but not limited to, foundations, ferry shelter building, signs, electronic toll collection system, breakwaters, pier, gangway, float, restroom, bike storage

19. Hazardous Soil Removal – removal and disposal of contaminated soil.

20. Community Facilities – including, but not limited to, costs of police station, fire station, community center spaces for uses including reading room/library, senior/adult services, teen/youth center, outdoor performance and gathering spaces, community gardens, public school, childcare centers, public recreational facilities including ballfields, playing fields and sports centers, and publicly-owned parking garages.

21. Any other amounts specifically identified in the DDA as a Qualified Project Cost.

22. Hard Costs, Soft Costs and Pre-Development Costs, as defined in the Conveyance Agreement, associated with the design, procurement, development and construction of all Facilities listed herein.

B. Authorized Payments

1. Contribution to the City and other public agencies for costs related to open space improvements, transportation and transit facilities, and design and construction of ramps and access roads.

C. Facilities Constructed by the City or TIDA

1. Sea Level Rise Adaptations – including, but not limited to, demolition, excavation, and installation of revetment; structural improvements of shoreline and revetment; construction, improvement or relocation of shoreline structures, seawalls, stormwater pump stations and outfalls; earthwork, grading and landscaping; and the development of intertidal zones or wetlands.

2. Facility Capital Improvements – upgrade, reconstruction, or replacement of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, parks, improvements for sea-level rise, piers, and the Facilities to be Acquired from Third Parties described in Section A of this Exhibit A.

NOTE: The categories of facilities labeled “Facilities Acquired from Third Parties” and “Facilities Constructed by the City or TIDA” reflect current assumptions of the City and TIDA. The CFD shall

be authorized to finance the listed facilities whether they are acquired from third parties or constructed by the City or TIDA.

SERVICES

Special taxes collected in the CFD, Improvement Area No. 1, and each Future Improvement Area will finance, in whole or in part, the following services ("services" shall have the meaning given that term in the Mello-Roos Community Facilities Act of 1982):

- The costs of operating and maintaining Improvements constructed pursuant to the Parks and Open Space Plan within the Project Site, including installing landscaping, all personnel or third-party maintenance costs, costs of maintaining irrigation systems and other equipment directly related to maintenance, maintenance or replacement as needed of landscape areas, water features, bathrooms, trash receptacles, park benches, planting containers, picnic tables, and other equipment or fixtures installed in areas to be maintained, insurance costs, and any other related overhead costs, along with TIDA personnel, administrative, and overhead costs related to maintenance or to contracting for and managing third-party maintenance. The terms used in this paragraph have the meaning given them in the Financing Plan.
- Operating and maintaining TIDA owned structures and facilities within the Project Site, including but not limited to Building 1, Hangers 2 & 3, Pier 1, the Historic Officers' Quarters, Quarters 10 & 62, the Torpedo Building, Chapel, gymnasium, roadways, paths and walkways. Costs include but are not limited to all personnel or third-party maintenance costs, costs of maintaining systems and other equipment directly related to maintenance, as needed, of building systems, roofs, building envelope, and interiors, insurance costs, and any other related overhead costs, along with TIDA personnel, administrative, and overhead costs related to maintenance or to contracting for and managing third-party maintenance. The terms used in this paragraph have the meaning given them in the Financing Plan.

OTHER

The CFD, Improvement Area No. 1, and each Future Improvement Area may also finance any of the following:

1. Bond related expenses, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.
2. Administrative fees of the City and the bond trustee or fiscal agent related to the CFD, Improvement Area No. 1, and each Future Improvement Area and the Bonds.
3. Reimbursement of costs related to the formation of the CFD, Improvement Area No. 1, and each Future Improvement Area advanced by the City, the landowner(s) in the CFD,

Improvement Area No. 1, and each Future Improvement Area, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, the landowner(s) in the CFD, Improvement Area No. 1, and each Future Improvement Area or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD, Improvement Area No. 1, and each Future Improvement Area.

- 4. Funding a capital reserve fund to finance the Facilities described in this Exhibit A.

EXHIBIT B

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

BOUNDARY MAP

PROPOSED BOUNDARIES OF
 CITY AND COUNTY OF SAN FRANCISCO
 COMMUNITY FACILITIES DISTRICT NO. 2016-1
 (TREASURE ISLAND)
 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__.

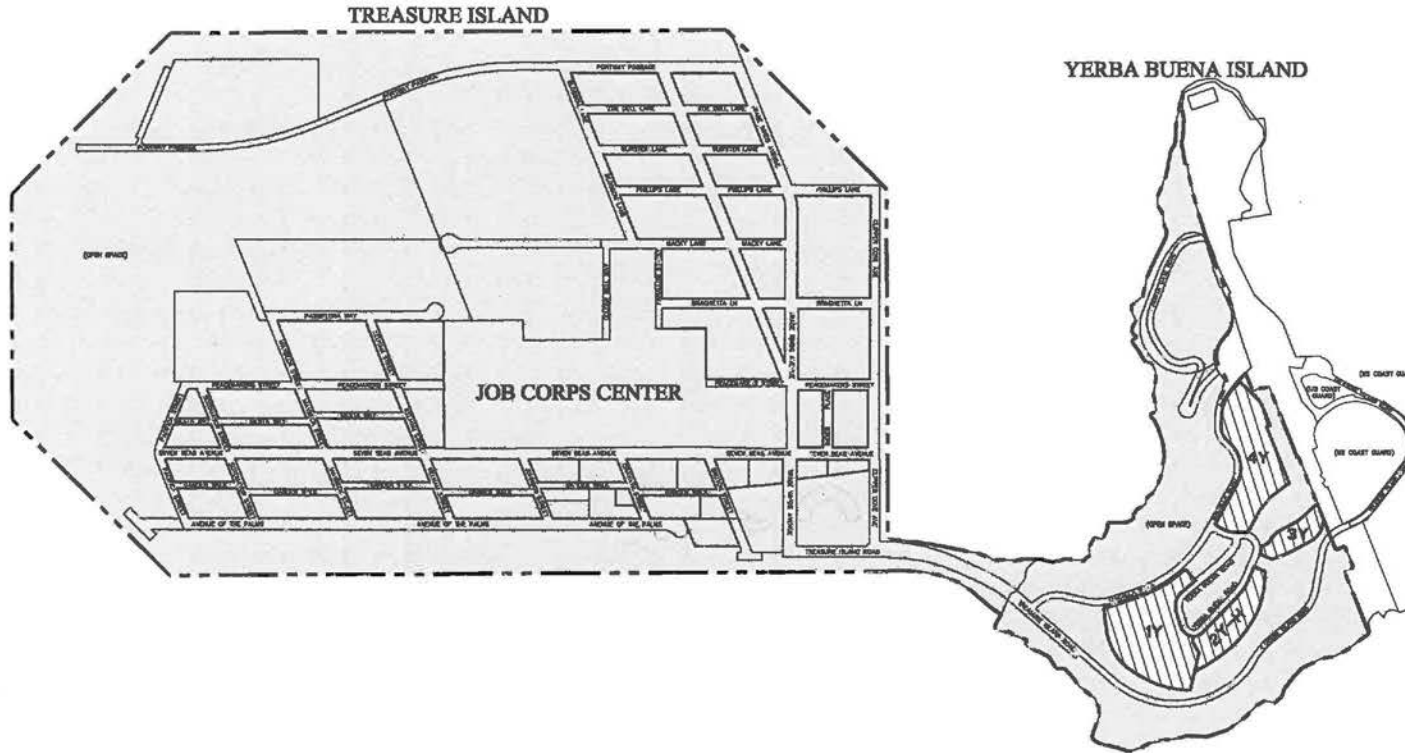
 (Clerk of the Board of Supervisors)

