COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 20-2018

DECLARING THE RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN FOR 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) AND DETERMINING OTHER MATTERS IN CONNECTION THERewith

WHEREAS, Under California Assembly Bill No. 1X26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“AB 26”) and the California Supreme Court’s decision in California Redevelopment Association v. Matosantos, No. 5194861, all redevelopment agencies in the State of California (the “State”), including the Redevelopment Agency of the City and County of San Francisco (the “Former Redevelopment Agency”), were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies; and,

WHEREAS, In June of 2012, the California legislature adopted Assembly Bill 1484 (“AB 1484”) amending certain provisions of AB 26 and clarifying that successor agencies are separate public entities (Section 34173 (g) of the California Health and Safety Code (the “Code”)), and the Governor of the State signed the bill on June 27, 2012 and it became effective on June 27, 2012; and,

WHEREAS, Subsequent to the adoption of AB 1484, on October 2, 2012 the Board of Supervisors of the City and County of San Francisco (the “City”) adopted Ordinance No. 215-12 (the “Implementing Ordinance”), which was signed by the Mayor on October 4, 2012, and which, among other matters: (a) acknowledged and confirmed that, as of the effective date of AB 1484, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) is a separate legal entity from the City, (b) acknowledged and confirmed that the Successor Agency holds, subject to the applicable rights and restrictions set forth in AB 26 as amended by AB 1484, and as it may be further amended from time to time (collectively referred to in the Implementing Ordinance as the “Redevelopment Dissolution Law”), title to all assets, and all rights, obligations and liabilities of the Former Redevelopment Agency, (c) declared that the name of the Successor Agency is the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco,” (d) established the Successor Agency Commission (the “Successor Agency Commission” or the “Commission”) and delegated to the Successor Agency Commission the authority (excluding authority as to the “Housing Assets,” as defined in the Implementing Ordinance, but not excluding authority as to the “Retained Housing Obligations”) to act in place of the governing body of the Former Redevelopment Agency (the
“Former Redevelopment Agency Commission”) to, among other matters: (i) implement, modify, enforce and complete the Former Redevelopment Agency’s enforceable obligations, except with respect to certain enforceable obligations for specified affordable housing purposes, (ii) approve all contracts and actions related to the assets transferred to or returned by the Successor Agency, consistent with applicable enforceable obligations, and (iii) take any action that the Redevelopment Dissolution Law requires or authorizes on behalf of the Successor Agency and any other action that the Successor Agency Commission deems appropriate consistent with the Redevelopment Dissolution Law to comply with such obligations, including, without limitation, authorizing additional obligations in furtherance of enforceable obligations, and approving the issuance of bonds to carry out the enforceable obligations, subject to any approval of the oversight board of the Successor Agency established pursuant to the provisions of the Redevelopment Dissolution Law (the “Oversight Board”), (e) authorized the Mayor to appoint the five members of the Successor Agency Commission, and (f) provided for an Executive Director of, and legal counsel to, the Successor Agency; and,

WHEREAS, The Successor Agency is also known as the Office of Community Investment and Infrastructure (“OCII”) and its commission is known as the Commission on Community Investment and Infrastructure; and,

WHEREAS, Pursuant to the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (“Mello-Roos Act”), this Commission has adopted a resolution entitled “Resolution of Formation 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), Improvement Area No. 1 and a Future Annexation Area, and determining other matters in connection therewith” (“Resolution of Formation”), ordering (i) the formation of (A) “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”), (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)” (“Improvement Area No. 1”) and (C) a future annexation area for the CFD (“Future Annexation Area”); and (ii) authorizing the levy of a special tax on property within Improvement Area No. 1 and preliminarily establishing an appropriations limit for Improvement Area No. 1; and,

WHEREAS, In the Resolution of Formation, this Commission made certain findings under the California Environmental Quality Act (“CEQA”) about the Final Environmental Impact Report and subsequent addenda thereto (cumulatively, the “FEIR”) for the disposition and development of Candlestick Point and Phase 2 of Hunters Point Shipyard adopted by the Former Redevelopment Agency Commission together with certain findings regarding the alternatives, mitigation measures, and
significant environmental effects analyzed in the FEIR, including a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations (cumulatively “CEQA Findings”); and,

