

1 [Resolution of Intention to Incur Bonded Indebtedness - Special Tax District No. 2022-1
2 (Power Station)]

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4 **Resolution of intention to incur bonded indebtedness and other debt for the City and**
5 **County of San Francisco Special Tax District No. 2022-1 (Power Station), and**
6 **determining other matters in connection therewith, as defined herein.**

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8 WHEREAS, Under Chapter 43, Article X of the San Francisco Administrative Code (as
9 it may be amended from time to time, "Code"), which Code incorporates by reference the
10 Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act"), this Board of Supervisors
11 ("Board of Supervisors") of the City and County of San Francisco ("City"), State of California,
12 has this date adopted its "Resolution of intention to establish City and County of San
13 Francisco Special Tax District No. 2022-1 (Power Station), Improvement Area No. 1 and a
14 Future Annexation Area, and determining other matters in connection therewith" ("Resolution
15 of Intention to Establish"), stating its intention to form (i) "City and County of San Francisco
16 Special Tax District No. 2022-1 (Power Station)" ("Special Tax District"), (ii) "Improvement
17 Area No. 1 of the City and County of San Francisco Special Tax District No. 2022-1 (Power
18 Station)" ("Improvement Area No. 1") and (iii) a future annexation area for the Special Tax
19 District ("Future Annexation Area") for the purpose of financing certain authorized
20 improvements ("Facilities") and certain public services, as further provided in the Resolution of
21 Intention to Establish; and

22 WHEREAS, In the Resolution of Intention to Establish, this Board of Supervisors made
23 certain findings under the California Environmental Quality Act ("CEQA") about the Final
24 Environmental Impact Report ("FEIR") for the disposition and development of a portion of
25 Potrero Power Station, and those findings are incorporated in this Resolution as if set forth in
their entirety herein; and

1 WHEREAS, In the Resolution of Intention to Establish, this Board of Supervisors
2 determined that it may be necessary to designate additional improvement areas when territory
3 in the Future Annexation Area annexes into the Special Tax District (each, a “Future
4 Improvement Area”); and

5 WHEREAS, This Board of Supervisors estimates the amount required for the financing
6 of the costs of the Facilities in the territory of the Special Tax District and the Future
7 Annexation Area to be the sum of not to exceed \$863,000,000; and

8 WHEREAS, In order to finance the costs of the Facilities it is necessary to incur
9 bonded indebtedness and other debt (as defined in the Mello-Roos Act) in one or more series
10 on behalf of the Special Tax District and the improvement areas therein (including Future
11 Improvement Areas); and

12 WHEREAS, United States Income Tax Regulations, Section 1.150-2 provides generally
13 that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are
14 used for reimbursement of expenditures made prior to the date of issuance of such debt
15 unless certain procedures are followed, one of which is a requirement that (with certain
16 exceptions), prior to the payment of any such expenditure, the issuer declares an intention to
17 reimburse such expenditure; and

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

20 RESOLVED, That in order to finance the costs of the Facilities, it is necessary for the
21 City to incur bonded indebtedness (as defined in the Mello-Roos Act) in the following
22 amounts:

23 (i) For Improvement Area No. 1, an amount not to exceed \$800,000,000
24 (“Improvement Area No. 1 Bonded Indebtedness Limit”).

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1 (ii) For the portion of the Special Tax District that is not in Improvement Area No. 1,
2 an amount not to exceed \$63,000,000 (“Non-Improvement Area No. 1 Bonded Indebtedness
3 Limit”); and, be it

4 FURTHER RESOLVED, That in the event all or a portion of the Future Annexation
5 Area is annexed as one or more Future Improvement Areas, the maximum bonded
6 indebtedness of each such Future Improvement Area shall be identified and approved in the
7 unanimous approval executed by the applicable property owners in connection with their
8 annexation to the Special Tax District at the time of the annexation (each, a “Unanimous
9 Approval”) and in accordance with the Annexation Approval Procedures described in the
10 Resolution of Intention to Establish, and the amount of the maximum bonded indebtedness for
11 the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1
12 Bonded Indebtedness Limit, which shall result in a corresponding reduction in the Non-
13 Improvement Area No. 1 Bonded Indebtedness Limit; and, be it

14 FURTHER RESOLVED, That it is further necessary to incur, and this Board of
15 Supervisors hereby declares its intent to incur, debt (as defined in the Mello-Roos Act), in one
16 or more series, within the boundaries of the proposed Improvement Areas, although any such
17 debt shall not be subject to the limitations on bonded indebtedness set forth above; and, be it

18 FURTHER RESOLVED, That the bonded indebtedness and other debt is proposed to
19 be incurred for the purpose of financing the costs of the Facilities, including acquisition and
20 improvement costs and all costs incidental to or connected with the accomplishment of said
21 purposes and of the financing thereof, as permitted by Mello-Roos Act, Section 53345.3; and,
22 be it

23 FURTHER RESOLVED, That the City hereby declares that it reasonably expects (i) to
24 pay certain costs of the Facilities prior to the date of issuance of the bonded indebtedness and
25 other debt and (ii) to use a portion of the proceeds of the bonded indebtedness and debt for

1 reimbursement of expenditures for the Facilities that are paid before the date of issuance of
2 the indebtedness; and, be it

3 FURTHER RESOLVED, That this Board of Supervisors, acting as legislative body for
4 the Special Tax District, intends to authorize the issuance and sale of bonds and other debt in
5 one or more series bearing interest payable semi-annually or in such other manner as this
6 Board of Supervisors shall determine, at a rate not to exceed the maximum rate of interest as
7 may be authorized by applicable law at the time of sale of such bonds and other debt, and,
8 with respect to any bonded indebtedness, maturing not to exceed 40 years from the date of
9 the issuance of the bonds; and, be it

10 FURTHER RESOLVED, That March 8, 2022, at _:00 p.m. or as soon as possible
11 thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place, San
12 Francisco, California, be, and the same are hereby appointed and fixed as the time and place
13 when and where this Board of Supervisors, as legislative body for the Special Tax District, will
14 conduct a public hearing on the proposed debt issue and consider and finally determine
15 whether the public interest, convenience and necessity require the issuance of bonds and
16 other debt of the of the City on behalf of Improvement Area No. 1 and the Future Improvement
17 Areas; and, be it

18 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
19 to cause notice of the public hearing to be given by publication one time in a newspaper of
20 general circulation circulated within the Special Tax District, and the publication of the notice
21 shall be completed at least 7 days before the date specified above for the public hearing; the
22 notice shall be substantially in the form specified in Mello-Roos Act, Section 53346, with the
23 form summarizing the provisions hereof hereby specifically approved; and, be it

24 FURTHER RESOLVED, That this Board of Supervisors has reviewed and considered
25 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this

1 Resolution and incorporates the FEIR and the CEQA findings contained in Board of
2 Supervisors Resolution No. _____ by this reference; and, be it

3 FURTHER RESOLVED, That this Resolution shall in no way obligate this Board of
4 Supervisors to form the Special Tax District or to authorize the issuance of bonds or other
5 debt for the Special Tax District; issuance of the bonds and other debt shall be subject to the
6 approval of this Board of Supervisors by Resolution following the holding of the public hearing
7 referred to above; and, be it

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

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

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

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

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6 APPROVED AS TO FORM:
7 DAVID CHIU, City Attorney

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9 By: /s/ MARK D. BLAKE
10 Mark D. Blake
11 Deputy City Attorney
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