(2) I hereby certify that the within map showing proposed boundaries of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), 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 regular meeting thereof, held on the ____ day of _____, 20__, by its Resolution No. _____.

 (Clerk of the Board of Supervisors)

(3) Filed this ____ day of _____, 20__, at the hour of ____ a'clock ____ m., in Book _____ of Maps of Assessment and Community Facilities Districts at page _____ in the office of the Assessor-Recorder in the City and County of San Francisco, State of California.

 (Assessor-Recorder of the City and County of San Francisco)



LEGEND

	Boundaries of Community Facilities District No. 2016-1 (Improvement Area No. 1)
	Future Annexation Area

Assessor's Parcel Number of Property in Improvement Area No. 1	
Developable Parcel	Assessor's Parcel Number(s)
1Y	8948/001
2Y-H	8948/001
3Y	8952/001
4Y	8954/001

Reference is hereby made to the maps, maintained by the Office of the Assessor-Recorder of the City and County of San Francisco for an exact description of the lines and dimensions of each lot and parcel.

Prepared by:
 BkF Engineers



City and County of San Francisco
Department of Elections

John Arntz, Director

January 13, 2017

Honorable Members
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, California 94102

Re: Registered Voters within Boundaries of Proposed "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" and "City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)"

Dear Honorable Supervisors:

This letter confirms that on December 22, 2016 and on January 13, 2017, I have reviewed the records of registered voters for the territory that is encompassed within the boundaries of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) (the "CFD") and the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "IRFD"), as such territory is shown on the boundary maps for the CFD and the IRFD, respectively, reference to which maps is hereby made and by this reference incorporated herein.

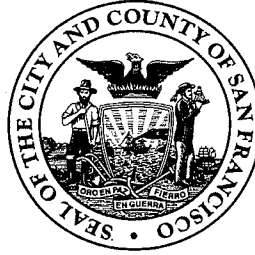
Based on this review, I hereby certify that on each of the aforementioned dates, there were no registered voters within the boundaries of either the CFD or the IRFD, respectively.

Respectfully,



John Arntz, Director

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

NOTICE OF PUBLIC HEARINGS

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT, in accordance with California Government Code, Sections 53322(a) and 53346, the Board of Supervisors of the City and County of San Francisco, as a Committee of the Whole, will hold public hearings to consider the following proposals and said public hearings will be held as follows, at which time all interested parties may attend and be heard:

Date: Tuesday, January 24, 2017

Time: 3:00 p.m.

Location: Legislative Chamber, City Hall, Room 250
1 Dr. Carlton B. Goodlett, Place, San Francisco, CA

Subject: File No. 161362. Hearing of the Board of Supervisors sitting as a Committee of the Whole on January 24, 2017, at 3:00 p.m., to hold public hearings to consider the following to form Community Facilities District No. 2016-1 and incur bonded indebtedness for Community Facilities District No. 2016-1: (File Nos. 161122, 161123, 161124, 161125, 161126, and 161127) a Resolution of formation of Community Facilities District No. 2016-1, Improvement Area No. 1 and a future annexation area; a Resolution determining necessity to incur bonded indebtedness and other debt in an amount not to exceed \$5,000,000,000 for the Community Facilities District; a Resolution calling a special election in the City and County of San Francisco Community Facilities District; a Resolution declaring results of the special election and directing recording of notice of special tax lien for the Community Facilities District; an Ordinance levying special taxes within the Community Facilities District; and a Resolution authorizing the issuance and sale of special tax bonds for Improvement Area No. 1 of the Community Facilities District in an aggregate principal amount not to exceed \$250,000,000.

On December 6, 2016, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended ("Mello-Roos Act"), the Board of Supervisors ("Board of Supervisors") of the City and County of San Francisco ("City"), State of California adopted a resolution of intention ("Resolution of Intention") to establish (i) "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("CFD"), (ii) "Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 1"), and (iii) a future annexation area for the CFD ("Future Annexation Area").

Also on December 6, 2016, the Board of Supervisors adopted a resolution of intention to incur bonded indebtedness and other debt in an amount not to exceed \$5.0 billion for the CFD, Improvement Area No. 1 and the Future Annexation Area under the Mello-Roos Act (the "Bond Resolution").

