

1 [Issuance of Bonds - Infrastructure and Revitalization Financing District No. 1 (Treasure
2 Island) - Not to Exceed \$31,000,000]

3 **Resolution supplementing Resolution No. 7-17 and authorizing the issuance and sale**
4 **by the City and County of San Francisco Infrastructure and Revitalization Financing**
5 **District No. 1 (Treasure Island) of one or more series of bonds in an aggregate principal**
6 **amount not to exceed \$31,000,000; approving an Official Statement, one or more**
7 **supplements to Indentures of Trust and Continuing Disclosure Certificates, one or**
8 **more Bond Purchase Agreements with a joint exercise of powers authority and the**
9 **bond underwriter, and other related documents, as defined herein; and making other**
10 **related determinations, as defined herein.**

11
12 WHEREAS, Under Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California
13 Government Code commencing with Section 53369 (“IRFD Law”), this Board of Supervisors is
14 authorized to establish an infrastructure and revitalization financing district and to act as the
15 legislative body for an infrastructure and revitalization financing district; and

16 WHEREAS, Pursuant to IRFD Law, Section 53369.5, an infrastructure and
17 revitalization financing district may be divided into project areas; and

18 WHEREAS, The Board of Supervisors has conducted proceedings under and pursuant
19 to the IRFD Law to (a) form City and County of San Francisco Infrastructure and Revitalization
20 Financing District No. 1 (Treasure Island) (“IRFD”) and five initial project areas (“Initial Project
21 Areas” and any future project areas that may be established in the IRFD, “Project Areas”); (b)
22 approve an infrastructure financing plan for the IRFD and the Project Areas (“Infrastructure
23 Financing Plan”) pursuant to Ordinance No. 29-22, adopted by the Board of Supervisors on
24 February 15, 2022; (c) provide a process for the future annexation of territory to the IRFD; (d)
25 establish an annual appropriations limit, as defined by subdivision (h) of Section 8 of Article

1 XIII B of the California Constitution, for the IRFD; and (e) authorize the issuance from time to
2 time of bonds or other debt in one or more series for the IRFD for the purpose of financing
3 certain improvements described in the Infrastructure Financing Plan in the maximum
4 aggregate principal amount of (i) \$780,000,000 plus (ii) the principal amount of bonds or other
5 debt approved by this Board of Supervisors and the qualified electors of annexation territory in
6 connection with each annexation of annexation territory to the IRFD, so long as the Board
7 makes the finding specified in IRFD Law, Section 53369.41(f), all as described in those
8 proceedings; and

9 WHEREAS, Capitalized terms used in this Resolution but not defined herein have the
10 meanings given them in the Infrastructure Financing Plan, which is on file with the Clerk of the
11 Board of Supervisors (“Clerk of the Board”) in File No. 250948; and

12 WHEREAS, The Infrastructure Financing Plan provides for the allocation of Net
13 Available Increment by the City to the IRFD to finance IRFD Improvements, and further
14 provides that (i) 17.5% of the Net Available Increment (“Housing Increment”) shall be put in a
15 segregated account to be used by the Treasure Island Development Authority (“TIDA”) for
16 Housing Costs and (ii) 82.5% of the Net Available Increment (“Facilities Increment”) will be
17 used to finance certain Facilities (improvements required to serve development of Treasure
18 Island and Yerba Buena Island that will be provided by the private sector); and

19 WHEREAS, The Infrastructure Financing Plan also provides for the allocation to the
20 IRFD of Conditional City Increment for the limited purpose of paying debt service on bonds
21 and other debt of the IRFD in the event that Net Available Increment is insufficient for that
22 purpose, and the Infrastructure Financing Plan also provides for the repayment of the City by
23 the IRFD from Net Available Increment for any Conditional City Increment used by the IRFD
24 to pay debt service in an amount equal to the Conditional City Increment used to pay debt
25 service plus interest through the date of repayment; and

