Oversight Board of the City and County of San Francisco

Series 2026C & 2026D Mission Bay South Bonds

January 12, 2026

OCII

Overview

- **Enabling Authority**

  - 2026C New Money Bonds
    - California Health and Safety Code Section 34177.5 (a)(4)

  - 2026D Refunding Bonds
    - California Health and Safety Code Section 34177.5 (a)(1)
    - Article 11 of Ch. 3 of Part 1 of Division 2 of Title 5 of California Government Code

Overview

- **2026C Bonds Purpose**
  - Not to exceed $48 million
  - Reimburse developer for Mission Bay South Infrastructure
    - Unaccepted infrastructure in P3 & Blocks 29-34
    - P2/P8 (Mission Creek Extension), P19, P22
    - Storm Water Pump Station #3
    - Bridgeview Way Mid-Block

- **2026D Refunding Bonds Purpose**
  - Not to exceed $170 million
  - Refund for savings Series 2014A, 2016B, 2016C
    - Lock in debt service savings from lower market rates

Sources by Uses

Series 2026C & 2026D Mission Bay South Bonds

	2026C New Money	2026D Refunding	Total
Sources:			
Bond Proceeds	$40,572,981	$130,952,110	$171,525,091
2014A Reserve Release		5,996,607	5,996,607
Total Sources	**$40,572,981**	**$136,948,718**	**$177,521,699**
Uses:			
Project Fund	40,000,000	-	40,000,000
Refunding Escrow	-	135,117,772	135,117,772
Bond Insurance Policy	203,705	657,406	861,111
Reserve Surety Policy	43,153	139,266	182,419
Cost of Issuance	218,819	706,181	925,000
Underwriter’s Discount	102,353	330,317	432,670
Additional Proceeds	4,951	-2,224	2,727
Total Uses	**$40,572,981**	**$136,948,718**	**$177,521,699**

The actual issuance amount will be finalized in the weeks before the bond issuance and will be based on the most up-to-date project costs and market conditions

Estimated Savings

Savings Schedule

- Savings generated by refinancing existing bonds at an interest rate of 5.0% with refunding bonds at an interest rate estimated at 4.5%

Bond Year Ending 8/1	2014A, 2016B&C Refunded Debt Service	2026D Refunding Debt Service	Savings
2027	11,908,000	11,117,104	790,896
2028	11,908,250	11,116,500	791,750
2029	11,910,500	11,125,250	785,250
2030	11,909,000	11,120,750	788,250
2031	11,908,250	11,123,000	785,250
2032-43	142,904,750	131,963,250	10,941,500
Total	**$202,448,750**	**$187,565,854**	**$14,882,896**

Assumptions

- Key assumptions used in Municipal Advisor's Debt Service Savings Analysis:

Bond Series	Bond Proceeds ($ Millions)	True Interest Cost	Underwriter's Discount
2026C 2026D	$40.6 $131.0	4.5% 4.5%	0.3% 0.3%

Proposed Action

Approve OCII's issuance of the Bonds

- And make certain determinations that OCII will rely on to issue the Bonds, including:
  - OCII is authorized to recover its issuance costs from the proceeds of the Bonds
  - OCII is authorized to expend proceeds of the Bonds to reimburse Mission Bay South infrastructure costs and to refund outstanding Mission Bay South bonds and to pay costs of issuance
  - OCII is authorized to make payments for continuing post-issuance compliance and administration costs related to the Bonds

Proposed Action

Approve OCII's execution of bond documents

- Third Supplemental Indenture of Trust - date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration, privileges, manner of execution, place of payment, terms of redemption and other terms
- Irrevocable Refunding Instructions - provides the mechanics, details, amounts, and dates for the refunding of the 2014A and 2016B&C Bonds
- Bond Purchase Contract - contains the principal amount, underwriter's discount, and the coupons and yields of the proposed 2026C and 2026D Bonds, all of which will be determined on the day of bond pricing

Next Steps

Actions Necessary to Complete the Proposed Bond Transaction

Date	Action
January 16	Submission of Oversight Board approval resolution and related documents to California Department of Finance for review and approval
March 22	Final date for DOF determination regarding issuance (65 days)
June 16	After DOF approval, Commission consideration of Preliminary Official Statement and other actions necessary for issuance
August	Bond pricing, interest rates set
September	Bond closing, project funds received, pay off Series 2014A, 2016B, 2016C

Series 2026C & 2026D
Mission Bay South Bonds

Questions / Comments