Under the Mello-Roos Act, the Resolution of Intention and the Bond Resolution, the Board of Supervisors gives notice as follows:

1. The text of the Resolution of Intention, with Exhibits A and B thereto, as adopted by the Board of Supervisors, is on file with the Clerk of the Board of Supervisors and reference is made thereto for the particular provisions thereof. The text of the Resolution of Intention is summarized as follows:
 - a. Under the Mello-Roos Act, this Board of Supervisors is undertaking proceedings for the establishment of the CFD, Improvement Area No. 1 and the Future Annexation Area, the boundaries of which are shown on a map on file with the City.
 - b. The purpose of the CFD, Improvement Area No. 1 and the Future Annexation Area is to provide for the financing of (i) certain public facilities ("Facilities") as more fully described in the Resolution of Intention and Exhibit A thereto and (ii) certain public services ("Services") as more fully described in the Resolution of Intention and Exhibit A thereto.
 - c. Initially, the method of financing the Facilities and the Services is through the imposition and levy of a special tax ("Special Tax") to be apportioned on the properties in Improvement Area No. 1 under the rate and method of apportionment described in the Resolution of Intention and Exhibit B thereto.
 - d. The Resolution of Intention directed the preparation of a CFD Report that shows the Facilities and the Services and the estimated costs of the Facilities and the Services. The CFD Report will be made a permanent part of the record of the public hearing specified below. Reference is made to the CFD Report as filed with the Clerk of the Board of Supervisors.
 - e. Property within the Future Annexation Area will be annexed to the CFD, and may be designated as one or more improvement areas (each, a "Future Improvement Area"), and a special tax will be levied on such property, only with the

unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, in accordance with the annexation approval procedures specified in the Resolution of Intention.

f. As set forth below, the Board of Supervisors will hold a public hearing on the establishment of the CFD, Improvement Area No. 1 and the Future Annexation Area, the Facilities, the Services and the Special Tax.

2. The public hearing will be held on the date and at the time specified above, or as soon as possible thereafter, in the Legislative Chamber, City Hall, Room 250, 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102.

3. At the hearing, the testimony of all interested persons or taxpayers, including all persons owning property within Improvement Area No. 1, for or against the establishment of the CFD and Improvement Area No. 1, the Special Tax to be levied in Improvement Area No. 1, the extent of the CFD and Improvement Area No. 1 and the furnishing of the specified Facilities and Services, will be heard. Any person interested may file a protest in writing as provided in Section 53323 of the Mello-Roos Act. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities and defects to which objection is made. All written protests must be filed with the Clerk of the Board of Supervisors on or before the time fixed for the hearing.

If 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be included in Improvement Area No. 1, or the owners of one-half or more of the area of land in the territory proposed to be included in Improvement Area No. 1 and not exempt from the Special Tax to be levied in Improvement Area No. 1, file written protests against the establishment of Improvement Area No. 1 and the protests are not withdrawn to reduce the value of the protests to less than a majority, the Board of Supervisors shall take no further action to create the CFD and Improvement Area No. 1 or levy the Special Tax in Improvement Area No. 1 for a period of one year from the date of decision of the Board of Supervisors, and, if the majority protests of the registered voters or landowners are only against the furnishing of a type or types of Facilities or Services within the CFD and Improvement Area No. 1, or against levying a specified part of the Special Tax in Improvement Area No. 1, those types of Facilities or Services or the specified part of the Special Tax to be levied in Improvement Area No. 1 will be eliminated from the proceedings to form the CFD and Improvement Area No. 1.

In addition, at the hearing, the testimony of all interested persons for and against the establishment of the Future Annexation Area or the levying of special taxes within any portion of the Future Annexation Area annexed in the future to the CFD will be heard. If 50% or more of the registered voters, or 6 registered voters, whichever is more, residing within the proposed territory of the CFD, or if 50% or more of the registered voters, or 6 registered voters, whichever is more, residing in the territory proposed to be included in the Future Annexation Area, or the owners of 50% or more of the area of land in the territory proposed to be included in the CFD or in the Future

Annexation Area, file written protests against the establishment of the Future Annexation Area and the protests are not withdrawn to reduce the value of the protests to less than a majority, the Board of Supervisors shall take no further action to create the Future Annexation Area for a period of one year from the date of decision of the Board of Supervisors.

4. If there is no majority protest, the Board of Supervisors may submit the levy of the Special Tax in Improvement Area No. 1 for voter approval at a special election. The Special Tax requires the approval of 2/3rds of the votes cast at a special election by the property owner voters of Improvement Area No. 1, with each owner having one vote for each acre or portion thereof such owner owns in Improvement Area No. 1 not exempt from the Special Tax.

5. Reference is hereby made to the entire text of the Bond Resolution, a complete copy of which is on file with the Clerk of the Board of Supervisors. The text of the Bond Resolution is summarized as follows:

a. The Board of Supervisors has adopted the Resolution of Intention stating its intention to form the CFD, Improvement Area No. 1 and the Future Annexation Areas for the purpose of financing, among other things, all or part of the Facilities, as further provided in that Resolution of Intention.

b. The Board of Supervisors estimates the amount required to finance the costs of the Facilities to be not more than \$5.0 billion and, in order to finance such costs, it is necessary to (i) incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$5.0 billion on behalf of the CFD and the improvement areas therein (including Future Improvement Areas (as such term is defined herein)), (ii) for Improvement Area No. 1, to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$250 million ("Improvement Area No. 1 Indebtedness Limit"), and (iii) for the portion of the CFD that is not in Improvement Area No. 1, to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$4.75 billion ("Non-Improvement Area No. 1 Indebtedness Limit").

c. The proposed bonded indebtedness and other debt is to finance the Facilities, including acquisition and improvement costs and all costs incidental to or connected with the accomplishment of such purposes and of the financing thereof, as permitted by the Mello-Roos Act.

d. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from the Improvement Area No. 1 Special Tax in one or more series in the aggregate principal amount of not more than the Improvement Area No. 1 Indebtedness Limit. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from special taxes levied in the portion of the CFD that is

not in Improvement Area No. 1 in one or more series in the maximum aggregate principal amount of not more than the Non-Improvement Area No. 1 Indebtedness.

e. In the event all or a portion of the Future Annexation Area is annexed as one or more future improvement areas (each, a "Future Improvement Area"), the maximum indebtedness of each such Future Improvement Area shall be identified and approved in the unanimous approval executed by property owners in connection with their annexation to the CFD at the time of the annexation (each, a "Unanimous Approval") and in accordance with the Annexation Approval Procedures described in the Resolution of Intention referred to above, and the amount of the maximum indebtedness for the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1 Indebtedness Limit, which shall result in a corresponding reduction in the Non-Improvement Area No. 1 Indebtedness Limit.

f. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from a special tax levied in each Future Improvement Area in one or more series in the aggregate principal amount determined at the time of annexation of such territory as a separate improvement area (not to exceed the Non-Improvement Area No. 1 Indebtedness Limit in the aggregate).

6. The Board of Supervisors will hold a public hearing on the necessity of incurring the above amount of bonded indebtedness and other debt for the CFD, Improvement Area No. 1 and the Future Annexation Area on the date and at the time specified above, or as soon as possible thereafter, in the Legislative Chamber, City Hall, Room 250, 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102.

