

File No. 180781

Committee Item No. _____

Board Item No. 15

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: _____

Date: _____

Board of Supervisors Meeting

Date: September 11, 2018

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 checked="" type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
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| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
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OTHER

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|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Draft Pledge Agreement |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Draft Indenture of Trust |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | BOS Ord No. 27-16 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | BOS Reso Nos. 232-18, 233-18, 110-12, 421-15, 227-12, 123-13 |
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Prepared by: Lisa Lew

Date: September 6, 2018

Prepared by: _____

Date: _____

1 [Authorizing Issuance of Port Infrastructure Financing District Bonds (Port of San Francisco,
2 Pier 70) - Not to Exceed \$273,900,000, \$196,100,000 and \$323,300,000 for Sub-Project Area
3 G-2, Sub-Project Area G-3, and Sub-Project Area G-4, Respectively]

4 **Resolution approving issuance of Bonds in an amount not to exceed \$273,900,000,**
5 **\$196,100,000 and \$323,300,000 for Sub-Project Area G-2, Sub-Project Area G-3 and**
6 **Sub-Project Area G-4, respectively, of City and County of San Francisco Infrastructure**
7 **Financing District No. 2 (Port of San Francisco, Pier 70); approving Indentures of Trust**
8 **and Pledge Agreements; and approving other matters in connection therewith.**

9
10 WHEREAS, California Statutes of 1968, Chapter 1333 (Burton Act) and the San
11 Francisco Charter, Sections 4.114 and B3.581 empower the City and County of San
12 Francisco ("City"), acting through the San Francisco Port Commission ("Port Commission"), to
13 use, conduct, operate, maintain, manage, regulate and control the lands within Port
14 Commission jurisdiction; and

15 WHEREAS, Under Government Code, Section 53395 et seq. ("IFD Law"), the Board of
16 Supervisors is authorized to establish an infrastructure financing district and to act as the
17 legislative body for an infrastructure financing district; and

18 WHEREAS, Pursuant to IFD Law, Section 53395.8, a waterfront district may be divided
19 into project areas; and

20 WHEREAS, On March 27, 2012, by Resolution No. 110-12 ("Original Resolution of
21 Intention to Establish IFD"), the Board of Supervisors declared its intention to establish a
22 waterfront district to be known as "City and County of San Francisco Infrastructure Financing
23 District No. 2 (Port of San Francisco)" ("IFD"), and designated initial proposed project areas
24 within the IFD; and
25

1 WHEREAS, On June 12, 2012, by Resolution No. 227-12 ("First Amending
2 Resolution), the Board of Supervisors amended the Original Resolution of Intention to
3 Establish IFD to propose, among other things, an amended list of project areas ("Project
4 Areas"); and

5 WHEREAS, On November 17, 2015, by Resolution No. 421-15 (Second Amending
6 Resolution, and together with the Original Resolution of Intention to Establish IFD and the
7 First Amending Resolution, the "Resolution of Intention to Establish IFD"), the Board of
8 Supervisors amended the Original Resolution of Intention to Establish IFD, as amended by
9 the First Amending Resolution, to propose, among other things, a further amended list of
10 Project Areas, including Project Area G (Pier 70), as a Pier 70 district, and Sub-Project Area
11 G-1 (Pier 70 – Historic Core), as a Pier 70 district within Project Area G (Pier 70); and

12 WHEREAS, In the Resolution of Intention to Establish IFD, the Board of Supervisors
13 directed the Executive Director of the Port of San Francisco ("Executive Director") to prepare
14 an infrastructure financing plan for the IFD ("Infrastructure Financing Plan") that would comply
15 with the IFD Law, and reserved the right to establish infrastructure financing plans in the
16 future specific to other project areas and sub-project areas within the IFD; and

17 WHEREAS, In accordance with the IFD Law, and at the direction of the Board of
18 Directors, the Executive Director prepared the Infrastructure Financing Plan; and

19 WHEREAS, By Ordinance No. 27-16, passed by the Board of Supervisors on March 1,
20 2016, and signed by the Mayor on March 11, 2016 ("Ordinance Establishing IFD"), the Board
21 of Supervisors, among other things, declared the IFD to be fully formed and established with
22 full force and effect of law and adopted the Infrastructure Financing Plan; and

23 WHEREAS, On July 24, 2018, by Resolution No. 232-18 ("Resolution of Intention to
24 Establish Sub-Project Areas G-2, G-3 and G-4"), the Board of Supervisors declared its
25 intention to establish three additional sub-project areas within Project Area G (Pier 70) of the

1 IFD designated Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 -
2 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site) (Sub-Project Areas), each a
3 Pier 70 district; and

4 WHEREAS, Pursuant to the Resolution of Intention to Establish Sub-Project Areas G-
5 2, G-3 and G-4, the Board of Supervisors directed the Executive Director to prepare Appendix
6 G-2 to the IFP, relating to the Sub-Project Areas, consistent with the requirements of the IFD
7 Law; and

8 WHEREAS, On July 24, 2018, by Resolution No. 233-18 (Resolution of Intention to
9 Issue Bonds), this Board of Supervisors declared its intention to issue one or more series of
10 bonds payable from and secured by a pledge of available tax increment allocated to the IFD
11 with respect to the Sub-Project Areas and other sources identified by the Board of
12 Supervisors for the purpose of financing the costs of the facilities specified in Appendix G-2
13 with available tax increment allocated to the IFD with respect to the Sub-Project Area G-2
14 (Pier 70 - 28-Acre Site) (Sub-Project Area G-2 Facilities), with respect to Sub-Project Area G-
15 3 (Pier 70 - 28 Acre-Site) (Sub-Project Area G-3 Facilities) and with respect to Sub-Project
16 Area G-4 (Pier 70 - 28 Acre-Site) (Sub-Project Area G-4 Facilities), including acquisition and
17 improvement costs and all costs incidental to or connected with the accomplishment of said
18 purposes and of the financing thereof; and

19 WHEREAS, The Clerk of the Board of Supervisors has caused to be published the
20 Resolution of Intention to Issue Bonds in the manner required by the IFD Law; and

21 WHEREAS, On September 11, 2018, this Board of Supervisors held a public hearing
22 on the proposed establishment of the Sub-Project Areas and Appendix G-2; and

23 WHEREAS, On the date hereof, the Board of Supervisors, by Ordinance No. _____,
24 among other things, declared the Sub-Project Areas to be fully formed and established with
25 full force and effect of law, and approved Appendix G-2, subject to amendment as permitted

1 by the IFD Law; and

2 WHEREAS, The Board of Supervisors now wishes to provide for the issuance of the
3 bonds to finance the Sub-Project Area G-2 Facilities, Sub-Project Area G-3 Facilities and Sub-
4 Project Area G-4 Facilities; and

5 WHEREAS, There has been presented to this meeting a form of Indenture of Trust, by
6 and between the IFD with respect to any or all of the Sub-Project Areas, as applicable (each,
7 an Indenture, and collectively, the "Indentures") and a corporate trustee to be identified in the
8 future by the Director of the Office of Public Finance ("Director"), that provides, among other
9 things, for the issuance and administration of any bonds issued for the IFD with respect to any
10 or all of the Sub-Project Areas, as applicable; and

11 WHEREAS, There has been presented to this meeting a form of Pledge Agreement, by
12 and between the IFD with respect to any of the Sub-Project Areas (each a Pledge Agreement,
13 and collectively, the Pledge Agreements), as applicable, and a corporate trustee to be
14 identified in the future by the Director, that provides, among other things, for the pledge of tax
15 increment revenues allocated to the IFD with respect to all or any of the Sub-Project Areas, as
16 applicable, to bonds issued for a special tax district that is formed by the Board of Supervisors
17 to finance all of any of the Sub-Project Area G-2 Facilities, Sub-Project Area G-2 Facilities or
18 Sub-Project Area G-2 Facilities, as applicable; and

19 WHEREAS, All conditions, things and acts required to exist, to have happened and to
20 have been performed precedent to and in the issuance of the bonds as contemplated by this
21 resolution, have happened and have been performed in due time, form and manner as
22 required by the laws of the State of California, including the IFD Law; now, therefore, be it

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

24 FURTHER RESOLVED, That pursuant to the IFD Law and this resolution, bonds
25 designated the "City and County of San Francisco Infrastructure Financing District No. 2 (Port

1 of San Francisco) Sub-Project Area G-2 (Pier 70 - 28-Acre Site) Tax Increment Revenue
2 Bonds” (Sub-Project Area G-2 Bonds) in an aggregate principal amount not to exceed
3 \$273,900,000 are hereby authorized to be issued in or more series, with a series designation
4 (such as “Series 20__ A”) to be appended to the designation of the Sub-Project Area G-2
5 Bonds, provided however, that such maximum aggregate principal amount does not include
6 the principal amount of (A) any bonds issued for the sole purpose of refinancing the Sub-
7 Project Area G-2 Bonds, funding a reserve fund for such refunding bonds and paying related
8 costs of issuance and (B) any bonds issued for the sole purpose of refunding such refunding
9 bonds, funding a reserve fund and paying related costs of issuance; and, be it

10 FURTHER RESOLVED, That pursuant to the IFD Law and this resolution, bonds
11 designated the “City and County of San Francisco Infrastructure Financing District No. 2 (Port
12 of San Francisco) Sub-Project Area G-3 (Pier 70 - 28-Acre Site) Tax Increment Revenue
13 Bonds” (“Sub-Project Area G-3 Bonds”) in an aggregate principal amount not to exceed
14 \$196,100,000 are hereby authorized to be issued in or more series, with a series designation
15 (such as “Series 20__ A”) to be appended to the designation of the Sub-Project Area G-3
16 Bonds, provided however, that such maximum aggregate principal amount does not include
17 the principal amount of (A) any bonds issued for the sole purpose of refinancing the Sub-
18 Project Area G-3 Bonds, funding a reserve fund for such refunding bonds and paying related
19 costs of issuance and (B) any bonds issued for the sole purpose of refunding such refunding
20 bonds, funding a reserve fund and paying related costs of issuance; and, be it

21 FURTHER RESOLVED, That pursuant to the IFD Law and this resolution, bonds
22 designated the “City and County of San Francisco Infrastructure Financing District No. 2 (Port
23 of San Francisco) Sub-Project Area G-4 (Pier 70 - 28-Acre Site) Tax Increment Revenue
24 Bonds” (Sub-Project Area G-4 Bonds and, together with the Sub-Project Area G-2 Bonds and
25 the Sub-Project Area G-3 Bonds, the “Bonds”) in an aggregate principal amount not to exceed

1 \$323,300,000 are hereby authorized to be issued in or more series, with a series designation
2 (such as "Series 20__ A") to be appended to the designation of the Sub-Project Area G-4
3 Bonds, provided however, that such maximum aggregate principal amount does not include
4 the principal amount of (A) any bonds issued for the sole purpose of refinancing the Sub-
5 Project Area G-4 Bonds; funding a reserve fund for such refunding bonds and paying related
6 costs of issuance and (B) any bonds issued for the sole purpose of refunding such refunding
7 bonds, funding a reserve fund and paying related costs of issuance; and, be it

8 FURTHER RESOLVED, That pursuant to the IFD Law and this resolution, (i) the Board
9 of Supervisors may increase the maximum aggregate principal amounts described above by
10 adopting a resolution and complying with the publication requirements specified in the IFD
11 Law, (ii) the Bonds may be issued by the Board of Supervisors for and on behalf of the IFD
12 with respect to each of the Sub-Project Areas, and they may be issued by the Board of
13 Supervisors for and on behalf of a special tax district related to the territory in the Sub-Project
14 Areas, as determined by the Board of Supervisors in connection with its approval of the
15 issuance of a series of Bonds; and, be it

16 FURTHER RESOLVED, That the terms of the Bonds shall be as follows: (i) each Bond
17 shall be dated its date of issuance, (ii) the maturity date of each Bond shall be a date not to
18 exceed 30 years from the date of its issuance or such later date as is permitted by the IFD
19 Law and approved by the Director, (iii) the Bonds shall be issued in denominations of \$5,000
20 or any integral multiple of \$5,000, (iv) the form of the Bonds shall be substantially the form
21 attached hereto as Appendix A, (v) the Bonds shall be executed by the Mayor or designee
22 thereof, (vi) the principal of and interest on the Bonds shall be payable in lawful money of the
23 United States of America, (vii) the Bonds shall be registered with the trustee or fiscal agent for
24 the Bonds identified by the Director and shall be payable at the principal office of or by check
25 or wire of the trustee or fiscal agent for the Bonds and (viii) the Bonds shall be subject to

1 redemption prior to maturity at the times and subject to the premiums approved by the
2 Director; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby approves the sale of
4 one or more series of Bonds, provided, however, that the Bonds shall not be issued until such
5 time as (i) the Board of Supervisors has approved the terms of the sale to the investor(s) and
6 (ii) an Authorized Officer (as defined below) has caused the legal documents relating to the
7 Bonds and any related disclosure document describing the Bonds and the security for the
8 Bonds to be prepared and caused such documents to be submitted to the Board of
9 Supervisors for its approval; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby approves the form of
11 the Indentures in substantially the form on file with the Clerk of the Board of Supervisors; and,
12 be it

13 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and directs
14 an Authorized Officer to execute and deliver, and the Clerk of the Board of Supervisors is
15 hereby authorized and directed to attest to, the each Indenture in substantially the form on file
16 with the Clerk of the Board of Supervisors, together with such additions or changes as are
17 approved by such Authorized Officer upon consultation with the City Attorney, including such
18 additions or changes as are necessary or advisable to permit the timely issuance, sale and
19 delivery of the Bonds and the approval of such additions or changes shall be conclusively
20 evidenced by the execution and delivery by an Authorized Officer of the Indentures (or one or
21 more supplements thereto), and (ii) the Authorized Officers to name a trustee for the Bonds;
22 and, be it

23 FURTHER RESOLVED, That (i) the Board of Supervisors hereby approves the form of
24 the Pledge Agreements in substantially the form on file with the Clerk of the Board of
25 Supervisors, (ii) each Authorized Officer is hereby authorized and directed to execute and

1 deliver, and the Clerk of the Board of Supervisors is hereby authorized and directed to attest
2 to, each Pledge Agreement in substantially the form on file with the Clerk of the Board of
3 Supervisors, together with such additions or changes as are approved by such Authorized
4 Officer upon consultation with the City Attorney, including such additions or changes as are
5 necessary or advisable to permit the timely issuance, sale and delivery of the Bonds and the
6 approval of such additions or changes shall be conclusively evidenced by the execution and
7 delivery by an Authorized Officer of the Pledge Agreements (or one or more supplements
8 thereto), and (iii) the terms and provisions of the Pledge Agreements, as executed, are
9 incorporated herein by this reference as if fully set forth herein; and, be it

10 FURTHER RESOLVED, That (i) the Board of Supervisors approves the issuance of
11 debt (as defined in the IFD Law) other than the Bonds as set forth in Appendix G-2, as
12 Appendix G-2 may be amended from time to time, and (ii) the limitations on Bonds set forth in
13 this Resolution, including, but not limited to, the maximum aggregate principal amount
14 specified above, shall apply only to the Bonds and not to other debt (as defined in the IFD
15 Law) payable from available tax increment allocated to the IFD with respect to the Sub-Project
16 Areas, including, without limitation, any bonds issued by the City for and on behalf of a special
17 tax district related to the territory in the Sub-Project Areas secured, in whole or in part, by
18 available tax increment allocated to the IFD with respect to the Sub-Project Areas; and, be it

19 FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of
20 the City (including, but not limited to, the Mayor, the Controller, the Director, the City Attorney,
21 the Executive Director or such other official of the City as may be designated by such officer
22 (each, an "Authorized Officer") with respect to the establishment of the Sub-Project Areas,
23 and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the
24 appropriate officers of the City are hereby authorized and directed to do any and all things and
25 take any and all actions and execute any and all certificates, agreements and other

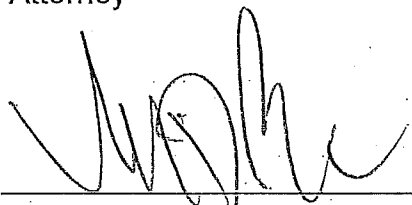
1 documents, which they, or any of them, may deem necessary or advisable in order to
2 consummate the transactions described in this Resolution. All actions to be taken by an
3 Authorized City Officer, as defined herein, may be taken by such Authorized City Officer or
4 any designee, with the same force and effect as if taken by the Authorized City Officer; and,
5 be it

6 FURTHER RESOLVED, That the Director and the City Attorney are hereby authorized
7 and directed to initiate a judicial validation action with respect to the Sub-Project Areas, the
8 Indentures, the Pledge Agreements and the Bonds pursuant to Code of Civil Procedure
9 Section 860 et seq.; and, be it

10 FURTHER RESOLVED, That this resolution shall take effect from and after its adoption
11 and the provisions of any previous resolutions in any way inconsistent with the provisions
12 hereof in and for the issuance of the Bonds as herein described are hereby repealed.

13
14 APPROVED AS TO FORM:
15 DENNIS J. HERRERA
16 City Attorney

17
18 By: _____



19 MARK D. BLAKE
20 Deputy City Attorney
21 n:\port\as2018\1100292\01291344.docx

APPENDIX A
FORM OF BOND

No. _____

\$ _____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO
CITY AND COUNTY OF SAN FRANCISCO
Infrastructure Financing District No. 2
(Port of San Francisco)
Sub-Project Area G-__ (Pier 70 - 28-Acre Site)
Tax Increment Revenue Bond, Series _____

INTEREST RATE

MATURITY DATE

DATED DATE

_____%

____ 1, ____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

*****DOLLARS.

City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) (the "IFD") with respect to Sub-Project Area G-__ (Pier 70 - 28-Acre Site), for value received, hereby promises to pay solely from the Tax Revenues (as hereinafter defined) to be received by the IFD or amounts in certain funds and accounts held under the Indenture of Trust (as hereinafter defined), to the registered owner named above, or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount, semiannually on each September 1 and March 1 (each an "Interest Payment Date"), commencing as set forth in the Indenture of Trust, at the interest rate set forth above, until the principal amount hereof is paid or made available for payment provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest

1 from the Interest Payment Date to which interest has previously been paid or made available
2 for payment.

3 Principal of and interest on the Bonds (including the final interest payment upon
4 maturity or earlier redemption), is payable on the applicable Interest Payment Date by check
5 of the Trustee (defined below) mailed by first class mail to the registered Owner thereof at
6 such registered Owner's address as it appears on the registration books maintained by the
7 Trustee at the close of business on the Record Date preceding the Interest Payment Date, or
8 by wire transfer made on such Interest Payment Date upon written instructions of any Owner
9 of \$1,000,000 or more in aggregate principal amount of Bonds delivered to the Trustee prior
10 to the applicable Record Date. The principal of the Bonds and any premium on the Bonds are
11 payable in lawful money of the United States of America upon surrender of the Bonds at the
12 Principal Office of the Trustee or such other place as designated by the Trustee.

