

1 [Authorizing the Issuance of Special Tax Bonds - Community Facilities District No. 2014-1  
2 (Transbay Transit Center) - Not to Exceed \$90,000,000]

3 **Resolution authorizing the issuance and sale of one or more series of Special Tax**  
4 **Bonds for City and County of San Francisco Community Facilities District No. 2014-1**  
5 **(Transbay Transit Center) in the aggregate principal amount not to exceed \$90,000,000**  
6 **approving related documents, including an Official Statement, Second Supplement to**  
7 **Fiscal Agent Agreement, Bond Purchase Agreement and Continuing Disclosure**  
8 **Undertaking, and determining other matters in connection therewith, as defined herein.**  
9

10 WHEREAS, On September 23, 2009, this Board of Supervisors considered and  
11 adopted "Local Goals and Policies for Community Facilities Districts and Special Tax Districts"  
12 ("Goals and Policies"), which Goals and Policies, among other things, relate to the formation  
13 of community facilities districts under the Mello-Roos Community Facilities Act of 1982, as  
14 amended, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with  
15 Section 53311) of the California Government Code ("Mello-Roos Act"); and

16 WHEREAS, On September 23, 2014, the Board of Supervisors considered and  
17 adopted Resolution No. 350-14, entitled "Resolution of formation of City and County of San  
18 Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) and determining  
19 other matters in connection therewith" ("Resolution of Formation"), which Resolution of  
20 Formation ordered the formation of the "City and County of San Francisco Community  
21 Facilities District No. 2014-1 (Transbay Transit Center)" ("CFD") and the "City and County of  
22 San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) (Future  
23 Annexation Area)" ("Future Annexation Area"), authorized the levy of special taxes upon the  
24 land within the CFD and authorized the issuance of bonds and other debt (as defined in the  
25 Mello-Roos Act) secured by said special taxes for the purpose of financing certain public

1 improvements ("Facilities"), all as described in those proceedings and all pursuant to the  
2 Mello-Roos Act; and

3 WHEREAS, In the Resolution of Formation, this Board of Supervisors resolved that  
4 parcels within the Future Annexation Area shall be annexed to the CFD only with the  
5 unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or  
6 parcels at the time that parcel or those parcels are annexed, without any requirement for  
7 further public hearings or additional proceedings; and

8 WHEREAS, Pursuant to Resolution No. 2-15, which was approved by the Board of  
9 Supervisors on January 13, 2015, and signed by the Mayor on January 20, 2015 ("Original  
10 Resolution of Issuance"), the Board of Supervisors authorized the issuance of up  
11 to \$1,400,000,000 of bonded indebtedness and other debt on behalf of the CFD; and

12 WHEREAS, In the Original Resolution of Issuance, the Board of Supervisors approved  
13 the form of a fiscal agent agreement and directed the Director of the Office of Public Finance  
14 ("Director") to return to the Board of Supervisors with a recommendation as to the method for  
15 selling one or more series of the bonds, whether competitive or negotiated, and for approval  
16 of all related sales documentation; and

17 WHEREAS, Pursuant to Resolution No. 247-17, which was approved by the Board of  
18 Supervisors on June 13, 2017, and signed by the Mayor on June 22, 2017 ("First  
19 Supplemental Resolution of Issuance"), and a Fiscal Agent Agreement, dated as of  
20 November 1, 2017 ("Master Fiscal Agent Agreement"), by and between the City and Zions  
21 Bancorporation, National Association (formerly known as Zions Bank, a Division of ZB,  
22 National Association) ("Fiscal Agent"), the Board of Supervisors previously issued the  
23 following special tax bonds on behalf of the CFD ("2017 Bonds"): City and County of San  
24 Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) Special Tax  
25 Bonds, Series 2017A (Federally Taxable) and City and County of San Francisco Community

1 Facilities District No. 2014-1 (Transbay Transit Center) Special Tax Bonds, Series 2017B  
2 (Federally Taxable - Green Bonds); and

3 WHEREAS, Under the Original Resolution of Issuance as supplemented by Resolution  
4 No. 419-18 ( "Second Supplemental Resolution of Issuance"), and the Master Fiscal Agent  
5 Agreement, as supplemented by a First Supplement to Fiscal Agent Agreement, dated as of  
6 February 1, 2019 ( "First Supplement to Fiscal Agent Agreement"), the Board of Supervisors  
7 subsequently issued the following special tax bonds on behalf of the CFD ("2019 Bonds"): City  
8 and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit  
9 Center) Special Tax Bonds, Series 2019A (Federally Taxable), and City and County of San  
10 Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) Special Tax  
11 Bonds, Series 2019B (Federally Taxable - Green Bonds); and