7. At public hearing the testimony of all interested persons, including voters and/or persons owning property in the area of the proposed CFD, Improvement Area No. 1 and the Future Annexation Area for and against the proposed bonded debt and other debt, will be heard.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102. Information relating to this matter is available in the Office of the Clerk of the Board and agenda information relating to this matter will be available for public review on Friday, January 20, 2017.


for Angela Calvillo
Clerk of the Board

GOVERNMENT

NOTICE OF PUBLIC HEARING Tuesday, January 10, 2017 - 1:30 PM City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102, at a Regular Meeting of the San Francisco Public Utilities Commission (SFPUC), the governing board of the publicly owned utility operations of the City and County of San Francisco: Notice is hereby given that the SFPUC will conduct a public hearing to consider proposed rules and regulations by the San Francisco Public Utilities Commission (SFPUC) regarding excessive residential water use during drought periods. The detailed agenda and related files will be available at least 72 hours before the scheduled meetings at the SFPUC website www.sfwater.org, or by calling (415) 554-3165. All interested parties are invited to attend the public hearing and present their views. Persons who are unable to attend the public hearing may also submit to the City, by the time the proceedings begin, written comments regarding the subject of the hearing. These comments will be brought to the attention of the Commission and will become part of the official public record. Written comments can be sent to Donna Hood, Commission Secretary, SFPUC, 525 Golden Gate Ave., 13th Floor, SF, CA 94102. The Draft Excessive Residential Water Use Rules and Regulations can be viewed and printed from the SFPUC website at www.sfwater.org/waterwaste.

NOTICE OF PUBLIC HEARINGS BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT, in accordance with California Government Code, Sections 53322(a) and 53346, the Board of Supervisors of the City and County of San Francisco, as a Committee of the Whole, will hold public hearings to consider the following proposals and said public hearings will be held as follows, at which time all interested parties may attend and be heard:

Date: Tuesday, January 24, 2017 Time: 3:00 p.m.
Location: Legislative Chamber, City Hall, Room 250 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA
Subject: File No. 161362. Hearing of the Board of Supervisors sitting as a Committee of the Whole on January 24, 2017, at 3:00 p.m., to hold public hearings to consider the following to form Community Facilities District No. 2016-1 and incur bonded indebtedness for Community Facilities District No. 2016-1: (File Nos. 161122, 161123, 161124, 161125, 161126, and 161127) a Resolution of formation of Community Facilities District No. 2016-1, Improvement Area No. 1 and a future annexation area; a Resolution determining necessity to incur bonded indebtedness and other debt in an amount not to exceed \$5,000,000,000

for the Community Facilities District; a Resolution calling a special election in the City and County of San Francisco Community Facilities District; a Resolution declaring results of the special election and directing recording of notice of special tax lien for the Community Facilities District; an Ordinance levying special taxes within the Community Facilities District; and a Resolution authorizing the issuance and sale of special tax bonds for Improvement Area No. 1 of the Community Facilities District in an aggregate principal amount not to exceed \$250,000,000. On December 6, 2016, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended ("Mello-Roos Act"), the Board of Supervisors ("Board of Supervisors") of the City and County of San Francisco ("City"), State of California adopted a resolution of intention ("Resolution of Intention") to establish (i) "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("CFD"), (ii) "Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 1"), and (iii) a future annexation area for the CFD ("Future Annexation Area"). Also on December 6, 2016, the Board of Supervisors adopted a resolution of intention to incur bonded indebtedness and other debt in an amount not to exceed \$5.0 billion for the CFD, Improvement Area No. 1 and the Future Annexation Area under the Mello-Roos Act (the "Bond Resolution"). Under the Mello-Roos Act, the Resolution of Intention and the Bond Resolution, the Board of Supervisors gives notice as follows:

1. The text of the Resolution of Intention, with Exhibits A and B thereto, as adopted by the Board of Supervisors, is on file with the Clerk of the Board of Supervisors and reference is made thereto for the particular provisions thereof. The text of the Resolution of Intention is summarized as follows:

a. Under the Mello-Roos Act, this Board of Supervisors is undertaking proceedings for the establishment of the CFD, Improvement Area No. 1 and the Future Annexation Area, the boundaries of which are shown on a map on file with the City.

b. The purpose of the CFD, Improvement Area No. 1 and the Future Annexation Area is to provide for the financing of (i) certain public facilities ("Facilities") as more fully described in the Resolution of Intention and Exhibit A thereto and (ii) certain public services ("Services") as more fully described in the Resolution of Intention and Exhibit A thereto. c. Initially, the method of financing the Facilities and the Services is through the imposition and levy of a special tax ("Special Tax") to be apportioned on the properties in Improvement Area No. 1 under the rate and method of apportionment described in the Resolution of Intention and Exhibit B thereto. d. The Resolution of Intention directed the preparation of a CFD Report that shows the Facilities and the Services and the estimated costs of the Facilities and the Services.

The CFD Report will be made a permanent part of the record of the public hearing specified below. Reference is made to the CFD Report as filed with the Clerk of the Board of Supervisors. e. Property within the Future Annexation Area will be annexed to the CFD, and may be designated as one or more improvement areas (each, a "Future Improvement Area"), and a special tax will be levied on such property, only with the unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, in accordance with the annexation approval procedures specified in the Resolution of Intention.

f. As set forth below, the Board of Supervisors will hold a public hearing on the establishment of the CFD, Improvement Area No. 1 and the Future Annexation Area, the Facilities, the Services and the Special Tax. 2. The public hearing will be held on the date and at the time specified above, or as soon as possible thereafter, in the Legislative Chamber, City Hall, Room 250, 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102.

3. At the hearing, the testimony of all interested persons or taxpayers, including all persons owning property within Improvement Area No. 1, for or against the establishment of the CFD and Improvement Area No. 1, the Special Tax to be levied in Improvement Area No. 1, the extent of the CFD and Improvement Area No. 1 and the furnishing of the specified Facilities and Services, will be heard. Any person interested may file a protest in writing as provided in Section 53323 of the Mello-Roos Act. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities and defects to which objection is made. All written protests must be filed with the Clerk of the Board of Supervisors on or before the time fixed for the hearing.