13 This Bond is one of a duly authorized issue of bonds in the aggregate principal amount
14 of \$ _____ approved by resolution of the Board of Supervisors of the City on _____, 20____
15 (the "Resolution"), under California Government Code Section 53395 et seq. (the "IFD Law")
16 for the purpose of funding certain facilities for the IFD, and is one of the series of bonds
17 designated "City and County of San Francisco Infrastructure Financing District No. 2 (Port of
18 San Francisco) Sub-Project Area G-__ (Pier 70 - 28-Acre Site) Tax Increment Revenue
19 Bonds, Series _____" (the "Bonds"). The issuance of the Bonds and the terms and conditions
20 thereof are provided for by an Indenture of Trust, dated as of _____ 1, 20____ (the "Indenture of
21 Trust"), between the IFD and _____ (the "Trustee") and this reference incorporates the
22 Indenture of Trust herein, and by acceptance hereof the owner of this Bond assents to said
23 terms and conditions. The Indenture of Trust is authorized under, this Bond is issued under
24 and both are to be construed in accordance with, the laws of the State of California.
25

1 Pursuant to the IFD Law, the Resolution and the Indenture of Trust, the principal of and
2 interest on this Bond are payable solely from certain funds held under the Indenture of Trust
3 and the "Tax Revenues," as defined in the Indenture of Trust. Any revenues for the payment
4 hereof shall be limited to the Tax Revenues, except to the extent that provision for payment
5 has been made by the City, as may be permitted by law.

6 The Bonds are not a debt of the City or the State of California or of any of its political
7 subdivisions, other than the IFD to the limited extent described herein, and none of those
8 entities, other than the IFD to the limited extent described herein, shall be liable on the Bonds,
9 and the Bonds shall be payable exclusively from the Tax Revenues and the specified funds
10 held under the Indenture of Trust. The Bonds do not constitute an indebtedness within the
11 meaning of any constitutional or statutory debt limitation.

12 Optional Redemption. All of the Bonds are subject to redemption prior to their stated
13 maturities, on any Interest Payment Date, in whole or in part, at a redemption price
14 (expressed as a percentage of the principal amount of the Bonds to be redeemed) as set forth
15 below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Price</u>
[to come]	

18 Mandatory Sinking Fund Redemption. The Term Bond maturing on _____ 1, _____ is
19 subject to mandatory redemption in part by lot, from sinking fund payments made by the IFD
20 from the Bond Fund, at a redemption price equal to the principal amount thereof to be
21 redeemed, without premium, in the aggregate respective principal amounts all as set forth in
22 the following table:

Sinking Fund Redemption Date	Principal Amount <u>Subject to Redemption</u>
<u>(1)</u>	

1 Provided, however, if some but not all of the Term Bonds of a given maturity have been
2 redeemed as a result of an optional redemption or a mandatory redemption, the total amount
3 of all future Sinking Fund Payments relating to such maturity shall be reduced by the
4 aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated
5 among such Sinking Fund Payments on a pro rata basis in integral multiples of \$5,000 as
6 determined by the Trustee, notice of which determination shall be given by the Trustee to the
7 City.

8 Notice of redemption with respect to the Bonds to be redeemed shall be given to the
9 registered owners thereof, in the manner, to the extent and subject to the provisions of the
10 Indenture of Trust.

11 This Bond shall be registered in the name of the owner hereof, as to both principal and
12 interest. Each registration and transfer of registration of this Bond shall be entered by the
13 Trustee in books kept by it for this purpose and authenticated by its manual signature upon
14 the certificate of authentication endorsed hereon.

15 No transfer or exchange hereof shall be valid for any purpose unless made by the
16 registered owner, by execution of the form of assignment endorsed hereon, and authenticated
17 as herein provided, and the principal hereof, interest hereon and any redemption premium
18 shall be payable only to the registered owner or to such owner's order. The Trustee shall
19 require the registered owner requesting transfer or exchange to pay any tax or other
20 governmental charge required to be paid with respect to such transfer or exchange. No
21 transfer or exchange hereof shall be required to be made (i) fifteen days prior to the date
22 established by the Trustee for selection of Bonds for redemption or (ii) with respect to a Bond
23 after such Bond has been selected for redemption.
24
25

1 The Indenture of Trust and the rights and obligations of the IFD thereunder may be
2 modified or amended as set forth therein. The principal of the Bonds is not subject to
3 acceleration upon a default under the Indenture of Trust or any other document.

4 This Bond shall not become valid or obligatory for any purpose until the certificate of
5 authentication and registration hereon endorsed shall have been dated and signed by the
6 Trustee.

7 IT IS HEREBY CERTIFIED, RECITED AND DECLARED by the IFD that all acts,
8 conditions and things required by law to exist, happen and be performed precedent to and in
9 the issuance of this Bond have existed, happened and been performed in due time, form and
10 manner as required by law, and that the amount of this Bond, together with all other
11 indebtedness of the IFD, does not exceed any debt limit prescribed by the laws or Constitution
12 of the State of California.

13 Unless this Bond is presented by an authorized representative of The Depository Trust
14 Company, a New York corporation ("DTC"), to the Trustee for registration of transfer,
15 exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in
16 such other name as is requested by an authorized representative of DTC (and any payment is
17 made to Cede & Co. or to such other entity as is requested by an authorized representative of
18 DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR
19 OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner
20 hereof, Cede & Co., has an interest herein.
21
22
23
24
25

1 IN WITNESS WHEREOF, City and County of San Francisco Infrastructure Financing
2 District No. 2 (Port of San Francisco), with respect to Sub-Project Area G-__ (Pier 70 - 28-
3 Acre Site), has caused this Bond to be to be signed by the facsimile signature of the
4 _____ and countersigned by the facsimile signature of the Clerk of the Board of
5 Supervisors with the seal of the City imprinted hereon.

6
7 [S E A L]
8
9

10 _____
11 Clerk of the Board of Supervisors

10 _____
11 [to come]

12
13 [FORM OF Trustee's CERTIFICATE OF AUTHENTICATION AND REGISTRATION]
14

15 This is one of the Bonds described in the Indenture of Trust which has been
16 authenticated on _____, _____.

17
18 _____
19 *as Trustee*

20
21 By: _____
22 Authorized Signatory
23
24
25

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

NOTICE: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

AGENDA DRAFT

PLEDGE AGREEMENT

by and among

CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE FINANCING
DISTRICT NO. 2 (PORT OF SAN FRANCISCO)

and

CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA

and

[CORPORATE TRUSTEE],
as Fiscal Agent

Dated as of ____ 1, 20__

Relating to

\$____
City and County of San Francisco
Special Tax District No. ____
Special Tax Bonds, Series ____



PLEDGE AGREEMENT

This PLEDGE AGREEMENT, dated as of ____ 1, 20__ (this "Pledge Agreement"), by and between the CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE FINANCING DISTRICT NO. 2 (PORT OF SAN FRANCISCO), an infrastructure financing district and a legally constituted governmental entity established pursuant to the laws of the State of California (the "IFD"), the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation and chartered city organized and existing under the Constitution and the laws of the State of California (the "City") and [CORPORATE TRUSTEE], a national banking association organized and existing under the laws of the United States, as fiscal agent (the "Fiscal Agent") under the Fiscal Agent Agreement (hereinafter defined);

WITNESSETH:

WHEREAS, the IFD is an infrastructure financing district and a legally constituted governmental entity established pursuant to the laws of the State of California, with the legal authority to exercise powers under and pursuant to the provisions of Chapter 2.8 of Division 2 of Part 1 of Title 5 of the California Government Code (the "Law"), including the power to issue bonds;

WHEREAS, an Infrastructure Financing Plan (as defined herein) for the IFD, including Appendix G-2 with respect to Sub-Project Area G-1 (Pier 70 - 28-Acre Site), Sub-Project Area G-2 (Pier 70 - 28-Acre Site) and Sub-Project Area G-3 (Pier 70 - 28-Acre Site) (collectively, the "Sub-Project Areas"), has been adopted in compliance with all requirements of the Law;

WHEREAS, pursuant to Section 53395.2 of the Law, the IFD is authorized to pledge revenues available from the Sub-Project Areas to it pursuant to Article 3 of the Law (commencing with Section 53396) to pay the principal of, and interest on, bonds issued pursuant to the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 of Division 2 of Part 1 of Title 5 of the California Government Code, as amended (commencing with Section 53311)) (the "Mello-Roos Act"), the proceeds of which have been or will be used entirely for allowable purposes of the IFD;

WHEREAS, the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X) (the "Special Tax Law") incorporates the Mello-Roos Act by reference in full;

WHEREAS, pursuant to the Special Tax Law, the City and County of San Francisco (the "City") formed the Special Tax District to finance certain improvements (the "Facilities") described in Resolution ____, adopted by the Board of Supervisors of the City on ____, 20__ (the "Resolution of Formation"), and some or all of those Facilities is a facility that may be financed by the IFD;

WHEREAS, concurrently herewith, the City is issuing for and on behalf of the Special Tax District its City and County of San Francisco Special Tax District No. ____ Special Tax

Bonds, Series ____ (the "Special Tax District Bonds") to finance acquisition and construction of the Facilities;

WHEREAS, the IFD and the Special Tax District wish to enter into this Agreement to memorialize a pledge by the IFD of Tax Revenues (as defined herein) as security for and a source of payment of debt service on the Special Tax District Bonds;

NOW, THEREFORE, in consideration of the mutual covenants herein contained it is agreed by and between the parties hereto, as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall, for all purposes of this Pledge Agreement and of any amendment hereto, and of any certificate, opinion, estimate or other document herein mentioned, have the meanings herein specified. Any capitalized term not defined herein shall have the meaning given to such term in the Fiscal Agent Agreement.

"Administrative Expenses" means any or all of the following: _____.

"Annual Debt Service" means, for each Bond Year, the sum of (i) interest due on the outstanding Special Tax District Bonds and other Parity Debt in such Bond Year, assuming that the outstanding Special Tax District Bonds and other Parity Debt are retired as scheduled, and (ii) the principal amount of the outstanding Special Tax District Bonds and other Parity Debt due in such Bond Year.

"Bond Year" means the one-year period beginning on September 2 in each year and ending on September 1 in the following year, except that the first Bond Year shall begin on the closing date of the Special Tax District Bonds and shall end on September 1, 20__.

"City" means the City and County of San Francisco, a chartered city and municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California.

"Fiscal Agent" means [Corporate Trustee], or any successor as fiscal agent under the Fiscal Agent Agreement.

"Fiscal Agent Agreement" means the Fiscal Agent Agreement dated as of ____ 1, 20__, between the City and the Fiscal Agent, pursuant to which the Special Tax District Bonds are being issued.

"Fiscal Year" means the twelve-month period extending from July 1 in a calendar year to June 30 of the succeeding year, both dates inclusive.

"IFD" means the City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), an infrastructure financing district and a legally constituted governmental entity established pursuant to the laws of the State of California.

"Infrastructure Financing Plan" means the Infrastructure Financing Plan for the IFD, adopted and approved by the Board of Supervisors of the City and County of San Francisco by Ordinance No. 27-16, passed on February 23, 2016 and the Mayor approved on March 11, 2016, as amended by Ordinance No. ____, passed on _____, 2018 and the Mayor approved on _____, 2018, as heretofore amended and as may hereafter be amended in accordance with the law.

"Law" means Chapter 2.8 of Division 2 of Part 1 of Title 5 of the California Government Code and the acts amendatory thereof and in supplement thereto. Whenever reference is made in this Pledge Agreement to the Law, reference is made to the Law as in force on the date of the execution of this Pledge Agreement, unless the context otherwise requires.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year, as certified in writing by the IFD to the City and the Fiscal Agent.

"Ordinance" means any ordinance of the City Council of the City levying the Special Taxes, including but not limited to Ordinance No. ____ enacted by the Board of Supervisors of the City on ____, 20__.

"Parity Debt" has the meaning given that term in Section 6 of this Pledge Agreement.

"Parity Debt Instrument" means any instrument providing for the issuance or incurrence of Parity Debt.

"Plan Limit" means the limitation, if any, contained in the Infrastructure Financing Plan on the number of dollars of taxes which may be divided and allocated to the IFD with respect to the Project Area pursuant to the Infrastructure Financing Plan and the Law.

"Special Tax District Bonds" means the City and County of San Francisco Special Tax District No. __ Special Tax Bonds, Series ____, issued and outstanding under the Fiscal Agent Agreement.

"Special Tax Law" means the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X), as amended from time to time.

"Special Taxes" means the special taxes levied by the City Council within the Special Tax District under the Act, the Ordinance and this Agreement.

"Subordinate Debt" has the meaning given that term in Section 7 of this Pledge Agreement.

"Subordinate Debt Instrument" means any instrument providing for the issuance or incurrence of Subordinate Debt.

["Sub-Project Area G- " means Sub-Project Area G-__ (Pier 70 - 28-Acre Site).]

"Sub-Project Areas" means, collectively, Sub-Project Area G-1 (Pier 70 - 28-Acre Site), Sub-Project Area G-2 (Pier 70 - 28-Acre Site) and Sub-Project Area G-3 (Pier 70 - 28-Acre Site).

"Tax Revenues" means all taxes annually allocated within the Plan Limit and paid to the IFD with respect to [the Sub-Project Areas]/[Sub-Project Area G-_] pursuant to the Law, and as provided in the Infrastructure Financing Plan.

Section 2. Payment of Tax Revenues. The IFD and the City agree that the IFD shall pay to the Fiscal Agent, for deposit into the Special Tax Fund established and held by the Fiscal Agent under the Fiscal Agent Agreement, all Tax Revenues received during each Fiscal Year by no later than each January 1 (or as soon thereafter as the IFD receives its tax increment from the City) and June 20 (or as soon thereafter as the IFD receives its tax increment from the City) thereof until the amount so transferred to the Special Tax Fund established under the Fiscal Agent Agreement equals the sum of (i) Annual Debt Service, (ii) Administrative Expenses and (iii) amounts required to replenish the Reserve Fund (as provided in the Fiscal Agent Agreement), in each case for such Fiscal Year, less amounts on deposit in the Bond Fund and the Special Tax Fund and held under the Fiscal Agent Agreement. The IFD and the City agree that such Tax Revenues paid to the Fiscal Agent shall be pledged to the payment of debt service on, and other amounts payable with respect to, the Special Tax District Bonds, and shall not be applied for any other purpose, except as permitted under the Fiscal Agent Agreement.

Section 3. Pledge and Assignment. Subject to the limitations regarding the use of tax increment to pay outstanding indebtedness as set forth in the Infrastructure Financing Plan (to the extent applicable), the IFD, for the security of the IFD's payment obligation hereunder, hereby pledges the Tax Revenues to the Fiscal Agent, and creates a lien thereon for the benefit of the Fiscal Agent, and such pledge and lien shall be subject to no prior pledge or liens except as provided in Section 6 below, and the pledge and lien created hereby shall attach and be binding and effective without the need for any physical delivery, recordation, filing, or further act.

Section 4. Excess Tax Revenues. Tax Revenues in excess of the amounts required for the IFD to meet its obligations hereunder (the "Excess Tax Revenues") shall be used by the IFD for authorized purposes under the Infrastructure Financing Plan.

Section 5. Coverage Covenant; Plan Limit.

(a) The IFD agrees that it will not issue or incur any additional obligations or take any action regarding the pledge of Tax Revenues such that the amount of Tax Revenues for the then current Fiscal Year, will be less than ____% of Maximum Annual Debt Service.

(b) The IFD shall manage its fiscal affairs in a manner which ensures that it will have sufficient Tax Revenues available under the Plan Limit in the amounts and at the times required to enable the IFD to pay meet its payment obligations under this Pledge Agreement and with respect to any outstanding Parity Debt when due.

Section 6. Issuance of Parity Debt. In addition to the pledge under this Agreement, the IFD may issue additional bonds or incur other loans, advances or indebtedness payable from Tax Revenues on a parity with the its obligations under this Pledge Agreement ("Parity Debt") to finance and/or refinance activities that are permitted to be financed by the IFD with respect to [the Sub-Project Areas]/[Sub-Project Area G-__] in such principal amount as shall be determined by the IFD. The IFD may issue and deliver any such Parity Debt subject to the following specific conditions all of which are hereby made conditions precedent to the issuance and delivery of such Parity Debt:

(a) No event of default hereunder, under any Parity Debt Instrument or under any Subordinate Debt Instrument shall have occurred and be continuing, unless such event of default shall be cured by the issuance of the Parity Debt, and the IFD shall otherwise be in compliance with all covenants set forth in this Indenture;

(b) Except as provided in (f) below, the Tax Revenues received or estimated to be received for the then current Fiscal Year (i) calculated using a tax rate of (1%) and (ii) based on the most recent taxable valuation of property in [the Sub-Project Areas]/[Sub-Project Area G-__] as evidenced by the records of the IFD, plus an assumed increase in Tax Revenues of two percent (2%), shall be at least equal to _____ percent (___%) of Maximum Annual Debt Service, including within such Maximum Annual Debt Service, the amount of annual debt service on the Parity Debt then proposed to be issued or incurred;

(c) Principal with respect to such Parity Debt will be required to be paid on September 1 in any year in which such principal is payable;

(d) The aggregate amount of the principal of and interest on the Special Tax District Bonds, all outstanding Parity Debt and any Subordinate Debt coming due and payable following the issuance of such Parity Debt shall not exceed the maximum amount of Tax Revenues, if any, permitted under the Plan Limit to be allocated and paid to the IFD following the issuance of such Parity Debt;

(e) The IFD shall deliver to the City and the Fiscal Agent a written certificate certifying that the conditions precedent to the issuance of such Parity Debt set forth in subsections (a) - (d) of this Section have been satisfied.

(f) Paragraph (b) shall not apply to the issuance or incurrence of any Parity Debt the net proceeds of which will be used solely to refund all or any portion of the Special Tax District Bonds or any outstanding Parity Debt, provided that debt service payable in each year with respect to the proposed Parity Debt is less than the debt service otherwise payable in each year with respect to the Special Tax District Bonds or Parity Debt, or portion thereof, proposed to be refunded.

Section 7. Issuance of Subordinate Debt. In addition to the pledge under this Agreement, the IFD may issue additional bonds or incur other loans, advances or indebtedness payable from Tax Revenues on a subordinate basis to the its obligations under this Pledge Agreement ("Subordinate Debt") in such principal amount as shall be determined

by the IFD. The IFD may issue or incur such Subordinate Debt subject to the following specific conditions precedent:

(a) If, and to the extent, such Subordinate Debt is payable from Tax Revenues within the then existing limitation, if any, on the amount of Tax Revenues allocable and payable to the IFD under the Infrastructure Financing Plan, then the aggregate amount of the principal of and interest to accrue on the Special Tax District Bonds, Parity Debt and Subordinate Debt coming due and payable following the issuance of such Subordinate Debt shall not exceed the maximum amount of Tax Revenues permitted under the Plan Limit to be allocated and paid to the IFD following the issuance of such Subordinate Debt; and

(b) The IFD shall deliver to the Trustee a Written Certificate of the IFD certifying that the conditions precedent to the issuance of such Subordinate Debt set forth in paragraph (a) above have been satisfied.