WHEREAS, The actions proposed under this resolution are an undertaking pursuant to and in furtherance of the Project in conformance with CEQA Section 21166 and the CEQA Guidelines Sections 15180, 15162, 15163, and 15164; and,

WHEREAS, The FEIR and associated CEQA Findings reflect the independent judgment and analysis of the Former Redevelopment Agency Commission, remain adequate, accurate and objective, and were prepared and adopted following the procedures required by CEQA; and,

WHEREAS, Copies of the FEIR, addenda, CEQA Findings and supporting documentation are on file with the Commission Secretary and are incorporated in this Resolution by this reference as applicable to the actions proposed under this resolution; and,

WHEREAS, This Commission has also adopted a resolution entitled “Resolution Determining Necessity to Incur Bonded Indebtedness and Other Debt in an Amount Not to Exceed $6,000,000,000 for 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) and Determining Other Matters in Connection Therewith” (“Resolution of Necessity”), determining (i) the necessity to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the maximum aggregate principal amount of $202,200,000 for Improvement Area No. 1 upon the security of the special tax to be levied within Improvement Area No. 1 pursuant to the Mello-Roos Act and (ii) the necessity to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the maximum aggregate principal amount of $5,797,800,000 for the territory in the CFD that is not in Improvement Area No. 1 (“Non-Improvement Area No. 1 Indebtedness”) upon the security of the special tax to be levied in such territory pursuant to the Mello-Roos Act; and,

WHEREAS, Under the provisions of the Resolution of Formation and the Resolution Necessity and pursuant to a “Resolution Calling Special Election in 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) and determining other matters in connection therewith” (“Election Resolution”) adopted by this Commission, the propositions of the levy of the special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness and other debt for Improvement Area No. 1 were submitted to the qualified electors of Improvement Area No. 1 as required by the provisions of the Mello-Roos Act; and,

WHEREAS, Pursuant to the terms of the Election Resolution, which are by this reference incorporated herein, the special election has been held and the Secretary of the
Commission has on file a Canvass and Statement of Results of Election (“Canvass”), a copy of which is attached hereto as Exhibit A; and,

WHEREAS, This Commission has reviewed the Canvass, finds it appropriate and wishes to complete its proceedings for Improvement Area No. 1; now, therefore, be it

RESOLVED, The Commission finds that the facts set forth in the recitals to this Resolution are true and correct; and, be it further

RESOLVED, The issues presented at the special election were the levy of a special tax within Improvement Area No. 1, the incurring of a bonded indebtedness and other debt (as defined in the Mello-Roos Act) for Improvement Area No. 1, and the approval of an annual appropriations limit for Improvement Area No. 1, all pursuant to the Resolution of Formation and the Resolution of Necessity; and, be it further

RESOLVED, The Commission hereby approves the Canvass and finds that it shall be a permanent part of the record of its proceedings for Improvement Area No. 1, and pursuant to the Canvass, the issues presented at the special election were approved by the qualified electors of Improvement Area No. 1 by more than two-thirds (2/3) of the votes cast at the special election; and, be it further

RESOLVED, Pursuant to the voter approval, Improvement Area No. 1 is hereby declared to be fully formed with the authority to levy the special taxes, to incur the approved bonded indebtedness and other debt (as defined in the Mello-Roos Act) and to have the established appropriations limit, all as provided in these proceedings and in the Mello-Roos Act, and it is hereby found that all prior proceedings and actions taken by this Commission with respect to the CFD, Improvement Area No. 1 and the Future Annexation Area were valid and in conformity with the Mello-Roos Act; and, be it further

RESOLVED, The Secretary of the Commission is hereby directed to complete, execute and cause to be recorded in the office of the Assessor-Recorder of the City and County of San Francisco a notice of special tax lien in the form required by the Mello-Roos Act, such recording to occur no later than fifteen (15) days following adoption by the Commission of this Resolution; and, be it further