1 WHEREAS, Pursuant to Resolution No. 7-17, which was adopted by the Board of
2 Supervisors on January 24, 2017, and signed by the Mayor on February 3, 2017 (“Original
3 Resolution of Issuance”), the Board of Supervisors authorized the issuance of bonds entitled
4 "City and County of San Francisco Infrastructure and Revitalization Financing District No. 1
5 (Treasure Island) Tax Increment Revenue Bonds" in one or more series, in an aggregate
6 principal amount not to exceed \$780,000,000; provided that (i) the aggregate principal amount
7 of \$780,000,000 does not include the principal amount of (A) any bonds or other debt issued
8 or incurred for the sole purpose of refunding the bonds, funding a reserve fund for such
9 refunding bonds and paying related costs of issuance and (B) any bonds or other debt issued
10 or incurred for the sole purpose of refunding such refunding bonds, funding a reserve fund
11 and paying related costs of issuance; and (ii) the Board of Supervisors may increase the
12 \$780,000,000 maximum aggregate principal amount described above by adopting a
13 Resolution supplementing Resolution No. 7-17; and

14 WHEREAS, In the Original Resolution of Issuance, the Board of Supervisors approved
15 the sale of one or more series of bonds, but provided that the bonds shall not be issued until
16 such time as (i) the Board of Supervisors has approved the terms of the sale to the investor(s)
17 and (ii) an Authorized Officer (as defined below) has caused the legal documents relating to
18 the bonds and any related disclosure document describing the bonds and the security for the
19 bonds to be prepared and caused such documents to be submitted to this Board of
20 Supervisors for its approval; and

21 WHEREAS, In the Original Resolution of Issuance, the Board of Supervisors also
22 authorized the filing of a judicial validation action with respect to the IRFD and the bonds
23 approved therein pursuant to Code of Civil Procedure, Section 860 *et seq.* (“Validation
24 Statute”); and

25

1 WHEREAS, On March 10, 2017, the City, TIDA and the IRFD filed a complaint in the
2 Superior Court of the State of California under the Validation Statute; and

3 WHEREAS, On May 9, 2018, the Superior Court of the State of California, County of
4 San Francisco, issued a judgment in Case No. CGC-17-557496; and

5 WHEREAS, The City previously executed on behalf of the IRFD a Subordinate Pledge
6 Agreement, dated as of May 29, 2015 (“Subordinate Pledge Agreement”), for the benefit of
7 the United States of America, which is related to the payment of the purchase price for land
8 on Treasure Island and Yerba Buena Island and that certain Promissory Note (Initial
9 Consideration) dated May 29, 2015, executed by TIDA to the order of the United States of
10 America, acting by and through the Department of the Navy (“TIDA Promissory Note”); and

11 WHEREAS, In reliance on the Facilities Increment, the IRFD previously issued (i) the
12 \$24,270,000 City and County of San Francisco Infrastructure and Revitalization Financing
13 District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2022A (Facilities
14 Increment) (“2022 Facilities Bonds”) pursuant to (A) the IRFD Law, (B) the Original Resolution
15 of Issuance, as modified by Resolution No. 161-22, adopted by the Board of Supervisors on
16 April 19, 2022, and signed by the Mayor on April 28, 2022, and (C) an Indenture of Trust,
17 dated as of September 1, 2022 (the “Original Facilities Indenture”), by and between the IRFD
18 and Zions Bancorporation, National Association, as trustee (the “Trustee”); and (ii) the
19 \$7,615,000 City and County of San Francisco Infrastructure and Revitalization Financing
20 District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023A (Facilities
21 Increment) (“2023 Facilities Bonds”) pursuant to (A) the IRFD Law, (B) the Original Resolution
22 of Issuance, as modified by Resolution No. 549-23, adopted by the Board of Supervisors on
23 November 28, 2023, and signed by the Mayor on November 30, 2023 (“2023 Bond
24 Resolution”), and (C) the Original Facilities Indenture, as supplemented by a First
25

1 Supplemental Indenture, dated as of December 1, 2023 (“First Supplemental Facilities
2 Indenture”), by and between the IRFD and the Trustee; and

3 WHEREAS, In reliance on the Housing Increment, the IRFD previously issued (i) the
4 \$5,120,000 City and County of San Francisco Infrastructure and Revitalization Financing
5 District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2022B (Housing
6 Increment) (“2022 Housing Bonds”; together with 2022 Facilities Bonds, “2022 Bonds”)
7 pursuant to (A) the IRFD Law, (B) the Original Resolution of Issuance, as modified by
8 Resolution No. 161-22, and (C) an Indenture of Trust, dated as of September 1, 2022 (the
9 “Original Housing Indenture”), by and between the IRFD and the Trustee; and (ii) the
10 \$1,595,000 City and County of San Francisco Infrastructure and Revitalization Financing
11 District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023B (Housing
12 Increment) (“2023 Housing Bonds”) pursuant to (A) the IRFD Law, (B) the Original Resolution
13 of Issuance, as modified by the 2023 Bond Resolution, and (C) the Original Housing
14 Indenture, as supplemented by a First Supplemental Indenture, dated as of December 1,
15 2023 (the “First Supplemental Housing Indenture”), by and between the IRFD and the
16 Trustee; and