Section 8. Term. The term of this Pledge Agreement shall commence on the date of issuance of the Special Tax District Bonds, and shall end on the earlier of the date no Special Tax District Bonds are outstanding or ____, 20__, which date is the last day the IFD may repay indebtedness or receive property taxes under the Infrastructure Financing Plan; provided that such date shall be extended to the date on which no Special Tax District Bonds are outstanding, if later than May ____, 20__, if the IFD determines that payments of Tax Revenues hereunder may be made after ____, 20__, without violating either the Infrastructure Financing Plan or the Law.

Section 9. Amendment. This Pledge Agreement may be amended only with the prior written consent of the parties thereto and if the City shall have received an opinion of nationally recognized bond counsel that such amendment does not adversely affect the tax-exempt nature of interest on the Special Tax District Bonds.

IN WITNESS HEREOF, the parties hereto have executed this Pledge Agreement as of the day and year first above written.

CITY AND COUNTY OF SAN
FRANCISCO INFRASTRUCTURE
FINANCING DISTRICT NO. 2 (PORT
OF SAN FRANCISCO)

By: _____
Authorized Officer

CITY AND COUNTY OF SAN
FRANCISCO

By: _____
Authorized Officer

[CORPORATE TRUSTEE], as Fiscal
Agent

By: _____
Authorized Officer

INDENTURE OF TRUST

Dated as of ____ 1, 20__

by and between the

**CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE FINANCING
DISTRICT NO. 2 (PORT OF SAN FRANCISCO)**

and

**[CORPORATE TRUSTEE],
as Trustee**

Relating to

**[\$[Principal Amount]
City and County of San Francisco Infrastructure Financing District No. 2 (Port of
San Francisco)
Sub-Project Area G-__ (Pier 70 - 28-Acre Site)
Tax Increment Revenue Bond, Series ____**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture") is made and entered into as of ____ 1, 20__, by and between the CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE FINANCING DISTRICT NO. 2 (PORT OF SAN FRANCISCO), an infrastructure financing district and a legally constituted governmental entity established pursuant to the laws of the State of California (the "IFD"), and [CORPORATE TRUSTEE], a national banking association duly organized and existing under the laws of the United States of America, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, the IFD is an infrastructure financing district and a legally constituted governmental entity established pursuant to the laws of the State of California, with the legal authority to exercise powers under and pursuant to the provisions of Chapter 2.8 of Division 2 of Part 1 of Title 5 of the California Government Code (the "Law"), including the power to issue bonds;

WHEREAS, an Infrastructure Financing Plan (as defined herein) for the IFD, including Appendix G-2 with respect to Sub-Project Area G-__ (Pier 70 - 28-Acre Site), has been adopted in compliance with all requirements of the Law;

WHEREAS, the IFD wishes to issue bonds (the "Series 20__ Bonds") for the purpose of financing [to come];

WHEREAS, the Bonds will be payable from Tax Revenues (as hereinafter defined);

WHEREAS, in order to provide for the authentication and delivery of the Series 20__ Bonds, to establish and declare the terms and conditions upon which the Series 20__ Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the IFD and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the IFD has determined that all acts and proceedings required by law necessary to make the Series 20__ Bonds when executed by the IFD, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the IFD, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds, including the Series 20__ Bonds, issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds, including the Series 20__ Bonds, are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds, including the Series 20__ Bonds, by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the IFD and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, including the Series 20__ Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The IFD has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Series 20__ Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the IFD is now duly empowered, pursuant to each and every requirement of law, to issue the Series 20__ Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds and other Parity Debt in such Bond Year, assuming that the Outstanding Serial Bonds are retired as scheduled and that the Outstanding Term Bonds are redeemed from mandatory sinking account payments as scheduled, (b) the principal amount of the Outstanding Serial Bonds and other Parity Debt payable by their terms in such Bond Year, and (c) the principal amount of the Outstanding Term Bonds scheduled to be paid or redeemed from mandatory sinking account payments in such Bond Year.

For purposes of the calculation of Annual Debt Service, there shall be excluded the principal of and interest on any Parity Debt to the extent the proceeds thereof are then deposited in a fully self-supporting escrow fund (the fully self-supporting nature of which is evidenced by a report prepared by an Independent Financial Consultant and delivered to the Trustee) from which amounts may not be released to the IFD unless the amount of Tax Revenues, calculated as set forth in Section 3.06(b), and Additional Revenues are then calculated to be not less than the percentage of Maximum Annual Debt Service required by the terms of Section 3.06(b).

"Bonds" means the Series 20__ Bonds and any Parity Debt issued as bonds pursuant to a Supplemental Indenture.

"Bond Counsel" means an attorney or firm of attorneys appointed by or acceptable to the IFD, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

"Bond Year" means any twelve-month period beginning on September 2 in any year and ending on the next succeeding September 1, both dates inclusive, except that the first Bond Year shall begin on the Closing Date with respect to the Series 20__ Bonds and end on September 1, 2-__.

"Business Day" means a day of the year on which banks in the State of California, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

"City" means the City and County of San Francisco, California, a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State.

"Closing Date" means the date on which a series of Bonds is delivered by the IFD to the original purchaser thereof.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Series 20__ Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Series 20__ Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate with respect to the Series 20__ Bonds executed by the IFD, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the IFD relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance premiums, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, administrative costs of the IFD and City incurred in connection with the issuance of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.03.

"Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.03.

"Defeasance Obligations" means any of the following which, at the time of investment, are in compliance with the City's investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the IFD as conclusive certification to the Trustee that investments described therein are in compliance with the City's investment policies then in effect):

- (a) Cash;
- (b) Federal Securities;
- (c) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book entry form;
- (d) Pre-refunded municipal bonds rated "Aaa" by Moody's or "AAA" by S&P;
- (e) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the IFD itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) Federal

Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of the Government National Mortgage Association; (vii) guaranteed Title XI financings of the U.S. Maritime Administration; and (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development; and

(f) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the IFD itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of Fannie Mae; (iv) senior debt obligations of the Student Loan Marketing Association; (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.11.

"Depository System Participant" means any participant in the Depository's book-entry system.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Event of Default" means any of the events described in Section 8.01.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the IFD and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

"Federal Securities" means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the IFD to the Trustee in writing as its official fiscal year period.

"IFD" means the City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), an infrastructure financing district and a legally constituted governmental entity established pursuant to the laws of the State of California.

"Indenture" means this Indenture of Trust by and between the IFD and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the IFD, and who, or each of whom:

- (a) is in fact independent and not under domination of the IFD;
- (b) does not have any substantial interest, direct or indirect, with the IFD; and
- (c) is not connected with the IFD as an officer or employee of the IFD, but who may be regularly retained to make reports to the IFD.

"Independent Economic Consultant" means any consultant or firm of such consultants appointed by the IFD (who may be an underwriter of bonds of the IFD or the City), and who, or each of whom:

- (a) is judged by the IFD to have experience in matters relating to the collection of Tax Revenues or otherwise with respect to infrastructure financing districts;
- (b) is in fact independent and not under domination of the IFD;
- (c) does not have any substantial interest, direct or indirect, with the IFD; and
- (d) is not connected with the IFD as an officer or employee of the IFD, but who may be regularly retained to make reports to the IFD.

"Information Services" means the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system or such other information repositories identified by the Securities and Exchange Commission.

"Infrastructure Financing Plan" means the Infrastructure Financing Plan for the IFD and the Project Area, adopted and approved by the Board of Supervisors of the City and County of San Francisco by Ordinance No. ____, adopted on ____, 2015, as heretofore amended and as may hereafter be amended in accordance with the law.

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

"Interest Payment Date" means each March 1 and September 1, commencing March 1, 2-__, for so long as any of the Bonds remain Outstanding hereunder.

"Law" means Chapter 2.8 of Division 2 of Part 1 of Title 5 of the California Government Code, and the acts amendatory thereof and supplemental thereto.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year, including payments on any Parity Debt, as certified in writing by the IFD to the Trustee.

"Moody's" means Moody's Investors Service and its successors.

"Nominee" means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.11(a).

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

(a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the IFD pursuant hereto.

"Owner" or "Bondowner" means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

"Parity Debt" means any additional bonds, loans, advances or indebtedness issued or incurred by the IFD on a parity with the Bonds pursuant to Section 3.06.

"Parity Debt Instrument" means any Supplemental Indenture or other instrument providing for the issuance or incurrence of Parity Debt.

"Participating Underwriter" has the meaning ascribed thereto in the Continuing Disclosure Certificate.

"Permitted Investments" means any of the following which at the time of investment are in compliance with the City's investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the IFD as conclusive certification to the Trustee that the investments described therein are in compliance with the City's investment policies then in effect), but only to the extent that the same are acquired at Fair Market Value:

(a) Federal Securities;

(b) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including: Export-Import Bank, Farmers Home Administration, General Services Administration, U.S. Maritime Administration, Small Business Administration, Government National Mortgage Association, U.S. Department of Housing & Urban Development, and Federal Housing Administration;

- (c) bonds, notes or other evidences of indebtedness rated AAA by S&P and Aaa by Moody's issued by Fannie Mae or Freddie Mac with remaining maturities not exceeding three years;
- (d) U.S. dollar denominated deposit accounts (including those with the Trustee or with any affiliate of the Trustee), federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of A-1 or A-1+ by S&P and P-1 by Moody's, and maturing no more than 360 days after the date of purchase;
- (e) commercial paper which is rated at the time of purchase in the single highest classification, A-1+ by S&P and P-1 by Moody's and which matures not more than 270 days after the date of purchase;
- (f) investments in a money market fund rated AAAM or AAAM-G or better by S&P, which may include funds for which the Trustee or its affiliates provide investment advisory or other management services;
- (g) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based on the escrow, in the highest rating category of S&P and Moody's or (ii)(A) which are fully secured as to principal and interest and redemption premium (if any) by a fund consisting only of cash or Federal Securities, which fund may be applied only to the payment of such principal of and interest and redemption premium (if any) in such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates under such irrevocable instructions, as appropriate, and (B) which fund is sufficient, as verified by an independent accountant, to pay principal of and interest and redemption premium (if any) on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate;
- (h) investment agreements with a provider that is rated in one of the two highest rating categories by S&P and Moody's;
- (i) the Local Agency Investment Fund which is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee;
- (j) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the California Government Code which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the California Government Code, as it may be amended, including but not limited to the California Asset Management Program (CAMP).

"Plan Limit" means the limitation, if any, contained in the Infrastructure Financing Plan on the number of dollars of taxes which may be divided and allocated to the IFD with respect to the Project Area pursuant to the Infrastructure Financing Plan and the Law.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

"Principal Corporate Trust Office" means such principal corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the IFD, initially being _____ Attention: Corporate Trust Department.

"Project Area" means Sub-Project Area G-__ (Pier 70 - 28-Acre Site).

"Project Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.04.

"Qualified Reserve Account Credit Instrument" means an irrevocable standby or direct-pay letter of credit, insurance policy surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) in the case of a commercial bank, the long-term credit rating of such bank is at least "AA" from S&P or "Aa" from Moody's and, in the case of an insurance company, the claims paying ability of such insurance company is "AAA" from S&P or "Aaa" Moody's or, if rated by A.M. Best & Company, is rated in the highest rating category by A.M. Best & Company; (b) such letter of credit or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"Redemption Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(d).

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"Report" means a document in writing signed by an Independent Economic Consultant and including:

- (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(c).

"Reserve Requirement" means the lesser of (i) the amount of Maximum Annual Debt Service on the Bonds (excluding from the calculation thereof Parity Debt other than Bonds), (ii) ten percent (10%) of the total of the proceeds of the Bonds (excluding from the calculation thereof Parity Debt other than Bonds), and (iii) one hundred and twenty five percent (125%) of average Annual Debt Service on the Bonds (excluding from the calculation thereof Parity Debt other than Bonds).

"S&P" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, and its successors.

"Securities Depositories" means The Depository Trust Company, 711 Stewart Avenue, Garden City, New York 11530, Fax-(516) 227-4039 or 4190; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the IFD may designate in a Written Request of the IFD delivered to the Trustee.

"Series 20 Bonds" means, collectively, the Series 20 ___ Bonds.

"Serial Bonds" means all Bonds other than Term Bonds.

"Special Fund" means the fund held by the IFD established pursuant to Section 4.02.

"State" means the State of California.

"Subordinate Debt" means any loans, advances or indebtedness issued or incurred by the IFD pursuant to Section 3.07, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues; or (b) secured by a pledge of or lien upon the Tax Revenues which is expressly subordinate to the pledge of and lien upon the Tax Revenues hereunder for the security of the Bonds.

"Subordinate Debt Instrument" means any instrument providing for the issuance of Subordinate Debt.

"Supplemental Indenture" means any resolution, agreement or other instrument which has been duly adopted or entered into by the IFD, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Tax Revenues" means all taxes annually allocated within the Plan Limit and paid to the IFD with respect to the Project Area pursuant to the Law, and as provided in the Infrastructure Financing Plan.

"Term Bonds" means that portion of any Bonds payable from mandatory sinking account payments.

"Trustee" means [Corporate Trustee], as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"Written Request of the IFD" or "Written Certificate of the IFD" means a request or certificate, in writing signed by the Treasurer of the IFD or her or his designee, or by any other officer of the IFD duly authorized by the IFD for that purpose.

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of Series 20__ Bonds. The Bonds are hereby authorized to be issued by the IFD under and subject to the terms of this Indenture, and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

An initial series of Bonds shall be designated the "City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) Sub-Project Area G-1 (Pier 70 - Historic Core) Tax Increment Revenue Bonds, Series ____" and shall be in the initial aggregate principal amounts of \$[Principal Amount].

Section 2.02. Terms of Series 20__ Bonds. The Series 20__ Bonds shall be issued in fully registered form without coupons. The Series 20__ Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no Series 20__ Bond shall have more than one maturity date. The Series 20__ Bonds shall be dated as of their Closing Date. The Series 20__ Bonds shall be lettered and numbered as the Trustee shall prescribe.

The Series 20__ Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates per annum as follows:

Series 20__ Bonds

Maturity Date (September 1)	Principal Amount	Interest Rate
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Each Series 20__ Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before February 15, 2007, in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any Series 20__ Bond, interest thereon is in default, such Series 20__ Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the Series 20__ Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of Series 20__ Bonds, which written request is on file with the Trustee as of any Record Date, interest on such Series 20__ Bonds shall be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the Series 20__ Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 2.03. Redemption of Series 20__ Bonds.

(a) Optional Redemption – Series 20__ Bonds. The Series 20__ Bonds maturing on or before September 1, 2016 are not subject to optional redemption prior to their respective stated maturities. The Series 20__ Bonds maturing on and after September 1, 2017, are subject to redemption, at the option of the IFD on any date on or after September 1, 2016, as a whole or in part, by such maturities as shall be determined by the IFD, and by lot within a maturity, from any available source of funds, at the principal amount of the Series 20__ Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption without premium, without premium.

(b) Mandatory Sinking Fund Redemption – Series 20__ Bonds. The Series 20__ Bonds that are Term Bonds and maturing September 1, 2026, September 1, 2031 and September 1, ___ shall also be subject to mandatory redemption in whole, or in part by lot, on September 1 in each year, commencing September 1, ___, as set forth below, from sinking fund payments made by the IFD to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on September 1 in the respective years as set forth in the following tables; provided however, that (x) in lieu of redemption thereof such Term Bonds may be purchased by the IFD pursuant to Section 2.03(h) hereof, and (y) if some but not all of such Term Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the IFD (notice of which determination shall be given by the IFD to the Trustee).

Term Bonds of 20__

September 1

Principal Amount

(c) Notice of Redemption: Rescission. The Trustee on behalf and at the expense of the IFD shall mail (by first class mail, postage prepaid) notice of any redemption at least thirty (30) but not more than sixty (60) days prior to the redemption date, to (i) to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to one or more Information Services designated in a Written Request of the IFD filed with the Trustee; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state that such redemption is conditioned upon the timely delivery of the redemption price by the IFD to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Bonds to be redeemed, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price,

giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The IFD shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The IFD and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(d) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the IFD shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the IFD, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption shall have been duly deposited with the Trustee, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(f) Manner of Redemption. Unless otherwise specified in a Supplemental Indenture, whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make such selection, in such manner as the Trustee shall deem appropriate, and shall notify the IFD thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee shall assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed.

(g) Purchase in Lieu of Redemption. In lieu of redemption of the Term Bonds pursuant to a Supplemental Indenture, amounts on deposit in the Special Fund or in the Principal Account may also be used and withdrawn by the IFD and the Trustee, respectively, at any time, upon the Written Request of the IFD, for the purchase of the Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as the IFD may in its discretion determine. The par amount of any Term Bonds so purchased by the IFD in any twelve-month period ending on July 1 in any year shall be credited towards and shall reduce the par amount of the Term Bonds required to be redeemed pursuant; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said July 1.

Section 2.04. Form of Series 20__ Bonds. The Series 20__ Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the IFD by the signature of its Administrator or its Treasurer or a designee of either, and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the IFD by such persons as at the actual date of the execution of such Bond shall be the proper officers of the IFD although on the date of such Bond any such person shall not have been such officer of the IFD.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the IFD shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount of authorized denominations. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the IFD.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for Bonds of the same tenor and maturity and of other authorized denominations. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the IFD.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, either (a) any Bonds during the fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption or (b) any Bonds selected by the Trustee for redemption.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection and copying by the IFD, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the IFD, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the IFD upon the same conditions and in substantially the same manner as the definitive Bonds. If the IFD issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the IFD, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the IFD, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the IFD). The IFD may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the IFD and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the IFD whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11. Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, neither the IFD nor the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, neither the IFD nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the IFD elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The IFD and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal, premium and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the IFD to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the IFD shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the IFD and the Trustee shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the IFD or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. The Trustee agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Trustee. In addition to the execution and delivery of such letter, upon written request of the Depository or the Trustee, the IFD may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the IFD determines to terminate the Depository as such, then the IFD shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the IFD and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the IFD fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.12. Applicability of Provisions to Additional Bonds.

Unless otherwise provided in a Supplemental Indenture, the provisions of Sections 2.03(c) through (g) and 2.05 through 2.11 shall apply to additional Bonds.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF SERIES 20__ BONDS; ISSUANCE OF PARITY DEBT

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the IFD shall execute and deliver to the Trustee the Series 20__ Bonds in the aggregate principal amount of _____ Dollars (\$[Principal Amount]), and the and the Trustee shall authenticate and deliver the Series 20__ Bonds upon the Written Request of the IFD.

Section 3.02. Application of Proceeds of Sale and Certain Other Amounts.

On the Closing Date, the proceeds of sale of the Series 20__ Bonds, (being \$_____, representing the par amount of the Series 20__ Bonds, plus original issue premium of \$_____, less an underwriters' discount of \$_____), shall be paid to the Trustee and applied as follows:

- (i) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund.
- (ii) The Trustee shall deposit the amount of \$_____ in the Project Fund.
- (iii) The Trustee shall deposit \$_____, being the remaining amount of proceeds of the Series 20__ Bonds, in the Reserve Account.

