[Resolution of Intention - Incurring Bonded Indebtedness and Other Debt for Pier 70 Leased Properties Tax District No. 2019-2 - Not to Exceed $1,841,600,000]

Resolution declaring the intention to incur bonded indebtedness and other debt in an aggregate principal amount not to exceed $1,841,600,000 for the City and County of San Francisco Special Tax District No. 2019-2 (Pier 70 Leased Properties); and determining other matters in connection therewith, as defined herein.

WHEREAS, California Statutes of 1968, Chapter 1333 ("Burton Act") and San Francisco Charter, Section 4.114 and Appendix B, beginning at Section B3.581, empower the City and County of San Francisco ("City"), acting through the San Francisco Port Commission ("Port Commission" or "Port"), with the power and duty to use, conduct, operate, maintain, manage, regulate, and control the lands within Port jurisdiction; and

WHEREAS, FC Pier 70, LLC, a Delaware limited liability company ("Master Developer") and the City, acting by and through the Port, are parties to a Disposition and Development Agreement ("DDA"), including a Financing Plan ("Financing Plan"), that governs the disposition and development of approximately 28 acres of land in the waterfront area of the City known as Pier 70 ("Project Site"); and

WHEREAS, In the general election held on November 4, 2014, an initiative entitled, "Union Iron Works Historic District Housing, Waterfront Parks, Jobs and Preservation Initiative" ("Proposition F"), was approved by the voters in the City; and

WHEREAS, The DDA contemplates a project ("Project") under which the Port would initially lease the Project Site to the Master Developer for infrastructure development, and, ultimately, lease and sell parcels in the Project Site to vertical developers, for development of a mixed-use project described in the DDA; and
WHEREAS, The City anticipates that, in addition to the public infrastructure and private
development described above, future improvements will be necessary to ensure that the
shoreline, public facilities, and public access improvements will be protected should sea level
rise in the vicinity of the Project Site, and the Board of Supervisors of the City ("Board of
Supervisors") desires to provide a mechanism to pay for the costs of such improvements; and

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, as amended ("Mello-Roos Act"), this Board of
Supervisors has this date adopted its "Resolution of Intention to establish City and County of
San Francisco Special Tax District No. 2019-2 (Pier 70 Leased Properties) and a Future
Annexation Area, determining other matters in connection therewith and making findings
under the California Environmental Quality Act" ("Resolution of Intention to Establish"), stating
its intention to form (i) "City and County of San Francisco Special Tax District No. 2019-2 (Pier
70 Leased Properties)" ("Special Tax District") and (ii) a future annexation area for the Special
Tax District ("Future Annexation Area") for the purpose of financing the costs of certain
improvements ("Facilities"), services and incidental expenses, 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 the Project Site,
and those findings are incorporated in this Resolution as if set forth in their entirety herein;
and

WHEREAS, This Board of Supervisors estimates the amount required for the financing
of the costs of the Facilities and incidental expenses in the territory of the Special Tax District
and the Future Annexation Area to be the sum of not to exceed $1,841,600,000; and
WHEREAS, In order to finance the costs of the Facilities and incidental expenses it is necessary to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the amount of not to exceed $1,841,600,000 ("Limit") on behalf of the Special Tax District; and

WHEREAS, Such debt may include an agreement by the Special Tax District (or the City on behalf of the Special Tax District) to repay the City, acting by and through the Port, for one or more advances of land proceeds and other sources of Port funding to pay the costs of the Facilities and incidental expenses ("Advances"), which repayment obligation ("Repayment Obligation") may be evidenced by a promissory note ratified or executed by the Special Tax District (or the City on behalf of the Special Tax District) in favor of the Port; now, therefore, be it

RESOLVED, That in order to finance the costs of the Facilities and incidental expenses, it is necessary for the City to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in one or more series in an aggregate amount not to exceed the Limit; 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 incidental expenses; 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 in the maximum aggregate principal amount of not to exceed the 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 later than 40 years from the date of the issuance of the bonds and other debt; and, be it
FURTHER RESOLVED, That because the City expects to repay the Repayment Obligation from, among other sources, special taxes levied in the Special Tax District and proceeds of bonded indebtedness and other debt incurred by or on behalf of the Special Tax District, the Board of Supervisors hereby determines that (i) the Repayment Obligation shall be included in the calculation of the Limit and (ii) any such bonded indebtedness or other debt (as defined in the Mello-Roos Act) incurred by or on behalf of the Special Tax District to repay the Repayment Obligation (and the related costs of issuance and costs of funding a debt service reserve fund) shall not be included in the calculation of the Limit; and, be it

FURTHER RESOLVED, That January 14, 2020, at 3:00 p.m. or as soon as possible thereafter, and the Board of Supervisors Chamber, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, are hereby fixed as the time and place when and where this Board of Supervisors, as the 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 the Special Tax District; 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 seven (7) days before the date specified above for the public hearing, and such 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 notwithstanding the foregoing, because of the complexity associated with the project and the financing plan described in the Resolution of Intention to Establish, the Board of Supervisors hereby authorizes the Clerk of the Board of Supervisors to
determine that the public hearing should be held on a later date or time and to cause notice of
such later date or time to be given by publication one time in a newspaper published in the
area of the Special Tax District and the Future Annexation Area; and, be it

FURTHER RESOLVED, That this Board of Supervisors hereby waives any provisions
of the Amended and Restated Local Goals and Policies for Community Facilities Districts and
Special Tax Districts ("Goals and Policies") adopted by this Board of Supervisors by
Resolution No. 414-13 to the extent the Goals and Policies are inconsistent with the
provisions hereof or the DDA; and, be it

FURTHER RESOLVED, That this Resolution shall in no way obligate the 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 Controller's
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 adoption.

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

By:

Mark D. Blake
Deputy City Attorney

Mayor Breed; Supervisor Walton
BOARD OF SUPERVISORS
Resolution declaring the intention to incur bonded indebtedness and other debt in an aggregate principal amount not to exceed $1,841,600,000 for the City and County of San Francisco Special Tax District No. 2019-2 (Pier 70 Leased Properties); and determining other matters in connection therewith, as defined herein.

November 13, 2019 Government Audit and Oversight Committee - RECOMMENDED

November 19, 2019 Board of Supervisors - ADOPTED

Ayes: 11 - Brown, Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 11/19/2019 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

11/27/19