



GOODWIN CONSULTING GROUP

**IMPROVEMENT AREA NO. 1 OF THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9
(HPS2/CP PUBLIC FACILITIES AND SERVICES)**

**CFD TAX ADMINISTRATION REPORT
FISCAL YEAR 2021-22**

September 1, 2021

***Improvement Area No. 1 of
Community Facilities District No. 9
CFD Tax Administration Report***

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EXECUTIVE SUMMARY

The following summary provides a brief overview of the main points from this report regarding Improvement Area No. 1 of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services) (“Improvement Area No. 1”):

Fiscal Year 2021-22 Special Tax Levy

| | Number of Taxed Parcels | Total Special Tax Levy |
|-------------------------------|------------------------------------|-----------------------------------|
| Facilities Special Tax | 0 | \$0 |
| Services Special Tax | 3 | \$403,029 |

For further detail regarding the special tax levies, or special tax rates, please refer to Section IV of this report.

Development Status for Fiscal Year 2021-22

| Development Status | Facilities Special Tax | Services Special Tax |
|-------------------------------|-----------------------------------|---------------------------------|
| Developed Property | 0 Parcels | 0 Parcels |
| Vertical Development Property | 0 Parcels | 0 Parcels |
| Undeveloped Property | 3 Parcels | 3 Parcels |

For more information regarding the status of development in Improvement Area No. 1, please see Section V of this report.

Outstanding Bonds Summary

No special tax bonds have been issued on behalf of Improvement Area No. 1 as of the date of this report.

I. INTRODUCTION

Community Facilities District No. 9 (HPS2/CP Public Facilities and Services)

On April 17, 2018, the Successor Agency of the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) established Community Facilities District No. 9 (HPS2/CP Public Facilities and Services) (“CFD No. 9” or “CFD”). In a landowner election held on the same day, the then-qualified landowner electors within the CFD authorized the levy of a Mello-Roos special tax on property within CFD No. 9. The landowners also voted to incur bonded indebtedness, secured by special taxes levied in Improvement Area No. 1 in an amount not to exceed \$202,200,000.

Property in Improvement Area No. 1 consists of a portion of a community known as Hunters Point Shipyard Phase 2 and Candlestick Point (“HPS2/CP”). HPS2/CP is located in the southeast corner of the City and County of San Francisco (the “City”). Proposed development within Improvement Area No. 1 includes construction of 554 residential units. Of the 554 residential units, 175 will be Agency-owned rental units and will be exempt from the CFD No. 9 special taxes. The remaining 379 units will consist of 340 market rate residential units and 39 below market rate units.

The types of facilities to be funded by special tax revenues generally include acquisition of land for public improvements or relocation of existing uses of public housing; abatement; demolition; auxiliary water supply system improvements; low pressure water improvements; reclaimed water improvements; storm drainage system improvements; separated sanitary sewer improvements; combined sanitary sewer improvements; joint trench facilities; earthwork improvements; retaining walls; roadways, curb, and gutter improvements; traffic and transit improvements; streetscape improvements; parks and open space improvements; shoreline improvements; sea level rise adaptations; hazardous soil removal; and any other facilities as identified in the DDA or the specified infrastructure plan for the project approved by the Successor Agency Commission. In addition, the CFD is also authorized to fund public services. Proceeds of the services special tax may be used to pay for annual operation, maintenance and servicing, including repair and replacement of (i) improvements constructed pursuant to the Parks and Open Space Plan (not including in the CP State Recreation Area, except for overland stormwater infrastructure maintained by the City or the Agency in the CP State Recreation Area) within the Project Site; and (ii) any open space surface improvements on the Yosemite Slough Bridge.

The Mello-Roos Community Facilities Act of 1982

The reduction in property tax revenue that resulted from the passage of Proposition 13 in 1978 required public agencies and real estate developers to look for other means to fund public infrastructure. The funding available from traditional assessment districts was limited by certain requirements of the assessment acts, and it became clear that a more flexible funding tool was needed. In response, the California State Legislature (the “Legislature”) approved the Mello-Roos Community Facilities Act of 1982, which provides for the levy of a special tax within a defined geographic area, namely a community facilities district, if such a levy is approved by two-thirds

of the qualified electors in the area. Community facilities districts can generate funding for a broad range of facilities, and special taxes can be allocated to property in any reasonable manner other than on an ad valorem basis.

A community facilities district is authorized to issue tax-exempt bonds that are secured by land within the district. If a parcel does not pay the special tax levied on it, a public agency can foreclose on the parcel and use the proceeds of the foreclosure sale to ensure that bondholders receive interest and principal payments on the bonds. Because bonds issued by a community facilities district are land-secured, there is no risk to a public agency's general fund or taxing capacity. In addition, because the bonds are tax-exempt, they typically carry an interest rate that is lower than conventional construction financing.

A community facilities district can also fund a broad range of services. These services include police protection services, fire protection and suppression services, library services, recreation program services, flood and storm protection services, and maintenance of roads, parks, parkways, and open space. Special taxes can be allocated to property in any reasonable manner other than on an ad valorem basis.

II. PURPOSE OF REPORT

This CFD Tax Administration Report (the “Report”) presents findings from research and financial analysis performed by Goodwin Consulting Group, Inc. to determine the fiscal year 2021-22 special tax levies for Improvement Area No. 1. The Report is intended to provide information to interested parties regarding Improvement Area No. 1, including the current financial obligations, special taxes to be levied in fiscal year 2021-22, and development status.

The remainder of the Report is organized as follows:

- **Section III** identifies the financial obligations of Improvement Area No. 1 for fiscal year 2021-22.
- **Section IV** provides a summary of the methodology that is used to apportion the Facilities Special Tax and Services Special Tax among parcels in Improvement Area No. 1.
- **Section V** summarizes the status of development in Improvement Area No. 1.
- **Section VI** provides information regarding state reporting requirements.

III. SPECIAL TAX REQUIREMENTS

Pursuant to the Rate and Method of Apportionment of Special Taxes (the “RMA”), which was adopted as an exhibit to the Resolution of Formation for CFD No. 9, the amount collected in any fiscal year will be comprised of a combination of the annual Facilities Special Tax Requirement and annual Services Special Tax Requirement. A detailed description of each annual tax requirement is provided in this section.

Facilities Special Tax Requirement

The Facilities Special Tax Requirement is defined as the amount that must be levied in any fiscal year to: (i) pay principal and interest on bonds that are due in the calendar year that begins in such fiscal year; (ii) pay periodic costs on the bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the bonds; (iii) replenish reserve funds created for the bonds under the Indenture to the extent such replenishment has not been included in the computation of the Facilities Special Tax Requirement in a previous fiscal year; (iv) cure any delinquencies in the payment of principal or interest on bonds which have occurred in the prior fiscal year; (v) pay administrative expenses; and (vi) pay directly for authorized expenditures and capital reserves, so long as such levy under this clause (vi) does not increase the Facilities Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Facilities Special Tax Requirement may be reduced in any fiscal year by: (a) interest earnings on or surplus balances in funds and accounts for the bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Successor Agency, proceeds received by the CFD from the collection of penalties associated with delinquent facilities special taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of the Successor Agency.

Since no bonds have been issued by the Successor Agency on behalf of Improvement Area No. 1 and there is no Developed Property, the Facilities Special Tax Requirement for fiscal year 2021-22 is \$0.

Services Special Tax Requirement

The Services Special Tax Requirement is defined as the amount of revenue needed in any fiscal year to: (i) pay the costs of, or establish reserves to pay the costs of, operations and maintenance or other public services that are included as authorized expenditures; (ii) cure delinquencies in the payment of services special taxes in the prior fiscal year; and (iii) pay administrative expenses. The Services Special Tax Requirement for fiscal year 2021-22 is \$403,029 and is shown in the table on the following page.

**Improvement Area No. 1
of Community Facilities District No. 9
Services Special Tax Requirement***

| | |
|---|------------------|
| Maintenance Budget | \$0 |
| Maintenance Reserves | \$369,769 |
| Administrative Expenses | \$30,206 |
| County Charge for Placing Levy on Tax Roll | \$30 |
| 10% Contingency | \$3,024 |
| Services Special Tax Requirement for Fiscal Year 2021-22 | \$403,029 |

**Totals may not sum due to rounding.*

IV. SPECIAL TAX LEVIES

Special Tax Categories

Special taxes within CFD No. 9 are levied pursuant to the methodology set forth in the RMA. Among other things, the RMA establishes various special tax categories against which the special tax may be levied, the maximum special tax rates, and the methodology by which the special tax is applied. On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether each Taxable Parcel is Developed Property, Vertical Development Property, Undeveloped Property, or Expected Taxable Property, (ii) within which Block each Assessor's Parcel is located, (iii) for Developed Property, the Residential Square Footage, Retail Square Footage, Regional Retail Center Square Footage, Institutional Square Footage, Maker Space Square Footage, Office/R&D Square Footage, Candlestick Point Hotel Square Footage and/or Shipyard Hotel Square Footage on each Parcel, (iv) for Office/R&D Square Footage, the amount of Warehouse Office/R&D Square Footage, Wharf Office/R&D Square Footage, and/or Other Office/R&D Square Footage, (v) for residential or mixed-use buildings, the Residential Product Type and number of Market Rate Units, Inclusionary Units, Workforce For-Sale Units, and Workforce Apartment Units, and (vi) the Facilities Special Tax Requirement and Services Special Tax Requirement for the Fiscal Year. *(Unless otherwise indicated, capitalized terms are defined in the RMA in Appendix C.)*

Maximum Special Tax Rates

The maximum facilities special tax and maximum services special tax rates applicable to each taxable parcel in Improvement Area No. 1 are set forth in Section C of the RMA. The percentage of the maximum special tax rates that will be levied on each land use category in fiscal year 2021-22 are determined by the method of apportionment included in Section F of the RMA. The table in Appendix A identifies the fiscal year 2021-22 maximum special tax rates and actual special tax rates for Taxable Property in Improvement Area No. 1.

Apportionment of Special Taxes

Facilities Special Tax

Each fiscal year, as set forth in Section F of the RMA, the Administrator shall determine the Facilities Special Tax Requirement and shall levy the Facilities Special Tax as follows:

First, in all fiscal years prior to and including the earlier of (i) the fiscal year in which the Successor Agency makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 37 years after the First Bond Sale, the Maximum Facilities Special Tax shall be levied on all Parcels of Developed Property (not including Taxable Institutional Square Footage or Taxable Maker Space Square Footage that may be located on the parcel) regardless of debt

service on Bonds (if any), and any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan. In all fiscal years after the earlier of: (i) the fiscal year in which the Successor Agency makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 37 years after the First Bond Sale, the Facilities Special Tax shall be levied Proportionately on each parcel of Developed Property (not including Taxable Institutional Square Footage or Taxable Maker Space Square Footage that may be located on the parcel), up to 100% of the Maximum Facilities Special Tax for each parcel of Developed Property until the amount levied is equal to the Facilities Special Tax Requirement, and any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan. If additional revenue is needed after Step 1 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each parcel of Vertical Development Property, up to 100% of the Maximum Facilities Special Tax for each parcel of Vertical Development Property for such fiscal year. If additional revenue is needed after Step 2 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each parcel of Undeveloped Property, up to 100% of the Maximum Facilities Special Tax for each parcel of Undeveloped Property for such fiscal year. If additional revenue is needed after Step 3 in order to meet the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on Taxable Institutional Square Footage and Taxable Maker Space Square Footage up to 100% of the Maximum Facilities Special Tax for such square footage. If additional revenue is needed after Step 4 in order to meet the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied (i) Proportionately on each parcel of Expected Taxable Property, up to 100% of the Maximum Facilities Special Tax for each parcel of Expected Taxable Property, and (ii) Proportionately on each Taxable Agency Housing Unit, up to 100% of the Maximum Facilities Special Tax that had been determined for each Taxable Housing Unit pursuant to Section D of the RMA.

The special tax roll, which identifies the facilities special tax to be levied against each parcel in Improvement Area No. 1 in fiscal year 2021-22, is provided in Appendix B.

Services Special Tax

Similar to the Facilities Special Tax Requirement, the administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax as follows:

First, the Services Special Tax shall be levied Proportionately on each Parcel of Developed Property (including all Taxable Institutional Square Footage, Taxable Maker Space Square Footage, and Taxable Regional Retail Center Square Footage that may be located on the Parcel), up to 100% of the Maximum Services Special Tax for each parcel for such fiscal year until the amount levied is equal to the Services Special Tax Requirement. If additional revenue is needed after Step 1 in order to meet the Services Special Tax Requirement, the Services Special Tax shall be levied Proportionately on each parcel of Vertical Development Property, up to 100% of the Maximum Services Special Tax for each parcel of Vertical Development Property for such fiscal year. If additional revenue is needed after Step 2 in order to meet the Services Special Tax Requirement, the Services Special Tax shall be levied Proportionately on each parcel of

Undeveloped Property, up to 100% of the Maximum Services Special Tax for each parcel of Undeveloped Property for such fiscal year. If additional revenue is needed after Step 3 in order to meet the Services Special Tax Requirement, the Services Special Tax shall be levied Proportionately on each parcel of Expected Taxable Property, up to 100% of the Maximum Services Special Tax for each parcel of Expected Taxable Property.

The special tax roll, which identifies the services special tax to be levied against each parcel in Improvement Area No. 1 in fiscal year 2021-22, is provided in Appendix B.

V. DEVELOPMENT UPDATE

As of June 30, 2021, no building permits have been issued for new construction and no Vertical Development Property or Expected Taxable Property exists in Improvement Area No. 1. The following table summarizes the current status of development in Improvement Area No. 1:

**Improvement Area No. 1 of
Community Facilities District No. 9
Development Status
For Fiscal Year 2021-22**

| Development Status | Facilities Special Tax | Services Special Tax |
|-------------------------------|-----------------------------------|---------------------------------|
| Developed Property | 0 Parcels | 0 Parcels |
| Vertical Development Property | 0 Parcels | 0 Parcels |
| Undeveloped Property | 3 Parcels | 3 Parcels |

VI. STATE REPORTING REQUIREMENTS

Senate Bill No. 165

On September 18, 2000, former Governor Gray Davis signed Senate Bill 165 which enacted the Local Agency Special Tax and Bond Accountability Act. In approving the bill, the Legislature declared that local agencies need to demonstrate to the voters that special taxes and bond proceeds are being spent on the facilities and services for which they were intended. To further this objective, the Legislature added Sections 50075.3 and 53411 to the California Government Code setting forth annual reporting requirements relative to special taxes collected and bonds issued by a local public agency. Pursuant to the Sections 50075.3 and 53411, the “chief fiscal officer” of the public agency will, by January 1, 2002, and at least once a year thereafter, file a report with the City setting forth (i) the amount of special taxes that have been collected and expended; (ii) the status of any project required or authorized to be funded by the special taxes; (iii) if bonds have been issued, the amount of bonds that have been collected and expended; and (iv) if bonds have been issued, the status of any project required or authorized to be funded from bond proceeds.

Assembly Bill No. 1666

On July 25, 2016, Governor Jerry Brown signed Assembly Bill No. 1666, adding Section 53343.2 to the California Government Code (“GC”). The bill enhances the transparency of community facilities districts by requiring that certain reports be accessible on a local agency’s web site. Pursuant to Section 53343.2, a local agency that has a web site shall, within seven months after the last day of each fiscal year of the district, display prominently on its web site the following information:

Item (a): A copy of an annual report, if requested, pursuant to GC Section 53343.1. The report required by Section 53343.1 includes CFD budgetary information for the prior fiscal year and is only prepared by a community facilities district at the request of a person who resides in or owns property in the community facilities district. If the annual report has not been requested to be prepared, then a posting to the web site would not be necessary.

Item (b): A copy of the report provided to the California Debt and Investment Advisory Commission (“CDIAC”) pursuant to GC Section 53359.5. Under Section 53359.5, local agencies must provide CDIAC with the following: (i) notice of proposed sale of bonds; (ii) annual reports on the fiscal status of bonded districts; and (iii) notice of any failure to pay debt service on bonds, or of any draw on a reserve fund to pay debt service on bonds.

Item (c): A copy of the report provided to the State Controller’s Office pursuant to GC Section 12463.2. This section refers to the parcel tax portion of a local agency’s Financial Transactions Report that is prepared for the State Controller’s Office annually. Note that school districts are not subject to the reporting required by GC Section 12463.2.