Section 3.03. Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund", which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the Series 20__ Bonds upon submission of a Written Request of the IFD stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six (6) months following the Closing Date with respect to the Series 20__ Bonds, or upon the earlier Written Request of the IFD, all amounts (if any) remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Project Fund. At such time, the Costs of Issuance shall be closed, provided that it may be re-opened in connection with the issuance of an additional series of Bonds issued pursuant to a Supplemental Indenture.

Section 3.04. Project Fund.

(a) There shall be established with respect to the Project Area a separate and segregated fund to be known as the "Sub-Project Area G-__ (Pier 70 - 28-Acre Site) Project Fund (the "Project Fund")," which the Trustee shall hold in trust for the benefit of the IFD. The moneys in the Project Fund shall be maintained separate and apart from other moneys of the IFD. The moneys on deposit in the Project Fund shall be used in the manner provided by the Law. The IFD covenants that no funds on deposit in the Project Fund shall be applied for any purpose not authorized by the Law.

(b) The Trustee shall disburse the amounts on deposit in the Project Fund and the accounts therein upon receipt of a disbursement request of the IFD substantially in the form attached hereto as Exhibit B. In no event shall the Trustee be responsible for the manner in which the IFD applies the moneys disbursed to it by the Trustee in accordance with any such

disbursement request. Such requisition shall be executed by the Treasurer of the IFD or her or his designee.

Section 3.05. Reserved.

Section 3.06. Issuance of Parity Debt. In addition to the Series 20__ Bonds, the IFD may, by Supplemental Indenture, issue additional bonds or incur other loans, advances or indebtedness payable from Tax Revenues on a parity with the Series 20__ Bonds to finance and/or refinance activities that are permitted to be financed by the IFD with respect to the Project Area in such principal amount as shall be determined by the IFD. The IFD may issue and deliver any such Parity Debt subject to the following specific conditions all of which are hereby made conditions precedent to the issuance and delivery of such Parity Debt:

(a) No event of default hereunder, under any Parity Debt Instrument or under any Subordinate Debt Instrument shall have occurred and be continuing, unless the event of default shall be cured by the issuance of the Parity Debt, and the IFD shall otherwise be in compliance with all covenants set forth in this Indenture;

(b) Except as provided in (g) below, the Tax Revenues received or estimated to be received for the then current Fiscal Year (i) calculated using a tax rate of (1%) and (ii) based on the most recent taxable valuation of property in the Project Area as evidenced by the records of the IFD, plus an assumed increase in Tax Revenues of two percent (2%), shall be at least equal to one hundred twenty five percent (125%) of Maximum Annual Debt Service, including within such Maximum Annual Debt Service, the amount of annual debt service on the Parity Debt then proposed to be issued or incurred;

(c) In the case of Parity Debt issued as additional Bonds under a Supplemental Indenture, the amount on deposit in the Reserve Account (and any subaccounts therein) shall be increased to the Reserve Requirement taking into account the additional Bonds to be issued;

(d) Principal with respect to such Parity Debt will be required to be paid on September 1 in any year in which such principal is payable;

(e) The aggregate amount of the principal of and interest on all Outstanding Bonds, other outstanding Parity Debt and Subordinate Debt coming due and payable following the issuance of such Parity Debt shall not exceed the maximum amount of Tax Revenues, if any, permitted under the Plan Limit to be allocated and paid to the IFD following the issuance of such Parity Debt;

(f) The IFD shall deliver to the Trustee a Written Certificate of the IFD certifying that the conditions precedent to the issuance of such Parity Debt set forth in subsections (a), (b) and (e) above have been satisfied.

(g) Section 3.06(b) shall not apply to the issuance or incurrence of any Parity Debt the net proceeds of which will be used solely to refund all or any portion of the Series 20__ Bonds or any other outstanding Parity Debt, provided that debt service payable in each year with respect to the proposed Parity Debt is less than the debt service otherwise payable in each year with respect to the Series 20__ Bonds or Parity Debt, or portion thereof, proposed to be refunded.

Section 3.07. Issuance of Subordinate Debt. The IFD may issue or incur Subordinate Debt in such principal amount as shall be determined by the IFD. The IFD may issue or incur such Subordinate Debt subject to the following specific conditions precedent:

(a) If, and to the extent, such Subordinate Debt is payable from Tax Revenues within the then existing limitation, if any, on the amount of Tax Revenues allocable and payable to the IFD under the Infrastructure Financing Plan, then the aggregate amount of the principal of and interest to accrue on all Outstanding Bonds, Parity Debt and Subordinate Debt coming due and payable following the issuance of such Subordinate Debt shall not exceed the maximum amount of Tax Revenues permitted under the Plan Limit to be allocated and paid to the IFD following the issuance of such Subordinate Debt; and

(b) The IFD shall deliver to the Trustee a Written Certificate of the IFD certifying that the conditions precedent to the issuance of such Subordinate Debt set forth in paragraph (a) above have been satisfied.

Section 3.08. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the uses to which the proceeds of the Bonds are put or upon the performance by any person of his obligation with respect to the IFD or the Project Area.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as provided in Section 6.06, the Series 20__ Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Tax Revenues and the moneys in the Special Fund, and the Series 20__ Bonds and, any additional Bonds shall also be secured by a first and exclusive pledge, of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account and the Redemption Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Tax Revenues and such moneys, no funds or properties of the IFD shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the IFD and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the IFD shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Special Fund; Deposit of Tax Revenues. There is hereby established a special fund which is to be held by the IFD and which shall be known as the "Special Fund". The IFD shall transfer all of the Tax Revenues received in any Bond Year to the Special Fund promptly upon receipt thereof by the IFD, until such time during such Bond Year as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred for deposit in such Bond Year (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 hereof and, if applicable, (ii) with respect to any Parity Debt other than additional Bonds pursuant to the applicable Parity Debt Instrument.

All Tax Revenues received by the IFD during any Bond Year in excess of the amount required to be deposited in the Special Fund during such Bond Year pursuant to the preceding paragraph of this Section 4.02 shall be released from the pledge, security interest and lien hereunder for the security of the Bonds and any additional Parity Debt and may be applied by the IFD for any lawful purpose of the IFD, including but not limited to the payment of Subordinate Debt, or the payment of any amounts due and owing to the United States of America pursuant to Article 5. Additionally, no later than January 5 of each year, the IFD shall release from the Special Fund amounts on deposit therein that are in excess of the amounts needed to pay interest on any outstanding Bonds or Parity Debt through the last Interest Payment Date prior to the date the IFD anticipates receiving its first installment of Tax Revenues for the current Fiscal Year. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indenture or Parity Debt Instrument, the IFD shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in this Indenture and in any Supplemental Indenture or Parity Debt Instrument.

Section 4.03. Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee hereunder in trust.

Moneys in the Special Fund shall be transferred by the IFD to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority (provided further that, if on the fifth (5th) Business Day prior to the date the IFD is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into account amounts required to be transferred with respect to Parity Debt other than Bonds, the IFD shall immediately notify the Trustee of the amount of any such insufficiency):

(a) Interest Account. On or before the third (3rd) Business Day preceding each Interest Payment Date, the IFD shall withdraw from the Special Fund and transfer to the Trustee, for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. On or before the third (3rd) Business Day preceding September 1 in each year beginning September 1, 200_, the IFD shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next September 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next September 1 on all of the Outstanding Serial Bonds and Term Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same shall become due and payable.

(c) Reserve Account. In the event that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the IFD of such fact. Promptly upon receipt of any such notice, the IFD shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the IFD shall be obligated to continue making transfers as Tax Revenues become available in the Special Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the IFD is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before the fifth (5th) Business Days

preceding each March 1 and September 1 by the Trustee and deposited in the Interest Account. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.03 or, (ii) if the IFD shall have caused to be transferred to the Trustee an amount sufficient to make the deposits required by this Section 4.03, then, at the Written Request of the IFD, to the Project Fund.

The IFD shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the Series 20__ Bonds or any other Bond the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the IFD to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Project Fund and used for the purposes thereof. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this subsection (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the IFD shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Tax Revenues. If the Qualified Reserve Account Credit Instrument is in the form of a letter of credit and the IFD has not renewed or replaced such letter of credit two weeks prior to its expiration or termination, the Trustee shall draw on such letter of credit in full and deposit the proceeds of such draw in the Reserve Account. If the Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture. If the Reserve Requirement is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture shall be pro-rata with respect to each such instrument.

In the event that a Qualified Reserve Account Credit Instrument is available to be drawn upon for only one or more particular series of Bonds, a separate subaccount in the Reserve Account may be established for such series and the calculation of the Reserve Requirement with respect to all other Bonds shall exclude the debt service on such series of Bonds.

There is hereby created such a Subaccount designated the "Series 20__ Subaccount of the Reserve Account" to which proceeds of the Series __ Bonds in an amount equal to the Reserve Requirement shall be deposited.

(d) Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to Section 2.03(a), the Trustee shall

withdraw from the Debt Service Fund any amount transferred by the IFD pursuant to Section 2.03(a) for deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the Series 20__ Bonds and on other Bonds to be redeemed on such date pursuant to Section 2.03(a) or a similar provision of a Supplemental Indenture. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the Series 20__ Bonds and on such other Bonds to be redeemed pursuant to Section 2.03(a) or a similar provision of a Supplemental Indenture on the date set for such redemption. Interest due on the Series 20__ Bonds or such other Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account. Notwithstanding the foregoing, at any time prior to giving notice of redemption of any such Series 20__ Bonds or such other Bonds, the Trustee may, at the direction of the IFD, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of the Series 20__ Bonds or such other Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such Series 20__ Bonds or such other Bonds, which is payable from the Interest Account) as shall be directed by the IFD.

ARTICLE V

OTHER COVENANTS OF THE IFD

Section 5.01. Punctual Payment. The IFD shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The IFD shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture, all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the IFD from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The IFD hereby covenants that, so long as the Bonds are Outstanding, the IFD shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues, excepting only (i) the Series 20__ Bonds, (ii) any Parity Debt and (iii) any Subordinate Debt. The IFD will not otherwise encumber, pledge or place any charge or lien upon any of the Tax Revenues or other amounts pledged to the Bonds superior or equal to the pledge and lien herein created for the benefit of the Bonds.

Section 5.03. Extension of Payment. The IFD will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the IFD, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Payment of Claims. The IFD shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the IFD or upon the Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the IFD to make any such payment so long as the IFD in good faith shall contest the validity of said claims.

Section 5.05. Books and Accounts; Financial Statements. The IFD shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the IFD and the City and County of San Francisco, in which complete and correct entries shall be made of all transactions relating to the IFD, the Project Area, the Tax Revenues, the Project Fund and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

Section 5.06. Protection of Security and Rights of Owners. The IFD will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date with respect to the Series 20__ Bonds, the Bonds shall be incontestable by the IFD.

Section 5.07. Maintenance of Tax Revenues. The IFD shall comply with all requirements of the Law to insure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness and, in the case of amounts payable by the State, appropriate officials of the State. The IFD shall not undertake proceedings for amendment of the Infrastructure Financing Plan if such amendments will adversely impair the IFD's ability to pay debt service on the Bonds or, in and of itself, cause the amount of Tax Revenues available to the IFD for application hereunder in any succeeding Fiscal Year to fall below _____% of Maximum Annual Debt Service.

Section 5.08. Maintenance of Tax-Exemption. The IFD shall take all actions necessary to assure the exclusion of interest on the Series 20__ Bonds from the gross income of the Owners of the Series 20__ Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Series 20__ Bonds.

Section 5.09. Compliance with the Law. The IFD shall ensure that all activities undertaken by the IFD with respect to the Project Area are undertaken and accomplished in conformity with all applicable requirements of the Infrastructure Financing Plan and the Law.

Section 5.10. Plan Limit. The IFD shall manage its fiscal affairs in a manner which ensures that it will have sufficient Tax Revenues available under the Plan Limit in the amounts and at the times required to enable the IFD to pay the principal of and interest and premium (if any) on the outstanding Bonds and any outstanding Parity Debt when due.

Section 5.11. Continuing Disclosure. The IFD hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the IFD to comply with the Continuing Disclosure Certificate shall not be an Event of Default hereunder. However, any Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the IFD to comply with its obligations under this Section.

Section 5.12. Further Assurances. The IFD will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The IFD may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the IFD has knowledge that the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the IFD to the Trustee, whereupon the IFD shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the IFD and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the IFD shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the IFD for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the IFD and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the IFD or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming

to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the IFD shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the IFD shall cause either the predecessor Trustee or the successor Trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books.

(e) If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 6.03(e) hereof, then the Trustee shall immediately give written notice thereof, by first-class mail to the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice.

(f) The IFD agrees that, so long as any Bonds or any Parity Debt are Outstanding, the Trustee shall be a financial institution having a trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (f), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any bank or trust company into which the Trustee may be merged or converted or with which may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or trust company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the IFD, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(c) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or willful misconduct of the Trustee. Where the Trustee is given the permissive right to do things enumerated in this Indenture, such right shall not be construed as a mandatory duty.

(d) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the IFD at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the IFD's certificates to establish the IFD's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Special Fund and the investment and application of moneys on deposit in the Special Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

(e) The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the IFD or with respect to the observance or performance by the IFD of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund.

or account established, held or maintained by the IFD pursuant to this Indenture or otherwise.

(f) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

(h) The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(i) Before taking any action under Article VIII or this Article at the request of the Owners, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall have no liability in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, facsimile transmission, electronic mail, or other paper or document reasonably believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the IFD, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the IFD, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Economic Consultant appointed by the IFD.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of and copying by the

IFD and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The IFD shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the IFD and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a lien on the Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The IFD further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities which it may incur to the extent arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the IFD and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the Project Fund, the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Redemption Account and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the IFD in the Written Request of the IFD filed with the Trustee, except that moneys in the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (h) of the definition thereof. In the absence of any such Written Request of the IFD, the Trustee shall invest any such moneys in Permitted Investments described in clause (f) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. The Trustee shall be entitled to rely conclusively upon the written instructions of the IFD directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. With respect to any restrictions set forth in the above list which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the IFD's expense. Moneys in the Special Fund may be invested by the IFD in any obligations in which the IFD is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be deposited in the Interest Account; *provided, however*, that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the IFD or otherwise made in

accordance with this Section. For investment purposes only, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

The IFD acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the IFD the right to receive brokerage confirmations of security transactions as they occur, the IFD specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the IFD monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the IFD for earnings derived from funds that have been invested.

The IFD covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued by the IFD at their present value (within the meaning of section 148 of the Code). Investments on deposit in the Reserve Account shall be valued on June 30 of each year at their market value.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which complete and accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the IFD upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the IFD, on a monthly basis, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the IFD and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption without the consent of any Owners, to the extent permitted by law, but only for any one or more of the following purposes

(a) to add to the covenants and agreements of the IFD in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the IFD; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the IFD may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the IFD, materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Debt in accordance with Section 3.06;
or

(d) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds the interest on which is intended to be excluded from gross income for federal income tax purposes; in the opinion of Bond Counsel; or

(e) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the IFD and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of the the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the IFD to pay the principal, interest, or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and

amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the IFD may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the IFD, as to such amendment or modification and in that case upon demand of the IFD the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the IFD may determine that new Bonds shall be prepared at the expense of the IFD and executed in exchange for any or all of the Bonds, and in that case, upon demand of the IFD, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office of the Trustee, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

Section 7.05. Opinion of Counsel. Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under this Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under this Indenture and does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the Bonds from personal income taxation by the State.

Section 7.06. Copy of Supplemental Indenture to S&P and Moody's. The IFD shall provide to S&P and Moody's, for so long as S&P and Moody's, as the case may be, maintain a rating on any of the Bonds (without regard to any municipal bond or financial guaranty insurance), a copy of any Supplemental Indenture at least 15 days prior to its proposed effective date.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the IFD in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the IFD in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the IFD of written notice from the Trustee, or written notice from any Owner (with a copy of said notice delivered to the Trustee) of the occurrence of such default, provided that if in the reasonable opinion of the IFD the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure will not constitute an event of default if corrective action is instituted by the IFD within such thirty (30) day period and the IFD thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(c) If the IFD files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition by the IFD seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition by the IFD, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the IFD or of the whole or any substantial part of its property.

If an Event of Default has occurred under this Section and is continuing, the Trustee, may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the IFD by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to

become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the IFD shall, with the written consent of a majority in aggregate principal amount of the Owners of the Bonds, deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to the Owners of all Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the IFD and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, as applicable, with interest on the overdue principal, and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with

respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the IFD and the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the IFD, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the IFD, the Trustee and the

Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds or Parity Debt shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however*, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Section 8.08. Determination of Percentage of Bond Owners. Whenever in this Indenture the consent, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds determined as of the next succeeding Interest Payment Date.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the IFD, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the IFD shall be for the sole and exclusive benefit of the Trustee and the Owners.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the IFD or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the IFD or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Indenture. If the IFD shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Section 2.03(b) or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the IFD, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the IFD under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the IFD hereunder with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the IFD under Section 6.06 hereof, and (d) the obligation of the IFD to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee, all fees, expenses and costs of the Trustee. In the event the IFD shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized

to take such actions and execute and deliver to the IFD all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the IFD has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the IFD.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by such Owner's attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the IFD or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the IFD unless the IFD is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the IFD or the City and County of San Francisco (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the IFD shall be individually or personally liable for the payment of the principal or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the IFD provide the IFD a certificate of destruction. The IFD shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by facsimile, addressed as follows:

If to the IFD:	[to come]
If to the Trustee:	[Corporate Trustee] [to come] Attention: Corporate Trust Department Facsimile

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The IFD hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the IFD in trust for the benefit of the Owners. The IFD covenants for the direct benefit of the Owners that its Finance Director in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the IFD as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the IFD for the payment of the principal of and interest and redemption premium (if any) on of such Bonds.

Section 9.11. Execution in Counterparts. This Indenture 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.

Section 9.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE FINANCING DISTRICT NO. 2 (PORT OF SAN FRANCISCO), has caused this Indenture to be signed in its name by _____ and attested by the Clerk of the Board of Supervisors of the City and County of San Francisco, and [CORPORATE TRUSTEE], in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE FINANCING
DISTRICT NO. 2 (PORT OF SAN
FRANCISCO)

By: _____
Authorized Officer

Attest:

Clerk
Board of Supervisors
City and County of San Francisco

[CORPORATE TRUSTEE], as Trustee

By: _____
Authorized Officer

EXHIBIT A
(FORM OF BOND)
FORM OF BOND

No. _____

\$_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

CITY AND COUNTY OF SAN FRANCISCO
Infrastructure Financing District No. 2
(Port of San Francisco)
Sub-Project Area G-__ (Pier 70 - 28-Acre Site)
Tax Increment Revenue Bond, Series _____

INTEREST RATE

MATURITY DATE

DATED DATE

_____%

____ 1, _____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

*****DOLLARS

City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) (the "IFD") with respect to Sub-Project Area G-__ (Pier 70 - 28-Acre Site), for value received, hereby promises to pay solely from the Tax Revenues (as hereinafter defined) to be received by the IFD or amounts in certain funds and accounts held under the Indenture of Trust (as hereinafter defined), to the registered owner named above, or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount, semiannually on each September 1 and March 1 (each an "Interest Payment Date"), commencing as set forth in the Indenture of Trust, at the interest rate set forth above, until the principal amount hereof is paid or made available for payment provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment.

