

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 17-2018

Adopted April 17, 2018

FORMING 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

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 board 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, In 1974, the United States Department of the Navy (the “Navy”) ceased operation of Hunters Point Shipyard. Hunters Point Shipyard was included on the United States Department of Defense Base Realignment and Closure list in 1991. In 1993, the City designated Hunters Point Shipyard as a redevelopment survey area and thereafter the City and the Former Redevelopment Agency began a community process to create a plan for the economic reuse of Hunters Point Shipyard following the remediation and conveyance of the property by the Navy; and,

WHEREAS, In furtherance of implementing the Shipyard Redevelopment Plan, in March 1999 the Agency, through a competitive process, selected Lennar - BVHP, LLC, a California limited liability company, as the master developer of Hunters Point Shipyard and Candlestick Point; and,

WHEREAS, In June 2008, San Francisco voters approved the Bayview Jobs, Parks, and Housing Initiative (“Proposition G”), which established goals, objectives, and policies to encourage the timely and coordinated redevelopment of Candlestick Point and Phase 2 of Hunters Point Shipyard; and,

WHEREAS, Subsequently, the Former Redevelopment Agency and an affiliate of Lennar - BVHP, LLC, CP Development Co., LP (now, CP Development Co., LLC; including its successors and assigns, the “Developer”) entered into a Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated as of June 3, 2010 (as amended, the “DDA”), including a Financing Plan (Candlestick Point and Phase 2 of the Hunters Point Shipyard) (“Financing Plan”), which governs the disposition and development of Candlestick Point and Phase 2 of Hunters Point Shipyard; and,

- WHEREAS, The California Department of Finance, by letter dated December 14, 2012, made a final and conclusive determination that the DDA is an Enforceable Obligation in accordance with California Health and Safety Code Section 34177.5(i); and,
- WHEREAS, The Financing Plan provides for the establishment of community facilities district(s) for the purpose of financing Qualified Project Costs and Additional Community Facilities and paying for Ongoing Park Maintenance; and,
- WHEREAS, Capitalized terms used in this Resolution but not defined have the meaning given them in the Financing Plan; and,
- WHEREAS, On June 3, 2010, the Former Redevelopment Agency Commission (Resolution No. 58-2010) and the San Francisco Planning Commission (Motion No. 18096), certified a Final Environmental Impact Report (“FEIR”) for the Candlestick Point-Hunters Point Shipyard Phase 2 Development Project (“Project”), a project environmental impact report that analyzed the Project, the DDA (which includes the Financing Plan) and other related documents, and made findings determining the FEIR to be adequate, accurate, objective and in compliance with the California Environmental Quality Act (California Public Resources Code Section 21000 et seq.) (“CEQA”) and the CEQA Guidelines (14 California Code of Regulations Section 15000 et seq.); and on July 14, 2010, the City’s Board of Supervisors affirmed the Planning Commission’s certification of the FEIR (Motion 10-110); and,
- WHEREAS, By Resolution No. 59-2010 adopted as part of its approval of the Project, the Former Redevelopment Agency Commission adopted findings pursuant to CEQA 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 for the Project (cumulatively “CEQA Findings”); and,
- WHEREAS, Subsequent to the certification of the FEIR, the San Francisco Planning Department (at the request of OCII) issued Addendum No. 1 to the FEIR dated December 11, 2013 (“Addendum No. 1”), addressing changes to the phasing and implementation schedules for the Project, and minor revisions to two adopted Mitigation Measures, TR-16 – Widen Harney Way, and UT-2 – Auxiliary Water Supply System; and,
- WHEREAS, OCII issued Addendum No. 4 to the FEIR dated February 22, 2016 (“Addendum No. 4”), which evaluated amendments to Project development documents and amended two adopted Mitigation Measures, TR-16 to divide Harney Way improvements into two phases and TR-23 to modify the cross-section design of Gilman Avenue; 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 15162 through 15164 and 15180; and, no additional environmental review is required 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,

WHEREAS, The FEIR, subsequent addenda and associated CEQA Findings reflect the independent judgment and analysis of the Former Redevelopment Agency Commission and the Successor 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 and CEQA Findings and supporting documentation are on file with the Commission Secretary and are incorporated into this Resolution by reference as applicable to the actions proposed under this Resolution; and,

WHEREAS, Under the Mello-Roos Community Facilities Act of 1982, as amended, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with California Government Code Section 53311 (“Mello-Roos Act”), the Commission is authorized to establish a community facilities district and to act as the legislative body for a community facilities district; and,

WHEREAS, The Commission now desires to proceed with the establishment of a community facilities district in order to finance costs of public infrastructure and certain public services necessary or incident to development within the proposed boundaries of the proposed community facilities district, including, without limitation, future improvements necessitated by sea level rise; and,