Assembly Bill No. 1483

On October 9, 2019, Governor Gavin Newsom signed Assembly Bill No. 1483, adding Section 65940.1 to the California Government Code. The law requires that a city, county, or special district that has an internet website, maintain on its website a current schedule of fees, exactions, and affordability requirements imposed by the public agency on all housing development projects. Pursuant to Section 65940.1, the definition of an exaction includes a special tax levied pursuant to the Mello-Roos Community Facilities Act.

Assembly Bill No. 1483 defines a housing development project as consisting of (a) residential units only; or (b) mixed-use developments consisting of residential and non-residential land uses with at least two-thirds of the square footage designated for residential use; or (c) transitional housing or supportive housing. Assembly Bill No. 1483 also requires a city, county, or special district to update this information on their website within 30 days of any changes made to the information.

APPENDIX A

Summary of Fiscal Year 2021-22 Special Tax Levies

**Improvement Area No. 1
of the Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
CFD No. 9 (HPS2/CP Public Facilities and Services)**

Special Tax Levy Summary for Fiscal Year 2021-22

| Land Use Category | Square Feet/ Unit/ Acres | FACILITIES SPECIAL TAX | | | SERVICES SPECIAL TAX | | |
|---|--------------------------------|--|---|---|--|---|---|
| | | FY 2021-22 Maximum Facilities Special Tax | FY 2021-22 Actual Facilities Special Tax | FY 2021-22 Total Facilities Special Tax Levy | FY 2021-22 Maximum Services Special Tax | FY 2021-22 Actual Services Special Tax | FY 2021-22 Total Services Special Tax Levy |
| | | | | | | | |
| <u>Developed Property and Vertical Development Property</u> | | | | | | | |
| Candlestick Point Low-Rise Unit | 0 sf | \$5.39 | \$0 | \$0 | \$1.12 | \$0 | \$0 |
| Shipyards Low-Rise Unit | 0 sf | \$5.78 | \$0 | \$0 | \$1.20 | \$0 | \$0 |
| Candlestick Point Mid-Rise Unit | 0 sf | \$6.53 | \$0 | \$0 | \$1.36 | \$0 | \$0 |
| Shipyards Mid-Rise Unit | 0 sf | \$6.46 | \$0 | \$0 | \$1.34 | \$0 | \$0 |
| Candlestick Point Townhome Unit | 0 sf | \$6.33 | \$0 | \$0 | \$1.32 | \$0 | \$0 |
| Shipyards Townhome Unit | 0 sf | \$6.27 | \$0 | \$0 | \$1.30 | \$0 | \$0 |
| Candlestick Point Tower Unit – Floors 1-8 | 0 sf | \$6.13 | \$0 | \$0 | \$1.27 | \$0 | \$0 |
| Candlestick Point Tower Unit – Floors 9-17 | 0 sf | \$6.97 | \$0 | \$0 | \$1.45 | \$0 | \$0 |
| Candlestick Point Tower Unit – Floors 18-29 | 0 sf | \$9.54 | \$0 | \$0 | \$1.98 | \$0 | \$0 |
| Candlestick Point Tower Unit – Floors 30 and Above | 0 sf | \$11.72 | \$0 | \$0 | \$2.44 | \$0 | \$0 |
| Shipyards Tower Unit – Floors 1-8 | 0 sf | \$6.07 | \$0 | \$0 | \$1.26 | \$0 | \$0 |
| Shipyards Tower Unit – Floors 9-17 | 0 sf | \$6.90 | \$0 | \$0 | \$1.43 | \$0 | \$0 |
| Shipyards Tower Unit – Floors 18-29 | 0 sf | \$9.45 | \$0 | \$0 | \$1.97 | \$0 | \$0 |
| Shipyards Tower Unit – Floors 30 and Above | 0 sf | \$11.60 | \$0 | \$0 | \$2.41 | \$0 | \$0 |
| Candlestick Point Apartment Unit | 0 sf | \$3.03 | \$0 | \$0 | \$0.90 | \$0 | \$0 |
| Shipyards Apartment Unit | 0 sf | \$3.08 | \$0 | \$0 | \$0.91 | \$0 | \$0 |
| Inclusionary Unit – BMR 80% Unit | 0 unit | \$1,063.15 | \$0 | \$0 | \$315.48 | \$0 | \$0 |
| Inclusionary Unit – BMR 90% Unit | 0 unit | \$1,248.03 | \$0 | \$0 | \$370.35 | \$0 | \$0 |
| Inclusionary Unit – BMR 100% Unit | 0 unit | \$1,421.80 | \$0 | \$0 | \$421.90 | \$0 | \$0 |
| Inclusionary Unit – BMR 120% Unit | 0 unit | \$1,769.07 | \$0 | \$0 | \$524.96 | \$0 | \$0 |
| Candlestick Point Workforce Apartment Unit | 0 sf | \$2.44 | \$0 | \$0 | \$0.72 | \$0 | \$0 |
| Shipyards Workforce Apartment Unit | 0 sf | \$2.44 | \$0 | \$0 | \$0.72 | \$0 | \$0 |
| Candlestick Point Workforce For-Sale Unit | 0 unit | \$2,700.39 | \$0 | \$0 | \$801.31 | \$0 | \$0 |
| Shipyards Workforce For-Sale Unit | 0 unit | \$2,700.39 | \$0 | \$0 | \$801.31 | \$0 | \$0 |
| Retail Square Footage | 0 sf | \$1.30 | \$0 | \$0 | \$0.67 | \$0 | \$0 |
| Candlestick Point Hotel Square Footage | 0 sf | \$2.16 | \$0 | \$0 | \$0.82 | \$0 | \$0 |
| Shipyards Hotel Square Footage | 0 sf | \$2.41 | \$0 | \$0 | \$0.88 | \$0 | \$0 |
| Other Office/R&D Square Footage | 0 sf | \$1.37 | \$0 | \$0 | \$1.52 | \$0 | \$0 |
| Warehouse Office/R&D Square Footage | 0 sf | \$1.37 | \$0 | \$0 | \$1.24 | \$0 | \$0 |
| Wharf Office/R&D Square Footage | 0 sf | \$1.37 | \$0 | \$0 | \$1.91 | \$0 | \$0 |
| Taxable Regional Retail Center Square Footage | 0 sf | \$1.30 | \$0 | \$0 | \$0.67 | \$0 | \$0 |
| Taxable Institutional Square Footage | 0 sf | \$1.37 | \$0 | \$0 | \$0.51 | \$0 | \$0 |
| Taxable Maker Space Square Footage | 0 sf | \$1.30 | \$0 | \$0 | \$0.51 | \$0 | \$0 |
| Subtotal | | | | \$0 | | | \$0 |
| <u>Undeveloped Property and Expected Taxable Property</u> | | | | | | | |
| Undeveloped Property | 3.61 acres | \$1,752,755 | \$0 | \$0 | \$403,029 | \$403,029 | \$403,029 |
| Expected Taxable Property | 0.00 acres | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Subtotal | 3.61 acres | | | \$0 | | | \$403,029 |
| Total Special Tax Levy | | | | \$0 | | | \$403,029 |

APPENDIX B

Fiscal Year 2021-22 Special Tax Levies for Individual Assessor's Parcels

**Improvement Area No. 1 of the
Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
Community Facilities District No. 9
(HPS2/CP Public Facilities and Services)**

Fiscal Year 2021-22 Special Tax Levy

| Block | Lot | Block | Development Status | FY 2021-22 Maximum Facilities Special Tax | FY 2021-22 Actual Facilities Special Tax | FY 2021-22 Maximum Services Special Tax | FY 2021-22 Actual Services Special Tax |
|-------------------------------|------------|--------------|---------------------------|--|---|--|---|
| 5000 | - 033 | CPS 6A | Undeveloped | \$576,882 | \$0 | \$132,539 | \$132,539 |
| 5000 | - 034 | CPS 8A | Undeveloped | \$594,986 | \$0 | \$136,774 | \$136,774 |
| 5000 | - 035 | CPS 9A | Undeveloped | \$580,888 | \$0 | \$133,715 | \$133,715 |
| 5000 | - 036 | CPS 11A | Agency Housing | \$0 | \$0 | \$0 | \$0 |
| Total Special Tax Levy | | | | \$1,752,755 | \$0 | \$403,029 | \$403,029 |

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APPENDIX C

Rate and Method of Apportionment of Special Taxes

EXHIBIT B

IMPROVEMENT AREA NO. 1 OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 9 (HPS2/CP PUBLIC FACILITIES AND SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

Special Taxes applicable to each Taxable Parcel in Improvement Area No. 1 of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services) shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Taxable Parcels, as described below. All Taxable Parcels in Improvement Area No. 1 shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to Improvement Area No. 1.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Part 1, Division 2 of Title 5 of the California Government Code.

“Adjusted” means, for application to the Base Facilities Special Taxes set forth in Table 1 and the Base Services Special Taxes set forth in Table 2, the escalation of such taxes that will occur pursuant to Section D.1 and D.2 below, as well as any change in such taxes that may occur pursuant to Sections C and/or D of this RMA.

“Administrative Expenses” means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the Successor Agency carrying out duties with respect to the CFD and the Bonds, including, but not limited to, levying and collecting the Special Taxes, the fees and expenses of legal counsel, charges levied by the City Controller’s Office and/or the City Treasurer and Tax Collector’s Office, costs related to property owner inquiries regarding the Special Taxes, costs associated with appeals or requests for interpretation associated with the Special Taxes and this RMA, amounts needed to pay rebate to the federal government with respect to the Bonds, the fees and expenses of a Price Point Consultant, costs associated with complying with any continuing disclosure requirements for the City and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of the Successor Agency in any way related to the establishment or administration of the CFD.

“Administrator” means the person or firm designated by the Successor Agency who shall be responsible for administering the Special Taxes according to this RMA.

“Agency Housing Lot” means the lots identified as owned or expected to be owned by the Successor Agency, as originally shown in the Housing Plan, and as may be amended in the Development Approval Documents. Agency Housing Lots expected within Improvement Area No. 1 at the time of CFD Formation are identified in Attachment 2 hereto.

“Agency Housing Unit” means a Residential Unit developed on an Agency Housing Lot.

“Airspace Parcel” means a parcel with an assigned Assessor’s Parcel number that constitutes vertical space of an underlying land parcel.

“AMI” means the specific definition of area median income that is set forth in the Housing Plan.

“AMI Percentage” means the percentage multiples of AMI applicable to Inclusionary Units, as set forth in the Housing Plan.

“Apartment Project” means: (i) a Development Project within which initially none of the Residential Units have been sold to individual homeowners or were available for sale to individual homeowners, or (ii) any type of group or student housing which provides lodging for a week or more and may or may not have individual cooking facilities, including but not limited to boarding houses, dormitories, housing operated by medical institutions, and single room occupancy units.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel, including an Airspace Parcel, shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor designating Parcels by Assessor’s Parcel number.

“Association Property” means any property within the boundaries of Improvement Area No. 1 that is owned in fee or by easement by a homeowners association or property owners association and does not fall within a Land Use Category, not including any such property that is located directly under a residential or non-residential structure.

“Authorized Expenditures” means those public facilities and public services authorized to be funded by the CFD as set forth in the documents adopted by the Commission at CFD Formation, as may be amended from time to time.

“Average Sales Price” means, for a Land Use Category, the weighted average sales price for all Market Rate Units within such Land Use Category that have sold or are expected to sell in a normal marketing environment and shall not include prices for such Market Rate Units that are sold at a discount for the purpose of stimulating initial sales activity.

“Base Facilities Special Tax” means, for any Land Use Category, the applicable Facilities Special Tax identified in Table 1 in Section C.2a below, as Adjusted.

“Base Services Special Tax” means, for any Land Use Category, the applicable Services Special Tax identified in Table 2 in Section C.2b below, as Adjusted.

“Base Special Taxes” means, collectively, the Base Facilities Special Tax and Base Services Special Tax.

“Block” means a specific geographic area within Improvement Area No. 1 for which Expected Land Uses have been identified. Blocks and Expected Land Uses within Improvement Area No. 1 at the time of CFD Formation are identified in Attachments 2 and 3 of this RMA and may be revised pursuant to Sections B, C, D, and E below.

“BMR 80% Unit” means an Inclusionary Unit within CFD No. 9 that is required pursuant to the Housing Plan and is approved by the Successor Agency as an affordable housing unit priced for sale or lease to households earning no more than 80% of the AMI.

“BMR 90% Unit” means an Inclusionary Unit within CFD No. 9 that is required pursuant to the Housing Plan and is approved by the Successor Agency as an affordable housing unit priced for sale or lease to households earning no more than 90% of the AMI.

“BMR 100% Unit” means an Inclusionary Unit within CFD No. 9 that is required pursuant to the Housing Plan and is approved by the Successor Agency as an affordable housing unit priced for sale or lease to households earning no more than 100% of the AMI.

“BMR 120% Unit” means an Inclusionary Unit within CFD No. 9 that is required pursuant to the Housing Plan and is approved by the Successor Agency as an affordable housing unit priced for sale or lease to households earning no more than 120% of the AMI.

“Bonds” means bonds or other debt (as defined in the Act), whether in one or more series, that are issued or assumed by or for Improvement Area No. 1 to finance Authorized Expenditures.

“Building Height” means the proposed height of a residential, non-residential, or mixed-use structure, as set forth on the Building Permit issued for the building, or if the height is not clearly indicated on the Building Permit, the height determined by reference to the Sub-Phase Application, condominium plan, or architectural drawings for the building. If there is any question as to the Building Height of any building in the CFD, the Administrator shall coordinate with the Review Authority to make the determination, and such determination shall be conclusive and binding.

“Building Permit” means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

“Candlestick Point” means that geographic area identified as Candlestick Point on Attachment 1 of this RMA.

“Candlestick Point Apartment Unit” means a Residential Unit within an Apartment Project in Candlestick Point.

“Candlestick Point Hotel Square Footage” means Hotel Square Footage within a Hotel in Candlestick Point.

“Candlestick Point Low-Rise Unit” means a Residential Unit within a Low-Rise Project in Candlestick Point.

“Candlestick Point Mid-Rise Unit” means a Residential Unit within a Mid-Rise Project in Candlestick Point.

“Candlestick Point Tower Unit” means a Residential Unit within a Tower Project in Candlestick Point.

“Candlestick Point Townhome Unit” means a Residential Unit within a Townhome Project in Candlestick Point.

“Candlestick Point Workforce Apartment Unit” means a Workforce Unit within an Apartment Project in Candlestick Point.

“Candlestick Point Workforce For-Sale Unit” means a Workforce For-Sale Unit in Candlestick Point.

“Capitalized Interest” means funds in any capitalized interest account available to pay debt service on Bonds.

“CFD” or **“CFD No. 9”** means the Successor Agency of the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services).

“CFD Formation” means the date on which the Commission approved documents to form the CFD.

“City” means the City and County of San Francisco, California.

“Commission” means the Commission of the Successor Agency, acting as the legislative body of CFD No. 9.

“Community Benefits Plan” means the Community Benefits Plan that is included as an exhibit to the DDA.

“Community Facilities Lots” means parcels of land that will be provided in fee from the Developer to the Successor Agency for development of community facilities and amenities, as set forth in the Community Benefits Plan.

“Converted Apartment Building” means a building that had been designated as an Apartment Project within which one or more Residential Units are subsequently sold to a buyer that is not a Landlord.

“Converted For-Sale Unit” means, in any Fiscal Year, an individual Market Rate Unit within a Converted Apartment Building for which an escrow has closed, on or prior to June 30 of the preceding Fiscal Year, in a sale to a buyer that is not a Landlord.

“County” means the City and County of San Francisco, California.

“DDA” means the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), including all exhibits and attachments, by and between the Successor Agency and the Developer, dated as of June 3, 2010, and as amended from time to time.

“Developed Property” means, in any Fiscal Year, all Taxable Parcels for which a Building Permit was issued prior to June 1 of the preceding Fiscal Year, but not prior to January 1, 2017.

“Developer” means CP Development Co., LLC, a Delaware limited liability company, and its successors and permitted assigns under the DDA.

