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

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

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

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

Mayor Breed; Supervisor Walton
BOARD OF SUPERVISORS
Page 1
WHEREAS, In the Resolution of Intention to Establish, this Board of Supervisors determined that it may be necessary to designate additional improvement areas when territory in the Future Annexation Area annexes into the Special Tax District (each, a "Future Improvement Area"); and

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

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

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

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

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

(i) For Improvement Area No. 1, an amount not to exceed $800,000,000 ("Improvement Area No. 1 Bonded Indebtedness Limit").
(ii) For the portion of the Special Tax District that is not in Improvement Area No. 1, an amount not to exceed $63,000,000 ("Non-Improvement Area No. 1 Bonded Indebtedness Limit"); and, be it

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

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

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

FURTHER RESOLVED, That the City hereby declares that it reasonably expects (i) to pay certain costs of the Facilities prior to the date of issuance of the bonded indebtedness and other debt and (ii) to use a portion of the proceeds of the bonded indebtedness and debt for
reimbursement of expenditures for the Facilities that are paid before the date of issuance of
the indebtedness; and, be it

FURTHER RESOLVED, That this Board of Supervisors, acting as legislative body for
the Special Tax District, intends to authorize the issuance and sale of bonds and other debt in
one or more series 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,
with respect to any bonded indebtedness, maturing not to exceed 40 years from the date of
the issuance of the bonds; and, be it

FURTHER RESOLVED, That March 8, 2022, at 3:00 p.m. or as soon as possible
thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place, San
Francisco, California, be, and the same are hereby appointed and fixed as the time and place
when and where this Board of Supervisors, as legislative body for the Special Tax District, will
conduct a public hearing on the proposed debt issue and consider and finally determine
whether the public interest, convenience and necessity require the issuance of bonds and
other debt of the of the City on behalf of Improvement Area No. 1 and the Future Improvement
Areas; and, be it

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

FURTHER RESOLVED, That this Board of Supervisors has reviewed and considered
the FEIR and finds that the FEIR is adequate for its use for the actions taken by this
Resolution and incorporates the FEIR and the CEQA findings contained in Board of
Supervisors Resolution No. _____ by this reference; and, be it

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

///

Mayor Breed; Supervisor Walton
BOARD OF SUPERVISORS
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 adoption.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

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

n:\financlas2021\2200255\01569114.docx
Resolution of intention to incur bonded indebtedness and other debt for the City and County of San Francisco Special Tax District No. 2022-1 (Power Station), and determining other matters in connection therewith, as defined herein.

January 12, 2022 Budget and Finance Committee - RECOMMENDED

January 25, 2022 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE
Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

January 25, 2022 Board of Supervisors - ADOPTED AS AMENDED
Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 1/25/2022 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

File Number: 211307

Date Passed: January 25, 2022

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