Principal of and interest on the Bonds (including the final interest payment upon maturity or earlier redemption), is payable on the applicable Interest Payment Date by check of the Trustee (defined below) mailed by first class mail to the registered Owner thereof at such registered Owner's address as it appears on the registration books maintained by the Trustee at the close of business on the Record Date preceding the Interest Payment Date, or by wire transfer made on such Interest Payment Date upon written instructions of any Owner of \$1,000,000 or more in aggregate principal amount of Bonds delivered to the Trustee prior to the applicable Record Date. The principal of the Bonds and any premium on the Bonds are payable in lawful money of the United States of America upon surrender of the Bonds at the Principal Office of the Trustee or such other place as designated by the Trustee.

This Bond is one of a duly authorized issue of bonds in the aggregate principal amount of \$_____ approved by resolution of the Board of Supervisors of the City on _____, 20__ (the "Resolution"), under California Government Code Section 53395 et seq. (the "IFD Law") for the purpose of funding certain facilities for the IFD, and is one of the series of bonds designated "City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) Sub-Project Area G-__ (Pier 70 - 28-Acre Site) Tax Increment Revenue Bonds, Series _____" (the "Bonds"). The issuance of the Bonds and the terms and conditions thereof are provided for by an Indenture of Trust, dated as of _____ 1, 20__ (the "Indenture of Trust"), between the IFD and the _____ (the "Trustee") and this reference incorporates the Indenture of Trust herein, and by acceptance hereof the owner of this Bond assents to said terms and conditions. The Indenture of Trust is authorized under, this Bond is issued under and both are to be construed in accordance with, the laws of the State of California.

Pursuant to the IFD Law, the Resolution and the Indenture of Trust, the principal of and interest on this Bond are payable solely from certain funds held under the Indenture of Trust and the "Tax Revenues," as defined in the Indenture of Trust. Any revenues for the payment hereof shall be limited to the Tax Revenues, except to the extent that provision for payment has been made by the City, as may be permitted by law.

The Bonds are not a debt of the City or the State of California or of any of its political subdivisions, other than the IFD to the limited extent described herein, and none of those entities, other than the IFD to the limited extent described herein, shall be liable on the Bonds, and the Bonds shall be payable exclusively from the Tax Revenues and the specified funds held under the Indenture of Trust. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation.

Optional Redemption. All of the Bonds are subject to redemption prior to their stated maturities, on any Interest Payment Date, in whole or in part, at a redemption price (expressed as a percentage of the principal amount of the Bonds to be redeemed) as set forth below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Price</u>
[to come]	

Mandatory Sinking Fund Redemption. The Term Bond maturing on _____ 1, ____ is subject to mandatory redemption in part by lot, from sinking fund payments made by the IFD from the Bond Fund, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts all as set forth in the following table:

Sinking Fund Redemption Date	Principal Amount Subject to Redemption
(_____)	

Provided, however, if some but not all of the Term Bonds of a given maturity have been redeemed as a result of an optional redemption or a mandatory redemption, the total amount of all future Sinking Fund Payments relating to such maturity shall be reduced by the aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated among such Sinking Fund Payments on a pro rata basis in integral multiples of \$5,000 as determined by the Trustee, notice of which determination shall be given by the Trustee to the City.

Notice of redemption with respect to the Bonds to be redeemed shall be given to the registered owners thereof, in the manner, to the extent and subject to the provisions of the Indenture of Trust.

This Bond shall be registered in the name of the owner hereof, as to both principal and interest. Each registration and transfer of registration of this Bond shall be entered by the Trustee in books kept by it for this purpose and authenticated by its manual signature upon the certificate of authentication endorsed hereon.

No transfer or exchange hereof shall be valid for any purpose unless made by the registered owner, by execution of the form of assignment endorsed hereon, and authenticated as herein provided, and the principal hereof, interest hereon and any redemption premium shall be payable only to the registered owner or to such owner's order. The Trustee shall require the registered owner requesting transfer or exchange to pay any tax or other governmental charge required to be paid with respect to such transfer or exchange. No transfer or exchange hereof shall be required to be made (i) fifteen days prior to the date established by the Trustee for selection of Bonds for redemption or (ii) with respect to a Bond after such Bond has been selected for redemption.

The Indenture of Trust and the rights and obligations of the IFD thereunder may be modified or amended as set forth therein. The principal of the Bonds is not subject to acceleration upon a default under the Indenture of Trust or any other document.

This Bond shall not become valid or obligatory for any purpose until the certificate of authentication and registration hereon endorsed shall have been dated and signed by the Trustee.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED by the IFD that all acts, conditions and things required by law to exist, happen and be performed precedent to and in the issuance of this Bond have existed, happened and been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the IFD, does not exceed any debt limit prescribed by the laws or Constitution of the State of California.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco), with respect to Sub-Project Area G-__ (Pier 70 - 28-Acre Site), has caused this Bond to be to be signed by the facsimile signature of the _____ and countersigned by the facsimile signature of the Clerk of the Board of Supervisors with the seal of the City imprinted hereon.

[S E A L]

Clerk of the Board of Supervisors

[to come]

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

This is one of the Bonds described in the Indenture of Trust which has been authenticated on _____, _____.

as Trustee

By: _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____, attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

NOTICE: The signature on this assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

FORM OF PROJECT FUND DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

[Corporate Trustee]
[address to come]
Attention: Corporate Trust Department

Re: \$[Principal Amount] City and County of San Francisco Infrastructure Financing
District No. 2 (Port of San Francisco) Sub-Project Area G-__ (Pier 70 - 28-Acre
Site) Tax Increment Revenue Bonds, Series _____

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of _____ 1, 20__ (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the Project Fund pursuant to Section 3.04 of the Indenture.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule.

All of the costs listed on Schedule A are authorized expenditures of the IFD with respect to the Project Area.

Capitalized terms used herein but not defined have the meaning given them in the Indenture.

Dated: _____, 20__

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE FINANCING
DISTRICT NO. 2 (PORT OF SAN
FRANCISCO)

By: _____
Treasurer

SCHEDULE A
TO
PROJECT FUND DISBURSEMENT REQUEST

Payee

Amount

Purposes

1 [Establishing an Infrastructure Financing District and Adopting an Infrastructure Financing
2 Plan (Port of San Francisco)]

3 **Ordinance establishing an Infrastructure Financing District (including Sub-Project**
4 **Area G-1 (Pier 70 – Historic Core)) and adopting an Infrastructure Financing Plan**
5 **(including Appendix G-1) for City and County of San Francisco Infrastructure Financing**
6 **District No. 2 (Port of San Francisco); approving a Tax Administration Agreement;**
7 **affirming the Planning Department’s determination under the California Environmental**
8 **Quality Act; and approving other matters in connection therewith.**

9
10 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.
12 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
13 **Board amendment additions** are in double-underlined Arial font.
14 **Board amendment deletions** are in ~~strikethrough Arial font~~.
15 **Asterisks (* * * *)** indicate the omission of unchanged Code
16 subsections or parts of tables.

17 Be it ordained by the People of the City and County of San Francisco:

18 (a) Findings. The Board of Supervisors of the City and County of San Francisco
19 hereby finds, determines, and declares based on the record before it that:

20 (1) California Statutes of 1968, Chapter 1333 (Burton Act) and San Francisco
21 Charter Section 4.114 and Appendix B, beginning at Section B3.581, empower the City and
22 County of San Francisco (City), acting through the Port Commission, with the power and duty
23 to use, conduct, operate, maintain, manage, regulate, and control the lands within Port
24 Commission jurisdiction.

25 (2) Under California Government Code Sections 53395 et seq. (IFD Law),
the Board of Supervisors is authorized to establish an infrastructure financing district and to
act as the legislative body for such an infrastructure financing district. More specifically, the
Board of Supervisors is authorized to establish “waterfront districts” under Section 53395.8 of

1 the IFD Law, including a waterfront district for approximately 65 acres of waterfront land in the
2 area known as Pier 70 (a "Pier 70 district"), and approve "Pier 70 enhanced financing plans"
3 pursuant to Section 53395.81 of the IFD Law.

4 (3) Pursuant to Section 53395.8 of the IFD Law, a waterfront district may be
5 divided into project areas, each with distinct limitations under IFD Law.

6 (4) By Resolution No. 123-13, which the Board of Supervisors adopted on
7 April 23, 2013 and the Mayor approved on April 30, 2013, the City adopted "Guidelines for the
8 Establishment and Use of Infrastructure Financing Districts on Project Areas on Land under
9 Jurisdiction of the San Francisco Port Commission" (Port IFD Guidelines) relating to the
10 formation of infrastructure financing districts by the City on waterfront property in San
11 Francisco under the jurisdiction of the Port Commission.

12 (5) By Resolution No. 110-12, which the Board of Supervisors adopted on
13 March 27, 2012 and the Mayor approved on April 5, 2012 (Original Resolution of Intention to
14 Establish IFD), the City declared its intention to establish a waterfront district to be known as
15 "City and County of San Francisco Infrastructure Financing District No. 2 (Port of San
16 Francisco)" (IFD), and designated initial project areas within the IFD (Project Areas).

17 (6) By Resolution No. 227-12, which the Board of Supervisors adopted on
18 June 12, 2012 and the Mayor approved on June 20, 2012 (First Amending Resolution), the
19 City amended the Original Resolution of Intention to Establish IFD to propose, among other
20 things, an amended list of Project Areas.

21 (7) By Resolution No. 421-15, which the Board of Supervisors adopted on
22 November 17, 2015 and the Mayor approved on November 25, 2015 (Second Amending
23 Resolution, and together with the Original Resolution of Intention to Establish IFD and the
24 First Amending Resolution, the "Resolution of Intention to Establish IFD"), the City declared its
25 intention to establish Sub-Project Area G-1 (Pier 70 - Historic Core) within the Pier 70 district.

1 (8) Sub-Project Area G-1 (Pier 70 - Historic Core) is within the Pier 70 district
2 and includes property that the City, acting by and through the Port Commission, has leased to
3 Historic Pier 70, LLC (an affiliate of Orton Development, Inc.) pursuant to Lease No. L-15814,
4 dated as of July 29, 2015 (Lease), which property will be rehabilitated pursuant to a Lease
5 Disposition and Development Agreement, dated as of September 16, 2014, by and between
6 the City, acting by and through the Port Commission, and Historic Pier 70, LLC (LDDA).

7 (9) Sub-Project Area G-1 (Pier 70 - Historic Core) is within the Eastern
8 Neighborhoods Community Plan Area, for which the Planning Commission certified the
9 Eastern Neighborhoods Rezoning and Area Plans Final EIR (EN FEIR) (Planning Department
10 Case No. 2004.0160E).

11 (10) The Planning Department reviewed the Crane Cove Park project (Crane
12 Cove Project) and the project described in the LDDA (Historic Core Project) and determined
13 that a community plan exemption (CPE) under CEQA Guidelines Section 15183 would be
14 appropriate because the Historic Core Project and the Crane Cove Project are within the
15 scope of the EN FEIR and would not have any additional or significant adverse effects that
16 were not examined in the EN FEIR, nor has any new or additional information come to light
17 that will alter the conclusions of the EN FEIR. Thus, the Historic Core Project and the Crane
18 Cove Project will not have any new effects on the environment that were not previously
19 identified, nor will any environmental impacts be substantially greater than described in the
20 EN FEIR. No mitigation measures previously found infeasible have been determined to be
21 feasible, nor have any new mitigation measures or alternatives been identified but rejected by
22 the Port.

23 (11) Based on those findings, the Planning Department prepared a CPE for
24 the Historic Core Project (Historic Core CPE), which exemption was approved on May 7, 2014
25 (Planning Department Case No. 2013.1168E) and the Planning Department subsequently

1 prepared a CPE for the Crane Cove Project (Crane Cove CPE) on October 5, 2015 (Planning
2 Department Case No. 2015-001314ENV), copies of which are on file at File No. 151119 and
3 also available online through the Planning Department's web page.

4 (12) The Board of Supervisors has reviewed the EN FEIR (a copy of which is
5 on file at File No. 081133, and also available online through the Planning Department's web
6 page), the Historic Core CPE, and the Crane Cove CPE.

7 (13) All applicable mitigation measures from the EN FEIR have been
8 incorporated into the Historic Core CPE and Crane Cove CPE, or have been required as
9 conditions of approval through the Port Commission's adoption of the Mitigation Monitoring
10 and Reporting Program (MMRP) attached to Port Commission Resolutions 14-33 and 15-38
11 and the Board of Supervisors adoption of the Historic Core Project MMRP attached to
12 Resolution No. 273-14 in File No. 140729 on July 22, 2014.

13 (14) The Resolution of Intention to Establish IFD directed the Executive
14 Director of the Port (Executive Director) to prepare an infrastructure financing plan for the IFD
15 (Infrastructure Financing Plan) and Sub-Project Area G-1 consistent with the requirements of
16 the IFD Law.

17 (15) As required by the IFD Law, the Executive Director:

18 (A) Prepared the Infrastructure Financing Plan for the IFD as a whole,
19 describing the procedures by which property tax increment from project areas in the IFD will
20 be allocated to specific public facilities, which creates a government funding mechanism that
21 does not commit to any specific project that may result in a potentially significant physical
22 impact on the environment and therefore is exempt from CEQA; and,

23 (B) Prepared Appendix G-1 to the Infrastructure Financing Plan,
24 proposing an allocation of property tax increment from proposed Sub-Project Area G-1 (Pier
25 70 - Historic Core) to finance the public facilities described in Appendix G-1 to the

1 Infrastructure Financing Plan, which development and public facilities have been analyzed
2 under CEQA in the EN FEIR, the Historic Core CPE, and Crane Cove CPE; and,

3 (C) Sent the Infrastructure Financing Plan, including Appendix G-1,
4 along with the EN FEIR, the Historic Core CPE and Crane Cove CPE, to the City's Planning
5 Department and the Board of Supervisors.

6 (16) The Clerk of the Board of Supervisors made the Infrastructure Financing
7 Plan, including Appendix G-1, available for public inspection.

8 (17) ~~On January 26, 2016~~ Following publication of notice consistent with the
9 requirements of the IFD Law, the Board of Supervisors opened ~~held~~ a public hearing on
10 January 26, 2016, and continued the public hearing on February 23, 2016, relating to the
11 proposed Infrastructure Financing Plan, including Appendix G-1.

12 (18) At the hearing any persons having any objections to the proposed
13 Infrastructure Financing Plan, including Appendix G-1, or the regularity of any of the prior
14 proceedings, and all written and oral objections, and all evidence and testimony for and
15 against the adoption of the Infrastructure Financing Plan, including Appendix G-1, were heard
16 and considered, and a full and fair hearing was held.

17 (19) There has been presented at this Board hearing a form of Tax
18 Administration Agreement (Tax Administration Agreement), by and between the City acting
19 through the Port Commission, on its own behalf and as agent of the IFD with respect to Sub-
20 Project Area G-1 (Pier 70 - Historic Core), and a corporate trustee to be identified in the future
21 by the Executive Director, that provides, among other things, for the administration and
22 disposition of tax increment revenues allocated to the IFD with respect to Sub-Project Area G-
23 1 (Pier 70 - Historic Core).

24 (20) Historic Pier 70, LLC, the Lease tenant, acknowledged in the Lease that
25 Port stated its intention to cause the City to form (i) a community facilities district (Facilities

1 CFD) under the Mello-Roos Community Facilities Act of 1982 (California Government Code
2 §§ 53311 - 53368), the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art.
3 X) or similar law (collectively, the "CFD Law") to finance Pier 70 wide Infrastructure; Shoreline
4 Protection Facilities and Public Facilities (as such terms are defined in the Lease) and, (ii) a
5 community facilities district (Services CFD) under the CFD Law to finance the operation and
6 maintenance of Pier 70 wide Infrastructure, Shoreline Protection Facilities and Public
7 Facilities, such as the ongoing operating and maintenance costs for Crane Cove Park and
8 20th Street.

9 (21) Appendix G-1 (i) contemplates the potential issuance of Facilities CFD
10 bonds that are secured by tax increment from Sub-Project G-1 to help finance the public
11 facilities described in Appendix G-1 and (ii) expects that 100% of the cost of maintaining and
12 operating Crane Cove Park and other spaces/facilities within and around Sub-Project
13 Area G-1 will be funded by a Services CFD, not the City's general fund.

14 (b) CEQA Finding. The Board of Supervisors hereby finds that, pursuant to Title 14,
15 California Code of Regulations, Sections 15378 and 15060(c)(2), adoption of this ordinance,
16 the establishment of the IFD (excluding Sub-Project Area G-1 (Pier 70-Historic Core)), and
17 approval of the IFP (excluding Appendix G-1) are not "projects" under the California
18 Environmental Quality Act because they do not result in a physical change in the environment.
19 With respect to Appendix G-1, affirming by this reference the Historic Core CPE and the
20 Crane Cove CPE.

21 (c) Formation of IFD and Approval of IFP. By the passage of this Ordinance, the
22 Board of Supervisors hereby (i) declares the IFD described in the Infrastructure Financing
23 Plan, including Sub-Project Area G-1 (Pier 70 - Historic Core), to be fully formed and
24 established with full force and effect of law, (ii) approves the Infrastructure Financing Plan,
25 including Appendix G-1, subject to amendment as permitted by IFD Law, and (iii) establishes

1 the base year for Sub-Project Area G-1 (Pier 70 – Historic Core) as set forth in the
2 Infrastructure Financing Plan, all as provided in the proceedings for the IFD and in the IFD
3 Law. It is hereby found that all prior proceedings and actions taken by the Board of
4 Supervisors with respect to the IFD, including Sub-Project Area G-1 (Pier 70 – Historic Core),
5 were valid and in conformity with the IFD Law and the Port IFD Guidelines.

6 (d) Port as Agent. The Board of Supervisors hereby appoints the Port Commission to
7 act as the agent of the IFD with respect to Sub-Project Area G-1 (Pier 70 - Historic Core),
8 which agency shall include the authority to: (1) disburse tax increment from Sub-Project Area
9 G-1 (Pier 70 - Historic Core) as provided in Appendix G-1; (2) enter into one or more
10 acquisition agreements that would establish the terms and conditions under which the Port
11 and other City agencies would acquire the public facilities described in Appendix G-1; (3)
12 determine in collaboration with the Office of Public Finance whether and in what amounts the
13 IFD will issue or incur indebtedness for the purposes specified in Appendix G-1 and enter into
14 agreements related to such indebtedness; (4) if the IFD issues or incurs indebtedness, direct
15 the disbursement of the debt proceeds in conformance with Appendix G-1; (5) incur ~~Qualified~~
16 ~~Port Costs~~ Port Benefit Tasks and Port Benefit Costs (as defined in the LDDA); and
17 (6) prepare the annual statement of indebtedness required by the IFD Law for Sub-Project
18 Area G 1 (Pier 70 – Historic Core).