WHEREAS, Pursuant to Mello-Roos Act Section 53339.2, the Commission further desires to undertake proceedings to provide for future annexation of territory to the proposed community facilities district; and,

WHEREAS, On February 20, 2018, pursuant to the Mello-Roos Act, the Commission adopted a resolution entitled “Resolution of Intention to Establish 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 Intention”), stating its intention to form (i) “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”), (ii) “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 (iii) “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)(Future Annexation Area)” (“Future Annexation Area”); and,

WHEREAS, The Resolution of Intention, incorporating a map of the proposed boundaries of the CFD, Improvement Area No. 1 and the Future Annexation Area and stating the facilities and the services to be provided (as set forth in the list attached hereto as Exhibit A), the cost of providing such facilities and the services, and the rate and method of apportionment of the special tax to be levied within the CFD and Improvement Area No. 1 to pay the principal and interest on bonds proposed to be issued with respect to the CFD and Improvement Area No. 1, the cost of the facilities and the cost of the services, is on file with the Secretary of the Commission and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and,

WHEREAS, On April 17, 2018, this Commission held a noticed public hearing as required by the Mello-Roos Act and the Resolution of Intention relative to the proposed formation of the CFD, Improvement Area No. 1 and the Future Annexation Area; and,

WHEREAS, At the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the CFD, Improvement Area No. 1 and the Future Annexation Area, the facilities to be provided therein, the services to be provided therein and the levy of said special tax were heard and a full and fair hearing was held; and,

WHEREAS, At the hearing evidence was presented to this Commission on said matters before it, including a report caused to be prepared by the Executive Director of the Successor Agency (“Report”) as to the facilities and the services to be provided through the CFD, Improvement Area No. 1 and the Future Annexation Area and the costs thereof, a copy of which is on file with the Secretary of the Commission, and this Commission at the conclusion of said hearing is fully advised in the premises; and,

WHEREAS, Written protests with respect to the formation of the CFD and Improvement Area No. 1, the furnishing of specified types of facilities and services and the rate and method of apportionment of the special taxes for Improvement Area No. 1 have not been filed with the Secretary of the Commission by fifty percent (50%) or more of the registered voters residing within the territory of the CFD and Improvement Area No. 1 or property owners of one-half (1/2) or more of the area of land within the CFD and Improvement Area No. 1 and not exempt from the proposed special tax; and,

WHEREAS, The special tax proposed to be levied in Improvement Area No. 1 to pay for the proposed facilities and services to be provided therein, as set forth in Exhibit B hereto, has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of Improvement Area No. 1 or the owners of one-half (1/2) or more of the area of land within Improvement Area No. 1 and not exempt from the special tax; and,

WHEREAS, Written protests against the proposed annexation of the Future Annexation Area to the CFD in the future have not been filed with the Secretary of the Commission by (i) 50% of more of the registered voters, or six registered voters, whichever is more, residing in the proposed boundaries of the CFD, or (ii) 50% or more of the

registered voters, or six registered voters, whichever is more, residing in the Future Annexation Area, (iii) owners of one-half or more of the area of land in the proposed CFD or (iv) owners of one-half or more of the area of land in the Future Annexation Area; now, therefore, be it

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

RESOLVED, The proposed special tax to be levied within Improvement Area No. 1 has not been precluded by majority protest pursuant to section 53324 of the Mello-Roos Act; and, be it further

RESOLVED, The proposed annexation of the Future Annexation Area to the CFD in the future has not been precluded by majority protest pursuant to section 53324 of the Mello-Roos Act; and, be it further

RESOLVED, All prior proceedings taken by this Commission in connection with the establishment of the CFD, Improvement Area No. 1 and the Future Annexation Area and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Mello-Roos Act; and, be it further

RESOLVED, The community facilities district designated “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)” is hereby established pursuant to the Mello-Roos Act; and, be it further

RESOLVED, The improvement area designated “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)” is hereby established pursuant to the Mello-Roos Act; and, be it further

RESOLVED, The future annexation area designated “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) (Future Annexation Area)” is hereby established pursuant to the Mello-Roos Act; and, be it further

RESOLVED, The boundaries of the CFD, Improvement Area No. 1 and the Future Annexation Area, as set forth in the map of the CFD heretofore recorded in the Office of the Assessor-Recorder on February 26, 2018 at 12:53 p.m. in Book 001 at Pages 119 and 120, as Document 2018K82039 of Maps of Assessment and Community Facilities Districts, are hereby approved, are incorporated herein by reference and shall be the boundaries of the CFD, Improvement Area No. 1 and the Future Annexation Area; and, be it further

