

1 [Special Tax Bonds - Community Facilities District No. 2014-1 (Transbay Transit Center)--Not
2 Exceeding \$35,000,000]

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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. 2014-1**
6 **(Transbay Transit Center) in the aggregate principal amount not to exceed \$35,000,000,**
7 **approving related documents, including an Official Statement, Third Supplement to**
8 **Fiscal Agent Agreement, Bond Purchase Agreement and Continuing Disclosure**
9 **Undertaking, and determining other matters in connection therewith.**

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11 WHEREAS, On September 23, 2009, the Board of Supervisors considered and
12 adopted "Local Goals and Policies for Community Facilities Districts and Special Tax Districts"
13 ("Goals and Policies"), which Goals and Policies, among other things, relate to the formation
14 of community facilities districts under the Mello-Roos Community Facilities Act of 1982, as
15 amended, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section
16 53311) of the California Government Code ("Mello-Roos Act"); and

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

1 defined in the Mello-Roos Act) secured by said special taxes for the purpose of financing
2 certain public improvements (“Facilities”), all as described in those proceedings and all
3 pursuant to the Mello-Roos Act; and

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

9 WHEREAS, Pursuant to Resolution No. 2-15, which was approved by the Board of
10 Supervisors on January 13, 2015 and signed by the Mayor on January 20, 2015 (“Original
11 Resolution of Issuance”), the Board of Supervisors authorized the issuance of up to
12 \$1,400,000,000 of bonded indebtedness and other debt on behalf of the CFD; and

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

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

1 Tax Bonds, Series 2017A (Federally Taxable) and City and County of San Francisco
2 Community Facilities District No. 2014-1 (Transbay Transit Center) Special Tax Bonds, Series
3 2017B (Federally Taxable - Green Bonds); and

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

13 WHEREAS, Under the Original Resolution of Issuance as supplemented by Resolution
14 No. 172-20 ("Third Supplemental Resolution of Issuance"), and the Master Fiscal Agent
15 Agreement, as supplemented by a Second Supplement to Fiscal Agent Agreement, dated as
16 of May 1, 2020 ("Second Supplement to Fiscal Agent Agreement"), the Board of Supervisors
17 subsequently issued the following special tax bonds on behalf of the CFD ("2020 Bonds"): City
18 and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit
19 Center) Special Tax Bonds, Series 2020B (Federally Taxable - Green Bonds); and

20 WHEREAS, The Board of Supervisors now wishes to further supplement the Original
21 Resolution of Issuance to provide for the issuance of one or more additional series of special
22 tax bonds on a parity basis with the 2017 Bonds, the 2019 Bonds and the 2020 Bonds to
23 finance a portion of the Facilities and related costs and expenses; and

24 WHEREAS, There has been submitted to this Board of Supervisors a form of a Third
25 Supplement to the Fiscal Agent Agreement between the City and the Fiscal Agent ("Third

1 Supplement”; together with the Master Fiscal Agent Agreement, the First Supplement and the
2 Second Supplement, the “Fiscal Agent Agreement”), which supplements the Master Fiscal
3 Agent Agreement for the purposes of issuing one or more additional series of special tax
4 bonds, and this Board of Supervisors with the aid of its staff has reviewed the Third
5 Supplement and found it to be in proper order; and

6 WHEREAS, There has also been submitted to this Board of Supervisors a form of
7 Preliminary Official Statement in connection with the marketing of such bonds and this Board
8 of Supervisors, with the aid of its staff, has reviewed the Preliminary Official Statement to
9 assure disclosure of all material facts relating to such bonds; and

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

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

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

18 FURTHER RESOLVED, That pursuant to the Mello-Roos Act, this Resolution and the
19 Fiscal Agent Agreement, one or more series of special tax bonds, in an aggregate principal
20 amount not to exceed \$35,000,000, are hereby authorized to be issued (collectively, “Bonds”);
21 and, be it

22 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the issuance
23 of the Bonds is in compliance with the Mello-Roos Act and applicable provisions of the Goals
24 and Policies. More specifically, this Board of Supervisors hereby makes the following
25 determinations:

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

3 (ii) Section 53345.8 of the Mello-Roos Act requires, with certain exceptions, that
4 the value of the real property subject to special taxes levied in the CFD must be at least
5 three times the principal amount of the Bonds and the principal amount of all other
6 bonds that will be outstanding following issuance of the Bonds that are secured by a
7 special tax levied pursuant to the Mello-Roos Act on property within the CFD or a
8 special assessment levied on property within the CFD, and this Board of Supervisors
9 hereby determines that the assessed value of the property within the CFD is at least
10 three times (i) the maximum initial principal amount of the Bonds authorized by this
11 Resolution and (ii) the outstanding principal amount of all other outstanding bonds that
12 are secured by a special tax or special assessment levied on property within the CFD;
13 and, be it