19 (e) Tax Administration Agreement. The Tax Administration Agreement, substantially
20 in the form presented to the Board of Supervisors, a copy of which is on file with the Clerk, in
21 File No. 151119 is hereby approved. The Port Commission, on its own behalf and as agent of
22 the IFD with respect to Sub-Project Area G-1 (Pier 70 - Historic Core), is hereby authorized to
23 execute the Tax Administration Agreement with such changes, additions and modifications as
24 the Executive Director, upon consultation with the City Attorney, may make or approve. The
25

1 approval by the Executive Director of such modifications, changes and additions shall be
2 conclusively evidenced by the execution and delivery of the Tax Administration Agreement.

3 (f) Community Facilities District. Consistent with the provisions of the Lease, the
4 Board of Supervisors hereby directs the Port's Executive Director to bring, when the Port's
5 Executive Director determines the time is appropriate, a request to the Board of Supervisors
6 to form a community facilities district to help finance the operation and maintenance of the
7 public facilities described in Appendix G-1, such as the ongoing operating and maintenance
8 costs for Crane Cove Park and 20th Street.

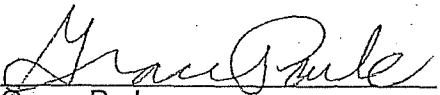
9 (fg) Severability. If any section, subsection, sentence, clause, phrase, or word of
10 this ordinance, or any application thereof to any person or circumstance, is held to be invalid
11 or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
12 affect the validity of the remaining portions or applications of the ordinance. The Board of
13 Supervisors hereby declares that it would have passed this ordinance and each and every
14 section, subsection, sentence, clause, phrase, and word not declared invalid or
15 unconstitutional without regard to whether any other portion of this ordinance or application
16 thereof would be subsequently declared invalid or unconstitutional.

17 (gh) Publication. The Clerk of the Board of Supervisors shall cause this Ordinance
18 to be published within 5 days of its passage and again within 15 days after its passage, in
19 each case at least once in a newspaper of general circulation published and circulated in the
20 City.

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(h_i) Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within 10 days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

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

By: 
Grace Park
Deputy City Attorney

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City and County of San Francisco

Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 151119

Date Passed: March 01, 2016

Ordinance establishing an Infrastructure Financing District (IFD) (including Sub-Project Area G-1 (Pier 70 - Historic Core) and adopting an Infrastructure Financing Plan (IFP) (including Appendix G-1) for City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco); approving a Tax Administration Agreement; affirming the Planning Department's determination under the California Environmental Quality Act; and approving other matters in connection with the IFD and IFP, as defined herein.

January 26, 2016 Board of Supervisors - CONTINUED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

February 23, 2016 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 10 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Peskin, Tang, Wiener and Yee
Absent: 1 - Mar

February 23, 2016 Board of Supervisors - PASSED ON FIRST READING AS AMENDED.


Ayes: 10 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Peskin, Tang, Wiener and Yee
Absent: 1 - Mar

March 01, 2016 Board of Supervisors - FINALLY PASSED

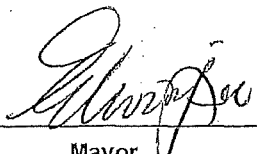
Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

File No. 151119

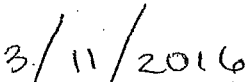
I hereby certify that the foregoing
Ordinance was FINALLY PASSED on
3/1/2016 by the Board of Supervisors of the
City and County of San Francisco.



for Angela Calvillo
Clerk of the Board



Mayor



Date Approved

1 [Resolution of Intention to Form Sub-Project Area G-2, Sub-Project Area G-3, and Sub-Project
2 Area G-4 - Infrastructure Financing District (Port of San Francisco, Pier 70)]

3 **Resolution of Intention to establish Sub-Project Area G-2, Sub-Project Area G-3 and**
4 **Sub-Project Area G-4 of City and County of San Francisco Infrastructure Financing**
5 **District No. 2 (Port of San Francisco, Pier 70); to call a public hearing on September 11,**
6 **2018, on the establishment and to provide public notice thereof; and affirming the**
7 **Planning Department's determination, and making findings under the California**
8 **Environmental Quality Act.**

9
10 NOTE: Additions are single-underline italics Times New Roman;
11 deletions are ~~strike-through italics Times New Roman~~.
12 Board amendment additions are double-underlined;
13 Board amendment deletions are ~~strikethrough normal~~.

14 WHEREAS, California Statutes of 1968, Chapter 1333 (Burton Act) and the San
15 Francisco Charter Sections 4.114 and B3.581 empower the City and County of San
16 Francisco, acting through the San Francisco Port Commission, with the power and duty to
17 use, conduct, operate, maintain, manage, regulate and control the lands within Port
18 Commission jurisdiction; and

19 WHEREAS, Under Government Code Section 53395 et seq. (IFD Law), this Board of
20 Supervisors is authorized to establish an infrastructure financing district and to act as the
21 legislative body for an infrastructure financing district; and,

22 WHEREAS, Pursuant to Section 53395.8 of the IFD Law, a waterfront district may be
23 divided into project areas; and

24 WHEREAS, On March 27, 2012, by Resolution No. 110-12 (Original Resolution of
25 Intention to Establish IFD), this Board of Supervisors declared its intention to establish a
waterfront district to be known as "City and County of San Francisco Infrastructure Financing

1 District No. 2 (Port of San Francisco)" (IFD), and designated initial proposed project areas
2 within the IFD; and

3 WHEREAS, On June 12, 2012, by Resolution No. 227-12 (First Amending Resolution),
4 this Board of Supervisors amended the Original Resolution of Intention to propose, among
5 other things, an amended list of project areas, including Project Area G (Pier 70); and

6 WHEREAS, On November 17, 2015, by Resolution 421-15 (Second Amending
7 Resolution, and together with the Original Resolution of Intention to Establish IFD and the
8 First Amending Resolution, the "Resolution of Intention to Establish IFD"), this Board of
9 Supervisors amended the Original Resolution of Intention, as amended by the First Amended
10 Resolution, to propose, among other things, a further amended list of project areas, including
11 Project Area G (Pier 70), as a Pier 70 district, and Sub-Project Area G-1 (Pier 70 – Historic
12 Core); as a Pier 70 district; and

13 WHEREAS, In the Resolution of Intention to Establish IFD, this Board of Supervisors
14 directed the Executive Director of the Port of San Francisco (Executive Director) to prepare an
15 infrastructure financing plan for the IFD (Infrastructure Financing Plan) that would comply with
16 the IFD Law, and reserved the right to establish infrastructure financing plans in the future
17 specific to other project areas and sub-project areas within the IFD; and,

18 WHEREAS, in accordance with the IFD Law, at the direction of this Board of Directors,
19 the Executive Director prepared the Infrastructure Financing Plan; and

20 WHEREAS, On February 23, 2016, by Ordinance No. 27-16 (Ordinance Establishing
21 IFD), this Board of Supervisors, among other things, declared the IFD to be fully formed and
22 established with full force and effect of law and adopted the Infrastructure Financing Plan; and

23 WHEREAS, At its hearing on August 24, 2017, and prior to recommending the
24 proposed Planning Code amendments for approval, by Motion No. 19976, the Planning
25 Commission certified a Final Environmental Impact Report (FEIR) for the Pier 70 Mixed-Use

1 District Project (Case No. 2014-001272ENV) (Project) pursuant to the California
2 Environmental Quality Act (CEQA) (California Public Resources Code Section 21000 et seq.),
3 the CEQA Guidelines (14 Cal. Code Reg. Section 15000 et seq.), and Chapter 31 of the
4 Administrative Code. A copy of said Motion is on file with the Clerk of the Board of
5 Supervisors in File No. 170930, and, is incorporated herein by reference. In accordance with
6 the actions contemplated herein, this Board of Supervisors has reviewed the FEIR, concurs
7 with its conclusions, affirms the Planning Commission's certification of the FEIR, and finds
8 that the actions contemplated herein are within the scope of the Project described and
9 analyzed in the FEIR; and

10 WHEREAS, In recommending the proposed Planning Code Amendments for approval
11 by this Board of Supervisors at its hearing on August 24, 2017, by Motion No. 19977, the
12 Planning Commission also adopted findings under CEQA, including a statement of overriding
13 consideration, and a Mitigation Monitoring and Reporting Program (MMRP). A copy of said
14 Motion and MMRP are on file with the Clerk of the Board of Supervisors in File No. 170930,
15 and is incorporated herein by reference. This Board of Supervisors hereby adopts and
16 incorporates by reference as though fully set forth herein the Planning Commission's CEQA
17 approval findings, including the statement of overriding considerations. This Board of
18 Supervisors also adopts and incorporates by reference as though fully set forth herein the
19 Project's MMRP; and

20 WHEREAS, In connection with the Project, this Board of Supervisors wishes to declare
21 its intention to establish three additional sub-project areas within Project Area G (Pier 70) of
22 the IFD designated Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier
23 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site); now, therefore, be it
24
25

1 RESOLVED, By the Board of Supervisors as follows:

2 1. Authority. This Board of Supervisors proposes to conduct proceedings to
3 establish three additional sub-project areas within Project Area G (Pier 70) of the IFD
4 pursuant to the IFD Law; and

5 2. Name of Sub-Project Areas. The names of the proposed sub-project areas are:

6 a. Sub-Project Area G-2 (Pier 70 - 28-Acre Site). Sub-Project Area G-2 (Pier 70 -
7 28-Acre Site) shall be a Pier 70 district and a sub-project area within Project Area G (Pier 70).

8 b. Sub-Project Area G-3 (Pier 70 - 28-Acre Site). Sub-Project Area G-3 (Pier 70 -
9 28-Acre Site) shall be a Pier 70 district and a sub-project area within Project Area G (Pier 70).

10 c. Sub-Project Area G-4 (Pier 70 - 28-Acre Site). Sub-Project Area G-4 (Pier 70 -
11 28-Acre Site) shall be a Pier 70 district and a sub-project area within Project Area G (Pier 70).

12 3. Amended Boundaries Described. The proposed amended boundaries of the
13 IFD, which are amended to include (i) Sub-Project Area G-2 (Pier 70 - 28-Acre Site) within
14 Project Area G of the IFD, (ii) Sub-Project Area G-3 (Pier 70 - 28-Acre Site) within Project
15 Area G of the IFD, and (iii) Sub-Project Area G-4 (Pier 70 - 28-Acre Site) within Project Area
16 G of the IFD, are as shown on the amended map of the IFD on file with the Clerk of the Board
17 of Supervisors, which boundaries are hereby preliminarily approved and to which map
18 reference is hereby made for further particulars.

19 4. Facilities. The type of public facilities proposed to be financed by Sub-Project
20 Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and Sub-
21 Project Area G-4 (Pier 70 - 28-Acre Site) consist of those listed on Exhibit A to the Original
22 Resolution of Intention to Establish IFD, and are particularly described in Appendix G-2 to the
23 Infrastructure Financing Plan described below. Exhibit A to the Original Resolution of Intention
24 to Establish IFD, which lists the type of public facilities proposed to be financed by the IFD,
25 including, without limitation, Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area

1 G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site), is attached
2 hereto and incorporated herein.

3 5. Incremental Property Tax Revenue. This Board of Supervisors hereby declares
4 that, pursuant to the IFD Law, Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project
5 Area G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site) will use
6 incremental property tax revenue from the City but none of the other affected taxing entities
7 within Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 - 28-Acre
8 Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site) (in each case except to the extent
9 permitted by Section 53395.8(h) of the IFD Law or as a result of the allocation of the ERAF
10 share (as defined in the IFD Law) to finance the Facilities.

11 6. Infrastructure Financing Plan. The Executive Director is hereby directed to
12 prepare an infrastructure financing plan for Sub-Project Area G-2 (Pier 70 - 28-Acre Site),
13 Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre
14 Site) as an appendix to the Infrastructure Financing Plan, to be designated Appendix G-2 that
15 complies with the requirements of the IFD Law. Appendix G-2 shall be a Pier 70 enhanced
16 financing plan with respect to Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area
17 G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site). The Executive
18 Director shall cause the Infrastructure Financing Plan to be amended to include Appendix G-
19 2, and, to the extent required by the IFD Law, for the Infrastructure Financing Plan as so
20 amended to be sent to the San Francisco Planning Department and to this Board of
21 Supervisors.

22 7. Public Hearing. That on Tuesday, September 11, 2018 at 3:00 p.m. or as soon
23 as possible thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place,
24 City Hall, San Francisco, California, be, and the same are hereby appointed and fixed as the
25 time and place when and where this Board of Supervisors will conduct a public hearing on the

1 proposed establishment of Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-
2 3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site) within Project
3 Area G (Pier 70) of the IFD.

4 8. Notice of Public Hearing. The Clerk of the Board of Supervisors is hereby
5 directed to cause notice of the public hearing to be published not less than once a week for
6 four successive weeks in a newspaper designated by this Board of Supervisors for the
7 publication of official notices in the City. The notice shall state that Sub-Project Area G-2 (Pier
8 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4
9 (Pier 70 - 28-Acre Site) will be used to finance Facilities, briefly describe the Facilities and the
10 proposed financial arrangements, including the proposed commitment of incremental tax
11 revenue, describe the boundaries of the proposed Sub-Project Area G-2 (Pier 70 - 28-Acre
12 Site), Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-
13 Acre Site) and state the day, hour and place when and where any persons having any
14 objections to the proposed Appendix G-2 to the Infrastructure Financing Plan, or the regularity
15 of any of the prior proceedings, may appear before this Board of Supervisors and object to the
16 adoption of the proposed Appendix G-2 to the Infrastructure Financing Plan by this Board of
17 Supervisors.

18 9. Further Action. The Clerk of the Board of Supervisors and all other officers and
19 agents of the City are hereby authorized and directed to take all actions necessary or
20 advisable to give effect to the transactions contemplated by this Resolution. The Clerk of the
21 Board of Supervisors is further directed to mail a copy of this Resolution to any affected taxing
22 entities.

23 10. No Obligation. This Resolution shall in no way obligate the Board of
24 Supervisors to establish Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3
25 (Pier 70 - 28-Acre Site) or Sub-Project Area G-4 (Pier 70 - 28-Acre Site) within the IFD. The

1 establishment of Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70
2 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site) within the IFD, shall be
3 subject to the approval of this Board of Supervisors by ordinance following the holding of the
4 public hearing referred to above. The proposal to include property in the boundaries of Sub-
5 Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and
6 Sub-Project Area G-4 (Pier 70 - 28-Acre Site) within the IFD does not constitute an approval
7 of any specific land uses on such property.
8

9 APPROVED AS TO FORM:
10 DENNIS J. HERRERA
City Attorney

11
12
13 By: _____

14 MARK D. BLAKE
Deputy City Attorney

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City and County of San Francisco

Tails Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 170878

Date Passed: July 24, 2018

Resolution of Intention to establish Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4 of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70); to call a public hearing on September 11, 2018, on the establishment and to provide public notice thereof; and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

November 09, 2017 Budget and Finance Committee - RECOMMENDED

November 28, 2017 Board of Supervisors - CONTINUED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

December 05, 2017 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

December 05, 2017 Board of Supervisors - RE-REFERRED AS AMENDED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

July 12, 2018 Budget and Finance Sub-Committee - AMENDED

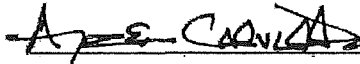
July 12, 2018 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

July 24, 2018 Board of Supervisors - ADOPTED

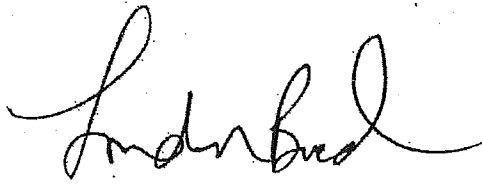
Ayes: 9 - Cohen, Brown, Kim, Mandelman, Peskin, Ronen, Safai, Stefani and Yee
Excused: 2 - Fewer and Tang

File No. 170878

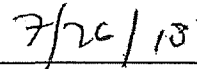
I hereby certify that the foregoing
Resolution was ADOPTED on 7/24/2018 by
the Board of Supervisors of the City and
County of San Francisco.



Angela Calvillo
Clerk of the Board



London N. Breed
Mayor



Date Approved

1 [Resolution of Intention to Issue Bonds - Not To Exceed \$273,900,000 for Sub-Project Area
2 G-2, \$196,100,000 for Sub-Project Area G-3, and \$323,300,000 for Sub-Project Area G-4 -
Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70)]

3 **Resolution of Intention to Issue Bonds in an Amount Not to Exceed \$273,900,000,**
4 **\$196,100,000 and \$323,300,000 for Sub-Project Area G-2, Sub-Project Area G-3 and Sub-**
5 **Project Area G-4, respectively, City and County of San Francisco Infrastructure**
6 **Financing District No. 2 (Port of San Francisco, Pier 70); and affirming the Planning**
7 **Department's determination, and making findings under the California Environmental**
8 **Quality Act.**

9
10 NOTE: Additions are single-underline italics Times New Roman;
11 deletions are ~~strike-through italics Times New Roman~~.
12 Board amendment additions are double-underlined;
Board amendment deletions are ~~strikethrough normal~~.

