Resolution approving issuance of Bonds in an amount not to exceed $1,378,000,000 for Project Area I (Mission Rock), and Sub-Project Areas I-1 through I-13 therein, of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco); approving Indenture of Trust and Pledge Agreement; and approving other matters in connection therewith.

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

WHEREAS, Under Government Code Section 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 an infrastructure financing district; and

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

WHEREAS, On March 27, 2012, by Resolution No. 110-12 (Original Resolution of Intention to Establish IFD), the Board of Supervisors declared its intention to establish a waterfront district to be known as "City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco)" (IFD), and designated initial proposed project areas within the IFD; and
WHEREAS, On June 12, 2012, by Resolution No. 227-12 (First Amending Resolution), the Board of Supervisors amended the Initial Resolution of Intention to Establish IFD to propose, among other things, an amended list of project areas; and

WHEREAS, On November 17, 2015, by Resolution No. 421-15 (Second Amending Resolution, and together with the Original Resolution of Intention to Establish IFD and the First Amending Resolution, the Resolution of Intention to Establish IFD), this Board of Supervisors amended the Initial Resolution of Intention to Establish IFD as amended by the First Amending Resolution to propose, among other things, a further amended list of project areas; and

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

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

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

WHEREAS, On November 28, 2017, By Resolution No. 426-17 (Resolution of Intention to Establish Project Area I), the Board of Supervisors declared its intention to establish (i) “Project Area I (Mission Rock),” (ii) “Sub-Project Area I-1 (Mission Rock),” (iii) “Sub-Project Area I-2 (Mission Rock),” (iv) “Sub-Project Area I-3 (Mission Rock),” (v) “Sub-Project Area I-4 (Mission Rock),” (vi) “Sub-Project Area I-5 (Mission Rock),” (vii) “Sub-Project Area I-6 (Mission Rock).”
Rock),” (viii) “Sub-Project Area I-7 (Mission Rock),” (ix) “Sub-Project Area I-8 (Mission Rock),” (x) “Sub-Project Area I-9 (Mission Rock),” (xi) “Sub-Project Area I-10 (Mission Rock),” (xii) “Sub-Project Area I-11 (Mission Rock),” (xiii) “Sub-Project Area I-12 (Mission Rock),” and (xiv) “Sub-Project Area I-13 (Mission Rock)” (such sub-project areas collectively referred to herein as, the Sub-Project Areas of Project Area I), each a waterfront district; and

WHEREAS, Pursuant to the Resolution of Intention to Establish Project Area I, this Board of Supervisors directed the Executive Director to prepare Appendix I to the IFP, relating to the Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I, consistent with the requirements of the IFD Law; and

WHEREAS, On November 28, 2017, by Resolution No. 427-17 (Resolution of Intention to Issue Bonds), this Board of Supervisors declared its intention to issue one or more series of bonds payable from and secured by a pledge of available tax increment allocated to the IFD with respect to Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I and other sources identified by the Board of Supervisors for the purpose of financing the costs of the facilities specified in Appendix I with available tax increment allocated to the IFD with respect to Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I (Facilities), including acquisition and improvement costs and all costs incidental to or connected with the accomplishment of said purposes and of the financing thereof; and

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

WHEREAS, On February 13, 2018, this Board of Supervisors held a public hearing on the proposed establishment of Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I and Appendix I; and

WHEREAS, On the date hereof, the Board of Supervisors, by Ordinance No. 34-18, among other things, declared the IFD, including Project Area I (Mission Rock) and the Sub-
Project Areas of Project Area I, to be fully formed and established with full force and effect of law, and approved Appendix I, subject to amendment as permitted by the IFD Law; and

WHEREAS, The Board of Supervisors now wishes to provide for the issuance of the bonds to finance the Facilities; and

WHEREAS, There has been presented to this meeting a form of Indenture of Trust, by and between the IFD with respect to Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I (Indenture) and a corporate trustee to be identified in the future by the Director of the Office of Public Finance, that provides, among other things, for the issuance and administration of any bonds issued for the IFD with respect to Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I; and

WHEREAS, There has been presented to this meeting a form of Pledge Agreement, by and between the IFD with respect to Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I (Pledge Agreement), and a corporate trustee to be identified in the future by the Director of the Office of Public Finance, that provides, among other things, for the pledge of tax increment revenues allocated to the IFD with respect to of Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I to bonds issued for a special tax district that is formed by the Board of Supervisors to finance the Facilities; and

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

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

FURTHER RESOLVED, That pursuant to the IFD Law and this resolution, bonds designated the “City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) Sub-Project Area I (Mission Rock) Tax Increment Revenue Bonds” (Bonds)
in an aggregate principal amount not to exceed One Billion Three Hundred Seventy Eight Million Dollars ($1,378,000,000) are hereby authorized to be issued in or more series, with a series designation (such as "Series 2020 A") to be appended to the designation of the Bonds, provided however, the maximum aggregate principal amount does not include the principal amount of (A) any bonds issued for the sole purpose of refinancing the Bonds, funding a reserve fund for such refunding bonds and paying related costs of issuance and (B) any bonds issued for the sole purpose of refunding such refunding bonds, funding a reserve fund and paying related costs of issuance; and, be it