17 WHEREAS, The Board of Supervisors now wishes to further supplement the Original
18 Resolution of Issuance to provide for the issuance by the IRFD of one or more series of bonds
19 (“Bonds”) as further provided in this Resolution; and

20 WHEREAS, The Bonds shall be issued pursuant to one or more supplements to the
21 Original Facilities Indenture and the Original Housing Indenture (collectively, “Supplements”),
22 each by and between the IRFD and the Trustee; and

23 WHEREAS, Forms of the Supplements, on file with the Clerk of the Board in File
24 No. 250948, provide for the issuance of one series of Bonds to be payable from Housing
25 Increment and another series of Bonds to be payable from Facilities Increment, both of which

1 provide for payment of debt service from Conditional City Increment in a manner consistent
2 with the Infrastructure Financing Plan, the Original Housing Indenture and the Original
3 Facilities Indenture, as applicable; and

4 WHEREAS, A form of Preliminary Official Statement in connection with the marketing,
5 sale and issuance of the Bonds is on file with the Clerk of the Board in File No. 250948, and
6 this Board of Supervisors has reviewed the preliminary Official Statement (“Preliminary Official
7 Statement”); and

8 WHEREAS, A form of bond purchase agreement (“Bond Purchase Agreement”) among
9 the IRFD, Stifel, Nicolaus & Company, Inc., as underwriter of the Bonds (“Underwriter”), and a
10 joint exercise of powers authority (“JPA”) established under the Joint Exercise of Powers Act
11 (commencing at Section 6500 of the California Government Code) to be identified by the
12 Director of the Office of Public Finance, under which the IRFD will sell the Bonds to the JPA
13 and the JPA will sell the Bonds to the Underwriter in a manner consistent with California
14 Government Code, Section 6589, is on file with the Clerk of the Board in File No. 250948; and

15 WHEREAS, This Board of Supervisors has reviewed the documents submitted to it in
16 connection with the issuance of the Bonds, on file with the Clerk of the Board in File
17 No. 250948, and found them to be in proper order; and

18 WHEREAS, In accordance with Government Code, Section 5852.1, this Board of
19 Supervisors has obtained and disclosed good faith estimates prepared by the City’s municipal
20 advisor of (a) the true interest cost of the Bonds, (b) the finance charge of the Bonds, (c) the
21 amount of proceeds received by the IRFD for sale of the Bonds less the finance charge and
22 any reserves or capitalized interest paid or funded with proceeds of the Bonds, and (d) the
23 sum total of all payments the IRFD will make to pay debt service on the Bonds plus the
24 finance charge of the Bonds not paid with the proceeds of the Bonds; and

1 WHEREAS, All conditions, things and acts required to exist, to have happened and to
2 have been performed precedent to and in the issuance of the Bonds as contemplated by this
3 Resolution, have happened and have been performed in due time, form and manner as
4 required by the laws of the State of California, including the IRFD Law; and

5 WHEREAS, The City, for itself and for and on behalf of City and County of San
6 Francisco Community Facilities District No. 2016-1 (Treasure Island) (“CFD”), TIDA, the
7 IRFD, and Zions Bancorporation, National Association, as special fund trustee (the “Special
8 Fund Trustee”), have entered into a Special Fund Administration Agreement, dated as of
9 September 1, 2022 (“Special Fund Administration Agreement”), for the purpose of facilitating
10 a more orderly administration of the revenues generated by the CFD and the IRFD; now,
11 therefore, be it

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

13 FURTHER RESOLVED, That the Board of Supervisors is acting in its capacity as
14 legislative body with respect to the IRFD; and

15 FURTHER RESOLVED, That pursuant to the IRFD Law and the Original Resolution of
16 Issuance as previously supplemented and as supplemented by this Resolution, the Board of
17 Supervisors hereby authorizes the issuance of the Bonds in one or more series in an
18 aggregate principal amount not to exceed \$31,000,000; and, be it

19 FURTHER RESOLVED, That the Bonds shall be entitled “City and County of San
20 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax
21 Increment Revenue Bonds” (or such other designation as the Director of the Office of Public
22 Finance deems necessary and appropriate) with (i) a series designation (such as “Series
23 20__ A”), (ii) a designation as to whether such Bonds are payable from Housing Increment or
24 Facilities Increment, (iii) a designation as to whether such Bonds are issued as tax-exempt or
25

