Resolution determining necessity to incur bonded indebtedness and other debt in an amount not to exceed $5,000,000,000 for the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island); and determining other matters in connection therewith.

WHEREAS, On December 6, 2016, pursuant to the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code ("Mello-Roos Act"), this Board of Supervisors ("Board of Supervisors") of the City and County of San Francisco ("City"), State of California, adopted a resolution entitled "Resolution of intention to establish City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future Annexation Area, and determining other matters in connection therewith" ("Resolution of Intention"), on file with the Clerk of the Board of Supervisors in File No. 161038, stating its intention to form (i) "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("CFD"), (ii) "Improvement Area No. 1 of the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 1") and (iii) a future annexation area for the CFD ("Future Annexation Area"); and

WHEREAS, Also in the Resolution of Intention, this Board of Supervisors determined that it may be necessary to designate additional improvement areas in the CFD as a result of the annexation of territory from the Future Annexation Area (each, a "Future Improvement Area" and together with Improvement Area No. 1, the "Improvement Areas"); and
WHEREAS, On December 6, 2016, this Board of Supervisors also adopted a resolution entitled “Resolution of intention to incur bonded indebtedness and other debt in an amount not to exceed $5.0 billion for the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) and determining other matters in connection therewith” (“Resolution of Intention to Incur Indebtedness”), on file with the Clerk of the Board of Supervisors in File No. 161039, stating its intention to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) within the boundaries of the CFD and the Improvement Areas for the purpose of financing the costs of certain facilities specified in the Resolution of Intention (“Facilities”); and

WHEREAS, This Board of Supervisors has held a noticed public hearing as required by the Mello-Roos Act about the determination to proceed with the formation of the CFD, Improvement Area No. 1 and the Future Annexation Area, the provision of the Facilities and certain public services by the CFD and the rate and method of apportionment of the special tax to be levied within Improvement Area No. 1 to pay the cost of the Facilities and the services, the principal and interest on the proposed bonded indebtedness in the Improvement Areas and the administrative costs of the City relative to the CFD; and

WHEREAS, Subsequent to the public hearing, this Board of Supervisors adopted a resolution entitled “Resolution of formation of City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island), Improvement Area No. 1 and a Future Annexation Area, and determining other matters in connection therewith” (“Resolution of Formation”), on file with the Clerk of the Board of Supervisors in File No. 161122; and

WHEREAS, This Board of Supervisors has also held a noticed public hearing as required by the Mello-Roos Act relative to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness; and
WHEREAS, No written protests with respect to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness have been filed with the Clerk of the Board of Supervisors; now, therefore, be it

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

FURTHER RESOLVED, That in order to finance the costs of the Facilities, including, but not limited to, the costs of issuing and selling bonds and incurring other debt to finance all or a portion of the Facilities and the costs of the City in establishing and administering the CFD, it is necessary for the City to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the following amounts:

(i) For Improvement Area No. 1, a not to exceed principal amount of $250 million ("Improvement Area No. 1 Indebtedness Limit"); and

(ii) For the portion of the CFD that is not in Improvement Area No. 1, a not to exceed principal amount of $4.75 billion ("Non-Improvement Area No. 1 Indebtedness Limit").

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

FURTHER RESOLVED, That the whole of Improvement Area No. 1 shall pay for the bonded indebtedness and other debt issued by the City for Improvement Area No. 1 through the levy of the special tax; and, be it
FURTHER RESOLVED, The tax shall be apportioned in accordance with the formula set forth in Exhibit B to the Resolution of Formation; and, be it

FURTHER RESOLVED, That the whole of each Future Improvement Area shall pay for the bonded indebtedness and other debt issued by the City for such Future Improvement Area through the levy of the special tax for such Future Improvement Area; and, be it

FURTHER RESOLVED, The special tax to be levied in a Future Improvement Area shall be apportioned in accordance with the rate and method of apportionment of special tax for such Future Improvement Area identified and approved in the Unanimous Approval executed by property owners in connection with the annexation of such Future Improvement Area to the CFD, and in accordance with the Annexation Approval Procedures described in the Resolution of Formation; and, be it

FURTHER RESOLVED, That, subject to voter approval, this Board of Supervisors, acting as legislative body for the CFD, is hereby authorized to issue and sell bonds and other debt (as defined in the Mello-Roos Act) for Improvement Area No. 1 in one or more series in the maximum aggregate principal amount of not to exceed the sum of the Improvement Area No. 1 Indebtedness Limit, bearing interest payable semi-annually or in such other manner as this Board of Supervisors shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such bonds and other debt, and maturing not to exceed 40 years from the date of the issuance of the bonds and other debt; and, be it

FURTHER RESOLVED, That the proposition of the City incurring the bonded indebtedness and other debt for Improvement Area No. 1 herein authorized shall be submitted to the qualified electors of Improvement Area No. 1 and shall be consolidated with elections on the proposition of levying special taxes within Improvement Area No. 1 and the establishment of an appropriations limit for Improvement Area No. 1 pursuant to Mello-Roos
Act Section 53353.5, and the time, place and further particulars and conditions of such
election shall be as specified by separate resolution of this Board of Supervisors; and, be it

FURTHER RESOLVED, That, subject to voter approval set forth in a Unanimous
Approval(s), this Board of Supervisors, acting as legislative body for the CFD, is hereby
authorized to issue and sell bonds and other debt (as defined in the Mello-Roos Act) for the
Future Improvement Areas in one or more series in the maximum aggregate principal amount
with respect to the Future Improvement Areas to be determined at the time of annexation (not
to exceed the Non-Improvement Area No. 1 Indebtedness Limit in the aggregate), bearing
interest payable semi-annually or in such other manner as this Board of Supervisors shall
determine, at a rate not to exceed the maximum rate of interest as may be authorized by
applicable law at the time of sale of each series of bonds and other debt, and maturing not to
exceed 40 years from the date of the issuance of the respective series of bonds and other
debt; and, be it

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

FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
are hereby authorized, for and in the name of and on behalf of the City, to do any and all
things and take any and all actions, including execution and delivery of any and all
documents, assignments, certificates, requisitions, agreements, notices, consents,
instruments of conveyance, warrants and documents, which they, or any of them, may deem
necessary or advisable in order to effectuate the purposes of this Resolution; provided
however that any such actions be solely intended to further the purposes of this Resolution,
and are subject in all respects to the terms of the Resolution; and, be it
FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
consistent with any documents presented herein, and heretofore taken are hereby ratified,
approved and confirmed by this Board of Supervisors; and, be it
FURTHER RESOLVED, That this Resolution shall take effect upon its enactment.
Enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution
unsigned or does not sign the resolution within ten days of receiving it, or the Board of
Supervisors overrides the Mayor's veto of the resolution.

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

By:
Mark D. Blake
Deputy City Attorney
Resolution determining necessity to incur bonded indebtedness and other debt in an amount not to exceed $5,000,000,000 for the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island); and determining other matters in connection therewith.

January 24, 2017 Board of Supervisors - ADOPTED
Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 161123

I hereby certify that the foregoing Resolution was ADOPTED on 1/24/2017 by the Board of Supervisors of the City and County of San Francisco.

Peggy Reece
Angela Calvillo
Clerk of the Board

2/3/2017
Date Approved