“Development Approval Documents” means, collectively, any Major Phase Application, Sub-Phase Application, Vertical Assignment and Assumption Agreement, tentative subdivision map, Final Map, Review Authority approval, or other such approved or recorded document or plan that identifies the type of structure(s), acreage, square footage, and/or number of Residential Units approved for development on Taxable Parcels.

“Development Project” means a residential, non-residential, or mixed-use development that includes one or more buildings that are planned and entitled in a single application to the Successor Agency.

“Escalator” means the lesser of the following: (i) the increase, if any, in the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-San Jose region (base years 1982-1984=100) published by the Bureau of Labor Statistics of the United States Department of Labor, or, if such index is no longer published, a similar escalator that is determined by the Successor Agency to be appropriate, and (ii) five percent (5%).

“Estimated Base Facilities Special Tax Revenues” means, at any point in time, the amount calculated by the Administrator by multiplying the Base Facilities Special Tax by the applicable square footage or by Residential Units within each Land Use Category proposed for development on a Parcel or within a Block.

“Estimated Base Services Special Tax Revenues” means, at any point in time, the amount calculated by the Administrator by multiplying the Base Services Special Tax by the applicable square footage or by Residential Units within each Land Use Category proposed for development on a Parcel or within a Block.

“Exempt Institutional Square Footage” means, for levy of the Facilities Special Tax, zero (0) Institutional Square Feet in Improvement Area No. 1, which amount may be adjusted each time property is annexed into Improvement Area No. 1, as set forth in Section E below. Tax-exempt status for Institutional Square Footage will be assigned by the Administrator in chronological order based on the dates on which Building Permits were issued for structures that include Institutional Square Footage.

“Exempt Maker Space Square Footage” means, for levy of the Facilities Special Tax, zero (0) Maker Space Square Feet in Improvement Area No. 1, which amount may be adjusted each time property is annexed into Improvement Area No. 1, as set forth in Section E below. Tax-exempt status for Maker Space Square Footage will be assigned by the Administrator in chronological

order based on the dates on which Building Permits were issued for structures that include Maker Space Square Footage.

“Exempt Regional Retail Center Square Footage” means zero (0) Regional Retail Center Square Feet in Improvement Area No. 1, which amount may be adjusted each time property is annexed into Improvement Area No. 1, as set forth in Section E below. Tax-exempt status for Regional Retail Center Square Footage will be assigned by the Administrator in chronological order based on the dates on which Building Permits were issued for structures that include Regional Retail Center Square Footage.

“Expected Land Uses” means the total square footage of Residential Units in each Land Use Category expected within each Block in Improvement Area No. 1. The Expected Land Uses at the time of CFD Formation are identified in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Maximum Facilities Special Tax Revenues” means the aggregate Facilities Special Tax that can be levied based on application of the Base Facilities Special Tax to the Expected Land Uses. The Expected Maximum Facilities Special Tax Revenues for each Block at the time of CFD Formation are shown in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Maximum Services Special Tax Revenues” means the aggregate Services Special Tax that can be levied based on application of the Base Services Special Tax to the Expected Land Uses. The Expected Maximum Services Special Tax Revenues for each Block at the time of CFD Formation are shown in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

“Expected Taxable Property” means any Parcel within Improvement Area No. 1 that: (i) pursuant to the Development Approval Documents, was expected to be a Taxable Parcel, (ii) based on the Expected Land Uses and as determined by the Administrator, was assigned Expected Maximum Facilities Special Tax Revenues and/or Expected Maximum Services Special Tax Revenues, and (iii) subsequently falls within one or more of the categories that would otherwise be exempt from the Facilities Special Tax and/or Services Special Tax, as set forth in Section H below.

“Facilities Special Tax” means a special tax levied in any Fiscal Year to pay the Facilities Special Tax Requirement.

“Facilities Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Facilities Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Expenditures and capital reserves, so long as such levy under this clause (vi) does not increase the Facilities Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Facilities Special Tax Requirement may be reduced in any Fiscal Year by: (a)

interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Successor Agency, proceeds received by the CFD from the collection of penalties associated with delinquent Facilities Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of the Successor Agency.

“Final Map” means a final map, or portion thereof, recorded by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots on which Building Permits for new construction may be issued without further subdivision.

“Financing Plan” means the Financing Plan attached as Exhibit H to the DDA, as such plan may be amended or supplemented from time to time in accordance with the terms of the DDA.

“First Bond Sale” means issuance of the first series of Bonds secured, in whole or in part, by Facilities Special Taxes levied and collected from Parcels in Improvement Area No. 1.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Floors 1 - 8” means all floors between and including floor 1 through floor 8 within a building in a Tower Project as indicated, once the building has been constructed and subject to the limitations set forth in Section D.5 below, in the building elevator. Prior to the identification of floors in the building elevator, the Administrator shall rely on the condominium plan, site plan, Building Permit, information provided by the Developer or Successor Agency, or other Development Approval Documents.

“Floors 9 - 17” means all floors between and including floor 9 through floor 17 within a building in a Tower Project as indicated, once the building has been constructed and subject to the limitations set forth in Section D.5 below, in the building elevator. Prior to the identification of floors in the building elevator, the Administrator shall rely on the condominium plan, site plan, Building Permit, information provided by the Developer or Successor Agency, or other Development Approval Documents.

“Floors 18 - 29” means all floors between and including floor 18 through floor 29 within a building in a Tower Project as indicated, once the building has been constructed and subject to the limitations set forth in Section D.5 below, in the building elevator. Prior to the identification of floors in the building elevator, the Administrator shall rely on the condominium plan, site plan, Building Permit, information provided by the Developer or Successor Agency, or other Development Approval Documents.

“Floors 30 and Above” means all floors from and including floor 30 and above within a building in a Tower Project as indicated, once the building has been constructed and subject to the limitations set forth in Section D.5 below, in the building elevator. Prior to the identification of floors in the building elevator, the Administrator shall rely on the condominium plan, site plan, Building Permit, information provided by the Developer or Successor Agency, or other Development Approval Documents.

“Future Annexation Area” means that geographic area that, at the time of CFD Formation, was considered potential annexation area for the CFD and which was, therefore, identified as “future annexation area” on the recorded CFD boundary map. Such designation does not mean that any or all of the Future Annexation Area will annex into Improvement Area No. 1, but should property designated as Future Annexation Area choose to annex, the annexation may be processed pursuant to the annexation procedures in the Act for territory included in a future annexation area, as well as the procedures established by the Commission.

“Hotel” means a structure or portion of a structure that constitutes a place of lodging, providing temporary sleeping accommodations for travelers, which structure may include one or more of the following: spa services, restaurants, gift shops, meeting and convention facilities. Residential Units that are offered for rent to travelers (e.g., units offered through Airbnb) shall not be categorized as Hotel.

“Hotel Square Footage” means the gross square footage within a building that is, or is expected to be, a Hotel, as reflected on a condominium plan, site plan, or Building Permit, as identified by the Developer or Successor Agency, or as expected pursuant to Development Approval Documents. All square footage that is not Residential Square Footage and shares an Assessor’s Parcel number within such a structure, including square footage of restaurants, meeting and convention facilities, gift shops, spas, offices, and other related uses, shall be categorized as Hotel Square Footage. If there are separate Assessor’s Parcel numbers for the retail uses in a Hotel, the Base Special Taxes for Retail Square Footage shall be used to determine the Maximum Special Taxes for such Parcels, and the Base Special Taxes for Hotel Square Footage shall be used to determine the Maximum Special Taxes for Parcels on which other uses in the building, including office space associated with Hotel operations. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Hotel Square Footage within a building, and such determination shall be conclusive and binding. Hotel Square Foot means a single square-foot unit of Hotel Square Footage.

“Housing Plan” means Exhibit F to the DDA, which sets forth the plan for development of Market Rate Units, Inclusionary Units, Workforce Units, and Agency Housing Units on Candlestick Point and Shipyard.

“Improvement Area No. 1” means Improvement Area No. 1 of the CFD, as it exists at CFD Formation and as expanded with future annexations (if any).

“Inclusionary Unit” means a Residential Unit that is: (i) required pursuant to the DDA, (ii) subject to a deed restriction related to the affordability of the Residential Unit or income restrictions for its occupants, (iii) approved by the Successor Agency as an affordable housing unit priced for sale or lease with an AMI Percentage that is a minimum of 80% and a maximum of 120%, and (iv) not an Agency Housing Unit.

“Income Designation” means the levels of AMI at which the sales price or rent for which for an Inclusionary Unit is established, categorizing such Inclusionary Unit as a BMR 80% Unit, BMR 90% Unit, BMR 100% Unit, or BMR 120% Unit.

“Indenture” means any indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Institutional Square Footage” means, at the time a Building Permit is issued for a building, square footage that is expected to be occupied by private educational, child care, museum, or job training land uses, as determined by the Administrator, in conjunction with the Review Authority. Institutional Square Foot or Institutional Square Feet means one or more individual square foot units of Institutional Square Footage.

“Land Use Category” means the categories of land use, which include variability based on height and affordability, that are identified in Tables 1 and 2 in Section C below.

“Land Use Change” means a change to the Expected Land Uses within Improvement Area No. 1 after CFD Formation.

“Landlord” means an entity that owns at least twenty percent (20%) of the Candlestick Point Apartment Units or Shipyard Apartment Units, as applicable, within an Apartment Project or Converted Apartment Building.

“Low-Rise Project” means a Development Project that meets either of the following criteria: (i) the highest residential or mixed-use building proposed within the Development Project has a Building Height greater than 50 feet and less than or equal to 70 feet, or (ii) the highest residential or mixed-use building proposed within the Development Project has a Building Height less than or equal to 50 feet and one or more of the ground floor Residential Units within the building has a main entry door that is directly accessible from an indoor common corridor, not from a public street, private street, or courtyard.

All Residential Units within a Low-Rise Project, regardless of the height of each individual building within the Development Project, shall be categorized as Candlestick Point Low-Rise Units or Shipyard Low-Rise Units for purposes of this RMA. For example, if a Development Project includes three separate buildings, the highest building is proposed to be 50 feet tall, and one or more of the ground floor Residential Units within the 50-foot tall building will have a main entry door that is accessible from an indoor common corridor, then the Residential Units in all three buildings in the Development Project will be taxed as Candlestick Point Low-Rise Units or Shipyard Low-Rise Units. If a Development Project includes two buildings that have the same proposed Building Height, both buildings are less than 50 feet tall, and only one of the two buildings has ground floor Residential Units, all of which have main entry doors that will be directly accessible from a street or courtyard, the Residential Units within the Development Project will be categorized as Candlestick Point Low-Rise Units or Shipyard Low-Rise Units and not Candlestick Point Townhome Units or Shipyard Townhome Units.

“Major Phase” is defined in the DDA.

“Major Phase Application” means the application and associated documents required to be submitted for each Major Phase Approval, as defined in the DDA.

“Maker Space Square Footage” means, at the time a Building Permit is issued for a building, square footage that is expected to be used for contemporary forms of small-scale manufacturing, production, distribution, and repair, and post-manufacturing activities, as determined by the Administrator in conjunction with the Review Authority. Maker space uses may include several uses in any proportion to one another, including but not limited to, craft, industrial arts and

design, robotics, woodwork, digital technologies and electronics, jewelry, clothing and apparel, 3D printing, food and beverage (production, tasting and sales), retail, and bicycle repairs, among many others. Maker Space Square Foot or Maker Space Square Feet means one or more individual square foot units of Maker Space Square Footage.

“Market Rate Unit” means a Residential Unit that is not an Agency Housing Unit, Workforce Apartment Unit, Inclusionary Unit, or Workforce For-Sale Unit (except that a Workforce For-Sale Unit shall be classified as a Market Rate Unit in the first Fiscal Year after the Fiscal Year in which the five-year anniversary of the first sale of the Workforce For-Sale Unit to a homebuyer occurs, as determined by the Administrator).

“Maximum Facilities Special Tax” means the greatest amount of Facilities Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum IA1 Revenues” means, at any point in time, the aggregate Maximum Facilities Special Tax that can be levied on all Taxable Parcels.

“Maximum Services Special Tax” means the greatest amount of Services Special Tax that can be levied on an Assessor’s Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Services Special Tax Revenues” means, at any point in time, the aggregate Maximum Services Special Tax that can be levied on all Taxable Parcels.

“Maximum Special Taxes” means, collectively, the Maximum Facilities Special Tax and the Maximum Services Special Tax.

“Mid-Rise Project” means a Development Project within which the highest residential or mixed-use building that includes Residential Units proposed for development has a Building Height greater than 70 feet but less than or equal to 150 feet. All Residential Units within a Mid-Rise Project, regardless of the height of each individual building within the Development Project, shall be categorized as Candlestick Point Mid-Rise Units or Shipyard Mid-Rise Units for purposes of this RMA. For example, if a Development Project proposes three buildings that are 90 feet, 60 feet, and 40 feet, respectively, all Residential Units within all three buildings will be categorized as Candlestick Point Mid-Rise Units or Shipyard Mid-Rise Units.

“Non-Residential Product Type” means Retail Square Footage, Regional Retail Center Square Footage, Candlestick Point Hotel Square Footage, Shipyard Hotel Square Footage, Warehouse Office/R&D Square Footage, Wharf Office/R&D Square Footage, Other Office/R&D Square Footage, Maker Space Square Footage, or Institutional Square Footage.

“Office/R&D Square Footage” means the gross square footage within a building that is or is expected to include: (i) square footage that will be used by any organization, business, or institution for a land use that does not meet the definition of Institutional Square Footage, Maker Space Square Footage, Regional Retail Center Square Footage, Parking Square Footage, Hotel Square Footage, or Retail Square Footage, and (ii) any other square footage on a Taxable Parcel that does not fall within the definition provided for other land uses in this RMA. Office/R&D Square Foot means an individual square foot unit of Office/R&D Square Footage.

“Other Office/R&D Square Footage” means any Office/R&D Square Footage within Improvement Area No. 1 that is not Warehouse Office/R&D Square Footage or Wharf Office/R&D Square Footage, as determined by the Administrator.

“Parking Square Footage” means any square footage within a public or private parking garage, as determined by the Administrator.

“Price Point Consultant” means any consultant or firm selected by the Successor Agency that: (a) has substantial experience in performing price point studies for residential units within community facilities districts or otherwise estimating or confirming pricing for residential units in community facilities districts; (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in community facilities districts; (c) is independent and not under the control of the CFD, Successor Agency, or Developer; (d) does not have any substantial interest, direct or indirect, with or in: (i) Improvement Area No. 1, (ii) the Successor Agency, (iii) any owner of real property in Improvement Area No. 1, (iv) any real property in Improvement Area No. 1; and (e) is not connected with Improvement Area No. 1 or the Successor Agency as an officer or employee thereof, but who may be regularly retained to make reports to Improvement Area No. 1 or the Successor Agency.

“Price Point Study” means a price point study or letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section D herein.

“Project” is defined in the DDA.

“Proportionately” means, for Developed Property, that the ratio of the actual Special Taxes levied in any Fiscal Year to the Maximum Special Taxes authorized to be levied in that Fiscal Year is equal for all Parcels of Developed Property. For Vertical Development Property, “Proportionately” means that the ratio of the actual Special Taxes levied to the Maximum Special Taxes authorized to be levied is equal for all Parcels of Vertical Development Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual Special Taxes levied to the Maximum Special Taxes is equal for all Parcels of Undeveloped Property. For Expected Taxable Property, “Proportionately” means that the ratio of the actual Special Taxes levied to the Maximum Special Taxes is equal for all Parcels of Expected Taxable Property.

“Public Property” means any property within the boundaries of Improvement Area No. 1 that is owned by the federal government, the State of California, the Successor Agency, the City, or other public agency.

“Qualified Project Costs” has the meaning set forth in the Financing Plan and refers to the Project as a whole.

“Regional Retail Center” means a Development Project in Candlestick Point that is located within the geographic area designated as the Regional Retail Center site in Attachment 4 of this RMA and that includes a minimum of 450,000 net leasable square footage for commercial establishments that sell general merchandise, hard goods, food and beverage, personal services and other items directly to consumers.

“Regional Retail Center Square Footage” means the gross square footage within a building that is, or is expected to be, within the Regional Retail Center, as reflected on a site plan, Building Permit, plans or documents provided by the Developer or Successor Agency, or as expected pursuant to Development Approval Documents. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Regional Retail Center Square Footage on a Parcel, and such determination shall be conclusive and binding. Regional Retail Center Square Foot means an individual square foot unit of Regional Retail Center Square Footage.