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

FURTHER RESOLVED, That the terms of the Bonds shall be as follows: (i) each Bond shall be dated its date of issuance, (ii) the maturity date of each Bond shall be a date not to exceed 30 years from the date of its issuance or such later date as is permitted by the IFD Law and approved by the Director of the Office of Public Finance, (iii) the Bonds shall be issued in denominations of $5,000 or any integral multiple of $5,000, (iv) the form of the Bonds shall be substantially the form attached hereto as Appendix A, (v) the Bonds shall be executed by the Mayor or his designee, (vi) the principal of and interest on the Bonds shall be payable in lawful money of the United States of America, (vii) the Bonds shall be registered
with the trustee or fiscal agent for the Bonds identified by the Director of the Office of Public
Finance and shall be payable at the principal office of or by check or wire of the trustee or
fiscal agent for the Bonds and (viii) the Bonds shall be subject to redemption prior to maturity
at the times and subject to the premiums approved by the Director of the Office of Public
Finance; and, be it

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

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

FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and directs
(i) each of the Mayor, the Controller, and the Director of the Office of Public Finance, or such
other official of the City as may be designated by such officials (each, an "Authorized Officer"),
to execute and deliver, and the Clerk of the Board of Supervisors is hereby authorized and
directed to attest to, the each Indenture in substantially the form on file with the Clerk of the
Board of Supervisors, together with such additions or changes as are approved by such
Authorized Officer upon consultation with the City Attorney and bond counsel, including such
additions or changes as are necessary or advisable to permit the timely issuance, sale and
delivery of the Bonds and the approval of such additions or changes shall be conclusively
evidenced by the execution and delivery by an Authorized Officer of the Indentures (or one or
more supplements thereto), and (ii) the Authorized Officers to name a trustee for the Bonds; and, be it

FURTHER RESOLVED, That (i) the Board of Supervisors hereby approves the form of the Pledge Agreement in substantially the form on file with the Clerk of the Board of Supervisors, (ii) each Authorized Officer is hereby authorized and directed to execute and deliver, and the Clerk of the Board of Supervisors is hereby authorized and directed to attest to, the Pledge Agreement in substantially the form on file with the Clerk of the Board of Supervisors, together with such additions or changes as are approved by such Authorized Officer upon consultation with the City Attorney and the City’s bond counsel, including such additions or changes as are necessary or advisable to permit the timely issuance, sale and delivery of the Bonds and the approval of such additions or changes shall be conclusively evidenced by the execution and delivery by an Authorized Officer of the Pledge Agreement (or one or more supplements thereto), and (iii) the terms and provisions of the Pledge Agreement, as executed, are incorporated herein by this reference as if fully set forth herein; and, be it

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

FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of
the City (including, but not limited to, the Mayor, the Controller, the Director of the Office of
Public Finance, the City Attorney, the Executive Director or such other official of the City as
may be designated by such officer (each, an "Authorized City Officer").) with respect to the
establishment of Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I,
and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the
appropriate officers of the City are hereby authorized and directed to do any and all things and
take any and all actions and execute any and all certificates, agreements and other
documents, which they, or any of them, may deem necessary or advisable in order to
consummate the transactions described in this Resolution; and, be it

FURTHER RESOLVED, All actions to be taken by an Authorized City Officer, as
defined herein, may be taken by such Authorized City Officer or any designee, with the same
force and effect as if taken by the Authorized City Officer; and, be it

FURTHER RESOLVED, That the Director of the Office of Public Finance and the City
Attorney, in consultation with bond counsel, are hereby authorized and directed to initiate a
judicial validation action with respect to Project Area I (Mission Rock) and the Sub-Project
Areas of Project Area I, the Indenture, the Pledge Agreement and the Bonds pursuant to
Code of Civil Procedure Section 860 et seq.; and, be it

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

DENNIS J. HERRERA
City Attorney

By: [Signature]

MARK D. BLAKE
Deputy City Attorney
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)  
Project Area I (Mission Rock)  
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 Project Area I (Mission Rock) and Sub-Project Area I-1 (Mission Rock), Sub-Project Area I-2 (Mission Rock), Sub-Project Area I-3 (Mission Rock), Sub-Project Area I-4 (Mission Rock), Sub-Project Area I-5 (Mission Rock), Sub-Project Area I-6 (Mission Rock), Sub-Project Area I-7 (Mission Rock), Sub-Project Area I-8 (Mission Rock), Sub-Project Area I-9 (Mission Rock), Sub-Project Area I-10 (Mission Rock), Sub-Project Area I-11 (Mission Rock), Sub-Project Area I-12 (Mission Rock), and Sub-Project Area I-13 (Mission Rock) therein (such sub-project areas, collectively, the "Sub-Project Areas of Project Area I"), 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) Project Area I (Mission Rock) 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 "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:

<table>
<thead>
<tr>
<th>Redemption Date</th>
<th>Redemption Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>[to come]</td>
<td></td>
</tr>
</tbody>
</table>

**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 | Principal Amount
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Redemption Date</td>
<td>Subject to Redemption</td>
</tr>
<tr>
<td>(1)</td>
<td></td>
</tr>
</tbody>
</table>

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 Project Area I (Mission Rock) and the Sub-Project Areas of Project Area I, has caused this Bond 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.

[SEAL]

____________________  __________________________
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

12/15/2017
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.
Resolution approving issuance of Bonds in an amount not to exceed $1,378,000,000 for Project Area I (Mission Rock), and Sub-Project Areas I-1 through 1-13 therein, of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco); approving Indenture of Trust and Pledge Agreement; and approving other matters in connection therewith.

January 23, 2018 Board of Supervisors - CONTINUED
Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

February 13, 2018 Board of Supervisors - ADOPTED
Ayes: 9 - Breed, Fewer, Kim, Peskin, Ronen, Sheehy, Stefani, Tang and Yee
Excused: 2 - Cohen and Safai

I hereby certify that the foregoing Resolution was ADOPTED on 2/13/2018 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mark E. Farrell
Mayor

Date Approved: 2/13/18