

1 [Authorizing Issuance of Special Tax Bonds - Improvement Area No. 2 of the City and County
2 of San Francisco Community Facilities District No. 2016-1 (Treasure Island) - Not to Exceed
3 \$25,130,000]

4 **Resolution authorizing the issuance and sale of one or more series of Special Tax**
5 **Bonds for City and County of San Francisco Community Facilities District No. 2016-1**
6 **(Treasure Island) with respect to its Improvement Area No. 2 in the aggregate principal**
7 **amount not to exceed \$25,130,000 approving related documents, including an Official**
8 **Statement, Fiscal Agent Agreement, Bond Purchase Agreement and Continuing**
9 **Disclosure Certificate, and determining other matters in connection therewith, as**
10 **defined herein.**

11
12 WHEREAS, This Board of Supervisors ("Board of Supervisors") of the City and County
13 of San Francisco ("City") previously conducted proceedings under and pursuant to the Mello-
14 Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of
15 Title 5 (commencing with Section 53311) of the California Government Code ("Act"), to form
16 (i) "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure
17 Island)" ("CFD"), (ii) an initial improvement area, designated "Improvement Area No. 1 of the
18 City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island)"
19 and (iii) "City and County of San Francisco Community Facilities District No. 2016-1 (Treasure
20 Island) (Future Annexation Area)" ("Future Annexation Area"); and

21 WHEREAS, Pursuant to Resolution No. 8-17, which was adopted by this Board of
22 Supervisors on January 24, 2017, and signed by the Mayor on February 3, 2017 ("Resolution
23 of Formation"), this Board of Supervisors provided for, among other things, (i) the financing of
24 certain public facilities ("Facilities") by the CFD and (ii) the annexation of parcels in the Future
25 Annexation Area to the CFD pursuant to a unanimous approval ("Unanimous Approval") of the

1 owner or owners of such parcels in accordance with certain "Annexation Approval
2 Procedures" specified in the Resolution of Formation; and

3 WHEREAS, In the Resolution of Formation, this Board of Supervisors provided that
4 property within the Future Annexation Area may be annexed into the CFD as its own
5 improvement area (a "Future Improvement Area") or to an existing improvement area; and

6 WHEREAS, On January 24, 2017, this Board of Supervisors also adopted its
7 Resolution No. 9-17, which was signed by the Mayor on February 3, 2017 ("Resolution of
8 Necessity"), determining the necessity to incur bonded indebtedness and other debt (as
9 defined in the Act) (i) in the maximum aggregate principal amount of \$250,000,000 upon the
10 security of the special tax to be levied within Improvement Area No. 1 pursuant to the Act and
11 (ii) in the aggregate principal amount of \$4,750,000,000 with respect to those portions of the
12 CFD that are not included in Improvement Area No. 1 ("Non-Improvement Area No. 1
13 Indebtedness Limit"); and

14 WHEREAS, In the Resolution of Necessity, this Board of Supervisors further provided
15 that in the event all or a portion of the Future Annexation Area is annexed as one or more
16 Future Improvement Areas, the maximum indebtedness of each such Future Improvement
17 Area shall be identified and approved in the Unanimous Approval of the property owners of
18 the property to be annexed at the time of the annexation, and the amount of the maximum
19 indebtedness for the Future Improvement Area shall be subtracted from the Non-Improvement
20 Area No. 1 Indebtedness Limit; and

21 WHEREAS, Pursuant to Resolution No. 410-20, which was adopted by the Board of
22 Supervisors on September 22, 2020, and signed by the Mayor on September 25, 2020, the
23 Board of Supervisors (i) confirmed that a Unanimous Approval was received which identifies,
24 specifies and approves the annexation of property from the Future Annexation Area to an
25 improvement area known as "Improvement Area No. 2 of the City and County of San

1 Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No.
2 2"), (ii) confirmed that the maximum aggregate principal amount of bonds and other debt for
3 Improvement Area No. 2 shall be \$278,200,000 and (iii) confirmed the rate and method of
4 apportionment of special tax for Improvement Area No. 2 as shown in Exhibit A to such
5 Resolution; and