RESOLVED, The Commission finds and determines that the actions taken by this resolution are consistent with the Project as analyzed in the FEIR and require no additional environmental review beyond the FEIR pursuant to CEQA Section 21166 and the CEQA Guidelines Sections 15180, 15162, 15163, and 15164 because there are no substantial changes to the Project analyzed in the FEIR, no change in circumstances under which the Project is being undertaken, and no new information of substantial importance indicating that new significant impacts would occur, that the impacts identified in the FEIR as significant impacts would be substantially more severe, or that mitigation or alternatives previously found infeasible are now feasible; and, be it further
RESOLVED, If the Board of Supervisors rescinds Ordinance No. 215-12 without otherwise delegating to the Commission the authority to act as legislative body for the CFD, all references to the Commission in this Resolution shall thereafter constitute references to the Board of Supervisors; and, be it further

RESOLVED, The Commission intends to transfer the authority for the governance of the CFD to the City if such transfer is required to preserve the CFD and is permitted under the Mello-Roos Act, as amended from time to time; and, be it further

RESOLVED, If any section, subsection, sentence, clause, phrase, or word of this resolution, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this resolution, this Commission hereby declaring that it would have passed this resolution and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this resolution or application thereof would be subsequently declared invalid or unconstitutional; and, be it further

RESOLVED, The Executive Director, the Deputy Director of Finance and Administration, the Secretary of the Commission, the Successor Agency’s General Counsel and any and all other officers of the Successor Agency are hereby authorized, for and in the name of and on behalf of the Successor Agency, to do any and all things and take any and all actions, including execution and delivery of any and all documents, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, which they, or any of them, may deem necessary or advisable in order to effectuate the purposes of this Resolution; provided however that any such actions be solely intended to further the purposes of this Resolution, and are subject in all respects to the terms of the Resolution; and, be it further

RESOLVED, All actions authorized and directed by this Resolution, consistent with any documents presented herein, and heretofore taken are hereby ratified, approved and confirmed by this Commission; and, be it further

RESOLVED, This Resolution shall take effect upon its adoption.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of April 17, 2018.

_________________________________________
Commission Secretary

Exhibit A: Canvass and Statement of Result of Election
EXHIBIT A

CANVASS AND STATEMENT OF RESULT OF ELECTION

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

I hereby certify that on April 17, 2018 I canvassed the returns of the election held on April 17, 2018 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) and the total number of ballots cast in said Improvement Area and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

<table>
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<th>Qualified Landowner Votes</th>
<th>Votes Cast</th>
<th>YES</th>
<th>NO</th>
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</thead>
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<td>Successor Agency to the Redevelopment Agency of City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services), Special Tax Election, January 24, 2017</td>
<td>8</td>
<td>___</td>
<td>___</td>
</tr>
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Shall the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (“Successor Agency”) levy a special tax solely on lands within 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”) in accordance with the rate and method contained in the Commission of the Successor Agency resolution entitled “Resolution of Formation of 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), Improvement Area No. 1 and a Future Annexation Area, and Determining Other Matters in Connection Therewith” (“Formation Resolution”), commencing in the Successor Agency’s fiscal year 2018-19, to pay for the public facilities and the public services specified in the Formation Resolution and to pay the costs of the Successor Agency in administering the Improvement Area, which
special tax, if levied at the maximum rate and assuming full build-out, is anticipated to raise $2,094,814 in fiscal year 2018-19 (with annual escalation thereafter) and is anticipated to be levied on a perpetual basis; shall the annual appropriations limit of the Improvement Area be established in the amount of $200 million; and shall the Successor Agency issue bonds and incur other debt (“bonds”) for the Improvement Area in one or more series in the maximum aggregate principal amount of $202,200,000 with interest at a rate or rates not to exceed the maximum interest rate permitted by law at the time of sale of such bonds on behalf of the Improvement Area, the proceeds of which bonds will be used to acquire and/or construct certain facilities and pay for the costs of issuing the bonds and related expenses?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 17th day of April, 2018.

By: ________________________________

Commission Secretary