14 FURTHER RESOLVED, That the Board of Supervisors hereby approves the form of
15 the Third Supplement, in substantially the form on file with the Clerk of the Board of
16 Supervisors in File No. _____. Each of the Mayor, the Controller and the Director of the
17 Office of Public Finance, or such other official of the City as may be designated by such
18 officials (each, an "Authorized Officer"), is hereby authorized and directed to execute and
19 deliver, and the Clerk of the Board of Supervisors is hereby authorized and directed to attest
20 to, the Third Supplement in substantially the form on file with the Clerk of the Board of
21 Supervisors in File No. _____, together with such additions or changes as are approved
22 by such Authorized Officer upon consultation with the City Attorney and the City's co-bond
23 counsel, including such additions or changes as are necessary or advisable to permit the
24 timely issuance, sale and delivery of the Bonds. The approval of such additions or changes
25 shall be conclusively evidenced by the execution and delivery by an Authorized Officer of the

1 Third Supplement. The proceeds of the Bonds shall be used as set forth in the Fiscal Agent
2 Agreement. The terms and provisions of the Third Supplement, as executed, are incorporated
3 herein by this reference as if fully set forth herein; and, be it

4 FURTHER RESOLVED, That this Board of Supervisors hereby approves the Official
5 Statement prepared in connection with the Bonds in the form on file with the Clerk of the
6 Board of Supervisors in File No. _____, together with any changes therein or additions
7 thereto deemed advisable by an Authorized Officer after consultation with the City's disclosure
8 counsel. The Board hereby approves and authorizes the distribution by the Underwriter
9 (defined below) of the Bonds of the Preliminary Official Statement to prospective purchasers
10 of the Bonds, and authorizes and directs an Authorized Officer on behalf of the City to deem
11 the Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities
12 Exchange Act of 1934 ("Rule") prior to its distribution to prospective purchasers of the Bonds.
13 The execution of the final Official Statement, which shall include then current financial
14 information regarding the CFD and such other changes and additions thereto deemed
15 advisable by an Authorized Officer and such information permitted to be excluded from the
16 Preliminary Official Statement pursuant to the Rule, shall be conclusive evidence of the
17 approval of the Official Statement by the City; and, be it

18 FURTHER RESOLVED, That this Board of Supervisors hereby approves the form of
19 the continuing disclosure undertaking ("Continuing Disclosure Undertaking") with respect to
20 the Bonds in the form thereof attached to the Official Statement on file with the Clerk of the
21 Board of Supervisors in File No. _____. An Authorized Officer is hereby authorized and
22 directed to complete and execute the Continuing Disclosure Undertaking on behalf of the City
23 with such changes, additions or deletions as may be approved by the Authorized Officer in
24 consultation with the City's disclosure counsel; and, be it

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1 FURTHER RESOLVED, That the form of the Bond Purchase Agreement ("Purchase
2 Contract") providing for the sale of the Bonds by the City to Stifel Nicolaus & Company, Inc.
3 and Piper Sandler & Company and any other investment banking firms identified by the
4 Director of the Office of Public Finance, as underwriters (collectively, "Underwriter"), on file
5 with the Clerk of the Board in File No. _____ is hereby approved and each of the
6 Authorized Officers is hereby authorized to execute the Purchase Contract in the form so
7 approved, with such additions thereto and changes therein as are necessary to conform the
8 Purchase Contract to the dates, amounts and interest rates applicable to the Bonds as of the
9 sale date or as are approved by an Authorized Officer upon consultation with the City Attorney
10 and the City's co-bond counsel; provided that the interest rate borne by each series of Bonds
11 shall not exceed the maximum rate permitted by law and the maximum amount of
12 Underwriter's discount on the sale of each series of Bonds may not exceed 1% of the par
13 amount of such series of Bonds. Approval of such additions and changes shall be
14 conclusively evidenced by the execution and delivery of the Purchase Contract by an
15 Authorized Officer. This Board of Supervisors hereby finds that sale of the Bonds to the
16 Underwriter at a negotiated sale pursuant to the Purchase Contract will result in a lower
17 overall cost than would be achieved by selling the Bonds utilizing competitive bidding; and, be
18 it

19 FURTHER RESOLVED, That the Bonds shall be prepared, executed and delivered to
20 the Fiscal Agent for authentication, all in accordance with the terms of the Fiscal Agent
21 Agreement and the Purchase Contract. The Fiscal Agent, an Authorized Officer and other
22 responsible officers of the City are hereby authorized and directed to take such actions as are
23 required to cause the delivery of the Bonds upon receipt of the purchase price thereof; and,
24 be it

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1 FURTHER RESOLVED, That the Director of the Office of Public Finance is hereby
2 authorized to determine, after consultation with the City’s co-bond counsel, municipal advisor
3 and the Underwriter, (i) the name of the Bonds, (ii) whether all or a portion of one or more
4 series of Bonds shall be designated as “green bonds,” (iii) the final principal amount of each
5 series of the Bonds and (iv) whether each series of the Bonds will be issued as tax-exempt or
6 taxable bonds; and, be it

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

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

1 FURTHER RESOLVED, That this Resolution shall take effect upon its adoption.

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

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

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