13 WHEREAS, California Statutes of 1968, Chapter 1333 (Burton Act) and the San
14 Francisco Charter Sections 4.114 and B3.581 empower the City and County of San Francisco
15 (City), acting through the San Francisco Port Commission, to use, conduct, operate, maintain,
16 manage, regulate and control the lands within Port Commission jurisdiction; and

17 WHEREAS, Under Government Code Section 53395 et seq. (IFD Law), this Board of
18 Supervisors is authorized to establish an infrastructure financing district and to act as the
19 legislative body for an infrastructure financing district; and

20 WHEREAS, Pursuant to Section 53395.8 of the IFD Law, a waterfront district may be
21 divided into project areas; and

22 WHEREAS, On March 27, 2012, by Resolution No. 110-12 (Original Resolution of
23 Intention to Establish IFD), this Board of Supervisors declared its intention to establish a
24 waterfront district to be known as "City and County of San Francisco Infrastructure Financing
25

1 District No. 2 (Port of San Francisco)" (IFD), and designated initial proposed project areas
2 within the IFD, including Project Area G (Pier 70); and

3 WHEREAS, On June 12, 2012, by Resolution No. 227-12 (First Amending Resolution),
4 this Board of Supervisors amended the Original Resolution of Intention to propose, among
5 other things, an amended list of project areas; and

6 WHEREAS, On November 17, 2015, by Resolution 421-15 (Second Amending
7 Resolution, and together with the Original Resolution of Intention to Establish IFD and the
8 First Amending Resolution, the Resolution of Intention to Establish IFD), this Board of
9 Supervisors amended the Original Resolution of Intention, as amended by the First Amended
10 Resolution, to propose, among other things, a further amended list of project areas; and

11 WHEREAS, In the Resolution of Intention to Establish IFD, this Board of Supervisors
12 directed the Executive Director of the Port of San Francisco (Executive Director) to prepare an
13 infrastructure financing plan for the IFD (Infrastructure Financing Plan) that would comply with
14 the IFD Law, and reserved the right to establish infrastructure financing plans in the future
15 specific to other project areas and sub-project areas within the IFD; and

16 WHEREAS, in accordance with the IFD Law, at the direction of this Board of Directors,
17 the Executive Director prepared the Infrastructure Financing Plan; and

18 WHEREAS, On February 23, 2016, by Ordinance No. 27-16 (Ordinance Establishing
19 IFD), this Board of Supervisors, among other things, declared the IFD to be fully formed and
20 established with full force and effect of law and adopted the Infrastructure Financing Plan; and

21 WHEREAS, At its hearing on August 24, 2017, and prior to recommending the
22 proposed Planning Code amendments for approval, by Motion No. 19976, the Planning
23 Commission certified a Final Environmental Impact Report (FEIR) for the Pier 70 Mixed-Use
24 District Project (Case No. 2014-001272ENV) (Project) pursuant to the California
25 Environmental Quality Act (CEQA) (California Public Resources Code Section 21000 et seq.),

1 the CEQA Guidelines (14 Cal. Code Reg. Section 15000 et seq.), and Chapter 31 of the
2 Administrative Code. A copy of said Motion is on file with the Clerk of the Board of
3 Supervisors in File No. 170930, and, is incorporated herein by reference. In accordance with
4 the actions contemplated herein, this Board of Supervisors has reviewed the FEIR, concurs
5 with its conclusions, affirms the Planning Commission's certification of the FEIR, and finds
6 that the actions contemplated herein are within the scope of the Project described and
7 analyzed in the FEIR; and

8 WHEREAS, In recommending the proposed Planning Code Amendments for approval
9 by this Board of Supervisors at its hearing on August 24, 2017, by Motion No. 19977, the
10 Planning Commission also adopted findings under CEQA, including a statement of overriding
11 consideration, and a Mitigation Monitoring and Reporting Program (MMRP). A copy of said
12 Motion and MMRP are on file with the Clerk of the Board of Supervisors in File No. 170930,
13 and is incorporated herein by reference. This Board of Supervisors hereby adopts and
14 incorporates by reference as though fully set forth herein the Planning Commission's CEQA
15 approval findings, including the statement of overriding considerations. This Board of
16 Supervisors also adopts and incorporates by reference as though fully set forth herein the
17 Project's MMRP; and

18 WHEREAS, On July 26, 2018, by Resolution No. 232-18 (Resolution of Intention to
19 Establish Sub-Project Areas G-2, G-3 and G-4), in connection with the Project, this Board of
20 Supervisors declared its intention to establish Sub-Project Area G-2 (Pier 70 - 28-Acre Site),
21 Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre
22 Site), each a Pier 70 district and a sub-project area within Project Area G (Pier 70); and,

23 WHEREAS, Pursuant to the Resolution of Intention to Establish Sub-Project Areas G-
24 2, G-3 and G-4), this Board of Supervisors directed the Executive Director of the Port
25 (Executive Director) to prepare Appendix G-2 to the IFP, relating to Sub-Project Area G-2

1 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and Sub-Project Area
2 G-4 (Pier 70 - 28-Acre Site), consistent with the requirements of the IFD Law; and

3 WHEREAS, Pursuant to Section 53397.1 of the IFD Law, this Board of Supervisors
4 may initiate proceedings to issue bonds pursuant to the IFD Law by adopting a resolution by
5 majority vote stating its intention to issue the bonds; and

6 WHEREAS, United States Income Tax Regulations section 1.150-2 generally requires
7 this Board of Supervisors to declare its official intent to reimburse with proceeds of tax-exempt
8 debt expenditures made by the City prior to the date of issuance of such debt; and

9 WHEREAS, It is in the public interest and for the public benefit that the City declares its
10 official intent to reimburse the expenditures referenced herein; now, therefore, be it

11 RESOLVED, By the Board of Supervisors as follows:

12 1. Purposes of Bonds. This Board of Supervisors proposes that the IFD issue one
13 or more series of bonds of the IFD payable from and secured by a pledge of available tax
14 increment allocated to the IFD with respect to Sub-Project Area G-2 (Pier 70 - 28-Acre Site)
15 (such bonds, Sub-Project Area G-2 Bonds), with respect to Sub-Project Area G-3 (Pier 70 -
16 28-Acre Site) (such bonds, Sub-Project Area G-3 Bonds), and with respect to Sub-Project
17 Area G-34 (Pier 70 - 28-Acre Site) (such bonds, Sub-Project Area G-4 Bonds, and together
18 with the Sub-Project Area G-2 Bonds and Sub-Project Area G-3 Bonds, Bonds) and other
19 sources identified by this Board of Supervisors. This Board of Supervisors proposes that such
20 Bonds be issued for the purpose of financing the costs of the facilities specified in Appendix
21 G-2 to be financed with available tax increment allocated to the IFD with respect to Sub-
22 Project Area G-2 (Pier 70 - 28-Acre Site) (Sub-Project Area G-2 Facilities), with respect to
23 Sub-Project Area G-3 (Pier 70 - 28-Acre Site) (Sub-Project Area G-3 Facilities) and with
24 respect to Sub-Project Area G-4 (Pier 70 - 28-Acre Site) (Sub-Project Area G-4 Facilities),
25

1 including acquisition and improvement costs and all costs incidental to or connected with the
2 accomplishment of said purposes and of the financing thereof.

3 This Board of Supervisors hereby declares that it reasonably expects (i) to pay certain
4 costs of the Sub-Project Area G-2 Facilities prior to the date of issuance of the Sub-Project
5 Area G-2 Bonds and (ii) to use a portion of the proceeds of the Sub-Project Area G-2 Bonds
6 for reimbursement of expenditures for the Sub-Project Area G-2 Facilities that are paid before
7 the date of issuance of the Sub-Project Area G-2 Bonds. This Board of Supervisors hereby
8 further declares that it reasonably expects (i) to pay certain costs of the Sub-Project Area G-3
9 Facilities prior to the date of issuance of the Sub-Project Area G-3 Bonds and (ii) to use a
10 portion of the proceeds of the Sub-Project Area G-3 Bonds for reimbursement of expenditures
11 for the Sub-Project Area G-3 Facilities that are paid before the date of issuance of the Sub-
12 Project Area G-3 Bonds. This Board of Supervisors hereby further declares that it reasonably
13 expects (i) to pay certain costs of the Sub-Project Area G-4 Facilities prior to the date of
14 issuance of the Sub-Project Area G-4 Bonds and (ii) to use a portion of the proceeds of the
15 Sub-Project Area G-4 Bonds for reimbursement of expenditures for the Sub-Project Area G-4
16 Facilities that are paid before the date of issuance of the Sub-Project Area G-4 Bonds.

17 2. Estimated Cost. This Board of Supervisors hereby estimates that the cost of the
18 Sub-Project Area G-2 Facilities, Sub-Project Area G-3 Facilities and the Sub-Project Area G-4
19 Facilities will be approximately \$273.9 million (2017 dollars), \$196.1 million (2017 dollars) and
20 \$323.3 million (2017 dollars), respectively, and that the estimated costs of preparing and
21 issuing each series of the Bonds (not including underwriter's discount) will be equal to
22 approximately 2% of the principal amount of such series of Bonds. Prior to the issuance of
23 any Bonds authorized hereby, this Board of Supervisors will approve the payment of the
24 actual costs of preparing and issuing each series of Bonds, including the underwriter's
25 discount.

1 3. Terms of Bonds. This Board of Supervisors intends to authorize the issuance
2 and sale of (i) Sub-Project Area G-2 Bonds in one or more series in the maximum aggregate
3 principal amount of not to exceed \$273,900,000, (ii) Sub-Project Area G-3 Bonds in one or
4 more series in the maximum aggregate principal amount of not to exceed \$196,100,000 and
5 (ii) Sub-Project Area G-4 Bonds in one or more series in the maximum aggregate principal
6 amount of not to exceed \$323,300,000; provided however, that such maximum aggregate
7 principal amounts do not include the principal amount of (i) any bonds issued for the sole
8 purpose of refinancing the Bonds, funding a reserve fund for such refunding bonds and paying
9 related costs of issuance and (ii) any bonds issued for the sole purpose of refunding such
10 refunding bonds, funding a reserve fund and paying related costs of issuance. The Bonds will
11 bear interest payable semi-annually or in such other manner as this Board of Supervisors
12 shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by
13 applicable law at the time of sale of the Bonds. The maximum underwriter's discount for each
14 series of the Bonds (excluding original issue discount) shall be 2%. As permitted by Section
15 53397.71 of the IFD Law, this Board of Supervisors may increase the maximum aggregate
16 principal amount described above by adopting a resolution and complying with the publication
17 requirements specified in the IFD Law.

18 4. Available Tax Revenues. This Board of Supervisors estimates, based on the
19 analysis set forth in Appendix G-2, that the incremental property tax revenues that will be
20 available to the IFD from Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area
21 G-4 are approximately \$1.04 billion, \$770.5 million and \$1.19 billion, respectively. This Board
22 of Supervisors hereby finds that the amount necessary to pay principal of and interest on the
23 Sub-Project Area G-2 Bonds is less than or equal to the incremental property tax revenues
24 that will be available to the IFD from Sub-Project Area G-2 to pay principal of and interest on
25 the Sub-Project Area G-2 Bonds. This Board of Supervisors hereby further finds that the

1 amount necessary to pay principal of and interest on the Sub-Project Area G-3 Bonds is less
2 than or equal to the incremental property tax revenues that will be available to the IFD from
3 Sub-Project Area G-3 with respect to pay principal of and interest on the Sub-Project Area G-
4 3 Bonds. This Board of Supervisors hereby further finds that the amount necessary to pay
5 principal of and interest on the Sub-Project Area G-4 Bonds is less than or equal to the
6 incremental property tax revenues that will be available to the IFD from Sub-Project Area G-4
7 with respect to pay principal of and interest on the Sub-Project Area G-4 Bonds.

8 5. Election. Pursuant to Section 53397.71 of the IFD Law, no election is required
9 prior to issuance of the Bonds.

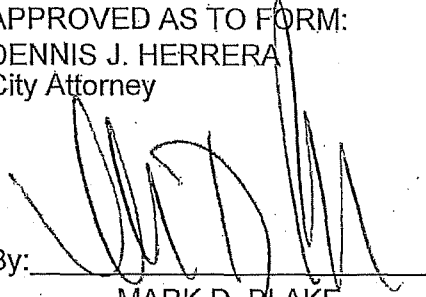
10 6. Debt. This Board of Supervisors also proposes to incur debt (as defined in the
11 IFD Law) other than the Bonds as set forth in Appendix G-2, as Appendix G-2 may be
12 amended from time to time. The limitations on Bonds set forth in this Resolution, including,
13 but not limited to, the respective maximum aggregate principal amounts specified in Section 3,
14 shall apply only to the Bonds and not to other debt (as defined in the IFD Law) payable from
15 available tax increment allocated to the IFD from Sub-Project Area G-2, Sub-Project Area G-3
16 and Sub-Project Area G-4 pursuant to Appendix G-2, including, without limitation, any bonds
17 issued by the City for and on behalf of a community facilities district related to the territory in
18 Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 - 28-Acre Site)
19 and Sub-Project Area G-4 (Pier 70 - 28-Acre Site) secured, in whole or in part, by available
20 tax increment allocated to the IFD with respect to Sub-Project Area G-2 (Pier 70 - 28-Acre
21 Site), Sub-Project Area G-3 (Pier 70 - 28-Acre Site) and/or Sub-Project Area G-4 (Pier 70 -
22 28-Acre Site).

23 7. No Obligation. This Resolution shall in no way obligate this Board of Supervisors
24 to issue Bonds for the IFD with respect to Sub-Project Area G-2, Sub-Project Area G-3 or
25

1 Sub-Project Area G-4. Issuance of the Bonds shall be subject to the approval of this Board of
2 Supervisors.

3 8. Public Hearing. That on Tuesday, September 11, 2018 at 3:00 p.m. or as soon
4 as possible thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place,
5 City Hall, San Francisco, California, be, and the same are hereby appointed and fixed as the
6 time and place when and where this Board of Supervisors will conduct a public hearing on the
7 proposed issuance of Bonds.

8
9 APPROVED AS TO FORM:
10 DENNIS J. HERRERA
11 City Attorney

12
13 By: 
14 MARK D. BLAKE
15 Deputy City Attorney

16 n:\portlas2018\1100292\01290492.docx



City and County of San Francisco

Tails Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 170879

Date Passed: July 24, 2018

Resolution of Intention to Issue Bonds in an Amount Not to Exceed \$273,900,000, \$196,100,000 and \$323,300,000 for Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4, respectively, City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70); and affirming the Planning Department's determination, and making findings under the California Environmental Quality Act.

November 09, 2017 Budget and Finance Committee - RECOMMENDED

November 28, 2017 Board of Supervisors - CONTINUED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

December 05, 2017 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

December 05, 2017 Board of Supervisors - RE-REFERRED AS AMENDED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

July 12, 2018 Budget and Finance Sub-Committee - AMENDED

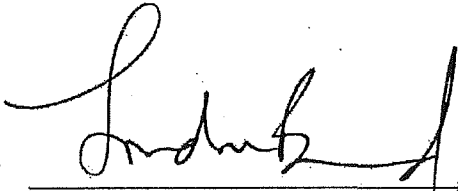
July 12, 2018 Budget and Finance Sub-Committee - RECOMMENDED AS AMENDED

July 24, 2018 Board of Supervisors - ADOPTED

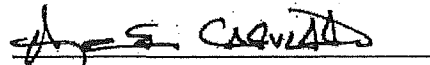
Ayes: 9 - Cohen, Brown, Kim, Mandelman, Peskin, Ronen, Safai, Stefani and Yee
Excused: 2 - Fewer and Tang

File No. 170879

I hereby certify that the foregoing
Resolution was ADOPTED on 7/24/2018 by
the Board of Supervisors of the City and
County of San Francisco.



London N. Breed
Mayor



Angela Calvillo
Clerk of the Board

7/26/18
Date Approved

FILE NO. 120128

RESOLUTION NO. 110-12

1 [Resolution of Intention to Form Waterfront Infrastructure Financing District]

2
3 **Resolution of Intention to establish Infrastructure Financing District No. 2 for the**
4 **City and County of San Francisco at the Port of San Francisco.**

5
6 WHEREAS, California Statutes of 1968, Chapter 1333 (the "Burton Act") and the
7 San Francisco Charter Section 4.114 and B3.581 empower the San Francisco Port
8 Commission with the power and duty to use, conduct, operate, maintain, manage,
9 regulate and control the lands within Port Commission jurisdiction; and

10 WHEREAS, Under Government Code Sections 53395 et seq. (IFD Law), this
11 Board of Supervisors is authorized to establish an infrastructure financing district and
12 to act as the legislative body for an infrastructure financing district; and,

13 WHEREAS, More specifically, this Board of Supervisors is authorized to
14 establish a "waterfront district" under Section 53395.8 of the IFD Law, including (i) a
15 waterfront district for 65 acres of waterfront land in the area near Pier 70 (a "Pier 70
16 district") for which there is a "Pier 70 enhanced financing plan" and (ii) a waterfront
17 district created as a "special waterfront district" and a "Port America's Cup district"
18 under Section 53395.81; and,

19 WHEREAS, Pursuant to Section 53395.8 of the IFD Law, a waterfront district
20 may be divided into project areas; and

21 WHEREAS, This Board of Supervisors wishes to establish a waterfront district
22 as described and for the purposes specified in this Resolution; now, therefore, be it

23 **RESOLVED, By the Board of Supervisors as follows:**

1. Authority. This Board of Supervisors proposes to conduct proceedings to establish an infrastructure financing district pursuant to the IFD Law, which district shall constitute a waterfront district. The waterfront district shall include project areas as identified by this Board of Supervisors from time to time, one of which is intended to constitute a Pier 70 district (at the time authorized by the IFD Law) and one or more of which may constitute special waterfront districts; and,

2. Name of IFD. The name proposed for the infrastructure financing district is "City and County of San Francisco Infrastructure Financing District (IFD) No. 2 (Port of San Francisco)". The names of the initial proposed project areas are:

a. Project Area A (Seawall Lot 330). Project Area A shall be a special waterfront district and a Port America's Cup district.

b. Project Area B (Piers 30-32). Project Area B shall be a special waterfront district and a Port America's Cup district.

c. Project Area C (Pier 28). Project Area C shall be a special waterfront district and a Port America's Cup district.

d. Project Area D (Pier 26). Project Area D shall be a special waterfront district and a Port America's Cup district.

~~e. Project Area E (Seawall Lot 351). Project Area E shall be a waterfront district.~~

~~ef. Project Area F (Seawall Lot 337). Project Area F shall be a waterfront district.~~

~~efg. Project Area G (Pier 48). Project Area G shall be a waterfront district.~~

~~efgh. Project Area H (Pier 70). Project Area H is expected to be a Pier 70 district and may not be subject to a Pier 70 enhanced financing plan prior to January 1, 2014.~~

ghi. Project Area I (Rincon Point-South Point Project Area). Unless the IFD Law is amended to permit venues within the Rincon Point-South Beach Project Area of the Redevelopment Agency of the City and County of San Francisco to be included in a special waterfront district, Project Area I shall not constitute a special waterfront district.

The City intends to establish additional project areas from time to time in compliance with the IFD Law.

3. Boundaries Described. The proposed boundaries of the IFD, including the boundaries of the initial project areas within the IFD, are as shown on the map of the IFD on file with the Clerk of the Board of Supervisors, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars.

4. Facilities. The type of public facilities proposed to be financed by the IFD and pursuant to the IFD Law shall consist of those listed as facilities on Exhibit A hereto and hereby incorporated in this Resolution (Facilities). The Board of Supervisors hereby authorizes the Executive Director of the Port of San Francisco and any designee of such official to execute one or more agreements to acquire Facilities financed by the IFD, which agreement(s) may provide for the acquisition of discrete portions or phases of facilities.

5. Incremental Property Tax Revenue. The Board of Supervisors hereby declares that, pursuant to the IFD Law, the IFD will use incremental property tax revenue from the City but none of the other affected taxing entities within the IFD (except to the extent permitted by Section 53395.8(h) of the IFD Law) to finance the Facilities.

6. Infrastructure Financing Plan. The Executive Director of the Port of San Francisco is hereby directed to prepare an infrastructure financing plan (Infrastructure Financing Plan) for this Board of Supervisors that complies with the requirements of the IFD Law. The Infrastructure Financing Plan shall be a special waterfront district enhanced financing plan, as defined in the IFD Law, with respect to Project Areas A, B, C and D. This Board of Supervisors reserves the right to establish enhanced financing plans in the future with respect to other project areas within the IFD. To the extent required by the IFD Law, the Executive Director of the Port shall cause the Infrastructure Financing Plan to be sent to the San Francisco Planning Department and to this Board.

7. Public Hearing. This Board of Supervisors will conduct a public hearing on the proposed establishment of the IFD in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place, City Hall, San Francisco, California, on a date to be established by the Executive Director of the Port, in consultation with the Clerk of the Board of Supervisors.