If 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be included in Improvement Area No. 1, or the owners of one-half or more of the area of land in the territory proposed to be included in Improvement Area No. 1 and not exempt from the Special Tax to be levied in Improvement Area No. 1, file written protests against the establishment of Improvement Area No. 1 and the protests are not withdrawn to reduce the value of the protests to less than a majority, the Board of Supervisors shall take no further action to create the CFD and Improvement Area No. 1 or levy the Special Tax in Improvement Area No. 1 for a period of one year from the date of decision of the Board of Supervisors, and, if the majority protests of the registered voters or landowners are only against the furnishing of a type or types of Facilities or Services within the CFD and Improvement Area No. 1, or against levying a specified part of the Special Tax in Improvement Area No. 1, those types of Facilities or Services, or the specified part of the Special Tax to be levied in Improvement Area No. 1

will be eliminated from the proceedings to form the CFD and Improvement Area No. 1. In addition, at the hearing, the testimony of all interested persons for and against the establishment of the Future Annexation Area or the levying of special taxes within any portion of the Future Annexation Area annexed in the future to the CFD will be heard. If 50% or more of the registered voters, or 6 registered voters, whichever is more, residing within the proposed territory of the CFD, or if 50% or more of the registered voters, or 6 registered voters, whichever is more, residing in the territory proposed to be included in the Future Annexation Area, or the owners of 50% or more of the area of land in the territory proposed to be included in the CFD or in the Future Annexation Area, file written protests against the establishment of the Future Annexation Area and the protests are not withdrawn to reduce the value of the protests to less than a majority, the Board of Supervisors shall take no further action to create the Future Annexation Area for a period of one year from the date of decision of the Board of Supervisors.

4. If there is no majority protest, the Board of Supervisors may submit the levy of the Special Tax in Improvement Area No. 1 for voter approval at a special election. The Special Tax requires the approval of 2/3rds of the votes cast at a special election by the property owner voters of Improvement Area No. 1, with each owner having one vote for each acre or portion thereof such owner owns in Improvement Area No. 1 not exempt from the Special Tax.

5. Reference is hereby made to the entire text of the Bond Resolution, a complete copy of which is on file with the Clerk of the Board of Supervisors. The text of the Bond Resolution is summarized as follows:

a. The Board of Supervisors has adopted the Resolution of Intention stating its intention to form the CFD, Improvement Area No. 1 and the Future Annexation Areas for the purpose of financing, among other things, all or part of the Facilities, as further provided in that Resolution of Intention. b. The Board of Supervisors estimates the amount required to finance the costs of the Facilities to be not more than \$5.0 billion and, in order to finance such costs, it is necessary to (i) incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$5.0 billion on behalf of the CFD and the improvement areas therein (including Future Improvement Areas (as such term is defined herein)), (ii) for Improvement Area No. 1, to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$250 million ("Indebtedness Limit"), and (iii) for the portion of the CFD that is not in Improvement Area No. 1, to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$4.75 billion ("Non-Improvement Area No. 1 Indebtedness Limit").

c. The proposed bonded indebtedness and other debt is to finance the Facilities, including acquisition and improvement costs and all costs incidental to or connected with the accomplishment of such purposes and of the financing thereof, as permitted by the Mello-Roos Act. d. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from the Improvement Area No. 1 Special Tax in one or more series in the aggregate principal amount of not more than the Improvement Area No. 1 Indebtedness Limit. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from special taxes levied in the portion of the CFD that is not in Improvement Area No. 1 in one or more series in the maximum aggregate principal amount of not more than the Non-Improvement Area No. 1 Indebtedness.

e. In the event all or a portion of the Future Annexation Area is annexed as one or more future improvement areas (each, a "Future Improvement Area"), the maximum indebtedness of each such Future Improvement Area shall be identified and approved in the unanimous approval executed by property owners in connection with their annexation to the CFD at the time of the annexation (each, a "Unanimous Approval") and in accordance with the Annexation Approval Procedures described in the Resolution of Intention referred to above, and the amount of the maximum indebtedness for the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1 Indebtedness Limit, which shall result in a corresponding reduction in the Non-Improvement Area No. 1 Indebtedness Limit. f. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from a special tax levied in each Future Improvement Area in one or more series in the aggregate principal amount determined at the time of annexation of such territory as a separate improvement area (not to exceed the Non-Improvement Area No. 1 Indebtedness Limit in the aggregate).

6. The Board of Supervisors will hold a public hearing on the necessity of incurring the above amount of bonded indebtedness and other debt for the CFD, Improvement Area No. 1 and the Future Annexation Area on the date and at the time specified above, or as soon as possible thereafter, in the Legislative Chamber, City Hall, Room 250, 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102.

7. At public hearing the testimony of all interested persons, including voters and/or persons owning property in the area of the proposed CFD, Improvement Area No. 1 and against the proposed bonded debt and other debt, will be heard. In accordance with Administrative Code, Section

67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102. Information relating to this matter is available in the Office of the Clerk of the Board and agenda information relating to this matter will be available for public review on Friday, January 20, 2017. Angela Calvillo Clerk of the Board

NOTICE OF PUBLIC HEARING BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT, in accordance with California Government Code, Section 53369.17, the Board of Supervisors of the City and County of San Francisco, as a Committee of the Whole, will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: Tuesday, January 24, 2017 Time: 3:00 p.m.
Location: Legislative Chamber, City Hall, Room 250 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA
Subject: File No. 161361. Hearing of the Board of Supervisors sitting as a Committee of the Whole on January 24, 2017, at 3:00 p.m., to hold a public hearing to consider the following to form Treasure Island Infrastructure and Revitalization Financing District No. 1: (File Nos. 161117, 161118, 161119, 161120, 161121) a Resolution proposing adoption of the Infrastructure Financing Plan and formation of the Infrastructure and Revitalization Financing District; a Resolution calling a special election and Revitalization Financing District; a Resolution declaring results of the special election; an Ordinance forming the Infrastructure and Revitalization Financing District, and adopting an Infrastructure Financing Plan for such district; and a Resolution authorizing issuance of bonds for the Infrastructure and Revitalization Financing District and project areas therein, in an aggregate principal amount not to exceed \$780,000,000.