RESOLVED, From time to time, parcels within the Future Annexation Area shall be annexed to the CFD only with the unanimous approval (each, a “Unanimous Approval”) of the owner or owners of each parcel or parcels at the time that parcel(s) are annexed, and in accordance with the Annexation Approval Procedures described

herein. The Commission hereby determines that any property for which the owner or owners execute a Unanimous Approval that is annexed into the CFD in accordance with the Annexation Approval Procedures shall be added to the CFD and the Secretary of the Commission shall record (i) an amendment to the notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5 if the property is annexed to an existing improvement area or (ii) a notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5 if the property annexed is designated as a new improvement area; provided, however, the designation of property as Future Annexation Area and the ability to annex property to the CFD based on a Unanimous Approval shall not limit, in any way, the annexation of property in the Future Annexation Area to the CFD pursuant to other provisions of the Mello-Roos Act; and, be it further

RESOLVED, The type of public facilities proposed to be financed by the CFD, Improvement Area No. 1 and the Future Annexation Area (including any area therein designated to be annexed as a separate improvement area) pursuant to the Mello-Roos Act shall consist of those items listed as facilities in Exhibit A hereto and by this reference incorporated herein (“Facilities”); and, be it further

RESOLVED, The Commission hereby finds and determines that the public interest will not be served by allowing the property owners in the CFD to enter into a contract in accordance with Mello Roos Act Section 53329.5(a), and notwithstanding the foregoing, the Commission, on behalf of the CFD, may enter into one or more contracts directly with any of the property owners with respect to the construction and/or acquisition of any portion of the Facilities; and, be it further

RESOLVED, The type of public services proposed to be financed by the CFD, Improvement Area No. 1 and the Future Annexation Area (including any area therein designated to be annexed as a separate improvement area) pursuant to the Mello-Roos Act shall consist of those items shown in Exhibit A hereto and by this reference incorporated herein (“Services”); and, be it further

RESOLVED, The Services are in addition to those provided in the territory of the CFD, Improvement Area No. 1 and the Future Annexation Area as of the date hereof and will not supplant services already available within the territory of the CFD, Improvement Area No. 1 and the Future Annexation Area as of the date hereof, and the Successor Agency intends to provide the Services on an equal basis in the original territory of the CFD and Improvement Area No. 1 and, when it has been annexed to the CFD, the Future Annexation Area (including any area therein designated to be annexed as a separate improvement area); and, be it further

RESOLVED, The Executive Director (or designee) is hereby authorized and directed to enter into joint community facilities agreements with any entity that will own or operate any of the Facilities or that will provide any of the Services, as may be necessary to comply with the provisions of Mello-Roos Act Sections 53316.2(a) and (b), and the Commission’s approval of any such joint community facilities agreement shall be conclusively evidenced by the execution and delivery thereof by the Executive Director (or designee), and the Commission hereby declares that such

joint agreements will be beneficial to owners of property in the area of the CFD; and, be it further

RESOLVED, The Tax Increment Allocation Pledge Agreement between the City, the Successor Agency and the Developer, dated as of June 3, 2010, is a joint community facilities agreement under the Mello-Roos Act for all of the Facilities to be financed by the CFD and owned or operated by the City and all of the Services to be financed by the CFD on property owned or operated by the City; and, be it further

RESOLVED, Except to the extent that funds are otherwise available from Improvement Area No. 1, the Successor Agency will levy a special tax (“Improvement Area No. 1 Special Tax”) sufficient to pay directly for the Facilities, including out of a special tax-funded capital reserve established for the payment of Facilities, to pay the principal and interest on bonds and other debt (as defined in the Mello-Roos Act) of the Successor Agency issued for Improvement Area No. 1 to finance the Facilities, and to pay for the Services, and the Improvement Area No. 1 Special Tax will be secured by the recordation of a continuing lien against all non-exempt real property in Improvement Area No. 1, will be levied annually within Improvement Area No. 1, and will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as this Commission or its designee shall determine, including direct billing of the affected property owners, which is hereby approved; and, be it further

RESOLVED, The proposed rate and method of apportionment of the Improvement Area No. 1 Special Tax among the parcels of real property within Improvement Area No. 1, in sufficient detail to allow each landowner within Improvement Area No. 1 to estimate the maximum amount such owner will have to pay, are shown in Exhibit B attached hereto and hereby incorporated herein (“Rate and Method”); and, be it further

RESOLVED, The Improvement Area No. 1 Special Tax shall not be levied in Improvement Area No. 1 to finance Facilities after the fiscal year established therefor in the Rate and Method, and the Improvement Area No. 1 Special Tax shall only be levied to finance Services thereafter, except that an Improvement Area No. 1 Special Tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the Improvement Area No. 1 Special Tax levied in any fiscal year for financing Facilities against any parcel in Improvement Area No. 1 used for private residential purposes be increased by more than 10 percent in that fiscal year as a consequence of delinquency or default by the owner of any other parcel or parcels within Improvement Area No. 1; and, be it further