1 taxable bonds under federal tax law and (iv) a designation as to whether such Bonds are
2 green bonds or sustainability bonds; and, be it

3 FURTHER RESOLVED, That the terms of the Bonds shall be as follows: (i) each Bond
4 shall be dated its date of issuance, (ii) the maturity date of each Bond shall be a date not to
5 exceed 30 years from the date of its issuance or such later date as is permitted by the IRFD
6 Law and approved by the Director of the Office of Public Finance, (iii) the Bonds shall be
7 issued in denominations of \$5,000 or any integral multiple of \$5,000 or such other
8 denomination determined by the Director of the Office of Public Finance, (iv) the form of the
9 Bonds shall be substantially the form attached to the Indentures of Trust, (v) the Bonds shall
10 be executed by the Director of the Office of Public Finance or such other Authorized Officer
11 (as defined below) identified in the Indenture of Trust, (vi) the principal of and interest on the
12 Bonds shall be payable in lawful money of the United States of America, (vii) the Bonds shall
13 be registered with the Trustee and shall be payable at the principal office of or by check or
14 wire of the Trustee and (viii) the Bonds shall be subject to redemption prior to maturity at the
15 times and subject to the premiums approved by the Director of the Office of Public Finance;
16 and, be it

17 FURTHER RESOLVED, That the Mayor, the Controller, the Treasurer, and the Director
18 of the Office of Public Finance, and such other officials of the City as may be designated by
19 such officials (each, an "Authorized Officer") is hereby authorized and directed, on behalf of
20 the IRFD, to execute and deliver the documents approved herein in substantially the form on
21 file with the Clerk of the Board in File No. 250948, together with such additions or changes as
22 are approved by such Authorized Officer, including such additions or changes as are
23 necessary or advisable to permit the timely issuance, sale and delivery of the Bonds; the
24 approval of such additions or changes shall be conclusively evidenced by the execution and
25 delivery by an Authorized Officer of the documents herein specified; and, be it

1 FURTHER RESOLVED, That this Board of Supervisors hereby approves the
2 Supplements in substantially the form on file with the Clerk of the Board in File No. 250948;
3 the terms and provisions of each Supplement, as executed, are incorporated herein by this
4 reference as if fully set forth herein; and Authorized Officer is hereby authorized and directed
5 to execute each Supplement on behalf of the IRFD, with such changes, additions or deletions
6 as may be approved by the Authorized Officer, and the Clerk of the Board is hereby
7 authorized and directed to attest thereto; and, be it

8 FURTHER RESOLVED, That this Board of Supervisors hereby approves a Preliminary
9 Official Statement prepared in connection with the Bonds in substantially the form on file with
10 the Clerk of this Board in File No. 250948, together with any changes therein or additions
11 thereto deemed necessary or advisable by an Authorized Officer; subject to an Authorized
12 Officer deeming such Preliminary Official Statement “final” pursuant to Rule 15c2-12 under
13 the Securities Exchange Act of 1934 (“Rule”), this Board of Supervisors hereby approves and
14 authorizes the distribution by the Underwriter of the Preliminary Official Statement to
15 prospective purchasers of the Bonds, and authorizes and directs an Authorized Officer on
16 behalf of the IRFD to deem the Preliminary Official Statement “final” pursuant to the Rule prior
17 to its distribution to prospective purchasers of the Bonds; the execution of the final Official
18 Statement, which shall include Bond pricing information, such other changes and additions
19 thereto deemed advisable by an Authorized Officer, and such information permitted to be
20 excluded from the Preliminary Official Statement pursuant to the Rule, shall be conclusive
21 evidence of the approval of such Official Statement by the IRFD; and, be it

22 FURTHER RESOLVED, That this Board of Supervisors hereby approves one or more
23 Continuing Disclosure Certificates with respect to the Bonds in substantially the form thereof
24 attached to the preliminary Official Statement on file with the Clerk of the Board of
25 Supervisors; an Authorized Officer is hereby authorized and directed to execute each

1 Continuing Disclosure Certificate on behalf of the IRFD with such changes, additions or
2 deletions as may be approved by the Authorized Officer; and, be it