On December 6, 2016, the Board of Supervisors (the "Board of Supervisors") of the City and County of San Francisco (the "City") adopted its "Resolution of Intention to Establish City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein to finance the construction and/or acquisition of capital improvements on Treasure Island; to provide for annexation; to call a public hearing on the formation of the district and project areas therein and to provide public notice thereof; and determining

other matters in connection therewith" ("Resolution of Intention to Establish IRFD"), stating its intention to form the "City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)" (the "IRFD") pursuant to Government Code Section 53369 et seq. (the "IRFD Law"). The City intends to form the IRFD for the purpose of financing certain public improvements (the "Facilities") as further provided in the Resolution of Intention to Establish IRFD and summarized herein.

Also on December 6, 2016, the Board of Supervisors adopted its "Resolution authorizing and directing the Director of the Office of Public Finance, or designee thereof, to prepare an infrastructure financing plan for City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein and determining other matters in connection therewith," ordering preparation of an infrastructure financing plan (the "Infrastructure Financing Plan") consistent with the requirements of the IRFD Law. The Infrastructure Financing Plan is available for public inspection in the office of the Clerk of the Board of Supervisors, 1 Dr. Carlton B. Goodlett Place, City Hall, San Francisco, California and on the website of the Clerk of the Board of Supervisors.

Under the IRFD Law, the Board of Supervisors gives notice as follows:

1. **Facilities to be Financed.** The IRFD will be used to finance costs of the acquisition, construction and improvement of any facilities authorized by Section 53369.3 of the IRFD Law, including, but not limited to, facilities acquired from third parties (such as acquisition, abatement and demolition costs, a supplemental fire water supply system, low pressure water facilities, water tank facilities, recycled water facilities, storm drainage system, separated sanitary sewer, joint trench, earthwork, retaining walls, highway ramps, roadways, pathways, curbs and gutters, traffic facilities, streetscapes, shoreline improvements, parks, a ferry terminal, hazardous soil removal, community facilities, other amounts specifically identified in the DDA as a Qualified Project Cost and Hard Costs, Soft Costs and Pre-Development Costs as defined in the Conveyance Agreement), and authorized payments (consisting of the contribution to the City and other public agencies for costs related to open space improvements, transportation and transit facilities, and design and construction of ramps and access roads). The category of facilities labeled "Acquired from Third Parties" reflects current assumptions of the City and TIDA. The IRFD shall be authorized to finance the listed facilities whether they are acquired from third parties or constructed by the City or TIDA.

2. **Financial Arrangements.** The IRFD will finance the public works described above with tax increment revenue received by the IRFD from no other affected taxing entities), and the proceeds of bonds or other indebtedness issued or incurred by or for the IRFD

that is payable from tax increment revenue received by the IRFD.

3. **Boundaries of the IRFD.** The boundaries of the IRFD are described in a map of the proposed boundaries that is part of the Infrastructure Financing Plan on file with the Clerk of the Board of Supervisors, to which map reference is hereby made. It is anticipated that the ultimate boundaries of the IRFD, following anticipated annexations to the IRFD, will encompass the entirety of the development parcels comprising the development project on Treasure Island and Yerba Buena Island in the City. The process for the annexation of additional parcels into the IRFD is described in the Resolution of Intention to Establish IRFD, which by this reference is incorporated herein.

4. **Public Hearing.** The public hearing will be held on the date and at the time specified above, or as soon as possible thereafter, in the Legislative Chamber, City Hall, Room 250, 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102. At the hearing, any persons having any objections to the proposed Infrastructure Financing Plan, or the regularity of any of the prior proceedings relating to the IRFD, may appear before the Board of Supervisors and object to the adoption of the proposed Infrastructure Financing Plan by the Board of Supervisors. The Board of Supervisors will consider all evidence and testimony for and against the adoption of the Infrastructure Financing Plan.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102. Information relating to this matter is available in the Office of the Clerk of the Board and agenda information relating to this matter will be available for public review on Friday, January 20, 2017. Angela Calvillo Clerk of the Board

CITY AND COUNTY OF SAN FRANCISCO BOARD OF SUPERVISORS

NOTICE IS HEREBY GIVEN that on December 6, 2016, the Board of Supervisors adopted the following legislation, and approved by the Mayor on December 16, 2016: **Resolution of intention to issue bonds for City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island); and determining other matters in connection therewith.** WHEREAS, Naval Station Treasure Island ("NSTI") is a former United States Navy base located in the City and County of San Francisco ("City") that consists of two islands connected by a causeway: (1) Treasure Island, and (2) an approximately

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO BOARD OF SUPERVISORS

2016 DEC 21 AM 10:01

BY _____



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. 544-5227

PROOF OF MAILING

Legislative File No. 161361, 161362

Description of Items: Certified copies of Resolution No. 503-16; hearing notices for File Nos. 161361 and 161362. Related to Treasure Island Infrastructure and Revitalization Financing District No. 1 and Community Facilities District No. 2016-1 Committee of the Whole hearings on January 24, 2017.

Recipients indicated on the attached memo.

I, John Carroll, an employee of the City and County of San Francisco, mailed the above described document(s) by depositing the sealed items with the United States Postal Service (USPS) with the postage fully prepaid as follows:

Date: December 21, 2016

Time: 10:00 a.m.

USPS Location: Clerk's office USPS pickup mailbox.

Mailbox/Mailslot Pick-Up Times (if applicable): N/A

Signature: _____

A handwritten signature in black ink, appearing to read "John Carroll", written over a horizontal line.

Instructions: Upon completion, original must be filed in the above referenced file.

Affected Taxing Entities

CITY

City and County of San Francisco
Attn: Mayor Ed Lee
1 Dr. Carlton B. Goodlett Place
City Hall, Room 200
San Francisco, Ca. 94102

BART

San Francisco Bay Area Rapid Transit District
Attn: Grace Crunican, General Manager
300 Lakeside Drive, 23rd Floor
Oakland, CA 94612

CC:

San Francisco Bay Area Rapid Transit District
Attn: Kenneth A. Duron, District Secretary
300 Lakeside Drive, 23rd Floor
Oakland, California 94612

San Francisco Bay Area Rapid Transit District
Attn: Rosemarie V. Poblete, Controller-Treasurer
300 Lakeside Drive, 23rd Floor
Oakland, CA 94612

BAAQMD

Bay Area Air Quality Management District
Attn: Jack Broadbent, Executive Officer
375 Beale Street, Suite 600
San Francisco, CA 94105

Landowners

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

Treasure Island Series 1, LLC
Attn: Kofi Bonner
One Sansome Street, Suite 3200
San Francisco, CA 94104