8. Notice of Public Hearing. The Clerk of the Board of Supervisors is hereby directed to cause notice of the public hearing to be published not less than once a week for four successive weeks in a newspaper designated by this Board of Supervisors for the publication of official notices in the City. The notice shall state that the IFD will be used to finance Facilities, briefly describe the Facilities and the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the proposed IFD and state the day, hour, and place when and where any persons having any objections to the proposed Infrastructure Financing Plan, or the regularity of any of the prior proceedings, may appear before this Board of Supervisors and object to the adoption of the proposed Infrastructure Financing Plan by this Board.

9. Further Action. The Clerk of the Board of Supervisors and all other officers and agents of the City are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

10. No Obligation. This Resolution shall in no way obligate the Board of Supervisors to establish the IFD. The establishment of the IFD, including the project areas described above, shall be subject to the approval of this Board of Supervisors by ordinance following the holding of the public hearing referred to above.

11. California Environmental Quality Act. This Board of Supervisors hereby finds that, pursuant to Title 14, California Code of Regulations, Section 15378(b)(4), adoption of this Resolution and the establishment of the IFD are not "projects" under the California Environmental Quality Act, because they do not involve any commitment to a specific project that may result in a potentially significant physical impact on the environment.



City and County of San Francisco

Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 120128

Date Passed: March 27, 2012

Resolution of Intention to establish Infrastructure Financing District No. 2 for the City and County of San Francisco at the Port of San Francisco.

February 15, 2012 Budget and Finance Committee - AMENDED

February 15, 2012 Budget and Finance Committee - CONTINUED AS AMENDED

February 22, 2012 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

February 22, 2012 Budget and Finance Committee - REFERRED WITHOUT RECOMMENDATION

February 28, 2012 Board of Supervisors - CONTINUED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

March 27, 2012 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

File No. 120128

I hereby certify that the foregoing Resolution was ADOPTED on 3/27/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

4/5/12

Date Approved

1 [Amending Resolutions of Intention to Establish Port Infrastructure Financing District]
2

3 **Resolution further amending Resolutions of Intention to establish Infrastructure**
4 **Financing District No. 2 (Resolution Nos. 110-12 and 227-12) for the City and County of**
5 **San Francisco at the Port of San Francisco.**
6

7 WHEREAS, California Statutes of 1968, Chapter 1333 (Burton Act) and the San
8 Francisco Charter, Sections 4.114 and B3.581 empower the City and County of San
9 Francisco, acting through the San Francisco Port Commission, with the power and duty to
10 use, conduct, operate, maintain, manage, regulate and control the lands within Port
11 Commission jurisdiction; and

12 WHEREAS, Under Government Code, Sections 53395 et seq. (IFD Law), this Board of
13 Supervisors is authorized to establish an infrastructure financing district and to act as the
14 legislative body for an infrastructure financing district; and

15 WHEREAS, Pursuant to Section 53395.8 of the IFD Law, a waterfront district may be
16 divided into project areas; and

17 WHEREAS, On March 27, 2012, by Resolution No. 110-12 (Initial Resolution of
18 Intention), this Board of Supervisors declared its intention to establish a waterfront district to
19 be known as "City and County of San Francisco Infrastructure Financing District No. 2 (Port of
20 San Francisco)" (IFD), and designated initial proposed project areas within the IFD, including
21 Project Area G (Pier 70); and

22 WHEREAS, On June 12, 2012, by Resolution No. 227-12 (First Amending Resolution),
23 this Board of Supervisors amended the Initial Resolution of Intention to propose, among other
24 things, an amended list of project areas; and
25

1 WHEREAS, Because the Executive Director of the Port of San Francisco (Executive
2 Director) has proposed that the Board of Supervisors designate Sub-Project Area G-1 to
3 Project Area G (Pier 70), the Board of Supervisors wishes to amend the Initial Resolution of
4 Intention as amended by the First Amending Resolution (as so amended, Original Resolution
5 of Intention) to designate Sub-Project Area G-1; now, therefore, be it

6 RESOLVED, By the Board of Supervisors as follows:

7 1. Ratification of Original Resolution of Intention. This Board of Supervisors hereby
8 ratifies the Original Resolution of Intention except as set forth in this Resolution. Except as set
9 forth in this Resolution, the Original Resolution of Intention shall remain in full force and effect.
10 Exhibit A to the Original Resolution of Intention, which lists the type of public facilities
11 proposed to be financed by the IFD, is attached hereto and incorporated herein.

12 2. Amendment of Original Resolution of Intention. Paragraph g of Section 2 of the
13 Original Resolution of Intention is hereby amended to read in its entirety as follows:

14 g. Project Area G (Pier 70). Project Area G shall be a Pier 70 district and shall
15 include Sub-Project Area G-1 (Pier 70 – Historic Core). Sub-Project Area G-1 shall be a Pier
16 70 district.

17 3. Amended Boundaries Described. The proposed amended boundaries of Project
18 Area G of the IFD, which are amended to include Sub-Project Area G-1 (Pier 70 - Historic
19 Core), are as shown on the amended map of Project Area G of the IFD on file with the Clerk
20 of the Board of Supervisors, which boundaries are hereby preliminarily approved and to which
21 map reference is hereby made for further particulars.

22 4. Infrastructure Financing Plan. In the Original Resolution of Intention, this Board
23 of Directors directed the Executive Director to prepare an infrastructure financing plan for the
24 IFD (Infrastructure Financing Plan) that complies with the IFD Law. The Executive Director is
25 hereby directed to prepare an infrastructure financing plan for Sub-Project Area G-1 (Pier 70 -

1 Historic Core) as an appendix to the Infrastructure Financing Plan, to be designated Appendix
2 G-1, for this Board of Supervisors that complies with the requirements of the IFD Law.
3 Appendix G-1 shall be a Pier 70 enhanced financing plan with respect to Sub-Project Area G-
4 1 (Pier 70 - Historic Core). This Board of Supervisors reserves the right to establish
5 infrastructure financing plans in the future specific to other project areas and sub-project areas
6 within the IFD. To the extent required by the IFD Law, the Executive Director shall cause the
7 Infrastructure Financing Plan, including Appendix G-1, to be sent to the San Francisco
8 Planning Department and to this Board of Supervisors.

9 5. Public Hearing; Notice. This Board of Supervisors will conduct a public hearing
10 on the proposed establishment of the IFD, including Project Area G and Sub-Project Area G-
11 1, as proposed by this Board of Supervisors in the Original Resolution of Intention, as
12 amended by this Resolution, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett
13 Place, City Hall, San Francisco, California, on a date to be established by the Executive
14 Director, in consultation with the Clerk of the Board of Supervisors. The Clerk of the Board of
15 Supervisors shall cause notice of the public hearing to be published as set forth in the Original
16 Resolution of Intention.

17 6. Further Action. The Clerk of the Board of Supervisors and all other officers and
18 agents of the City are hereby authorized and directed to take all actions necessary or
19 advisable to give effect to the transactions contemplated by the Original Resolution of
20 Intention, as amended by this Resolution.

21 7. No Obligation. The Original Resolution of Intention, as amended by this
22 Resolution, shall in no way obligate the Board of Supervisors to establish the IFD. The
23 establishment of the IFD, including the project areas described in the Original
24
25

1 Resolution of Intention as amended by this Resolution, shall be subject to the approval
2 of this Board of Supervisors by ordinance following the holding of the public hearing
3 referred to above. The proposal to include property in the boundaries of the IFD does
4 not constitute an approval of any specific land uses on such property.

5 8. California Environmental Quality Act. This Board of Supervisors hereby
6 finds that, pursuant to Title 14, California Code of Regulations, Sections 15378 and
7 15060(c)(2), adoption of this Resolution and the establishment of the IFD are not
8 "projects" under the California Environmental Quality Act because they do not result in a
9 physical change in the environment.

10
11 APPROVED AS TO FORM:

12 DENNIS J. HERRERA
13 City Attorney

14 By: 
15 GRACE PARK
16 Deputy City Attorney
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24
25



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 151006

Date Passed: November 17, 2015

Resolution further amending Resolutions of Intention to establish Infrastructure Financing District No. 2 (Resolution Nos. 110-12 and 227-12) for the City and County of San Francisco at the Port of San Francisco.

October 28, 2015 Budget and Finance Committee - RECOMMENDED

November 03, 2015 Board of Supervisors - CONTINUED

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

November 17, 2015 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Christensen, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 151006

I hereby certify that the foregoing Resolution was ADOPTED on 11/17/2015 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

11/25/15

Date Approved

1 Amending Resolution of Intention to Form Waterfront Infrastructure Financing District]

2
3 **Resolution amending Resolution of Intention to establish Infrastructure**
4 **Financing District No. 2 (File No. 120128) for the [City and County of San**
5 **Francisco at the Port of San Francisco.**

6
7 WHEREAS, California Statutes of 1968, Chapter 1333 (the "Burton Act") and the
8 San Francisco Charter Section 4.114 and B3.581 empower the San Francisco Port
9 Commission with the power and duty to use, conduct, operate, maintain, manage,
10 regulate and control the lands within Port Commission jurisdiction; and

11 WHEREAS, Under Government Code Sections 53395 et seq. (IFD Law), this
12 Board of Supervisors is authorized to establish an infrastructure financing district and to
13 act as the legislative body for an infrastructure financing district; and,

14 WHEREAS, Pursuant to Section 53395.8 of the IFD Law, a waterfront district
15 may be divided into project areas; and

16 WHEREAS, On March 27, 2012, by Resolution No. 110-12 (Original Resolution
17 of Intention), this Board of Supervisors declared its intention to establish a waterfront
18 district to be known as "City and County of San Francisco Infrastructure Financing
19 District No. 2 (Port of San Francisco)" (IFD), and designated initial proposed project
20 areas within the IFD; and

21 WHEREAS, Seawall Lot 351 was not included in the territory proposed to be
22 included in the IFD pursuant to the Original Resolution of Intention; and

23 WHEREAS, Because the IFD Law provides that incremental tax revenues
24 allocated to a waterfront district must be used within the waterfront district and the
25 Executive Director of the Port of San Francisco has proposed the use of incremental
tax

1 revenues generated by Seawall Lot 351 and related development to finance authorized
2 facilities throughout the IFD, the Board of Supervisors wishes to amend the Original
3 Resolution of Intention to add Seawall Lot 351 to the territory proposed to be included
4 in the IFD, and to designate Seawall Lot 351 as an initial proposed Project Area E;
5 now, therefore, be it

6 RESOLVED, By the Board of Supervisors as follows:

7 1. Ratification of Original Resolution of Intention. This Board of Supervisors
8 hereby ratifies the Original Resolution of Intention except as set forth in this Resolution.
9 Except as set forth in this Resolution, the Original Resolution of Intention shall remain
10 in full force and effect. Exhibit A to the Original Resolution of Intention, which lists the
11 type of public facilities proposed to be financed by the IFD, is attached hereto and
12 incorporated herein.

13 2. Amendment of Original Resolution of Intention. The Original Resolution of
14 Intention is hereby amended to propose a Project Area E (Seawall Lot 351), which will
15 be a project area and a waterfront district within the IFD. In order to provide for a
16 orderly designation of project areas, the Original Resolution of Intention is hereby
17 amended to establish the names of the initial proposed project areas as follows:

18 a. Project Area A (Seawall Lot 330). Project Area A shall be a special
19 waterfront district and a Port America's Cup district.

20 b. Project Area B (Piers 30-32). Project Area B shall be a special waterfront
21 district and a Port America's Cup district.

22 c. Project Area C (Pier 28). Project Area C shall be a special waterfront
23 district and a Port America's Cup district.

24 d. Project Area D (Pier 26). Project Area D shall be a special waterfront
25 district and a Port America's Cup district.

1 e. Project Area E (Seawall Lot 351). Project Area E shall be a waterfront
2 district.

3 f. Project Area F (Pier 48). Project Area F shall be a waterfront district.

4 g. Project Area G (Pier 70). Project Area G is expected to be a Pier 70
5 district and may not be subject to a Pier 70 enhanced financing plan prior to January 1,
6 2014.

7 h. Project Area H (Rincon Point-South Point Project Area). Unless the IFD
8 Law is amended to permit venues within the Rincon Point-South Beach Project Area of
9 the former Redevelopment Agency of the City and County of San Francisco to be
10 included in a special waterfront district, Project Area H shall not constitute a special
11 waterfront district.

12 3. Amended Boundaries Described. The proposed amended boundaries of
13 the IFD, which are amended to include Project Area E and to reflect the re-naming of
14 certain proposed project areas as described above, are as shown on the amended map
15 of the IFD on file with the Clerk of the Board of Supervisors, which boundaries are
16 hereby preliminarily approved and to which map reference is hereby made for further
17 particulars.

18 4. Public Hearing; Notice. This Board of Supervisors will conduct a public
19 hearing on the proposed establishment of the IFD, including Project Area E as
20 proposed by this Board of Supervisors in this Resolution, in the Board of Supervisors
21 Chambers, 1 Dr. Carlton B. Goodlett Place, City Hall, San Francisco, California, on a
22 date to be established by the Executive Director of the Port, in consultation with the
23 Clerk of the Board of Supervisors. The Clerk of the Board of Supervisors shall cause
24 notice of the public hearing to be published as set forth in the Original Resolution of
25 Intention.

1 5. Further Action. The Clerk of the Board of Supervisors and all other officers
2 and agents of the City are hereby authorized and directed to take all actions necessary
3 or advisable to give effect to the transactions contemplated by Original Resolution of
4 Intention, as amended by this Resolution.

5 6. No Obligation. The Original Resolution of Intention, as amended by this
6 Resolution, shall in no way obligate the Board of Supervisors to establish the IFD. The
7 establishment of the IFD, including the project areas described in the Original
8 Resolution of Intention as amended by this Resolution, shall be subject to the approval
9 of this Board of Supervisors by ordinance following the holding of the public hearing
10 referred to above. The proposal to include property in the boundaries of the IFD does
11 not constitute an approval of any specific land uses on such property.

12 7. California Environmental Quality Act. This Board of Supervisors hereby
13 finds that, pursuant to Title 14, California Code of Regulations, Section 15378(b)(4),
14 adoption of this Resolution and the establishment of the IFD are not "projects" under
15 the California Environmental Quality Act, because they do not involve any commitment
16 to a specific project that may result in a potentially significant physical impact on the
17 environment.



City and County of San Francisco

Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 120278

Date Passed: June 12, 2012

Resolution amending Resolution of Intention to establish Infrastructure Financing District No. 2 (File No. 120128) for the City and County of San Francisco at the Port of San Francisco.

June 06, 2012 Budget and Finance Sub-Committee - REFERRED WITHOUT RECOMMENDATION

June 12, 2012 Board of Supervisors - ADOPTED

Ayes: 8 - Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

Noes: 3 - Avalos, Campos and Chiu

File No. 120278

I hereby certify that the foregoing Resolution was ADOPTED on 6/12/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor
Date Approved

[Adoption of Guidelines for the Establishment and Use of an Infrastructure Financing District on Port Land]

Resolution adopting Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land Under the Jurisdiction of the San Francisco Port Commission.

WHEREAS, Government Code sections 53395-53398.47 (IFD Law) authorizes certain public agencies, including the City and County of San Francisco, to establish infrastructure financing districts (IFDs) to finance the planning, design, acquisition, construction, and improvement of public facilities meeting the requirements of IFD Law; and

WHEREAS, IFDs are formed to facilitate the design, acquisition, construction, and improvement of necessary public facilities and provide an alternative means of financing when local resources are insufficient; and

WHEREAS, Government Code sections 53395.8 and 53395.81 authorize the establishment of IFDs on land under the jurisdiction of the Port Commission of San Francisco (Port) to finance additional public facilities to improve the San Francisco waterfront and further authorizes the establishment of project areas within an IFD for the same purposes; and

WHEREAS, By Board Resolution No. 110-12, adopted on March 27, 2012, and Board Resolution No. 227-121, adopted on June 12, 2012, the Board stated its intention to form a single IFD consisting of all Port land (waterfront district) with project areas corresponding to Port development projects within the waterfront district; and

WHEREAS, By Board Resolution No. 66-11, adopted on February 8, 2011, the Board adopted "Guidelines for the Establishment and Use of Infrastructure Financing Districts in the

///

1 City and County of San Francisco," which do not apply to land owned or managed by the Port;
2 and

3 WHEREAS, This City policy for the use of Infrastructure Financing Districts on Port
4 property is unique to the Port of San Francisco and does not establish a precedent for use of
5 the Infrastructure Financing District Law elsewhere in the City and County; and


6 WHEREAS, A draft document entitled "Guidelines for the Establishment and Use of an
7 Infrastructure Financing District with Project Areas on Land under the Jurisdiction of the San
8 Francisco Port Commission" (Port Guidelines) setting forth proposed policy criteria and
9 guidelines for the waterfront district is on file with the Clerk of the Board of Supervisors in File
10 No. 130264, which is hereby declared to be a part of this Resolution as if set forth fully herein;
11 now, therefore, be it

12 RESOLVED, That the Board of Supervisors finds that the Port Guidelines will ensure
13 that a rational and efficient process is established for the formation the waterfront district and
14 project areas within it, and adopts the Port Guidelines; and, be it

15 FURTHER RESOLVED, That this Resolution and the Port Guidelines will be effective
16 on the date the Board of Supervisors adopts this Resolution.

17
18 APPROVED AS TO FORM:

19 DENNIS J. HERRERA
20 City Attorney

21 By: 
22 Joanne Sakai
23 Deputy City Attorney
24
25



City and County of San Francisco

Tails

Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 130264

Date Passed: April 23, 2013

Resolution adopting Guidelines for the Establishment and Use of an Infrastructure Financing District with Project Areas on Land Under the Jurisdiction of the San Francisco Port Commission:

April 17, 2013 Budget and Finance Sub-Committee - RECOMMENDED

April 23, 2013 Board of Supervisors - AMENDED

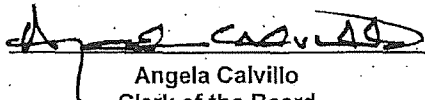
Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

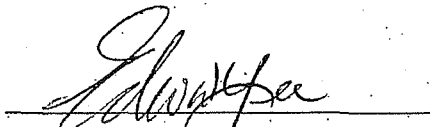
April 23, 2013 Board of Supervisors - ADOPTED AS AMENDED

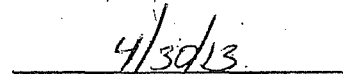
Ayes: 11 - Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Tang, Wiener and Yee

File No. 130264

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 4/23/2013 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board

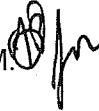

Mayor


Date Approved

OFFICE OF THE MAYOR
SAN FRANCISCO



LONDON N. BREED
MAYOR

TO:  Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor London Breed
RE: Resolution Authorizing Issuance of Port Infrastructure Financing District Bonds - Not to Exceed \$273,900,000, \$196,100,000 and \$323,300,000 for Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4, respectively
DATE: July 24, 2018

Resolution approving issuance of Bonds in an Amount Not to Exceed \$273,900,000, \$196,100,000 and \$323,300,000 for Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4, respectively, of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70); approving Indentures of Trust and Pledge Agreements; and approving other matters in connection therewith.

Should you have any questions, please contact Andres Power 554-6467.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2018 JUL 24 PM 2:01

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