RESOLVED, A special tax to finance the costs of Facilities shall not be levied in one or more future improvement areas formed to include territory that annexes into the CFD from the Future Annexation Area (each, a “Future Improvement Area” and together with Improvement Area No. 1, the “Improvement Areas”) after the fiscal year established therefor in the rate and method for the Future Improvement Area and the special tax shall only be levied to finance Services thereafter, except that a

special tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the special tax levied in any fiscal year for financing Facilities against any parcel in the Future Improvement Area for private residential purposes be increased by more than 10 percent in that fiscal year as a consequence of delinquency or default by the owner of any other parcel or parcels within the Future Improvement Area; and, be it further

RESOLVED, For Future Improvement Areas, a different rate and method may be adopted for the annexed territory if the annexed territory is designated as a separate improvement area. No supplements to the rate and method for any of the Future Improvement Areas and no new rate and method shall cause the maximum tax rate in the then-existing territory of the CFD (including Improvement Area No. 1) to increase; and (a) the designation as an Improvement Area of any territory annexing to the CFD, (b) the maximum amount of bonded indebtedness and other debt for such Improvement Area, (c) the rate and method of apportionment of special tax for such improvement area (including the conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied, if any), and (d) the appropriations limit for such Improvement Area all shall be identified and approved in the Unanimous Approval executed by property owner(s) in connection with its annexation to the CFD in accordance with the Annexation Approval Procedures described herein; and, be it further

RESOLVED, Territory in the Future Annexation Area will be annexed into the CFD and a special tax will be levied on such territory only with the Unanimous Approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed into the CFD in accordance with the Annexation Approval Procedures described herein. Except to the extent that funds are otherwise available to the CFD to pay for the Facilities, the Services and/or the principal and interest as it becomes due on bonds of the CFD issued to finance the Facilities, a special tax sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the Future Annexation Area, is intended to be levied annually within the Future Annexation Area, and collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as may be prescribed by this Commission; and, be it further

RESOLVED, As required by Mello-Roos Act Section 53339.3(d), the Commission hereby determines that the special tax proposed to be levied in the Future Annexation Area to pay for Facilities that were financed with bonds that have already been issued and that are secured by existing areas of the CFD as of the date of annexation (“previously-existing areas of the CFD”) will be equal to the special taxes levied to pay for the same Facilities in the previously-existing areas of the CFD, except that (i) a higher special tax may be levied within the Future Annexation Area to pay for the same Facilities to compensate for the interest and principal previously paid from Special Taxes in the previously-existing areas of the CFD, less any depreciation allocable to the financed Facilities and (ii) a higher Special Tax may be levied in the Future Annexation Area to pay for different Facilities, with or without bond financing and (iii) the qualified electors in any

improvement area in the CFD may conduct change proceedings pursuant to the Mello-Roos Act to increase or decrease the special tax rates; and, be it further

RESOLVED, As required by Mello-Roos Act Section 53339.3(d), the Commission hereby further determines that the special taxes proposed to be levied in the Future Annexation Area to pay for Services to be supplied within the Future Annexation Area shall be equal to any special tax levied to pay for the same Services in the previously-existing areas of the CFD, except that a higher or lower tax may be levied within the Future Annexation Area to the extent that the actual cost of providing the Services in the Future Annexation Area is higher or lower than the cost of providing those Services in the previously-existing areas of the CFD. In so finding, the Commission does not intend to limit its ability to levy a special tax within the Future Annexation Area to provide new or additional services beyond those supplied within the previously-existing areas of the CFD or its ability to implement changes pursuant to the Mello-Roos Act, Article 3, within one or more improvement areas; and, be it further

RESOLVED, The “Annexation Approval Procedures” governing annexations of parcels in the Future Annexation Area into the CFD shall consist of the following sets of procedures (specified in (A) and (B) that follow):

(A) The annexation and related matters described in the Unanimous Approval shall be implemented and completed without the need for the approval of the Commission as long as the following conditions are met:

(1) The annexation is to an existing improvement area and the property proposed to be annexed shall be subject to the same rate and method of apportionment of special tax and the same bonded indebtedness limits as such existing improvement area; or

(2) The annexation is to a new improvement area and the following conditions apply:

(i) The rate and method of apportionment of special tax for the new improvement area is prepared by a special tax consultant retained by the Successor Agency and paid for by the property owners submitting the Unanimous Approval.