Treasure Island Series 1, LLC
Attn: Chris Meany
4 Embarcadero Center, Suite 3300
San Francisco, CA 94111

TREASURE ISLAND DEVELOPMENT AUTHORITY,
a California nonprofit public benefit corporation

Treasure Island Development Authority
One Avenue of the Palms
Treasure Island
San Francisco, CA 94130

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1 DR CARLTON B GOODLETT PL #244
SAN FRANCISCO, CA 94102

COPY OF NOTICE

Notice Type: GPN GOVT PUBLIC NOTICE
Ad Description: File No. 161362 - CFD Hearing Notice

To the right is a copy of the notice you sent to us for publication in the SAN FRANCISCO EXAMINER. Thank you for using our newspaper. Please read this notice carefully and call us with ny corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

12/25/2016

The charge(s) for this order is as follows. An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

EXM# 2959119

NOTICE OF PUBLIC HEARINGS BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

NOTICE IS HEREBY GIVEN THAT, in accordance with California Government Code, Sections 53322(a) and 53346, the Board of Supervisors of the City and County of San Francisco, as a Committee of the Whole, will hold public hearings to consider the following proposals and said public hearings will be held as follows, at which time all interested parties may attend and be heard:

Date: Tuesday, January 24, 2017 **Time:** 3:00 p.m.

Location: Legislative Chamber, City Hall, Room 250 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA

Subject: File No. 161362.

Hearing of the Board of Supervisors sitting as a Committee of the Whole on January 24, 2017, at 3:00 p.m., to hold public hearings to consider the following to form Community Facilities District No. 2016-1 and incur bonded indebtedness for Community Facilities District No. 2016-1: (File Nos. 161122, 161123, 161124, 161125, 161126, and 161127) a Resolution of formation of Community Facilities District No. 2016-1, Improvement Area No. 1 and a future annexation area; a Resolution determining necessity to incur bonded indebtedness and other debt in an amount not to exceed \$5,000,000,000 for the Community Facilities District;

a Resolution calling a special election in the City and County of San Francisco Community Facilities District; a Resolution declaring results of the special election and directing recording of notice of special tax lien for the Community Facilities District; an Ordinance levying special taxes within the Community Facilities District; and a Resolution authorizing the issuance and sale of special tax bonds for Improvement Area No. 1 of the Community Facilities District in an aggregate principal amount not to exceed \$250,000,000.

On December 6, 2016, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended ("Mello-Roos Act"), the Board of Supervisors ("Board of Supervisors") of the City and County of San Francisco ("City"), State of California

adopted a resolution of intention ("Resolution of Intention") to establish (i) "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("CFD"), (ii) "Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 1"), and (iii) a future annexation area for the CFD ("Future Annexation Area").

Also on December 6, 2016, the Board of Supervisors adopted a resolution of intention to incur bonded indebtedness and other debt in an amount not to exceed \$5.0 billion for the CFD, Improvement Area No. 1 and the Future Annexation Area under the Mello-Roos Act (the "Bond Resolution").

Under the Mello-Roos Act, the Resolution of Intention and the Bond Resolution, the Board of Supervisors gives notice as follows:

1. The text of the Resolution of intention, with Exhibits A and B thereto, as adopted by the Board of Supervisors, is on file with the Clerk of the Board of Supervisors and reference is made thereto for the particular provisions thereof. The text of the Resolution of intention is summarized as follows:

a. Under the Mello-Roos Act, this Board of Supervisors is undertaking proceedings for the establishment of the CFD, Improvement Area No. 1 and the Future Annexation Area, the boundaries of which are shown on a map on file with the City.

b. The purpose of the CFD, Improvement Area No. 1 and the Future Annexation Area is to provide for the financing of (i) certain public facilities ("Facilities") as more fully described in the Resolution of Intention and Exhibit A thereto and (ii) certain public services ("Services") as more fully described in the Resolution of Intention and Exhibit A thereto.

c. Initially, the method of financing the Facilities and the Services is through the imposition and levy of a special tax ("Special Tax") to be apportioned on the properties in Improvement Area No. 1 under the rate and method of apportionment described in the Resolution of Intention and Exhibit B thereto.

d. The Resolution of Intention directed the preparation of a CFD Report that shows the Facilities and



the Services and the estimated costs of the Facilities and the Services. The CFD Report will be made a permanent part of the record of the public hearing specified below. Reference is made to the CFD Report as filed with the Clerk of the Board of Supervisors.

e. Property within the Future Annexation Area will be annexed to the CFD, and may be designated as one or more improvement areas (each, a "Future Improvement Area"), and a special tax will be levied on such property, only with the unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, in accordance with the annexation approval procedures specified in the Resolution of Intention.

f. As set forth below, the Board of Supervisors will hold a public hearing on the establishment of the CFD, Improvement Area No. 1 and the Future Annexation Area, the Facilities, the Services and the Special Tax.

2. The public hearing will be held on the date and at the time specified above, or as soon as possible thereafter, in the Legislative Chamber, City Hall, Room 250, 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102.

3. At the hearing, the testimony of all interested persons or taxpayers, including all persons owning property within Improvement Area No. 1, for or against the establishment of the CFD and Improvement Area No. 1, the Special Tax to be levied in Improvement Area No. 1, the extent of the CFD and Improvement Area No. 1 and the furnishing of the specified Facilities and Services, will be heard. Any person interested may file a protest in writing as provided in Section 53323 of the Mello-Roos Act. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities and defects to which objection is made. All written protests must be filed with the Clerk of the Board of Supervisors on or before the time fixed for the hearing.

If 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be included in Improvement Area No. 1, or the owners of

one-half or more of the area of land in the territory proposed to be included in Improvement Area No. 1 and not exempt from the Special Tax to be levied in Improvement Area No. 1, file written protests against the establishment of Improvement Area No. 1 and the protests are not withdrawn to reduce the value of the protests to less than a majority, the Board of Supervisors shall take no further action to create the CFD and Improvement Area No. 1 or levy the Special Tax in Improvement Area No. 1 for a period of one year from the date of decision of the Board of Supervisors, and, if the majority protests of the registered voters or landowners are only against the furnishing of a type or types of Facilities or Services within the CFD and Improvement Area No. 1, or against levying a specified part of the Special Tax in Improvement Area No. 1, those types of Facilities or Services or the specified part of the Special Tax to be levied in Improvement Area No. 1 will be eliminated from the proceedings to form the CFD and Improvement Area No. 1.