12 WHEREAS, This Board of Supervisors now wishes to further supplement the original  
13 Resolution of Issuance to provide for the issuance of one or more additional series of special  
14 tax bonds on a parity basis with the 2017 Bonds and the 2019 Bonds to finance a portion of  
15 the Facilities and related costs and expenses; and

16 WHEREAS, There has been submitted to this Board of Supervisors a form of a Second  
17 Supplement to the Fiscal Agent Agreement between the City and the Fiscal Agent ("Second  
18 Supplement"; together with the Master Fiscal Agent Agreement and the First Supplement,  
19 "Fiscal Agent Agreement"), which supplements the Master Fiscal Agent Agreement for the  
20 purposes of issuing one or more additional series of special tax bonds, and this Board of  
21 Supervisors has reviewed the Second Supplement and found it to be in proper order; and

22 WHEREAS, There has also been submitted to this Board of Supervisors a form of  
23 preliminary Official Statement in connection with the marketing of such bonds and this Board  
24 of Supervisors has reviewed the preliminary Official Statement to assure disclosure of all  
25 material facts relating to such bonds; and

1 WHEREAS, The Board of Supervisors has obtained and disclosed in the staff report for  
2 this matter the information required to be disclosed by Government Code, Section 5852.1;  
3 and

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

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

10 FURTHER RESOLVED, That pursuant to the Mello-Roos Act, this Resolution and the  
11 Fiscal Agent Agreement, one or more series of special tax bonds, in an aggregate principal  
12 amount not to exceed \$90,000,000, are hereby authorized to be issued (collectively, "Bonds");  
13 and, be it

14 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the issuance  
15 of the Bonds is in compliance with the Mello-Roos Act and applicable provisions of the Goals  
16 and Policies; more specifically, this Board of Supervisors hereby makes the following  
17 determinations:

18 (i) The rate and method of apportionment of special taxes for the District is in  
19 compliance with the Goals and Policies.

20 (ii) Section 53345.8 of the Mello-Roos Act requires, with certain exceptions, that  
21 the value of the real property subject to special taxes levied in the CFD must be at least  
22 three times the principal amount of the Bonds and the principal amount of all other  
23 bonds that will be outstanding following issuance of the Bonds that are secured by a  
24 special tax levied pursuant to the Mello-Roos Act on property within the CFD or a  
25 special assessment levied on property within the CFD, and this Board of Supervisors

1 hereby determines that the assessed value of the property within the CFD is at least  
2 three times (i) the maximum initial principal amount of the Bonds authorized by this  
3 Resolution and (ii) the outstanding principal amount of all other outstanding bonds that  
4 are secured by a special tax or special assessment levied on property within the CFD;  
5 and, be it

6 FURTHER RESOLVED, That the Board of Supervisors hereby approves the form of  
7 the Second Supplement, in substantially the form on file with the Clerk of the Board of  
8 Supervisors; each of the Mayor, the Controller and the Director of the Office of Public  
9 Finance, or such other official of the City as may be designated by such officials (each, an  
10 "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the Clerk  
11 of the Board of Supervisors is hereby authorized and directed to attest to, the Second  
12 Supplement in substantially the form on file with the Clerk of the Board of Supervisors,  
13 together with such additions or changes as are approved by such Authorized Officer upon  
14 consultation with the City Attorney and the City's bond counsel, including such additions or  
15 changes as are necessary or advisable to permit the timely issuance, sale and delivery of the  
16 Bonds; the approval of such additions or changes shall be conclusively evidenced by the  
17 execution and delivery by an Authorized Officer of the Second Supplement; the proceeds of  
18 the Bonds shall be used as set forth in the Fiscal Agent Agreement; the terms and provisions  
19 of the Second Supplement, as executed, are incorporated herein by this reference as if fully  
20 set forth herein; and, be it

21 FURTHER RESOLVED, That this Board of Supervisors hereby approves the Official  
22 Statement prepared in connection with the Bonds in the form on file with the Clerk of the  
23 Board of Supervisors, together with any changes therein or additions thereto deemed  
24 advisable by an Authorized Officer after consultation with the City's disclosure counsel; the  
25 Board hereby approves and authorizes the distribution by the Underwriter (defined below) of

1 the Bonds of the preliminary Official Statement to prospective purchasers of the Bonds, and  
2 authorizes and directs an Authorized Officer on behalf of the City to deem the preliminary  
3 Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934  
4 ("Rule") prior to its distribution to prospective purchasers of the Bonds; the execution of the  
5 final Official Statement, which shall include then current financial information regarding the  
6 CFD and such other changes and additions thereto deemed advisable by an Authorized  
7 Officer and such information permitted to be excluded from the preliminary Official Statement  
8 pursuant to the Rule, shall be conclusive evidence of the approval of the Official Statement by  
9 the City; and, be it