“Remainder Special Taxes” means, as calculated between September 1st and December 31st of any Fiscal Year, any Facilities Special Tax revenues that were collected in the prior Fiscal Year and were not needed to: (i) pay debt service on the Bonds that was due in the calendar year in which the Remainder Special Taxes are being calculated; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; or (v) pay Administrative Expenses that have been incurred, or are expected to be incurred, by the Successor Agency prior to the receipt of additional Facilities Special Tax proceeds.

“Required Coverage” means the amount by which the Maximum IA1 Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Required Maintenance Revenues” means the required Maximum Services Special Tax Revenues that must be available in any Fiscal Year from Taxable Parcels in Improvement Area No. 1, although the actual amount levied in such Fiscal Year may be less than the Maximum Services Special Tax Revenues. For Fiscal Year 2017-18, the Required Maintenance Revenue is \$358,502, which amount shall be adjusted (i) on July 1, 2018 and each July 1 thereafter, by the Escalator, and (ii) each time property annexes into Improvement Area No. 1 pursuant to Section E below.

“Residential Product Type” means Candlestick Point Low-Rise Unit, Shipyard Low-Rise Unit, Candlestick Point Mid-Rise Unit, Shipyard Mid-Rise Unit, Candlestick Point Tower Unit, Shipyard Tower Unit, Candlestick Point Apartment Unit, Shipyard Apartment Unit, Inclusionary Unit, Candlestick Point Workforce Apartment Unit, Shipyard Workforce Apartment Unit, Candlestick Point Workforce For-Sale Unit, Shipyard Workforce For-Sale Unit, Candlestick Point Townhome Unit, or Shipyard Townhome Unit. If there is any confusion as to the Residential Product Type for a Residential Unit, the Administrator shall coordinate with the Review Authority to make the determination, which shall be conclusive and binding.

“Residential Square Footage” means the square footage of a Residential Unit reflected on a condominium plan, site plan, or Building Permit, provided by the Developer or Successor Agency, or expected pursuant to Development Approval Documents. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Residential Square Footage on a Taxable Parcel, and such determination shall be conclusive and binding. Residential Square Foot means a single square-foot unit of Residential Square Footage.

“Residential Unit” means a room or suite of two or more rooms that is designed for residential occupancy for 32 consecutive days or more, including provisions for sleeping, eating and sanitation. “Residential Unit” will include, but not be limited to, an individual townhome, condominium, flat, apartment, or loft unit, and individual units within a senior or assisted living facility.

“Retail Square Footage” means the gross saleable or gross leasable square footage within a building that: (i) is or is expected to be square footage of a commercial establishment that sells general merchandise, hard goods, food and beverage, personal services, and other items directly to consumers, including but not limited to, restaurants, bars, entertainment venues, health clubs, spas, laundromats, dry cleaners, repair shops, storage facilities, and parcel delivery shops, (ii) is not square footage located within the Regional Retail Center, and (iii) is not Parking Square Footage. In addition, any other square footage in a building that is used for commercial or retail business operations and is not Association Property shall be taxed as Retail Square Footage. Retail Square Footage shall be determined based on reference to the condominium plan, site plan, Building Permit, or Development Approval Documents, or as provided by the Developer or the Successor Agency. The Administrator, in conjunction with the Review Authority, shall make the final determination as to the amount of Retail Square Footage on any Parcel within Improvement Area No. 1, and such determination shall be conclusive and binding. Retail Square Foot means a single square-foot unit of Retail Square Footage. Incidental retail or commercial uses in an otherwise exempt building (e.g., a snack bar in a recreation center on Association Property) shall not constitute Retail Square Footage.

“Review Authority” means the Executive Director of the Successor Agency or an alternative designee from the agency or department responsible for the approvals and entitlements of a project in the CFD.

“RMA” means this Rate and Method of Apportionment of Special Taxes.

“Services Special Tax” means a special tax levied in any Fiscal Year to pay the Services Special Tax Requirement.

“Services Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay the costs of, or establish reserves to pay the costs of, operations and maintenance or other public services that are included as Authorized Expenditures; (ii) cure delinquencies in the payment of Services Special Taxes in the prior Fiscal Year; and (iii) pay Administrative Expenses.

“Shipyard” means that geographic area identified as Hunters Point Shipyard, Phase 2 on Attachment 1 of this RMA.

“Shipyard Apartment Unit” means a Residential Unit within an Apartment Project in Shipyard.

“Shipyard Hotel Square Footage” means Hotel Square Footage within a Hotel in Shipyard.

“Shipyard Low-Rise Unit” means a Residential Unit within a Low-Rise Project in Shipyard.

“Shipyard Mid-Rise Unit” means a Residential Unit within a Mid-Rise Project in Shipyard.

“Shipyard Tower Unit” means a Residential Unit within a Tower Project in Shipyard.

“Shipyard Townhome Unit” means a Residential Unit within a Townhome Project in Shipyard.

“Shipyard Workforce Apartment Unit” means a Workforce Unit within an Apartment Project in Shipyard.

“Shipyard Workforce For-Sale Unit” means a Workforce For-Sale Unit in Shipyard.

“Special Taxes” means, collectively, the Facilities Special Tax and Services Special Tax.

“Successor Agency” means the Office of Community Investment and Infrastructure, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, organized and existing under the laws of the State of California, or any successor agency thereto.

“Sub-Phase” is defined in the DDA.

“Sub-Phase Application” means the application and associated documents required to be submitted for each Sub-Phase Approval (as defined and set forth in the DDA).

“Taxable Agency Housing Units” means, in any Fiscal Year after the First Bond Sale, one or more Agency Housing Units that satisfy all three of the following conditions: (i) the Agency Housing Units had not been Agency Housing Units on the date of the First Bond Sale, (ii) in the prior Fiscal Year, the Agency Housing Units had not been part of the Expected Land Uses, as determined by the Administrator, and (iii) if the Agency Housing Units were to be exempt from the Facilities Special Tax, the Expected Maximum Facilities Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Taxable Institutional Square Footage” means, for levy of the Facilities Special Tax, any Institutional Square Footage that exceeds the amount of permitted Exempt Institutional Square Footage, as determined by the Administrator. For levy of the Services Special Tax, all Institutional Square Footage is Taxable Institutional Square Footage.

“Taxable Maker Space Square Footage” means, for levy of the Facilities Special Tax, any Maker Space Square Footage that exceeds the amount of permitted Exempt Maker Space Square Footage, as determined by the Administrator. For levy of the Services Special Tax, all Maker Space Square Footage is Taxable Maker Space Square Footage.

“Taxable Regional Retail Center Square Footage” means, for levy of the Facilities Special Tax, any Regional Retail Center Square Footage that exceeds the amount of permitted Exempt Regional Retail Center Square Footage, as determined by the Administrator. For levy of the Services Special Tax, all Regional Retail Center Square Footage is Taxable Regional Retail Center Square Footage.

“Taxable Parcel” means any Parcel within Improvement Area No. 1 that is not exempt from the Special Taxes pursuant to law or Section H below.

“Total Tax Burden” means, for any Land Use Category, the Special Taxes for such Land Use Category, together with ad valorem property taxes, special assessments, special taxes for any overlapping community facilities district, or any other taxes, fees and charges which would be collected by the County on property tax bills for a Market Rate Unit with an assessed value equal to the Average Sales Price, and which are payable from and secured by the property assuming such Residential Unit had been completed, sold, and subject to such levies and impositions, excluding service charges such as sewer and trash.

“Tower Project” means a Development Project within which the highest residential or mixed-use building that includes Residential Units proposed for development has a Building Height greater than 150 feet. All Residential Units within a Tower Project, regardless of the height of each individual building within the Development Project, will be categorized as Candlestick Point Tower Units or Shipyard Tower Units for purposes of this RMA. For example, if a Development Project proposes three buildings that are 160 feet, 90 feet, and 40 feet, respectively, all Residential Units within all three buildings will be categorized as Candlestick Point Tower Units or Shipyard Tower Units.

“Townhome Project” means a Development Project that meets both of the following criteria: (i) the highest residential or mixed-use building proposed for development has a Building Height less than or equal to 50 feet, and (ii) the main entry doors for all ground floor Residential Units within the building will be directly accessible from a public street, private street, or courtyard instead of from a common corridor. All Residential Units within a Townhome Project will be categorized as Candlestick Point Townhome Units or Shipyard Townhome Units for purposes of this RMA.

“Undeveloped Property” means, in any Fiscal Year, all Taxable Parcels that are not Developed Property, Vertical Development Property, or Expected Taxable Property.

“Vertical Assignment and Assumption Agreement” means an Assignment and Assumption Agreement for Vertical Improvements (as defined in the DDA).

“Vertical Development Property” means, in any Fiscal Year, any Parcel that is not yet Developed Property against which a Vertical Assignment and Assumption Agreement has been recorded, and for which the Developer or the Vertical Developer has, by June 1 of the prior Fiscal Year, notified the Administrator of such recording.

“Vertical Developer” means a developer that has entered into a Vertical Assignment and Assumption Agreement for construction of vertical improvements on a Taxable Parcel.

“Warehouse Office/R&D Square Footage” means Office/R&D Square Footage within one or more Development Projects that are located within the geographic area designated as the Warehouse Commercial District, as identified in Attachment 5 of this RMA.

“Wharf Office/R&D Square Footage” means Office/R&D Square Footage within one or more Development Projects that are located within the geographic area designated as the Wharf Commercial District, as identified in Attachment 5 of this RMA.

“Workforce Apartment Unit” means a Workforce Unit in an Apartment Project.

“Workforce For-Sale Unit” means, in any Fiscal Year, a Workforce Unit that has been, or is expected to be, sold to an individual homeowner, and for which the five-year anniversary of the first sale of the Workforce Unit to a homebuyer did not occur in the prior Fiscal Year. The Administrator shall make the final determination as to whether a Workforce Unit is a Workforce For-Sale Unit.

“Workforce Unit” means a Residential Unit that is: (i) required pursuant to the DDA, (ii) subject to a deed restriction related to the affordability of the Residential Unit or income restrictions for its occupants, and (iii) is approved by the Successor Agency as an affordable housing unit priced for sale or lease with an AMI Percentage equal to a minimum of 140% and a maximum of 160%.

B. DATA FOR CFD ADMINISTRATION

On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether each Taxable Parcel is Developed Property, Vertical Development Property, Undeveloped Property, or Expected Taxable Property, (ii) within which Block each Assessor’s Parcel is located, (iii) for Developed Property, the Residential Square Footage, Retail Square Footage, Regional Retail Center Square Footage, Institutional Square Footage, Maker Space Square Footage, Office/R&D Square Footage, Candlestick Point Hotel Square Footage and/or Shipyard Hotel Square Footage on each Parcel, (iv) for Office/R&D Square Footage, the amount of Warehouse Office/R&D Square Footage, Wharf Office/R&D Square Footage, and/or Other Office/R&D Square Footage, (v) for residential or mixed-use buildings, the Residential Product Type and number of Market Rate Units, Inclusionary Units, Workforce For-Sale Units, and Workforce Apartment Units, and (vi) the Facilities Special Tax Requirement and Services Special Tax Requirement for the Fiscal Year.

The Administrator shall review Development Approval Documents and coordinate with the Successor Agency, the Developer, and Vertical Developers to identify the number of Inclusionary Units, Workforce Apartment Units, Workforce For-Sale Units, and Market Rate Units within each building. If there are transfers of Inclusionary Units, Workforce Apartment Units, Workforce For-Sale Units, and/or Market Rate Units, the Administrator shall refer to Section D.3 to determine the Maximum Special Taxes for each Parcel after such transfer. If, at any time after the First Bond Sale, it is determined that a change in the number of Inclusionary Units, Workforce For-Sale Units, and/or Workforce Apartment Units will decrease Maximum IA1 Revenues to a point at which Required Coverage cannot be maintained, then some or all of the Inclusionary Units, Workforce For-Sale Units, and/or Workforce Apartment Units that were not originally part of the Expected Land Uses shall be designated as Market Rate Units. In such a case, the Administrator shall determine how many Inclusionary Units, Workforce For-Sale Units, and/or Workforce Apartment Units must be designated as Market Rate Units in order to maintain Required Coverage, and the Successor Agency shall determine which Inclusionary Units, Workforce For-Sale Units, and/or Workforce Apartment Units will be Market Rate Units, and the Administrator shall update Attachment 3 accordingly.

If a Building Permit has been issued for development of a structure, and additional structures are anticipated to be built within the Block as shown in the Development Approval Documents, the Administrator shall, regardless of the definitions set forth herein, categorize the building(s) for

which the Building Permit was issued as Developed Property and any remaining buildings for which Building Permits have not yet been issued as Vertical Development Property for purposes of levying the Special Taxes. If the buildings share an Assessor's Parcel, the Administrator shall take the sum of the Facilities Special Taxes and Services Special Taxes determined for each building after application of the steps in Section F to determine the Special Tax levy for the Parcel.

In any Fiscal Year, if it is determined that (i) a parcel map or condominium plan was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created parcels into the then current tax roll), (ii) because of the date the map or plan was recorded, the Assessor does not yet recognize the newly-created parcels, and (iii) one or more of the newly-created parcels meets the definition of Developed Property or Vertical Development Property, the Administrator shall calculate the Special Taxes for the property affected by recordation of the map or plan by determining the Special Taxes that apply separately to each newly-created parcel, then applying the sum of the individual Special Taxes to the Assessor's Parcel that was subdivided by recordation of the parcel map or condominium plan.

In addition to the tasks set forth above, on an ongoing basis, the Administrator will review the Development Approval Documents for property in Improvement Area No. 1 and communicate with the Developer regarding proposed Land Use Changes. The Administrator will, upon receipt of each recorded Vertical Assignment and Assumption Agreement, and upon any proposed Land Use Change that is made known to the Administrator, update Attachment 2 to reflect the then-current Expected Land Uses on, and Expected Maximum Facilities Special Tax Revenues for, each Block.

C. MAXIMUM SPECIAL TAX

1. *Undeveloped Property*

1a. Facilities Special Tax

The Maximum Facilities Special Tax for Undeveloped Property in Improvement Area No. 1 shall be the Expected Maximum Facilities Special Tax Revenues shown in Attachment 3 of this RMA, as it may be amended as set forth herein. If, in any Fiscal Year, separate Assessor's Parcels have not yet been created for property within each Block, the Administrator shall sum the Expected Maximum Facilities Special Tax Revenues for all Blocks within an Assessor's Parcel to determine the Maximum Facilities Special Tax that shall apply to the Parcel in such Fiscal Year.

If an Assessor's Parcel contains a portion of one or more Blocks, the Maximum Facilities Special Tax shall be determined by allocating the Expected Maximum Facilities Special Tax Revenues for each Block proportionately among such Assessor's Parcels based on the Expected Land Uses on each Parcel, as determined by the Administrator. The Maximum IA1 Revenues after such allocation shall not be less than the Maximum IA1 Revenues prior to this allocation.

1b. Services Special Tax

The Maximum Services Special Tax for Undeveloped Property in Improvement Area No. 1 shall be the Expected Maximum Services Special Tax Revenues shown in Attachment 3 of this RMA, as it may be amended as set forth herein. If, in any Fiscal Year, separate Assessor's Parcels have not yet been created for property within each Block, the Administrator shall sum the Expected Maximum Services Special Tax Revenues for all Blocks within an Assessor's Parcel to determine the Maximum Services Special Tax that shall apply to the Parcel in such Fiscal Year.

If an Assessor's Parcel contains a portion of one or more Blocks, the Maximum Services Special Tax shall be determined by allocating the Expected Maximum Services Special Tax Revenues for each Block proportionately among such Assessor's Parcels based on the Expected Land Uses on each Parcel, as determined by the Administrator. The Maximum IA1 Revenues after such allocation shall not be less than the Maximum IA1 Revenues prior to this allocation.

2. Vertical Development Property

2a. Facilities Special Tax

When a Parcel becomes Vertical Development Property, the Administrator shall coordinate with the Successor Agency, Developer and/or the Vertical Developer to confirm the Expected Land Uses on the Block(s) covered by the Vertical Assignment and Assumption Agreement. Using the Base Facilities Special Tax shown in Table 1 (as Adjusted), the Administrator shall calculate the Estimated Base Facilities Special Tax Revenues based on the Expected Land Uses for property within the area included within the Vertical Assignment and Assumption Agreement. Prior to issuance of the First Bond Sale, the Maximum Facilities Special Tax for each Parcel shall be the Estimated Base Facilities Special Tax Revenues for the Parcel.