(ii) The rate and method of apportionment of special tax for the new improvement area is consistent with the Financing Plan.

(iii) The rate and method of apportionment of special tax for the new improvement area does not establish a maximum special tax rate for the initial fiscal year in which the special tax may be levied for any category of property subject to the special tax that is greater than 120% of the maximum special tax rate established for the same category of property subject to the special tax for the same fiscal year calculated pursuant to the Rate and Method (i.e., the rate and method of apportionment of special tax for Improvement Area No. 1).

(iv) The rate and method of apportionment of special tax for the new improvement area does not contain a type of special tax that was not included in the Rate and Method for Improvement Area No. 1 (for example, a one-time special tax).

(v) The rate and method of apportionment of special tax for the new improvement area contains the same terms for “Collection of Special Tax” (including with respect to the term of the special tax).

(vi) The provisions in the rate and method of apportionment of the special tax for the new improvement area may differ from the Rate and Method with respect to the specific items described in Steps 2 and 3 of Section E of the Rate and Method.

(vii) If the rate and method of apportionment of special tax for the new improvement area proposed by the Unanimous Approval submitted by the property owner includes a provision allowing prepayment of the special tax, in whole or in part, the Executive Director (or designee), after consulting with the special tax consultant retained by the Successor Agency and the General Counsel, shall be satisfied that such prepayment provision will not adversely impact the financing of authorized Facilities and Services;

If the foregoing conditions ((1) or (2), as applicable), are satisfied, as determined by the Executive Director (or designee) and set forth in a written acceptance by the Executive Director (or designee) delivered to the property owner(s) that executed the Unanimous Approval and the Secretary of the Commission, the Unanimous Approval shall be deemed accepted by the Successor Agency and the Secretary of the Commission shall record an amendment to the notice of special tax lien or a new notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5.

(B) For any annexation and related matters described in the Unanimous Approval that do not meet the requirements of Section (A) above, the following procedures shall apply (provided, however, that nothing in the following procedures shall prevent the property owners of property to be annexed into the CFD from a Future Annexation Area from annexing property to the CFD (including into a new improvement area) pursuant to Section (A) above and then instituting change proceedings pursuant to Mello-Roos Act, Article 3, to make additional changes to the rate and method or other authorized purposes):

First, the owners(s) of property to be annexed into the CFD shall submit a Unanimous Approval for each parcel or parcels to be annexed into the CFD to the Executive Director, together with a statement as to whether the Unanimous Approval is consistent with the Financing Plan and, if not, the reasons for such inconsistency.

Second, the Executive Director shall have 30 days to either (a) submit the Unanimous Approval to the Commission, accompanied by a written staff report that includes a statement from the Executive Director as to whether the Unanimous Approval is consistent with the Financing Plan and, if not, a description of the inconsistencies, the reasons for such inconsistencies given by the Developer and the Executive Director's recommendation as to such inconsistencies or (b) notify the Developer that the Executive Director shall not submit the Unanimous Approval to the Commission due to inconsistencies with the Financing Plan.

Third, the Commission shall, within 60 days of the receipt of any Unanimous Approval by the Executive Director pursuant to *Second* above, either (i) adopt a resolution accepting the Unanimous Approval, in which case the Secretary of the Commission shall record an amendment to the notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5 or a new notice of special tax for the CFD pursuant to Streets & Highways Code Section 3117.5 or (ii) adopt a resolution rejecting the Unanimous Approval, with the sole basis for rejection being a detailed conclusion that the Unanimous Approval is not consistent with the Financing Plan.

Fourth, if the Commission adopts a resolution rejecting the Unanimous Approval, the owner(s) of property to be annexed into the CFD may revise the Unanimous Approval and resubmit it to the Executive Director, who shall endeavor to submit the revised Unanimous Approval to the Commission, accompanied by a written staff report as outlined above under *Second*, at the next available meeting of the Commission (subject to requisite public notice and standard Successor Agency procedures for preparation of staff reports), and the Commission shall consider the revised Unanimous Approval and either (i) adopt a resolution accepting the revised Unanimous Approval, in which case the Secretary of the Commission shall record an amendment to the notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5 or a new notice of special tax lien for the CFD pursuant to Streets & Highways Code Section 3117.5, or (ii) adopt a resolution rejecting the revised Unanimous Approval, with the sole basis for rejection being a detailed conclusion that the revised Unanimous Approval is not consistent with the Financing Plan, in which event the owner(s) may further revise the Unanimous Approval and repeat the process described in this clause *Fourth*; and, be it further

RESOLVED, For the purposes of these proceedings for the CFD, Improvement Area No. 1 and the Future Annexation Area, the Annexation Approval Procedures shall also consist of any other alternate and independent procedures for annexing properties to the CFD that are set forth in the Mello-Roos Act and employed by the Commission; and, be it further