In addition, at the hearing, the testimony of all interested persons for and against the establishment of the Future Annexation Area or the levying of special taxes within any portion of the Future Annexation Area annexed in the future to the CFD will be heard. If 50% or more of the registered voters, or 6 registered voters, whichever is more, residing within the proposed territory of the CFD, or if 50% or more of the registered voters, or 6 registered voters, whichever is more, residing in the territory proposed to be included in the Future Annexation Area, or the owners of 50% or more of the area of land in the territory proposed to be included in the CFD or in the Future Annexation Area, file written protests against the establishment of the Future Annexation Area and the protests are not withdrawn to reduce the value of the protests to less than a majority, the Board of Supervisors shall take no further action to create the Future Annexation Area for a period of one year from the date of decision of the Board of Supervisors.

4. If there is no majority protest, the Board of

Supervisors may submit the levy of the Special Tax in Improvement Area No. 1 for voter approval at a special election. The Special Tax requires the approval of 2/3rds of the votes cast at a special election by the property owner voters of Improvement Area No. 1, with each owner having one vote for each acre or portion thereof such owner owns in Improvement Area No. 1 not exempt from the Special Tax.

5. Reference is hereby made to the entire text of the Bond Resolution, a complete copy of which is on file with the Clerk of the Board of Supervisors. The text of the Bond Resolution is summarized as follows:

a. The Board of Supervisors has adopted the Resolution of Intention stating its intention to form the CFD, Improvement Area No. 1 and the Future Annexation Areas for the purpose of financing, among other things, all or part of the Facilities, as further provided in that Resolution of Intention.

b. The Board of Supervisors estimates the amount required to finance the costs of the Facilities to be not more than \$5.0 billion and, in order to finance such costs, it is necessary to (i) incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$5.0 billion on behalf of the CFD and the improvement areas therein (including Future Improvement Areas (as such term is defined herein)), (ii) for Improvement Area No. 1, to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$250 million ("Improvement Area No. 1 Indebtedness Limit"), and (iii) for the portion of the CFD that is not in Improvement Area No. 1, to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not more than \$4.75 billion ("Non-Improvement Area No. 1 Indebtedness Limit").

c. The proposed bonded indebtedness and other debt is to finance the Facilities, including acquisition and improvement costs and all costs incidental to or connected with the accomplishment of such purposes and of the financing thereof, as permitted by the Mello-Roos Act.

d. The Board of Supervisors, acting as legislative body for

the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from the Improvement Area No. 1 Special Tax in one or more series in the aggregate principal amount of not more than the Improvement Area No. 1 Indebtedness Limit. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from special taxes levied in the portion of the CFD that is not in Improvement Area No. 1 in one or more series in the maximum aggregate principal amount of not more than the Non-Improvement Area No. 1 Indebtedness Limit.

e. In the event all or a portion of the Future Annexation Area is annexed as one or more future improvement areas (each, a "Future Improvement Area"), the maximum indebtedness of each such Future Improvement Area shall be identified and approved in the unanimous approval executed by property owners in connection with their annexation to the CFD at the time of the annexation (each, a "Unanimous Approval") and in accordance with the Annexation Approval Procedures described in the Resolution of Intention referred to above, and the amount of the maximum indebtedness for the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1 Indebtedness Limit, which shall result in a corresponding reduction in the Non-Improvement Area No. 1 Indebtedness Limit.

f. The Board of Supervisors, acting as legislative body for the CFD, intends to authorize the issuance and sale of bonds and other forms of debt (as defined in the Mello-Roos Act) payable from a special tax levied in each Future Improvement Area in one or more series in the aggregate principal amount determined at the time of annexation of such territory as a separate improvement area (not to exceed the Non-Improvement Area No. 1 Indebtedness Limit in the aggregate).

6. The Board of Supervisors will hold a public hearing on the necessity of incurring the above amount of bonded indebtedness and other debt

for the CFD, Improvement Area No. 1 and the Future Annexation Area on the date and at the time specified above, or as soon as possible thereafter, in the Legislative Chamber, City Hall, Room 250, 1 Dr. Carlton B. Goodlett, Place, San Francisco, CA 94102.

7. At public hearing the testimony of all interested persons, including voters and/or persons owning property in the area of the proposed CFD, Improvement Area No. 1 and the Future Annexation Area for and against the proposed bonded debt and other debt, will be heard.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102.

Information relating to this matter is available in the Office of the Clerk of the Board and agenda information relating to this matter will be available for public review on Friday, January 20, 2017. Angela Calvillo Clerk of the Board



TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor Edwin M. Lee
RE: Infrastructure and Revitalization Financing District & Community Facilities District Legislation
DATE: October 18, 2016

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2016 OCT 18 11:32 AM
BY AK

Attached for introduction to the Board of Supervisors is legislation necessary to initiate the formation of financing districts required to provide public financing of eligible expenses incurred in the development of the former Naval Station Treasure Island:

1. Resolution Authorizing Issuance of Bonds Related to Infrastructure and Revitalization Financing District No. 1 (Treasure Island).
2. Resolution Calling Special Election Related to Infrastructure and Revitalization Financing District No. 1 (Treasure Island).
3. Resolution Proposing Adoption of Infrastructure Financing Plan---Infrastructure and Revitalization Financing District No. 1 (Treasure Island).
4. Ordinance Creating Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and Adopting an Infrastructure Financing Plan
5. Resolution Calling Special Election---Community Facilities District No. 2016-1 (Treasure Island)
6. Resolution Declaring Results of Special Election Related to Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
7. Ordinance Levying Special Taxes Community Facilities District No. 2016-1 (Treasure Island)
8. Resolution Authorizing Issuance and Sale of Special Tax Bonds---Community District No. 2016-1 (Treasure Island)---Not to Exceed \$250 million
9. Resolution Declaring Results--- Community Facilities District No. 2016-1 (Treasure Island)
10. Resolution of Formation--- Community Facilities District No. 2016-1 (Treasure Island)
11. Resolution Determining Necessity to Incur Bonded Indebtedness---Community Facilities District No. 2016-1 (Treasure Island)---\$5.0 Billion
12. Resolution Authorizing Issuance and Sale of Special Tax Bonds---Community District No. 2016-1 (Treasure Island)

I respectfully request that these items be heard at the December 6, 2016 Board of Supervisors meeting.

Should you have any questions, please contact Nicole Elliott at (415) 554-7940.