Table 1
Base Facilities Special Tax

| No. | Land Use Category | Base Facilities Special Tax (Fiscal Year 2017-18) * |
|------------|---|--|
| 1 | Candlestick Point Low-Rise Unit | \$4.98 per Residential Square Foot |
| 2 | Shipyards Low-Rise Unit | \$5.34 per Residential Square Foot |
| 3 | Candlestick Point Mid-Rise Unit | \$6.03 per Residential Square Foot |
| 4 | Shipyards Mid-Rise Unit | \$5.97 per Residential Square Foot |
| 5 | Candlestick Point Townhome Unit | \$5.85 per Residential Square Foot |
| 6 | Shipyards Townhome Unit | \$5.79 per Residential Square Foot |
| 7 | Candlestick Point Tower Unit – Floors 1-8 | \$5.66 per Residential Square Foot |
| 8 | Candlestick Point Tower Unit – Floors 9-17 | \$6.44 per Residential Square Foot |
| 9 | Candlestick Point Tower Unit – Floors 18-29 | \$8.81 per Residential Square Foot |
| 10 | Candlestick Point Tower Unit – Floors 30 and Above | \$10.83 per Residential Square Foot |
| 11 | Shipyards Tower Unit – Floors 1-8 | \$5.61 per Residential Square Foot |
| 12 | Shipyards Tower Unit – Floors 9-17 | \$6.37 per Residential Square Foot |
| 13 | Shipyards Tower Unit – Floors 18-29 | \$8.73 per Residential Square Foot |
| 14 | Shipyards Tower Unit – Floors 30 and Above | \$10.72 per Residential Square Foot |
| 15 | Candlestick Point Apartment Unit | \$2.80 per Residential Square Foot |
| 16 | Shipyards Apartment Unit | \$2.85 per Residential Square Foot |
| 17 | Inclusionary Unit – BMR 80% Unit | \$982.19 per Residential Unit |
| 18 | Inclusionary Unit – BMR 90% Unit | \$1,152.99 per Residential Unit |
| 19 | Inclusionary Unit – BMR 100% Unit | \$1,313.52 per Residential Unit |
| 20 | Inclusionary Unit – BMR 120% Unit | \$1,634.35 per Residential Unit |
| 21 | Candlestick Point Workforce Apartment Unit | \$2.25 per Residential Square Foot |
| 22 | Shipyards Workforce Apartment Unit | \$2.25 per Residential Square Foot |
| 23 | Candlestick Point Workforce For-Sale Unit | \$2,494.74 per Residential Unit |
| 24 | Shipyards Workforce For-Sale Unit | \$2,494.74 per Residential Unit |
| 25 | Retail Square Footage | \$1.20 per Retail Square Foot |
| 26 | Candlestick Point Hotel Square Footage | \$2.00 per Hotel Square Foot |
| 27 | Shipyards Hotel Square Footage | \$2.23 per Hotel Square Foot |
| 28 | Other Office/R&D Square Footage | \$1.27 per Office/R&D Square Foot |
| 29 | Warehouse Office/R&D Square Footage | \$1.27 per Office/R&D Square Foot |
| 30 | Wharf Office/R&D Square Footage | \$1.27 per Office/R&D Square Foot |
| 31 | Taxable Regional Retail Center Square Footage | \$1.20 per Regional Retail Center Square Foot |
| 32 | Taxable Institutional Square Footage | \$1.27 per Institutional Square Foot |
| 33 | Taxable Maker Space Square Footage | \$1.20 per Maker Space Square Foot |

*** The Base Facilities Special Taxes shown above shall be escalated as set forth in Section D.1.**

After the First Bond Sale, for the Block(s) included in the Vertical Assignment and Assumption Agreement, the Administrator shall compare the Estimated Base Facilities Special Tax Revenues to the Expected Maximum Facilities Special Tax Revenues for the Block as reflected in Attachment 3, and:

- *If the Estimated Base Facilities Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Facilities Special Tax Revenues or (ii) less than the Expected Maximum Facilities Special Tax Revenues, but the Maximum IA1 Revenues are still sufficient to provide Required Coverage, then the Maximum Facilities Special Tax for the Vertical Development Property shall be the Estimated Base Facilities Special Tax Revenues. The*

Administrator shall revise Attachment 3 to reflect the change in the Expected Maximum Facilities Special Tax Revenues for the Block(s) within the Vertical Assignment and Assumption Agreement and the change in Maximum IA1 Revenues.

- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, and such reduction causes the Maximum IA1 Revenues to be insufficient to provide Required Coverage, then the Base Facilities Special Taxes applied to each Land Use Category in the Vertical Assignment and Assumption Agreement shall be increased proportionately until the amount that can be levied on Expected Land Uses in the Vertical Assignment and Assumption Agreement, combined with the Expected Maximum Facilities Special Tax Revenues from other Blocks in Improvement Area No. 1, is sufficient to maintain Required Coverage. The Administrator shall revise Attachment 3 to reflect the new Expected Maximum Facilities Special Tax Revenues for the Block(s) within the Vertical Assignment and Assumption Agreement.*

If it is determined that only a portion of a Block is included within a Vertical Assignment and Assumption Agreement, the Administrator shall refer to Attachments 2 and 3 to estimate the Expected Land Uses that should be assigned to the portion of the Block that is included within the Vertical Assignment and Assumption Agreement. The Administrator shall confirm this determination with the Review Authority, the Developer, and/or the Vertical Developer.

2b. Services Special Tax

Based on the Expected Land Uses determined pursuant to Section C.2a above, and using the Base Services Special Taxes shown in Table 2 below, the Administrator shall calculate the Estimated Base Services Special Tax Revenues for the Block(s) included within the Vertical Assignment and Assumption Agreement. The Administrator shall compare the Estimated Base Services Special Tax Revenues to the Expected Maximum Services Special Tax Revenues for the Block as reflected in Attachment 3, and:

- *If the Estimated Base Services Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Services Special Tax Revenues or (ii) less than the Expected Maximum Services Special Tax Revenues, but the Maximum Services Special Tax Revenues are still sufficient to provide the Required Maintenance Revenues, then the Maximum Services Special Tax for the Vertical Development Property shall be the Estimated Base Services Special Tax Revenues. The Administrator shall revise Attachment 3 to reflect the change in the Expected Maximum Services Special Tax Revenues for the Block(s) within the Vertical Assignment and Assumption Agreement and the change in the Maximum Services Special Tax Revenues.*
- *If the Estimated Base Services Special Tax Revenues are less than the Expected Maximum Services Special Tax Revenues, and such reduction causes the Maximum Services Special Tax Revenues to be insufficient to provide the Required Maintenance Revenues, then the Base Services Special Taxes applied*

to each Land Use Category in the Vertical Assignment and Assumption Agreement shall be increased proportionately until the amount that can be levied on Expected Land Uses in the Vertical Assignment and Assumption Agreement, combined with the Expected Maximum Services Special Tax Revenues from other Blocks in Improvement Area No. 1, is sufficient to provide the Required Maintenance Revenues. The Administrator shall revise Attachment 3 to reflect the new Expected Maximum Services Special Tax Revenues for the Block(s) within the Vertical Assignment and Assumption Agreement.

Table 2
Base Services Special Tax

| No. | Land Use Category | Base Services Special Tax (Fiscal Year 2017-18) * |
|------------|---|--|
| 1 | Candlestick Point Low-Rise Unit | \$1.00 per Residential Square Foot |
| 2 | Shipyards Low-Rise Unit | \$1.07 per Residential Square Foot |
| 3 | Candlestick Point Mid-Rise Unit | \$1.21 per Residential Square Foot |
| 4 | Shipyards Mid-Rise Unit | \$1.19 per Residential Square Foot |
| 5 | Candlestick Point Townhome Unit | \$1.17 per Residential Square Foot |
| 6 | Shipyards Townhome Unit | \$1.16 per Residential Square Foot |
| 7 | Candlestick Point Tower Unit – Floors 1-8 | \$1.13 per Residential Square Foot |
| 8 | Candlestick Point Tower Unit – Floors 9-17 | \$1.29 per Residential Square Foot |
| 9 | Candlestick Point Tower Unit – Floors 18-29 | \$1.76 per Residential Square Foot |
| 10 | Candlestick Point Tower Unit – Floors 30 and Above | \$2.17 per Residential Square Foot |
| 11 | Shipyards Tower Unit – Floors 1-8 | \$1.12 per Residential Square Foot |
| 12 | Shipyards Tower Unit – Floors 9-17 | \$1.27 per Residential Square Foot |
| 13 | Shipyards Tower Unit – Floors 18-29 | \$1.75 per Residential Square Foot |
| 14 | Shipyards Tower Unit – Floors 30 and Above | \$2.14 per Residential Square Foot |
| 15 | Candlestick Point Apartment Unit | \$0.80 per Residential Square Foot |
| 16 | Shipyards Apartment Unit | \$0.81 per Residential Square Foot |
| 17 | Inclusionary Unit – BMR 80% Unit | \$280.63 per Residential Unit |
| 18 | Inclusionary Unit – BMR 90% Unit | \$329.43 per Residential Unit |
| 19 | Inclusionary Unit – BMR 100% Unit | \$375.29 per Residential Unit |
| 20 | Inclusionary Unit – BMR 120% Unit | \$466.96 per Residential Unit |
| 21 | Candlestick Point Workforce Apartment Unit | \$0.64 per Residential Square Foot |
| 22 | Shipyards Workforce Apartment Unit | \$0.64 per Residential Square Foot |
| 23 | Candlestick Point Workforce For-Sale Unit | \$712.78 per Residential Unit |
| 24 | Shipyards Workforce For-Sale Unit | \$712.78 per Residential Unit |
| 25 | Retail Square Footage | \$0.60 per Retail Square Foot |
| 26 | Candlestick Point Hotel Square Footage | \$0.73 per Hotel Square Foot |
| 27 | Shipyards Hotel Square Footage | \$0.78 per Hotel Square Foot |
| 28 | Other Office/R&D Square Footage | \$1.35 per Office/R&D Square Foot |
| 29 | Warehouse Office/R&D Square Footage | \$1.10 per Office/R&D Square Foot |
| 30 | Wharf Office/R&D Square Footage | \$1.70 per Office/R&D Square Foot |
| 31 | Taxable Regional Retail Center Square Footage | \$0.60 per Regional Retail Center Square Foot |
| 32 | Taxable Institutional Square Footage | \$0.45 per Institutional Square Foot |
| 33 | Taxable Maker Space Square Footage | \$0.45 per Maker Space Square Foot |

* The Base Services Special Taxes shown above shall be escalated as set forth in Section D.2.

3. Developed Property

3a. Facilities Special Tax

When a Building Permit is issued, the Administrator shall apply the following steps to determine the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created for land uses within the building:

- Step 1.* Review the Building Permit, condominium plan, architectural drawings, information provided by the Developer and/or Vertical Developer, and any other documents that identify the Building Height, number of Residential

Units, square footage within each Land Use Category, and expected layout of Airspace Parcels within the building(s) that will be constructed pursuant to the Building Permit.

- Step 2.* Determine the Residential Square Footage of each Residential Unit that will be constructed pursuant to the Building Permit, as well as the Retail Square Footage, Warehouse Office/R&D Square Footage, Wharf Office/R&D Square Footage, Other Office/R&D Square Footage, Regional Retail Center Square Footage, Maker Space Square Footage, Institutional Square Footage, and Hotel Square Footage within the building(s), and the square footage of the Candlestick Point Workforce Apartment Units and Shipyard Workforce Apartment Units within the building(s).
- Step 3.* Identify the number of Inclusionary Units, Candlestick Point Workforce For-Sale Units, and/or Shipyard Workforce For-Sale Units within the building(s).
- Step 4.* Using the information from the first three steps, the Administrator shall separately calculate the following:
- For Market Rate Units in the building, multiply the applicable Base Facilities Special Tax from Table 1 (as Adjusted) for the Residential Product Type that applies to the building by the total aggregate Residential Square Footage of all Market Rate Units expected within the building.
 - Multiply the Base Facilities Special Tax from Table 1 (as Adjusted) for each Non-Residential Product Type by the total square footage for each Non-Residential Product Type category expected in the building.
 - For Inclusionary Units in the building, multiply the applicable Base Facilities Special Tax from Table 1 (as Adjusted) for each Income Designation by the total expected Inclusionary Units in each Income Designation expected within the building.
 - For Workforce Apartment Units in the building, multiply the applicable Base Facilities Special Tax from Table 1 (as Adjusted) by the total aggregate Residential Square Footage of all Workforce Apartment Units expected within the building.
 - For Workforce For-Sale Units in the building (prior to such units becoming Market Rate Units), multiply the applicable Base Facilities Special Tax from Table 1 (as Adjusted) by the number of Workforce For-Sale Units expected within the building.
 - If, based on the Expected Land Uses, the Administrator determines that there is one or more Parcels of Expected Taxable Property within the building, determine the Maximum Facilities Special Tax for such Parcels by reference to Section C.4a below.

Prior to the First Bond Sale, the Maximum Facilities Special Tax for each Taxable Parcel in the building shall be determined by adding all of the amounts calculated above. Steps 5 and 6 below shall not apply.

After the First Bond Sale, the Administrator shall apply Steps 5 and 6 to determine the Maximum Facilities Special Tax for each Taxable Parcel.

Step 5. Sum the amounts calculated in Step 4 to determine the Estimated Base Facilities Special Tax Revenues for the building(s) for which a Building Permit was issued.

Step 6. Compare the Estimated Base Facilities Special Tax Revenues from Step 5 to the Expected Maximum Facilities Special Tax Revenues for the property, and apply one of the following, as applicable:

- *If the Estimated Base Facilities Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Facilities Special Tax Revenues or (ii) less than the Expected Maximum Facilities Special Tax Revenues, but the Maximum IA1 Revenues are still sufficient to provide Required Coverage, then the Maximum Facilities Special Tax for each Taxable Parcel that has been or will be created shall be determined by multiplying the applicable Base Facilities Special Tax by the square footage and/or Residential Units within each Land Use Category expected on each Taxable Parcel within the building(s) for which the Building Permit has been issued. The Administrator shall revise Attachment 3 to reflect the change in Expected Maximum Facilities Special Tax Revenues for the Block(s) and the change in Maximum IA1 Revenues.*
- *If the Estimated Base Facilities Special Tax Revenues are less than the Expected Maximum Facilities Special Tax Revenues, and such reduction causes the Maximum IA1 Revenues to be insufficient to provide Required Coverage, then the Base Facilities Special Taxes that were applied in Step 4 shall be increased proportionately until the amount that can be levied on Taxable Parcels within the building for which the Building Permit was issued, combined with the Expected Maximum Facilities Special Tax Revenues from other Blocks in Improvement Area No. 1, is sufficient to maintain Required Coverage.*

After proportionately increasing the Base Facilities Special Taxes to an amount that will maintain Required Coverage, the Administrator shall use these adjusted rates to calculate the Maximum Facilities Special Tax for each Taxable Parcel that has been, or is expected to be, created within the building(s) for which the Building Permit has been issued. The Administrator shall also revise Attachment 3 to reflect the new Expected Maximum Facilities Special Tax Revenues.

Until individual Assessor's Parcels are created for each Land Use Category within a building, the Administrator shall sum the Facilities Special Taxes that, pursuant to

Section F below, would be levied on all Land Use Categories on a Parcel and levy this aggregate Facilities Special Tax on the Parcel.