RESOLVED, The Commission hereby finds that the provisions of Mello-Roos Act Sections 53313.6, 53313.7 and 53313.9 (relating to adjustments to *ad valorem* property taxes and schools financed by a community facilities district) are inapplicable to the proposed CFD, Improvement Area No. 1 and the Future Annexation Area; and, be it further

RESOLVED, Except as may otherwise be provided by law or by the Rate and Method, all lands owned by any public entity, including the United States, the State of California, the City and/or the Successor Agency, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax to be made to cover the costs and expenses of the Facilities, the Services, the CFD or Improvement Area No. 1. In the event that a portion of the property within Improvement Area No. 1 shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, the Commission will, on behalf of the CFD, increase the levy up to the maximum Special Tax rates set forth in the Rate and Method to the extent necessary upon the remaining property within Improvement Area No. 1 which is not exempt in order to yield the required debt service payments and other annual expenses of Improvement Area No. 1, if any, subject to the provisions of the Rate and Method; and, be it further

RESOLVED, Except as may otherwise be provided by law or by the rate and method of apportionment for a Future Improvement Area, all lands owned by any public entity, including the United States, the State of California, the City and/or the Successor Agency, or any departments or political subdivisions thereof, shall be omitted from the levy of the special tax to be made to cover the costs and expenses of the Facilities, the Services and the Future Improvement Area. In the event that a portion of the property within the Future Improvement Area shall become for any reason exempt, wholly or in part, from the levy of the special tax, the Commission will, on behalf of the CFD, increase the levy up to the maximum Special Tax rates established for the Future Improvement Area to the extent necessary upon the remaining property within the Future Improvement Area which is not exempt in order to yield the required debt service payments and other annual expenses of the Future Improvement Area, if any, subject to the provisions of the rate and method of apportionment of the special tax; and, be it further

RESOLVED, It is hereby found and determined that the Facilities and the Services are necessary to meet increased demands placed upon local agencies as the result of development occurring in the CFD, Improvement Area No. 1 and the Future Annexation Area; and, be it further

RESOLVED, The Executive Director (or designee), 1 South Van Ness Ave., 5th Floor, San Francisco, CA 94103, (415) 749-2400, is the officer of the Successor Agency who will be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and who will be responsible for estimating future special tax levies pursuant to the Mello-Roos Act; and, be it further

RESOLVED, Upon recordation of a notice of special tax lien pursuant to Streets & Highways Code Section 3114.5, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the respective Improvement Areas and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the City ceases; and, be it further

RESOLVED, In accordance with the Mello-Roos Act, the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of Improvement Area No. 1 is hereby preliminarily established at \$200 million and said appropriations limit shall be submitted to the voters of Improvement Area No. 1 as hereafter provided. The proposition establishing said annual appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of the Mello-Roos Act; and, be it further

RESOLVED, Pursuant to the provisions of the Mello-Roos Act, the proposition of the levy of the Improvement Area No. 1 Special Tax and the proposition of the establishment of the appropriations limit specified above shall be submitted to the qualified electors of Improvement Area No. 1 at an election. The time, place and conditions of the election shall be as specified by a separate resolution of the Commission; and, be it further

RESOLVED, Mello-Roos Act Section 53314.9 provides that, either before or after formation of the CFD, the Successor Agency may accept advances of funds and may provide, by resolution, for the use of those funds, including but not limited to pay any cost incurred by the local agency in creating the CFD, and may agree to reimburse the advances under all of the following conditions: (A) the proposal to repay the advances is included both in the resolution of intention and the resolution of formation to establish the CFD; and (B) any proposed special tax is approved by the qualified electors of the CFD and, if the qualified electors of the CFD do not approve the proposed special tax, the Successor Agency shall return any funds which have not been committed for any authorized purpose by the time of the election and, in furtherance of Mello-Roos Act Section 53314.9, the Successor Agency Commission hereby declares the intent to reimburse the Developer for advances of funds related to the CFD under the conditions specified in the Mello-Roos Act; and, be it further

RESOLVED, Mello-Roos Act Section 53314.9 provides that, either before or after formation of the CFD, the Successor Agency may accept work in-kind from any source, including, but not limited to, private persons or private entities, may provide, by resolution, for the use of that work in-kind for any authorized purpose and this Commission may enter into an agreement, by resolution, with the person or entity advancing the work in-kind, to reimburse the person or entity for the value, or cost, whichever is less, of the work in-kind, as determined by this Commission, with or without interest, under the conditions specified in the Mello-Roos Act. Any work in-kind must be performed or constructed as if the work had been performed or constructed under the direction and supervision, or under the authority of the Successor Agency and, in furtherance of Mello-Roos Act Section