6 WHEREAS, This Board of Supervisors now wishes to provide for the issuance
7 of one or more series of its Improvement Area No. 2 of the City and County of San Francisco
8 Community Facilities District No. 2016-1 (Treasure Island) Special Tax Bonds, Series 2021
9 ("2021 Bonds"), pursuant to a Fiscal Agent Agreement ("Fiscal Agent Agreement") by and
10 between the City, for and on behalf of the CFD, and a fiscal agent to be identified by the
11 Director of the Office of Public Finance ("Fiscal Agent"), and there have been submitted to this
12 Board of Supervisors documents described below providing for the issuance of the 2021
13 Bonds for the CFD with respect to Improvement Area No. 2 and the use of the proceeds of
14 those 2021 Bonds, and this Board of Supervisors has reviewed the documents and found
15 them to be in proper order; and

16 WHEREAS, There has also been submitted to this Board of Supervisors a form of
17 preliminary Official Statement in connection with the marketing and sale of the 2021 Bonds,
18 and this Board of Supervisors has reviewed the preliminary Official Statement ("Preliminary
19 Official Statement"); and

20 WHEREAS, In accordance with Government Code, Section 5852.1, this Board of
21 Supervisors has obtained and disclosed good faith estimates prepared by the City's municipal
22 advisor of (i) the true interest cost of the 2021 Bonds, (ii) the finance charge of the 2021
23 Bonds, (iii) the amount of proceeds received by the public body for sale of the 2021 Bonds
24 less the finance charge and any reserves or capitalized interest paid or funded with proceeds
25 of the 2021 Bonds, and (iv) the sum total of all payments the City will make to pay debt

1 service on the 2021 Bonds plus the finance charge of the 2021 Bonds not paid with the
2 proceeds of the 2021 Bonds; and

3 WHEREAS, All conditions, things and acts required to exist, to have happened and to
4 have been performed precedent to and in the issuance of the 2021 Bonds and the levy of the
5 special taxes as contemplated by this Resolution and the documents referred to herein exist,
6 have happened and have been performed in due time, form and manner as required by the
7 laws of the State of California, including the Act; now therefore be it

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

9 FURTHER RESOLVED, That pursuant to the Act, this Resolution and the Fiscal Agent
10 Agreement, the 2021 Bonds are hereby authorized to be issued in one or more series in the
11 aggregate principal amount not to exceed \$25,130,000; and, be it

12 FURTHER RESOLVED, That the 2021 Bonds shall be dated, bear interest at the rates,
13 mature on the dates, be issued in the form, be subject to redemption, and otherwise be issued
14 on the terms and conditions, all as set forth in the Fiscal Agent Agreement and in accordance
15 with this Resolution; provided, however, that the interest rate borne by each series of Bonds
16 shall not exceed the maximum rate permitted by law; the 2021 Bonds may be issued as tax-
17 exempt bonds or as taxable bonds; the Fiscal Agent, an Authorized Officer (as defined in this
18 Resolution) and other responsible officers of the City are hereby authorized and directed to
19 take such actions as are required to cause the delivery of the 2021 Bonds upon receipt of the
20 purchase price thereof; and, be it

21 FURTHER RESOLVED, That this Board of Supervisors hereby finds the following:

22 (i) The issuance of the 2021 Bonds is in compliance with the Act, the Fiscal Agent
23 Agreement and the City's "Amended and Restated Local Goals and Policies for Community
24 Facilities Districts and Special Tax Districts" adopted by this Board of Supervisors on
25 November 26, 2013, by Resolution No. 414-13, and signed by the Mayor on November 27,

1 2013 ("Goals and Policies"), and any inconsistency with the Goals and Policies is hereby
2 waived except as set forth herein.

3 (ii) The appraisal described in the Preliminary Official Statement has been prepared
4 consistent with the Goals and Policies.