3b. Services Special Tax

To calculate the Maximum Services Special Taxes for Parcels of Developed Property, the Administrator shall first apply Steps 1 through 4 from Section 3.3a above, using the Base Services Special Taxes from Table 2 (as Adjusted) instead of the Base Facilities Special Taxes from Table 1. The amounts calculated in Step 4 shall be the Maximum Services Special Tax for each Parcel, which amounts shall be used for the following additional steps:

- Step 5.* Sum the amounts calculated in Step 4 to determine the Estimated Base Services Special Tax Revenues for the building(s) for which a Building Permit was issued.
- Step 6.* Compare the Estimated Base Services Special Tax Revenues from Step 5 to the Expected Maximum Services Special Tax Revenues for the property, and apply one of the following, as applicable:
 - *If the Estimated Base Services Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Services Special Tax Revenues or (ii) less than the Expected Maximum Services Special Tax Revenues, but the Maximum Services Special Tax Revenues are still sufficient to provide the Required Maintenance Revenues, then the Maximum Services Special Tax for each Taxable Parcel that has been or will be created shall be determined by multiplying the applicable Base Services Special Tax by the square footage and/or Residential Units within each Land Use Category expected on each Taxable Parcel within the building(s) for which the Building Permit has been issued. The Administrator shall revise Attachment 3 to reflect the change in Expected Maximum Services Special Tax Revenues for the Block(s) and the change in Maximum Services Special Tax Revenues.*
 - *If the Estimated Base Services Special Tax Revenues are less than the Expected Maximum Services Special Tax Revenues, and such reduction causes the Maximum Services Special Tax Revenues to be insufficient to provide the Required Maintenance Revenues, then the Base Services Special Taxes that were applied in Step 4 shall be increased proportionately until the amount that can be levied on Taxable Parcels within the building for which the Building Permit was issued, combined with the Expected Maximum Services Special Tax Revenues from other Blocks in Improvement Area No. 1, is sufficient to maintain the Required Maintenance Revenues.*

After proportionately increasing the Base Services Special Taxes to an amount that will maintain the Required Maintenance Revenues, the Administrator shall use these adjusted rates to calculate the Maximum Services Special Tax for each Taxable Parcel that has been, or is

expected to be, created within the building(s) for which the Building Permit has been issued. The Administrator shall also revise Attachment 3 to reflect the new Expected Maximum Services Special Tax Revenues.

Until individual Assessor's Parcels are created for each Land Use Category within a building, the Administrator shall sum the Services Special Taxes that, pursuant to Section F below, would be levied on all Land Use Categories on a Parcel and levy this aggregate Services Special Tax on the Parcel.

4. *Expected Taxable Property*

4a. *Facilities Special Tax*

The Maximum Facilities Special Tax assigned to any Parcel of Expected Taxable Property shall be the Expected Maximum Facilities Special Tax Revenues that were assigned to the Parcel (as determined by the Administrator) based on the Expected Land Uses prior to the Administrator determining that such Parcel had become Expected Taxable Property.

4b. *Services Special Tax*

The Maximum Services Special Tax assigned to any Parcel of Expected Taxable Property shall be the Expected Maximum Services Special Tax Revenues that were assigned to the Parcel (as determined by the Administrator) based on the Expected Land Uses prior to the Administrator determining that such Parcel had become Expected Taxable Property.

D. CHANGES TO THE MAXIMUM SPECIAL TAXES

1. *Annual Escalation of Facilities Special Tax*

Beginning July 1, 2018 and each July 1 thereafter, the Base Facilities Special Taxes in Table 1, the Expected Maximum Facilities Special Tax Revenues in Attachment 3, and the Maximum Facilities Special Tax assigned to each Parcel shall be increased by 2% of the amount in effect in the prior Fiscal Year.

2. *Annual Escalation of Services Special Tax*

Beginning July 1, 2018 and each July 1 thereafter, the Base Services Special Taxes in Table 2 and the Maximum Services Special Tax assigned to each Parcel shall be increased by the Escalator.

3. *Inclusionary Unit, Workforce Unit and/or Market Rate Unit Transfers*

If, in any Fiscal Year after the First Bond Sale, the Administrator determines that a Residential Unit that had previously been designated as an Inclusionary Unit or Workforce Apartment Unit no longer qualifies as such, the Maximum Facilities Special Tax on the Residential Unit shall be increased to the Maximum Facilities Special Tax that would be levied on a Market Rate Unit of the same Residential Square Footage. A Workforce For-Sale Unit shall be designated as a

Market Rate Unit in the first Fiscal Year following the Fiscal Year in which the five-year anniversary of the first sale of the Residential Unit to a homebuyer occurs, as determined by the Administrator.

If, after the First Bond Sale, a Market Rate Unit becomes an Inclusionary Unit or Workforce Unit after it has been taxed in prior Fiscal Years as a Market Rate Unit and, by reducing the Facilities Special Tax for the Inclusionary Unit or Workforce Unit, the Administrator determines that Maximum IA1 Revenues will be reduced to a point at which Required Coverage cannot be maintained, then the Maximum Facilities Special Tax that applies to the Residential Unit shall continue to be the Maximum Facilities Special Tax that was in effect when the unit was a Market Rate Unit. If a Market Rate Unit becomes an Inclusionary Unit or Workforce Unit after it has been taxed in prior Fiscal Years as a Market Rate Unit and, by reducing the Services Special Tax for the Inclusionary Unit or Workforce Unit, the Administrator determines that Maximum Services Special Tax Revenues will be reduced to a point at which the Required Maintenance Revenues cannot be maintained, then the Maximum Services Special Tax that applies to the Residential Unit shall continue to be the Maximum Services Special Tax that was in effect when the unit was a Market Rate Unit.

4. *Taxable Agency Housing Units*

If the Successor Agency notifies the Administrator of a change in the number or location of Agency Housing Lots, then at the request of the Successor Agency and the owner of any private Parcel(s) affected by the change, the Administrator shall (i) amend and replace Attachment 2 to reflect the then-current location and designation of Agency Housing Lots, and (ii) amend and replace Attachment 3 to reflect the then-current Expected Land Uses on, and the Expected Maximum Facilities Special Tax Revenues and Expected Maximum Services Special Tax Revenues for, the Parcel(s) that are affected by the change. If, at any time after the First Bond Sale, it is determined that a change in the number of Agency Housing Units will decrease Maximum IA1 Revenues to a point at which Required Coverage cannot be maintained, then the Administrator shall calculate the Maximum Facilities Special Tax that must be assigned to each of the Taxable Agency Housing Units to maintain Required Coverage, and such Taxable Agency Housing Units shall be subject to the levy of the Facilities Special Tax pursuant to Step 5 in Section F.1 below. The Maximum Facilities Special Tax assigned to each Taxable Agency Housing Unit shall be escalated pursuant to Section D.1.

5. *Land Use Changes on a Parcel of Developed Property*

If the square footage and/or Residential Units on any Parcel that had been taxed as Developed Property in a prior Fiscal Year is rezoned or otherwise changes Land Use Category, the Administrator shall multiply the applicable Base Special Taxes by the square footage and/or number of Residential Units within each of the new Land Use Category(ies). After the First Bond Sale, if the amount determined is less than the Maximum Facilities Special Tax and/or Maximum Services Special Tax that applied prior to the Land Use Change, there will be no change to the Maximum Special Taxes for the Parcel. Under no circumstances shall the Maximum Facilities Special Tax or Maximum Services Special Tax on any Parcel of Developed Property be reduced, regardless of changes in Land Use Category, the number of Residential Units, or square footage on the Parcel, including reductions in square footage that may occur due to demolition, fire, water damage, or acts of God.

If, in any Fiscal Year after the First Bond Sale, it is determined that, based on the identification of floors in a building elevator, Residential Units within a Tower Project against which a Facilities Special Tax and/or Services Special Tax had been levied in a prior Fiscal Year(s) would be assigned to a lower Special Tax category based on a change in the floor numbers within the building, the Administrator shall continue to rely on the original floor numbers to which the Residential Units had been assigned when the Special Taxes were first levied on the Residential Units.

6. *Reduction in Maximum Facilities Special Taxes Prior to First Bond Sale*

The Base Facilities Special Tax on Market Rate Units set forth in Land Use Categories 1 through 14 in Table 1 may be proportionately or disproportionately reduced once prior to the First Bond Sale. Such reduction shall be made without a vote of the qualified CFD electors following: (i) initiation upon written request of the Developer, and (ii) consultation with and approval by the Successor Agency regarding such request. If a reduction is approved by the Successor Agency, it shall occur at least 30 days prior to the First Bond Sale in accordance with and subject to the conditions set forth in this Section D.6. At such time, the Successor Agency shall hire a Price Point Consultant to prepare a Price Point Study setting forth the Average Sales Price for Land Use Categories 1 through 14 in Table 1 within each Development Project in Improvement Area No. 1 for which Market Rate Units have been or are expected to be constructed. If, based on the Price Point Study, the Administrator calculates that the Total Tax Burden for a Land Use Category will exceed 1.80% of the Average Sales Price for such Land Use Category, the Administrator shall reduce the Base Facilities Special Tax on such Land Use Category to the point at which the Total Tax Burden is equal to 1.80% of the Average Sales Price for such Land Use Category. The Base Facilities Special Tax reduction in each Land Use Category shall be calculated separately, and it is not required that such reduction be proportionate among Land Use Categories. The Base Facilities Special Tax reductions permitted pursuant to this paragraph shall be reflected in an Amended Notice of Special Tax Lien, which the Administrator shall cause to be recorded. If, based on the Price Point Study, the Administrator determines that the Total Tax Burden applicable to a Land Use Category will not exceed 1.80% of the Average Sales Price for such Land Use Category, then there shall be no change in the Base Facilities Special Tax for such Land Use Category.

7. *Converted Apartment Buildings*

If an Apartment Project in Improvement Area No. 1 becomes a Converted Apartment Building, the Administrator shall rely on information from the County Assessor, site visits to the sales office, data provided by the entity that is selling Residential Units within the building, and any other available source of information to track sales of Residential Units. In the first Fiscal Year in which there are one or more Converted For-Sale Units within the building, the Administrator shall determine the applicable Base Special Taxes for such Residential Units for that Fiscal Year to calculate the Maximum Special Taxes for all Converted For-Sale Units in the Building in that Fiscal Year. In addition, these Base Special Taxes, escalated pursuant to Sections D.1 and D.2, as applicable, shall be used to calculate the Maximum Special Taxes for all future Converted For-Sale Units within the building. All Residential Units within the Converted Apartment Building that have not yet been sold to individual homeowners shall continue to be subject to the Maximum Special Taxes for Candlestick Point Apartment Units or Shipyard Apartment Units, as applicable, until such time as the Residential Units become Converted For-Sale Units. The

Maximum Special Taxes for all Taxable Parcels within the building shall escalate each Fiscal Year pursuant to Sections D.1 and D.2.

E. ANNEXATIONS

If, in any Fiscal Year, a property owner within the Future Annexation Area wants to annex property into Improvement Area No. 1, the Administrator shall apply the following steps as part of the annexation proceedings:

- Step 1.* Working with Successor Agency staff and the landowner, the Administrator shall determine the Expected Land Uses for the area to be annexed.
- Step 2.* The Administrator shall prepare and keep on file updated Attachments 2 and 3 to reflect the annexed property and identify the revised Expected Land Uses, Expected Maximum Facilities Special Tax Revenues, and Expected Maximum Services Special Tax Revenues. After the annexation is complete, the application of Sections C and F of this RMA shall be based on the adjusted Expected Land Uses, Expected Maximum Facilities Special Tax Revenues, and Maximum Services Special Tax Revenues including the newly annexed property.
- Step 3.* The Administrator shall update the square footage of Exempt Maker Space Square Footage, Exempt Regional Retail Center Square Footage, and Exempt Institutional Square Footage to include such square footage as estimated in the area that was annexed.
- Step 4.* The Administrator shall update the Required Maintenance Revenues to include the Maximum Services Special Tax Revenues for the area being annexed.
- Step 5.* The Administrator shall ensure that a Notice of Special Tax Lien is recorded against all Parcels annexed to the CFD.

F. METHOD OF LEVY OF THE SPECIAL TAXES

1. Facilities Special Tax

Each Fiscal Year, the Facilities Special Tax shall be levied according to the steps outlined below:

- Step 1.* In all Fiscal Years prior to and including the earlier of (i) the Fiscal Year in which the Successor Agency makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 37 years after the First Bond Sale, the Maximum Facilities Special Tax shall be levied on all Parcels of Developed Property (not including Taxable Institutional Square Footage or Taxable Maker Space Square Footage that may be located on the Parcel) regardless of debt service on Bonds (if any), and any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan.

In all Fiscal Years after the earlier of: (i) the Fiscal Year in which the Successor Agency makes a finding that all Qualified Project Costs have been funded pursuant to the Financing Plan, or (ii) 37 years after the First Bond Sale, the Facilities Special Tax shall be levied Proportionately on each Parcel of Developed Property (not including Taxable Institutional Square Footage or Taxable Maker Space Square Footage that may be located on the Parcel), up to 100% of the Maximum Facilities Special Tax for each Parcel of Developed Property until the amount levied is equal to the Facilities Special Tax Requirement, and any Remainder Special Taxes collected shall be applied as set forth in the Financing Plan.

- Step 2.* If additional revenue is needed after Step 1 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Parcel of Vertical Development Property, up to 100% of the Maximum Facilities Special Tax for each Parcel of Vertical Development Property for such Fiscal Year.
- Step 3.* If additional revenue is needed after Step 2 in order to meet the Facilities Special Tax Requirement after Capitalized Interest has been applied to reduce the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property, up to 100% of the Maximum Facilities Special Tax for each Parcel of Undeveloped Property for such Fiscal Year.
- Step 4:* If additional revenue is needed after Step 3 in order to meet the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied Proportionately on Taxable Institutional Square Footage and Taxable Maker Space Square Footage up to 100% of the Maximum Facilities Special Tax for such square footage.
- Step 5:* If additional revenue is needed after Step 4 in order to meet the Facilities Special Tax Requirement, the Facilities Special Tax shall be levied (i) Proportionately on each Parcel of Expected Taxable Property, up to 100% of the Maximum Facilities Special Tax for each Parcel of Expected Taxable Property, and (ii) Proportionately on each Taxable Agency Housing Unit, up to 100% of the Maximum Facilities Special Tax that had been determined for each Taxable Housing Unit pursuant to Section D.4.

2. *Services Special Tax*

Each Fiscal Year, the Services Special Tax shall be levied according to the steps outlined below:

- Step 1.* The Services Special Tax shall be levied Proportionately on each Parcel of Developed Property (including all Taxable Institutional Square Footage, Taxable Maker Space Square Footage, and Taxable Regional Retail Center Square Footage that may be located on the Parcel), up to 100% of the Maximum Services Special Tax for each Parcel for such Fiscal Year until the amount levied is equal to the Services Special Tax Requirement.

- Step 2.* If additional revenue is needed after Step 1 in order to meet the Services Special Tax Requirement, the Services Special Tax shall be levied Proportionately on each Parcel of Vertical Development Property, up to 100% of the Maximum Services Special Tax for each Parcel of Vertical Development Property for such Fiscal Year.
- Step 3.* If additional revenue is needed after Step 2 in order to meet the Services Special Tax Requirement, the Services Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property, up to 100% of the Maximum Services Special Tax for each Parcel of Undeveloped Property for such Fiscal Year.
- Step 4:* If additional revenue is needed after Step 3 in order to meet the Services Special Tax Requirement, the Services Special Tax shall be levied Proportionately on each Parcel of Expected Taxable Property, up to 100% of the Maximum Services Special Tax for each Parcel of Expected Taxable Property.

G. COLLECTION OF SPECIAL TAXES

Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the Successor Agency may directly bill the Special Taxes, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods. The Special Tax bill for any Parcel subject to a leasehold interest will be sent to the same party that receives the possessory interest tax bill associated with the leasehold.

The Facilities Special Tax shall be levied and collected within Improvement Area No. 1 for 75 Fiscal Years. The Services Special Tax shall be levied and collected in perpetuity. Pursuant to Section 53321(d) of the Act, the Facilities Special Tax levied against a Parcel used for private residential purposes shall under no circumstances increase more than ten percent (10%) as a consequence of delinquency or default by the owner of any other Parcel or Parcels and shall, in no event, exceed the Maximum Facilities Special Tax in effect for the Fiscal Year in which the Facilities Special Tax is being levied.

H. EXEMPTIONS

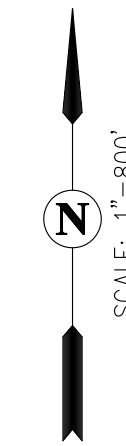
Notwithstanding any other provision of this RMA, no Facilities Special Tax may be levied on Exempt Maker Space Square Footage, Exempt Regional Retail Center Square Footage, Exempt Institutional Square Footage, or Parking Square Footage in Improvement Area No. 1. In addition, no Special Taxes shall be levied on: (i) Public Property or Association Property, except Public Property or Association Property that is determined to be Expected Taxable Property, (ii) Agency Housing Lots unless any such lots have been determined to be Expected Taxable Property, (iii) Agency Housing Units, except for Taxable Agency Housing Units, (iv) Community Facilities Lots, and (v) Parcels that are or are intended to be used as streets, walkways, alleys, rights of way, parks, or open space.