53314.9, the Successor Agency Commission hereby approves the execution and delivery of an Acquisition and Reimbursement Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard) (the “Acquisition Agreement”) between the Successor Agency and the Developer, in substantially the form on file with the Secretary of the Commission together with any changes or additions approved by an Authorized Officer, and an Authorized Officer is hereby directed to execute the Acquisition Agreement, and the execution of the Acquisition Agreement by an Authorized Officer shall be conclusive evidence of the approval of such changes; and, be it further

RESOLVED, The Successor Agency Commission reserves to itself the right and authority set forth in Mello-Roos Act Section 53344.1 related to the tender of bonds, subject to any limitations set forth in any bond resolution or trust indenture related to the issuance of bonds; and, be it further

RESOLVED, The Successor Agency Commission finds and determines that the actions taken by this Resolution are consistent with the Project as analyzed in the FEIR and subsequent addenda and require no additional environmental review beyond the FEIR and addenda pursuant to CEQA Section 21166 and the CEQA Guidelines Sections 15162 through 15164 and 15180, 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 Successor Agency 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

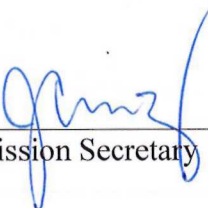
RESOLVED, If any section, subsection, sentence, clause, phrase, or word of this resolution, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this resolution, this Board of Supervisors 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: Description of Facilities and Services to be financed by the CFD and each Improvement Area therein
- Exhibit B: Rate and Apportionment of Special Tax for Improvement Area No. 1

EXHIBIT 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)

DESCRIPTION OF FACILITIES AND SERVICES TO BE FINANCED BY THE CFD AND
EACH IMPROVEMENT AREA THEREIN

FACILITIES

The CFD, Improvement Area No. 1 and each Future Improvement Area may finance all or any portion of the acquisition, construction, and improvement of facilities and costs permitted under the Mello-Roos Act and that are required as conditions of developing, or are otherwise constructed in connection with the development of, the property within the CFD, the Future Annexation Area, and any other property annexed to the CFD (collectively, the “Facilities”), including, but not limited to, all eligible Hard Costs and Soft Costs (as such terms are defined in the Disposition and Development Agreement for the project dated as of June 3, 2010, as amended from time to time; herein, the “DDA”) of such Facilities. The Facilities shall include, but not be limited to, the following facilities and costs:

1. Acquisition includes acquisition of land for public improvements or relocation of existing uses for public housing.
2. Abatement - includes abatement of hazardous building materials, and disposal of waste in excess of U.S. Navy obligations.
3. Demolition - removal of below-grade, at-grade, and above-grade facilities, and recycling or disposal of waste.
4. Auxiliary Water Supply System – including, but not limited to, main pipe, laterals, valves, fire hydrants, cathodic protection, and tie-ins for onsite and offsite high pressure water supply network that is unique to San Francisco intended for fire suppression. This also includes other facilities to support the Auxiliary Water Supply System as required by the San Francisco Fire Department.
5. Low Pressure Water – including, but not limited to, main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, fire hydrants, cathodic protection, and tie-ins for onsite and offsite low pressure water supply network intended for domestic use.
6. Reclaimed Water – including, but not limited to, trenching, backfill, and installation of main pipe, laterals, water meters, water meter boxes, back flow preventers, gate valves, air valves, blowoffs, cathodic protection, and tie-ins for recycled water supply network intended to provide treated wastewater for use in irrigation of parks and landscaping as well as graywater uses within buildings
7. Storm Drainage System – including, but not limited to, trenching, backfill, and installation of main pipe, laterals, manholes, catch basins, air vents, stormwater treatment facilities, connections to existing systems, headwalls, outfalls, and lift stations for a network intended to convey separated storm water.

8. Separated Sanitary Sewer – including, but not limited to, trenching, backfill, and installation of main pipe, laterals, manholes, traps, air vents, connections to existing systems, force main pipe and associated valves, and pump and lift stations for a network intended to convey separated sanitary sewage.

9. Combined Sanitary Sewer – including, but not limited to, retrofit of existing combined sewer facilities, trenching, backfill, and installation of new main pipe, laterals, manholes, catch basins, traps, air vents, combined sewer outfalls, and connections to existing systems for a sewer network intended to convey a combination of storm water and sanitary sewage.

10. Joint Trench – including, but not limited to, trenching, backfill, and installation of primary and secondary conduits, overhead poles, pull boxes, vaults, subsurface enclosures, gas main, and anodes for dry utilities including but not limited to electrical, gas, telephone, cable, internet, and information systems.