3 FURTHER RESOLVED, That this Board of Supervisors hereby approves one or more
4 Bond Purchase Agreements in substantially the form on file with the Clerk of the Board of
5 Supervisors; and Authorized Officer is hereby authorized and directed to execute the Bond
6 Purchase Agreement on behalf of the IRFD, with such changes, additions or deletions as may
7 be approved by the Authorized Officer and that are in accordance with the provisions of this
8 Resolution, such execution to be conclusive evidence of such approval; subject to the
9 requirement that the Underwriter's discount on the purchase of the Bonds may not exceed
10 1.50% of the par amount of the Bonds and the interest rate may not exceed the maximum rate
11 permitted by applicable law; this Board of Supervisors hereby approves the negotiated sale of
12 the Bonds to the Underwriter pursuant to such Bond Purchase Agreement; and, be it

13 FURTHER RESOLVED, That this Board of Supervisors hereby ratifies and approves
14 the Subordinate Pledge Agreement, on file with the Clerk of the Board in File No. 250948, and
15 finds and determines that the Subordinate Pledge Agreement shall only be included in the
16 calculation of bonds and other debt of the IRFD to the extent that the IRFD pays the principal
17 balance of the TIDA Promissory Note; and, be it

18 FURTHER RESOLVED, That in Resolution No. 503-16, adopted by the Board of
19 Supervisors on December 6, 2016, and signed by the Mayor on December 16, 2016, titled the
20 "Resolution of intention to establish City and County of San Francisco Infrastructure and
21 Revitalization Financing District No. 1 (Treasure Island) and project areas therein to finance
22 the construction and/or acquisition of facilities on Treasure Island and Yerba Buena Island; to
23 provide for future annexation; to call a public hearing on the formation of the district and
24 project areas therein and to provide public notice thereof; and determining other matters in
25 connection therewith," this Board of Supervisors made certain findings under the California

1 Environmental Quality Act (“CEQA”) about the Final Environmental Impact Report (“FEIR”) for
2 the disposition and development of a portion of Naval Station Treasure Island, and those
3 findings are incorporated in this Resolution as if set forth in their entirety herein; and, be it

4 FURTHER RESOLVED, That no changes have occurred in the project studied in the
5 FEIR, or in the circumstances under which that project will be undertaken, and no new
6 information that was not available at the time the FEIR was certified has become available
7 that would warrant preparation of a subsequent or supplemental environmental impact report;
8 and, be it

9 FURTHER RESOLVED, That the IRFD is hereby authorized and directed to execute
10 and deliver any amendment to the Special Fund Administration Agreement that an Authorized
11 Officer determines is necessary to consummate the lawful issuance and delivery of the Bonds
12 in accordance with this Resolution and the Fiscal Agent Agreement; and, be it

13 FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of
14 the City (including, but not limited to, the Authorized Officers) with respect to the
15 establishment of the IRFD and the Initial Project Areas, the execution and delivery of the
16 Subordinate Pledge Agreement, the issuance of the 2022 Bonds and the 2023 Bonds, and
17 the sale and issuance of the Bonds are hereby approved, confirmed and ratified; and, be it

18 FURTHER RESOLVED, That each of the Authorized Officers and any and all other
19 officers of the City are hereby authorized, for and in the name of and on behalf of the IRFD, to
20 do any and all things and take any and all actions, including execution and delivery of any and
21 all documents, assignments, certificates, requisitions, agreements, notices, consents,
22 instruments of conveyance, warrants and documents (including, but not limited to, one or
23 more indentures of trust other than those described above), which they, or any of them, may
24 deem necessary or advisable in order to effectuate the purposes of this Resolution, provided
25 however that any such actions be solely intended to further the purposes of this Resolution,

1 and are subject in all respects to the terms of the Resolution, and all actions to be taken by an
2 Authorized Officer, as defined herein, may be taken by such Authorized Officer or any
3 designee, with the same force and effect as if taken by the Authorized Officer; and, be it

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

12 FURTHER RESOLVED, That this Resolution shall take effect upon its enactment;
13 enactment occurs when the Mayor signs the Resolution, the Mayor returns the Resolution
14 unsigned or does not sign the Resolution within ten days of receiving it, or the Board of
15 Supervisors overrides the Mayor's veto of the Resolution; the provisions of any previous
16 Resolutions in any way inconsistent with the provisions hereof in and for the issuance of the
17 Bonds as herein described are hereby repealed.

18 APPROVED AS TO FORM:
19 DAVID CHIU
20 City Attorney

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

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