I. INTERPRETATION OF SPECIAL TAX FORMULA

The Successor Agency may interpret, clarify, and revise this RMA to correct any inconsistency, vagueness, or ambiguity, by resolution and/or ordinance, as long as such interpretation, clarification, or revision does not materially affect the levy and collection of the Special Taxes and any security for any Bonds.

ATTACHMENT 1

IDENTIFICATION OF CANDLESTICK POINT AND HUNTERS POINT SHIPYARD



SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9
(HPS2/CP PUBLIC FACILITIES AND SERVICES)
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

Carlson, Barbee & Gibson, Inc.

CIVIL ENGINEERS • SURVEYORS • PLANNERS

SAN RAMON • WEST SACRAMENTO

DECEMBER 15, 2017

SHEET 1 OF 1



ATTACHMENT 2

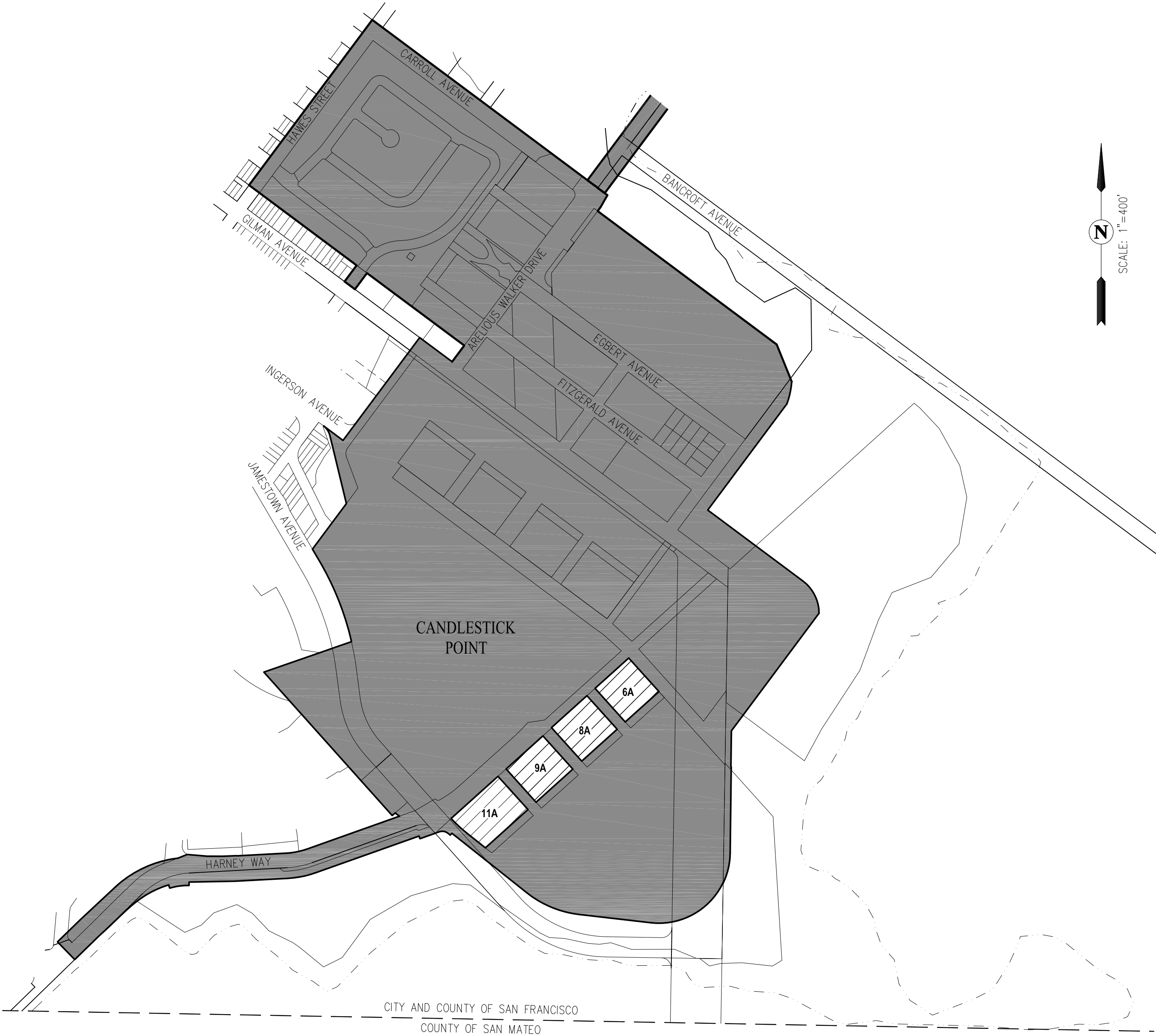
BLOCKS AND AGENCY HOUSING LOTS IN IMPROVEMENT AREA NO. 1

| ASSESSOR'S PARCEL NUMBERS OF PROPERTY IN IMPROVEMENT AREA NO. 1 | |
|--|-----------------------------|
| BLOCK | ASSESSOR'S PARCEL NUMBER(S) |
| 6A | 5000-033 |
| 8A | 5000-034 |
| 9A | 5000-035 |
| 11A - AGENCY HOUSING LOT | 5000-036 |

REFERENCE IS HEREBY MADE TO THE MAPS MAINTAINED BY THE OFFICE OF THE ASSESSOR-RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO FOR AN EXACT DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH LOT AND PARCEL.

LEGEND

- BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 9 (IMPROVEMENT AREA NO. 1)
- FUTURE ANNEXATION AREA



SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9
(HPS2/CP PUBLIC FACILITIES AND SERVICES)
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA
Carlson, Barbee & Gibson, Inc.
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DECEMBER 15, 2017
SHEET 1 OF 1

ATTACHMENT 3

Improvement Area No. 1 of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services)

Expected Land Uses, Expected Maximum Facilities Special Tax Revenues, and Expected Maximum Services Special Tax Revenues by Block

| Block /1 | Expected Land Uses | Expected Number of Residential Units | Expected Square Footage | Base Facilities Special Tax per Sq. Ft. (Market Rate or Non-Res.) or per Unit (BMR) (FY 2017-18) /2 | Expected Maximum Facilities Special Tax Revenues (FY 2017-18) /2 | Base Services Special Tax per Sq. Ft. (Market Rate or Non-Res.) or per Unit (BMR) (FY 2017-18) /2 | Expected Maximum Services Special Tax Revenues (FY 2017-18) /2 |
|---------------------------------------|---------------------------------|--------------------------------------|-------------------------|---|--|---|--|
| CPS 6A | Candlestick Point Low-Rise Unit | 115 | 104,305 | \$4.98 | \$519,439 | \$1.00 | \$104,305 |
| | BMR 80% Unit | 2 | N/A | \$982.19 | \$1,964 | \$280.63 | \$561 |
| | BMR 90% Unit | 2 | N/A | \$1,152.99 | \$2,306 | \$329.43 | \$659 |
| | BMR 100% Unit | 2 | N/A | \$1,313.52 | \$2,627 | \$375.29 | \$751 |
| | BMR 120% Unit | 7 | N/A | \$1,634.35 | \$11,440 | \$466.96 | \$3,269 |
| | Retail Square Footage | N/A | 13,920 | \$1.20 | \$16,704 | \$0.60 | \$8,352 |
| CPS 8A | Candlestick Point Low-Rise Unit | 114 | 107,616 | \$4.98 | \$535,928 | \$1.00 | \$107,616 |
| | BMR 80% Unit | 2 | N/A | \$982.19 | \$1,964 | \$280.63 | \$561 |
| | BMR 90% Unit | 2 | N/A | \$1,152.99 | \$2,306 | \$329.43 | \$659 |
| | BMR 100% Unit | 2 | N/A | \$1,313.52 | \$2,627 | \$375.29 | \$751 |
| | BMR 120% Unit | 7 | N/A | \$1,634.35 | \$11,440 | \$466.96 | \$3,269 |
| | Retail Square Footage | N/A | 14,680 | \$1.20 | \$17,616 | \$0.60 | \$8,808 |
| CPS 9A | Candlestick Point Low-Rise Unit | 111 | 104,895 | \$4.98 | \$522,377 | \$1.00 | \$104,895 |
| | BMR 80% Unit | 2 | N/A | \$982.19 | \$1,964 | \$280.63 | \$561 |
| | BMR 90% Unit | 2 | N/A | \$1,152.99 | \$2,306 | \$329.43 | \$659 |
| | BMR 100% Unit | 2 | N/A | \$1,313.52 | \$2,627 | \$375.29 | \$751 |
| | BMR 120% Unit | 7 | N/A | \$1,634.35 | \$11,440 | \$466.96 | \$3,269 |
| | Retail Square Footage | N/A | 14,680 | \$1.20 | \$17,616 | \$0.60 | \$8,808 |
| CPS 11A | Agency Housing Lot | 175 | N/A | \$0.00 | \$0 | \$0.00 | \$0 |
| Total , Improvement Area No. 1 | | 554 | 360,096 | N/A | \$1,684,693 | N/A | \$358,502 |

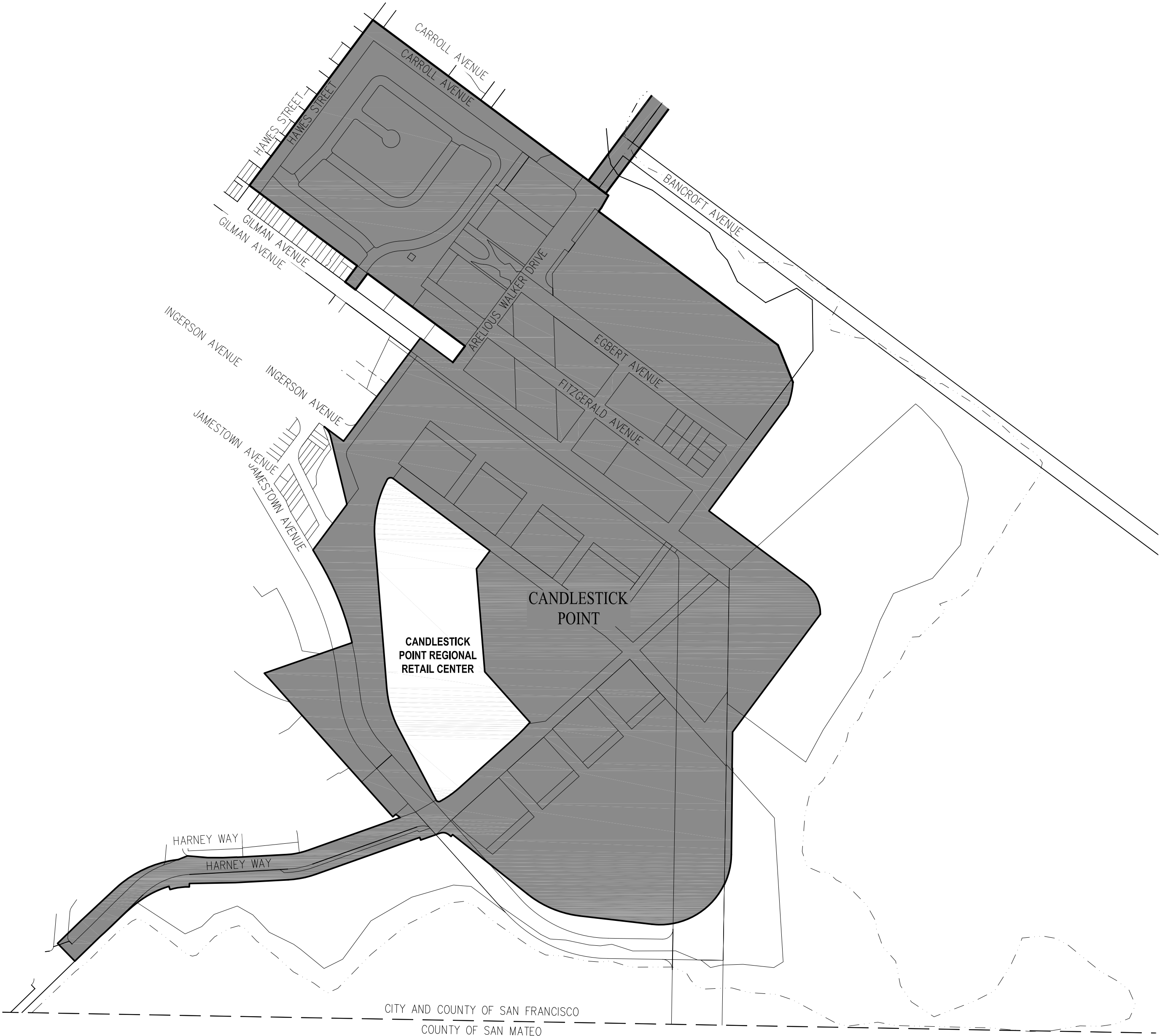
/1 See Attachment 2 for the geographic area associated with each Block.

/2 Beginning July 1, 2018 and each July 1 thereafter the Base Facilities Special Taxes shall be escalated as set forth in Section D.1.

/3 Beginning July 1, 2018 and each July 1 thereafter, the Base Services Special Taxes shall be escalated as set forth in Section D.2.

ATTACHMENT 4

IDENTIFICATION OF REGIONAL RETAIL CENTER SITE



SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9
(HPS2/CP PUBLIC FACILITIES AND SERVICES)
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

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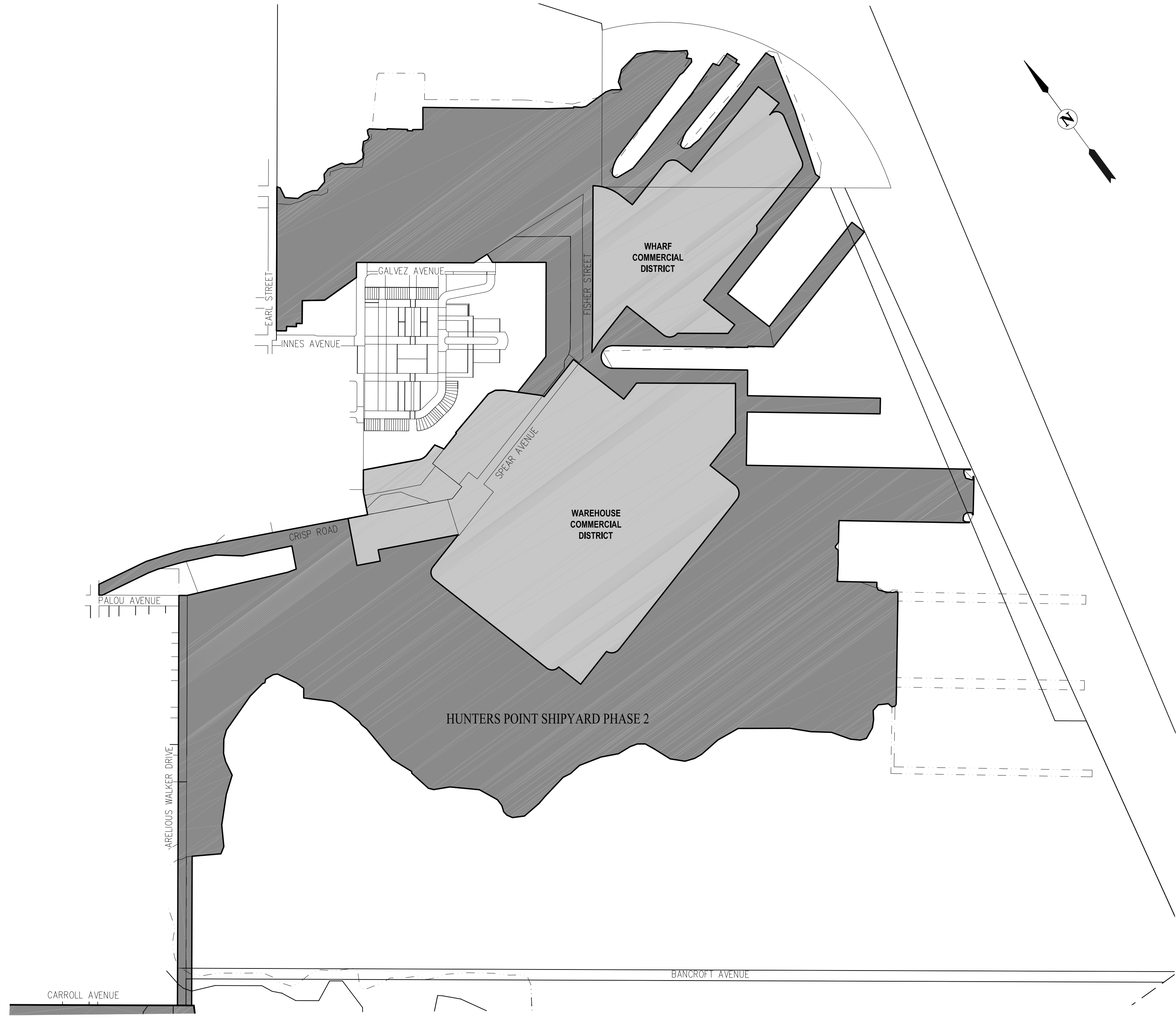
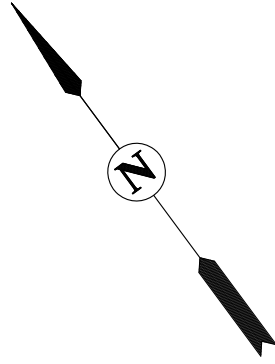
SAN RAMON • WEST SACRAMENTO