5 (iii) The current draft of the appraisal described in the draft Preliminary Official
6 Statement ("Appraisal") concludes that the taxable property in Improvement Area No. 2 has a
7 market value (subject to the various assumptions and conditions set forth in the appraisal) that
8 would be at least three times the maximum authorized principal amount of the 2021 Bonds
9 approved pursuant to this Resolution and the principal amount of all other bonds outstanding
10 that are secured by a special tax levied pursuant to the Act on property within Improvement
11 Area No. 2 or a special assessment levied on property within Improvement Area No. 2; and,
12 be it

13 FURTHER RESOLVED, That the Mayor, the Controller and the Director of the Office of
14 Public Finance, or such other official of the City as may be designated by such officials (each,
15 an "Authorized Officer") is hereby authorized and directed to execute and deliver the
16 documents approved herein in substantially the form on file with the Clerk of the Board of
17 Supervisors, together with such additions or changes as are approved by such Authorized
18 Officer, including such additions or changes as are necessary or advisable to permit the timely
19 issuance, sale and delivery of the 2021 Bonds; the approval of such additions or changes
20 shall be conclusively evidenced by the execution and delivery by an Authorized Officer of the
21 documents herein specified; and, be it

22 FURTHER RESOLVED, That this Board of Supervisors hereby approves the Fiscal
23 Agent Agreement, in substantially the form on file with the Clerk of the Board of Supervisors.
24 The terms and provisions of the Fiscal Agent Agreement, as executed, are incorporated
25 herein by this reference as if fully set forth herein; an Authorized Officer is hereby authorized

1 and directed to execute the Fiscal Agent Agreement on behalf of the City, with such changes,
2 additions or deletions as may be approved by the Authorized Officer, and the Clerk of the
3 Board of Supervisors is hereby authorized and directed to attest thereto; and, be it

4 FURTHER RESOLVED, That this Board of Supervisors hereby approves the
5 Preliminary Official Statement prepared in connection with the 2021 Bonds in substantially the
6 form on file with the Clerk of this Board of Supervisors, together with any changes therein or
7 additions thereto deemed necessary or advisable by an Authorized Officer; subject to an
8 Authorized Officer deeming the Preliminary Official Statement "final" pursuant to Rule 15c2-12
9 under the Securities Exchange Act of 1934 ("Rule"), this Board of Supervisors hereby
10 approves and authorizes the distribution by the underwriter of the 2021 Bonds of the
11 Preliminary Official Statement to prospective purchasers of the 2021 Bonds, and authorizes
12 and directs an Authorized Officer on behalf of the City to deem the Preliminary Official
13 Statement "final" pursuant to the Rule prior to its distribution to prospective purchasers of the
14 2021 Bonds. The execution of the final Official Statement, which shall include 2021 Bond
15 pricing information, such other changes and additions thereto deemed advisable by an
16 Authorized Officer, and such information permitted to be excluded from the Preliminary Official
17 Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Official
18 Statement by the City; and, be it

19 FURTHER RESOLVED, That this Board of Supervisors hereby approves the form of
20 the Continuing Disclosure Certificate with respect to the 2021 Bonds in substantially the form
21 thereof attached to the Official Statement on file with the Clerk of the Board of Supervisors; an
22 Authorized Officer is hereby authorized and directed to complete and execute the Continuing
23 Disclosure Certificate on behalf of the City (for and on behalf of the CFD) with such changes,
24 additions or deletions as may be approved by the Authorized Officer; and, be it
25

1 FURTHER RESOLVED, That the Bond Purchase Agreement, between the City, for
2 and on behalf of the CFD with respect to Improvement Area No. 2, and Stifel, Nicolaus &
3 Company, Inc., on behalf of itself and RBC Capital Markets (collectively, the "Underwriter"), in
4 substantially the form on file with the Clerk of the Board of Supervisors and made a part
5 hereof as though set forth in full herein, is hereby approved by this Board of Supervisors; an
6 Authorized Officer is hereby authorized and directed to execute and deliver the Bond
7 Purchase Agreement in such form, together with such changes, insertions and omissions that
8 are approved by an Authorized Officer and that are in accordance with the provisions of this
9 Resolution, such execution to be conclusive evidence of such approval; subject to the
10 requirement that the Underwriter's discount on the purchase of the 2021 Bonds may not
11 exceed 1.50% of the par amount of the 2021 Bonds and the interest rate may not exceed the
12 rate specified herein; in addition, and pursuant to Section 53345.8 of the Act, this Board of
13 Supervisors hereby finds and determines that an Authorized Officer may not execute and
14 deliver the Bond Purchase Agreement unless the Appraisal concludes that the taxable
15 property in Improvement Area No. 2 has a market value (subject to the various assumptions
16 and conditions set forth in the Appraisal) that is at least three times the principal amount of the
17 2021 Bonds to be sold and the principal amount of all other bonds outstanding that are
18 secured by a special tax levied pursuant to the Act on property within Improvement Area No. 2
19 or a special assessment levied on property within the Improvement Area No. 2; this Board of
20 Supervisors hereby approves the negotiated sale of the 2021 Bonds to the Underwriter
21 pursuant to such Bond Purchase Agreement; and, be it

