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

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.

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

WHEREAS, Pursuant to Resolution No. 8-17, which was adopted by this Board of Supervisors on January 24, 2017, and signed by the Mayor on February 3, 2017 ("Resolution of Formation"), this Board of Supervisors provided for, among other things, (i) the financing of certain public facilities ("Facilities") by the CFD and (ii) the annexation of parcels in the Future Annexation Area to the CFD pursuant to a unanimous approval ("Unanimous Approval") of the
owner or owners of such parcels in accordance with certain “Annexation Approval Procedures” specified in the Resolution of Formation; and

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

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

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

WHEREAS, Pursuant to Resolution No. 410-20, which was adopted by the Board of Supervisors on September 22, 2020, and signed by the Mayor on September 25, 2020, the Board of Supervisors (i) confirmed that a Unanimous Approval was received which identifies, specifies and approves the annexation of property from the Future Annexation Area to an improvement area known as “Improvement Area No. 2 of the City and County of San
Francisco Community Facilities District No. 2016-1 (Treasure Island)" ("Improvement Area No. 2"), (ii) confirmed that the maximum aggregate principal amount of bonds and other debt for Improvement Area No. 2 shall be $278,200,000 and (iii) confirmed the rate and method of apportionment of special tax for Improvement Area No. 2 as shown in Exhibit A to such Resolution; and

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

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

WHEREAS, In accordance with Government Code, Section 5852.1, this Board of Supervisors has obtained and disclosed good faith estimates prepared by the City’s municipal advisor of (i) the true interest cost of the 2021 Bonds, (ii) the finance charge of the 2021 Bonds, (iii) the amount of proceeds received by the public body for sale of the 2021 Bonds less the finance charge and any reserves or capitalized interest paid or funded with proceeds of the 2021 Bonds, and (iv) the sum total of all payments the City will make to pay debt
service on the 2021 Bonds plus the finance charge of the 2021 Bonds not paid with the
proceeds of the 2021 Bonds; 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 2021 Bonds and the levy of the
special taxes as contemplated by this Resolution and the documents referred to herein exist,
have happened and have been performed in due time, form and manner as required by the
laws of the State of California, including the Act; now therefore be it

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

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

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

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

(i) The issuance of the 2021 Bonds is in compliance with the Act, the Fiscal Agent
Agreement and the City’s “Amended and Restated Local Goals and Policies for Community
Facilities Districts and Special Tax Districts” adopted by this Board of Supervisors on
November 26, 2013, by Resolution No. 414-13, and signed by the Mayor on November 27,
2013 (“Goals and Policies”), and any inconsistency with the Goals and Policies is hereby
waived except as set forth herein.

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

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

FURTHER RESOLVED, That 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”) is hereby authorized and directed to execute and deliver the
documents approved herein 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, including such additions or changes as are necessary or advisable to permit the timely
issuance, sale and delivery of the 2021 Bonds; the approval of such additions or changes
shall be conclusively evidenced by the execution and delivery by an Authorized Officer of the
documents herein specified; and, be it

FURTHER RESOLVED, That this Board of Supervisors hereby approves the Fiscal
Agent Agreement, in substantially the form on file with the Clerk of the Board of Supervisors.
The terms and provisions of the Fiscal Agent Agreement, as executed, are incorporated
herein by this reference as if fully set forth herein; an Authorized Officer is hereby authorized
and directed to execute the Fiscal Agent Agreement on behalf of the City, with such changes, additions or deletions as may be approved by the Authorized Officer, and the Clerk of the Board of Supervisors is hereby authorized and directed to attest thereto; and, be it

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

FURTHER RESOLVED, That this Board of Supervisors hereby approves the form of the Continuing Disclosure Certificate with respect to the 2021 Bonds in substantially the form thereof attached to the Official Statement on file with the Clerk of the Board of Supervisors; an Authorized Officer is hereby authorized and directed to complete and execute the Continuing Disclosure Certificate on behalf of the City (for and on behalf of the CFD) with such changes, additions or deletions as may be approved by the Authorized Officer; and, be it
FURTHER RESOLVED, That the Bond Purchase Agreement, between the City, for and on behalf of the CFD with respect to Improvement Area No. 2, and Stifel, Nicolaus & Company, Inc., on behalf of itself and RBC Capital Markets (collectively, the “Underwriter”), in substantially the form on file with the Clerk of the Board of Supervisors and made a part hereof as though set forth in full herein, is hereby approved by this Board of Supervisors; an Authorized Officer is hereby authorized and directed to execute and deliver the Bond Purchase Agreement in such form, together with such changes, insertions and omissions that are approved by an Authorized Officer and that are in accordance with the provisions of this Resolution, such execution to be conclusive evidence of such approval; subject to the requirement that the Underwriter’s discount on the purchase of the 2021 Bonds may not exceed 1.50% of the par amount of the 2021 Bonds and the interest rate may not exceed the rate specified herein; in addition, and pursuant to Section 53345.8 of the Act, this Board of Supervisors hereby finds and determines that an Authorized Officer may not execute and deliver the Bond Purchase Agreement unless the Appraisal concludes that the taxable property in Improvement Area No. 2 has a market value (subject to the various assumptions and conditions set forth in the Appraisal) that is at least three times the principal amount of the 2021 Bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act on property within Improvement Area No. 2 or a special assessment levied on property within the Improvement Area No. 2; this Board of Supervisors hereby approves the negotiated sale of the 2021 Bonds to the Underwriter pursuant to such Bond Purchase Agreement; and, be it

FURTHER RESOLVED, That this Board of Supervisors hereby finds that sale of the 2021 Bonds to the Underwriter at a negotiated sale pursuant to the Bond Purchase Agreement will result in a lower overall cost than would be achieved by selling the 2021 Bonds at a public sale utilizing competitive bidding; and, be it
FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of the City with respect to the establishment of the CFD, the Future Annexation Area and Improvement Area No. 2, the performance by the City and the Treasure Island Development Authority of the Financing Plan (as defined in the Resolution of Formation), and the sale and issuance of the 2021 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 (including, but not limited to, any agreement with a third-party trustee to administer special taxes levied in one or more improvement areas in the CFD in accordance with the Financing Plan) and other documents, which they, or any of them, may deem necessary or advisable in order to ensure the performance by the City and the Treasure Island Development Authority of the Financing Plan or to consummate the lawful issuance and delivery of the 2021 Bonds in accordance with this resolution, and any certificate, agreement, and other document described in the documents herein approved; all actions to be taken by an Authorized Officer, as defined herein, may be taken by such Authorized Officer or any designee, with the same force and effect as if taken by the Authorized Officer; any such actions are solely intended to further the purposes of this Resolution, and are subject in all respects to the terms of this Resolution; no such actions shall increase the risk to the City or require the City to spend any resources not otherwise granted herein; final versions of any such documents shall be provided to the Clerk of the Board of Supervisors for inclusion in the official file within 30 days (or as soon thereafter as final documents are available) of execution by all parties; 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 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 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; and, be it

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

APPROVED AS TO FORM:

DENNIS J. HERRERA
City Attorney

By: __/s/ Mark D. Blake_____________
MARK D. BLAKE
Deputy City Attorney