DECEMBER 15, 2017

SHEET 1 OF 1

ATTACHMENT 5

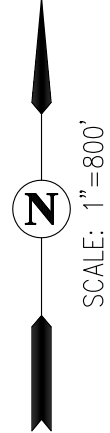
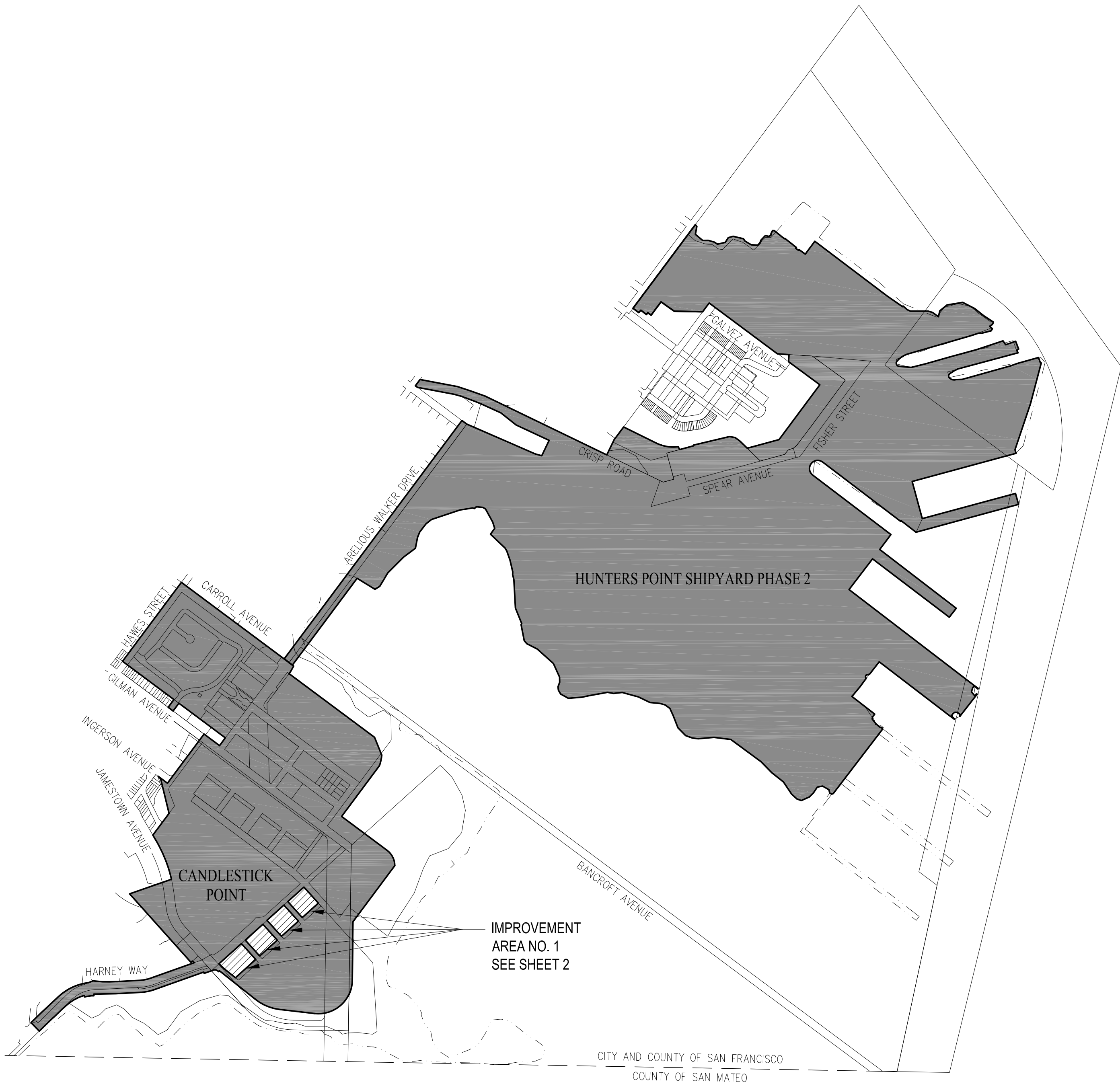
IDENTIFICATION OF WAREHOUSE AND WHARF COMMERCIAL DISTRICTS



SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9
(HPS2/CP PUBLIC FACILITIES AND SERVICES)
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA
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DECEMBER 15, 2017
SHEET 1 OF 1

APPENDIX D

Boundary Map of Community Facilities District No. 9



CERTIFICATES

FILED IN THE OFFICE OF THE SECRETARY OF THE SUCCESSOR AGENCY COMMISSION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO THIS ____ DAY OF _____, 20__.

COMMISSION SECRETARY

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 9 (HPS2/CP PUBLIC FACILITIES AND SERVICES), CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, WAS APPROVED BY THE SUCCESSOR AGENCY COMMISSION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, AT A MEETING THEREOF, HELD ON THE ____ DAY OF _____, 20__, BY ITS RESOLUTION NO. ____.

COMMISSION SECRETARY

FILED THIS ____ DAY OF _____, 20__, AT THE HOUR OF ____ O'CLOCK __M., IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ____ IN THE OFFICE OF THE COUNTY ASSESSOR-RECORDER IN THE CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA.

COUNTY ASSESSOR-RECORDER,
CITY AND COUNTY OF SAN FRANCISCO

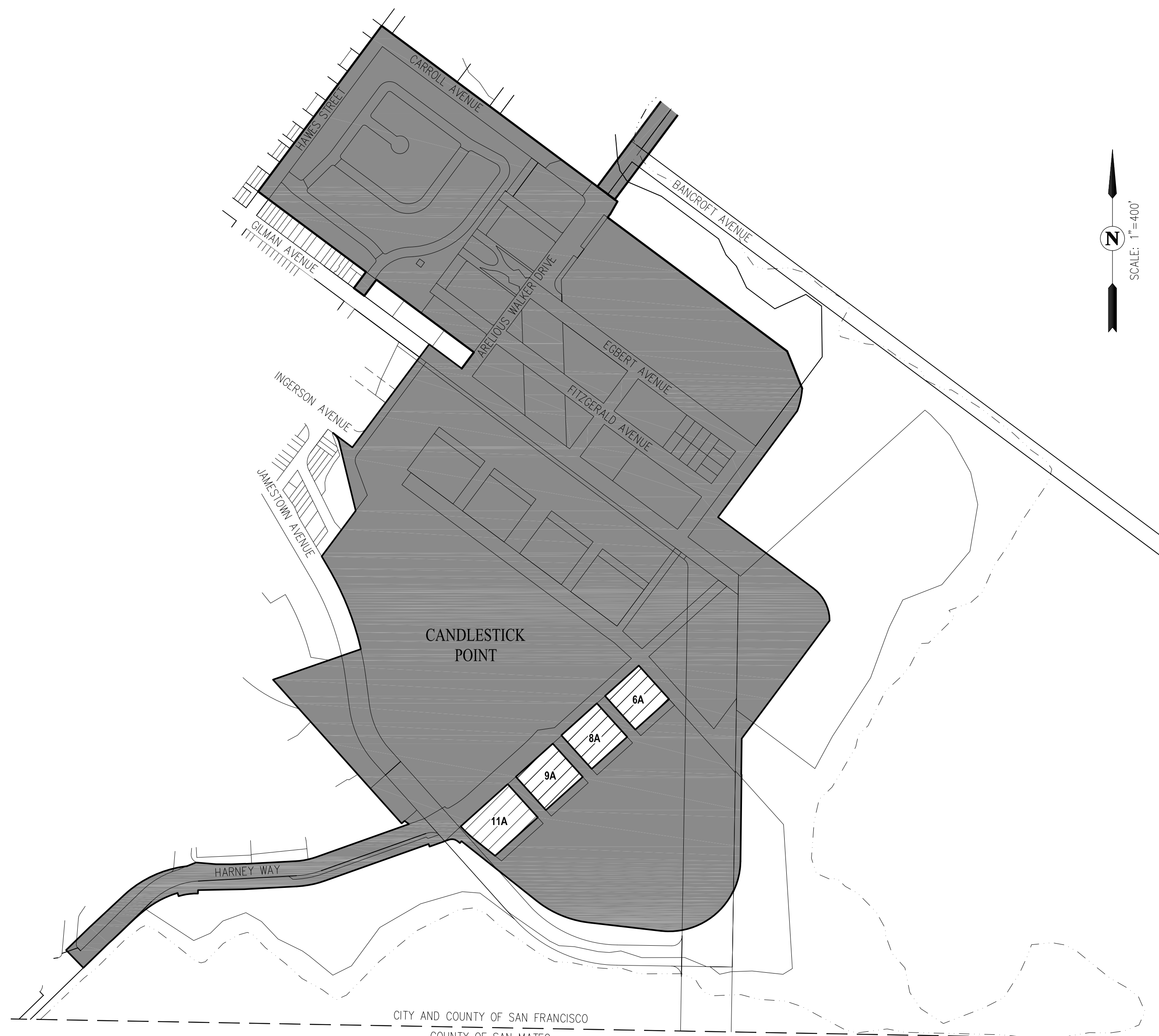
LEGEND

- BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 9 (IMPROVEMENT AREA NO. 1)
- FUTURE ANNEXATION AREA

SEE SHEET 2 FOR DETAILS REGARDING IMPROVEMENT AREA NO. 1

PROPOSED BOUNDARIES OF
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9
(HPS2/CP PUBLIC FACILITIES AND SERVICES)
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

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DECEMBER 15, 2017
SHEET 1 OF 2



ASSESSOR'S PARCEL NUMBERS OF PROPERTY
IN IMPROVEMENT AREA NO. 1

| DEVELOPMENT PARCEL | ASSESSOR'S PARCEL NUMBER(S) |
|--------------------|-----------------------------|
| 6A | 5000-033 |
| 8A | 5000-034 |
| 9A | 5000-035 |
| 11A | 5000-036 |

REFERENCE IS HEREBY MADE TO THE MAPS MAINTAINED BY THE OFFICE OF THE ASSESSOR-RECORDER OF THE CITY AND COUNTY OF SAN FRANCISCO FOR AN EXACT DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH LOT AND PARCEL.

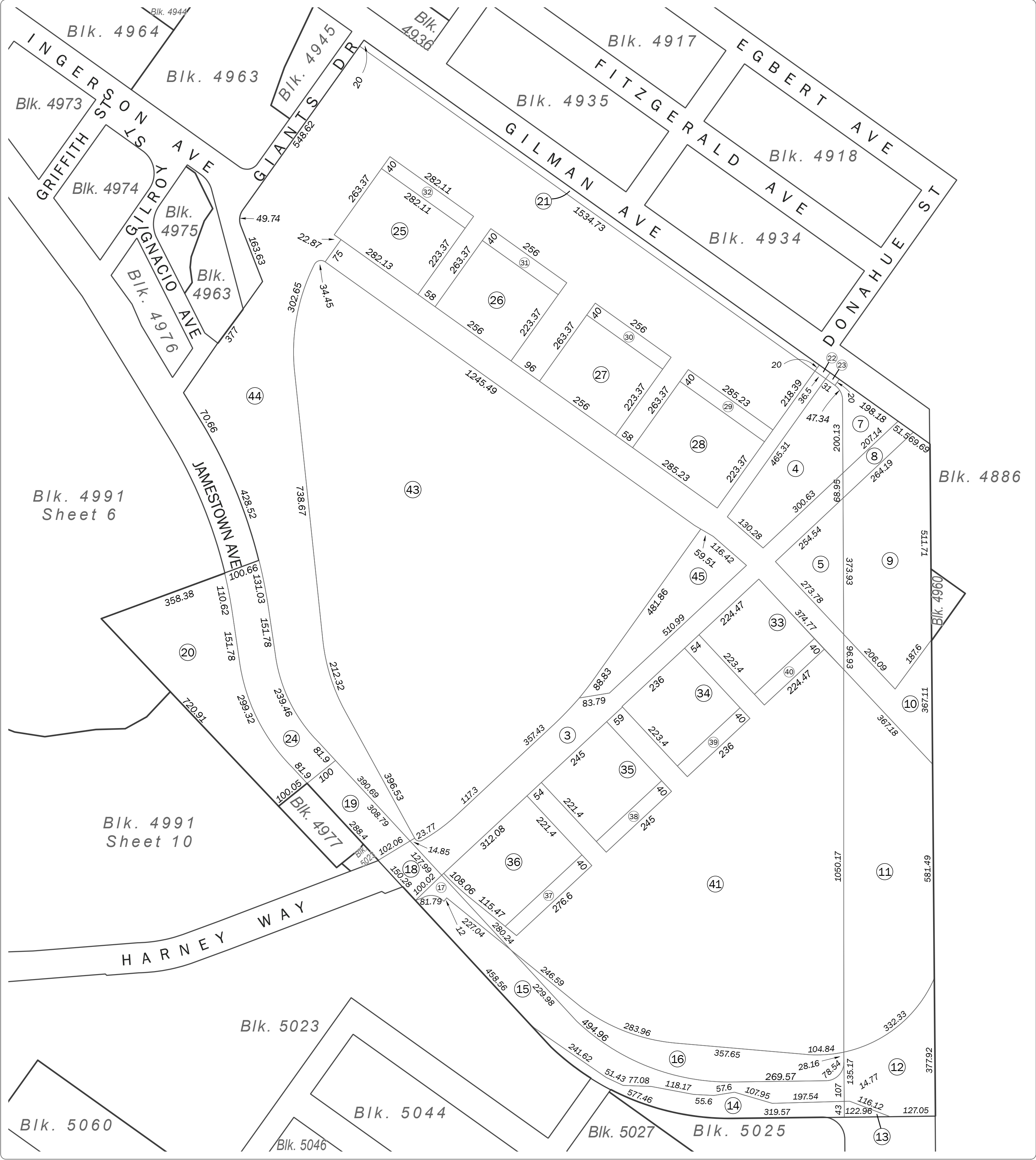
LEGEND

- BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 9 (IMPROVEMENT AREA NO. 1)
- FUTURE ANNEXATION AREA

PROPOSED BOUNDARIES OF
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9
(HPS2/CP PUBLIC FACILITIES AND SERVICES)
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA
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DECEMBER 15, 2017
SHEET 2 OF 2

APPENDIX E

*Assessor's Parcel Maps for
Fiscal Year 2021-22*



SAN FRANCISCO CITY & COUNTY
ASSESSOR'S BLOCK MAP

DISCLAIMER: THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. ASSESSOR'S PARCELS MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

Revision History

| From Lot | Change | To Lot | Year |
|----------|--------|-----------|------|
| 1 | into | 2 | 2016 |
| 2 | into | 25-32, 42 | 2019 |
| 6 | into | 33-41 | 2019 |
| 42 | into | 43-45 | 2020 |