22 FURTHER RESOLVED, That this Board of Supervisors hereby finds that sale of the
23 2021 Bonds to the Underwriter at a negotiated sale pursuant to the Bond Purchase
24 Agreement will result in a lower overall cost than would be achieved by selling the 2021
25 Bonds at a public sale utilizing competitive bidding; and, be it

1 FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of
2 the City with respect to the establishment of the CFD, the Future Annexation Area and
3 Improvement Area No. 2, the performance by the City and the Treasure Island Development
4 Authority of the Financing Plan (as defined in the Resolution of Formation), and the sale and
5 issuance of the 2021 Bonds are hereby approved, confirmed and ratified, and the appropriate
6 officers of the City are hereby authorized and directed to do any and all things and take any
7 and all actions and execute any and all certificates, agreements (including, but not limited to,
8 any agreement with a third-party trustee to administer special taxes levied in one or more
9 improvement areas in the CFD in accordance with the Financing Plan) and other documents,
10 which they, or any of them, may deem necessary or advisable in order to ensure the
11 performance by the City and the Treasure Island Development Authority of the Financing Plan
12 or to consummate the lawful issuance and delivery of the 2021 Bonds in accordance with this
13 resolution, and any certificate, agreement, and other document described in the documents
14 herein approved; all actions to be taken by an Authorized Officer, as defined herein, may be
15 taken by such Authorized Officer or any designee, with the same force and effect as if taken
16 by the Authorized Officer; any such actions are solely intended to further the purposes of this
17 Resolution, and are subject in all respects to the terms of this Resolution; no such actions
18 shall increase the risk to the City or require the City to spend any resources not otherwise
19 granted herein; final versions of any such documents shall be provided to the Clerk of the
20 Board of Supervisors for inclusion in the official file within 30 days (or as soon thereafter as
21 final documents are available) of execution by all parties; and, be it

22 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
23 word of this Resolution, or any application thereof to any person or circumstance, is held to be
24 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
25 shall not affect the validity of the remaining portions or applications of this Resolution, this

1 Board hereby declaring that it would have passed this Resolution and each and every section,
2 subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional
3 without regard to whether any other portion of this Resolution or application thereof would be
4 subsequently declared invalid or unconstitutional; and, be it

5 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
6 consistent with any documents presented herein, and heretofore taken are hereby ratified,
7 approved and confirmed by this Board; and, be it

8 FURTHER RESOLVED, That this Resolution shall take effect from and after its
9 adoption; the provisions of any previous resolutions in any way inconsistent with the
10 provisions hereof in and for the issuance of the 2021 Bonds as herein described are hereby
11 repealed.

12
13 APPROVED AS TO FORM:

14 DENNIS J. HERRERA
15 City Attorney

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

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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 211054

Date Passed: October 26, 2021

Resolution authorizing the issuance and sale of one or more series of Special Tax Bonds for City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) with respect to its Improvement Area No. 2 in the aggregate principal amount not to exceed \$25,130,000 approving related documents, including an Official Statement, Fiscal Agent Agreement, Bond Purchase Agreement, and Continuing Disclosure Certificate, and determining other matters in connection therewith, as defined herein.

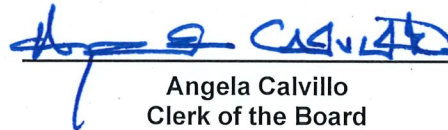
October 20, 2021 Budget and Finance Committee - RECOMMENDED


October 26, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 211054

I hereby certify that the foregoing Resolution was ADOPTED on 10/26/2021 by the Board of Supervisors of the City and County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor

11/5/21

Date Approved