10 FURTHER RESOLVED, That this Board of Supervisors hereby approves the form of  
11 the continuing disclosure undertaking ("Continuing Disclosure Undertaking") with respect to  
12 the Bonds in the form thereof attached to the Official Statement on file with the Clerk of the  
13 Board of Supervisors; an Authorized Officer is hereby authorized and directed to complete  
14 and execute the Continuing Disclosure Undertaking on behalf of the City with such changes,  
15 additions or deletions as may be approved by the Authorized Officer in consultation with the  
16 City's disclosure counsel; and, be it

17 FURTHER RESOLVED, That the form of the Bond Purchase Agreement ("Purchase  
18 Contract") providing for the sale of the Bonds by the City to Stifel, Nicolaus & Company,  
19 Incorporated, Citigroup Global Markets Inc., Stinson Securities, LLC and any other investment  
20 banking firms identified by the Director of the Office of Public Finance, as underwriters  
21 (collectively, "Underwriter"), on file with the Clerk of the Board is hereby approved and each of  
22 the Authorized Officers is hereby authorized to execute the Purchase Contract in the form so  
23 approved, with such additions thereto and changes therein as are necessary to conform the  
24 Purchase Contract to the dates, amounts and interest rates applicable to the Bonds as of the  
25 sale date or as are approved by an Authorized Officer upon consultation with the City Attorney

1 and the City's bond counsel; provided that the interest rate borne by each series of Bonds  
2 shall not exceed the maximum rate permitted by law and the maximum amount of  
3 Underwriter's discount on the sale of each series of Bonds may not exceed 1.0% of the par  
4 amount of such series of Bonds; approval of such additions and changes shall be conclusively  
5 evidenced by the execution and delivery of the Purchase Contract by an Authorized Officer;  
6 this Board of Supervisors hereby finds that sale of the Bonds to the Underwriter at a  
7 negotiated sale pursuant to the Purchase Contract will result in a lower overall cost than  
8 would be achieved by selling the Bonds utilizing competitive bidding; and, be it

9 FURTHER RESOLVED, That the Bonds shall be prepared, executed and delivered to  
10 the Fiscal Agent for authentication, all in accordance with the terms of the Fiscal Agent  
11 Agreement and the Purchase Contract; the Fiscal Agent, an Authorized Officer and other  
12 responsible officers of the City are hereby authorized and directed to take such actions as are  
13 required to cause the delivery of the Bonds upon receipt of the purchase price thereof; and,  
14 be it

15 FURTHER RESOLVED, That the Director of the Office of Public Finance is hereby  
16 authorized to determine, after consultation with the City's bond counsel, municipal advisors  
17 and the Underwriter, (i) the name of the Bonds, (ii) whether all or a portion of one or more  
18 series of Bonds shall be designated as "green bonds," (iii) the final principal amount of each  
19 series of the Bonds and (iv) whether each series of the Bonds will be issued as tax-exempt or  
20 taxable bonds; and, be it

21 FURTHER RESOLVED, That the Director of the Office of Public Finance is hereby  
22 directed, from time to time in her discretion, to cause to be recorded one or more consolidated  
23 maps of the CFD reflecting all prior modifications, amendments, and annexations pursuant to  
24 Section 3113.5 of the Streets & Highways Code; and, be it  
25

1           FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of  
2 the City (including, but not limited to, the Authorized Officers) with respect to the  
3 establishment of the CFD, the annexation of properties to the CFD, the levy of the special tax  
4 and the issuance of the Bonds are hereby approved, confirmed and ratified, and the  
5 appropriate officers of the City are hereby authorized and directed to do any and all things and  
6 take any and all actions and execute any and all certificates, agreements and other  
7 documents, which they, or any of them, may deem necessary or advisable in order to  
8 accomplish the purposes of this Resolution and consummate the lawful issuance and delivery  
9 of the Bonds in accordance with this Resolution, any determination authorized by this  
10 Resolution, and any certificate, agreement, and other document described in the documents  
11 herein approved. All actions to be taken by an Authorized Officer, as defined herein, may be  
12 taken by such Authorized Officer or any designee, with the same force and effect as if taken  
13 by the Authorized Officer; and, be it

14           FURTHER RESOLVED, That this Resolution shall take effect upon its adoption.  
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16 APPROVED AS TO FORM:  
17 DENNIS J. HERRERA, City Attorney  
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19 By: \_\_\_\_\_

20       Mark D. Blake  
21       Deputy City Attorney

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