11. Earthwork – including, but not limited to, importation of clean fill materials, clearing and grubbing, slope stabilization, ground improvement, installation of geogrid, surcharging, wick drains, excavation, rock fragmentation, placement of fill, compaction, grading, erosion control, and post-construction stabilization such as hydroseeding.

12. Retaining Walls – including, but not limited to, excavation, foundations, construction of retaining walls, subdrainage, and backfilling.

13. Roadways, Curb, and Gutter – including, but not limited to, road subgrade preparation, concrete roadway base, asphalt wearing surface, concrete curb, concrete gutter, medians, asphalt and concrete, speed bumps, sawcutting, grinding, conform paving, resurfacing, for onsite and offsite roadways.

14. Traffic and Transit – including, but not limited to, transit stops, Bus Rapid Transit facilities, bridge structures, permanent pavement marking and striping, traffic control signage, traffic light signals, Transit Center, relocation of MUNI facilities, if necessary, MUNI restrooms, and contributions for offsite traffic improvements.

15. Streetscape – including, but not limited to, subgrade preparation, aggregate base, sidewalks, pavers, ADA curb ramps with detectable tiles, streetlights, light pole foundations, trees, landscaping, irrigation, flow through planters, street furniture, waste receptacles, newspaper stands, and public art.

16. Parks & Open Space – including, but not limited to (a) parks and open space described in the Parks and Open Space Plan for the project (as amended from time to time) and (b) tree protection, earthwork, storm drainage, sanitary sewer, low pressure water, park lighting/electrical, various hardscaping, irrigation, landscaping, bioretention ponds, various concrete structures, site furnishings, sports facilities, play structures, associated buildings (maintenance and special buildings), and any other associated work in public open spaces.

17. Shoreline Improvements – including, but not limited to, demolition, excavation, installation of revetment, and structural repair for replacement or retrofit of shoreline structures.

18. Sea Level Rise Adaptations – including, but not limited to, demolition, excavation, and installation of revetment; structural improvements of shoreline and revetment; construction, improvement or relocation of shoreline structures, seawalls, stormwater pump stations and outfalls; earthwork, grading, landscaping and development of wetlands; and the initial Adaptive Management Plan.

19. Hazardous Soil Removal – removal and disposal of contaminated soil.

20. Additional Facilities - Any other amounts specifically identified in the DDA or

specified in an infrastructure plan for the project approved by the Successor Agency Commission or the Board of Supervisors of the City, as amended from time to time, as a Project Cost or Additional Community Facilities.

Any Facility authorized to be financed by the CFD, Improvement Area No. 1 and each Future Improvement Area may be financed through the construction and acquisition of the Facility or through the payment or reimbursement of fees for such Facility.

The Facilities authorized to be financed may be located within or outside the boundaries of the CFD, Improvement Area No. 1 and each Future Improvement Area.

SERVICES

The CFD, Improvement Area No. 1 and each Future Improvement Area may finance, in whole or in part, the costs incurred by the City, Successor Agency or third parties to operate and maintain:

1. 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

2. Any open space surface improvements on the Yosemite Slough Bridge.

Authorized costs include, but are not limited to, costs incurred in connection with operating and maintaining, as applicable: lighting systems; hardscape, softscape and landscaping; irrigation systems; and water features, bathrooms, signage, trash receptacles, park benches, planting containers, picnic tables, and other equipment or fixtures.

Authorized costs also include, but are not limited to, costs related to: insurance; security; engineering; property management; electricity; graffiti removal; establishment and funding of reasonable reserves; and City, Successor Agency and third-party personnel, administrative, and overhead costs.

Capitalized terms used in this Exhibit A but not defined herein have the meaning given them in the DDA.

“Maintenance” shall include replacement, repair and the creation and funding of a reserve fund to pay for maintenance.

Authorized costs do not include costs to provide recreation programs or special events.

OTHER

The CFD, Improvement Area No. 1, and each Future Improvement Area may also finance any of the following:

1. Bond related expenses, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.

2. Administrative fees of the Successor Agency and the bond trustee or fiscal agent related to the CFD, Improvement Area No. 1, and each Future Improvement Area and the Bonds.

3. Reimbursement of costs related to the formation of the CFD, Improvement Area No. 1, and each Future Improvement Area advanced by the City, the landowner(s) in the CFD, Improvement Area No. 1, and each Future Improvement Area, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, the landowner(s) in the CFD, Improvement Area No. 1, and each Future Improvement Area or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD, Improvement Area No. 1, and each Future Improvement Area.

4. Funding a capital reserve fund to finance the Facilities described in this Exhibit A.

EXHIBIT B

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 TAX
FOR IMPROVEMENT AREA NO. 1

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 IAI 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

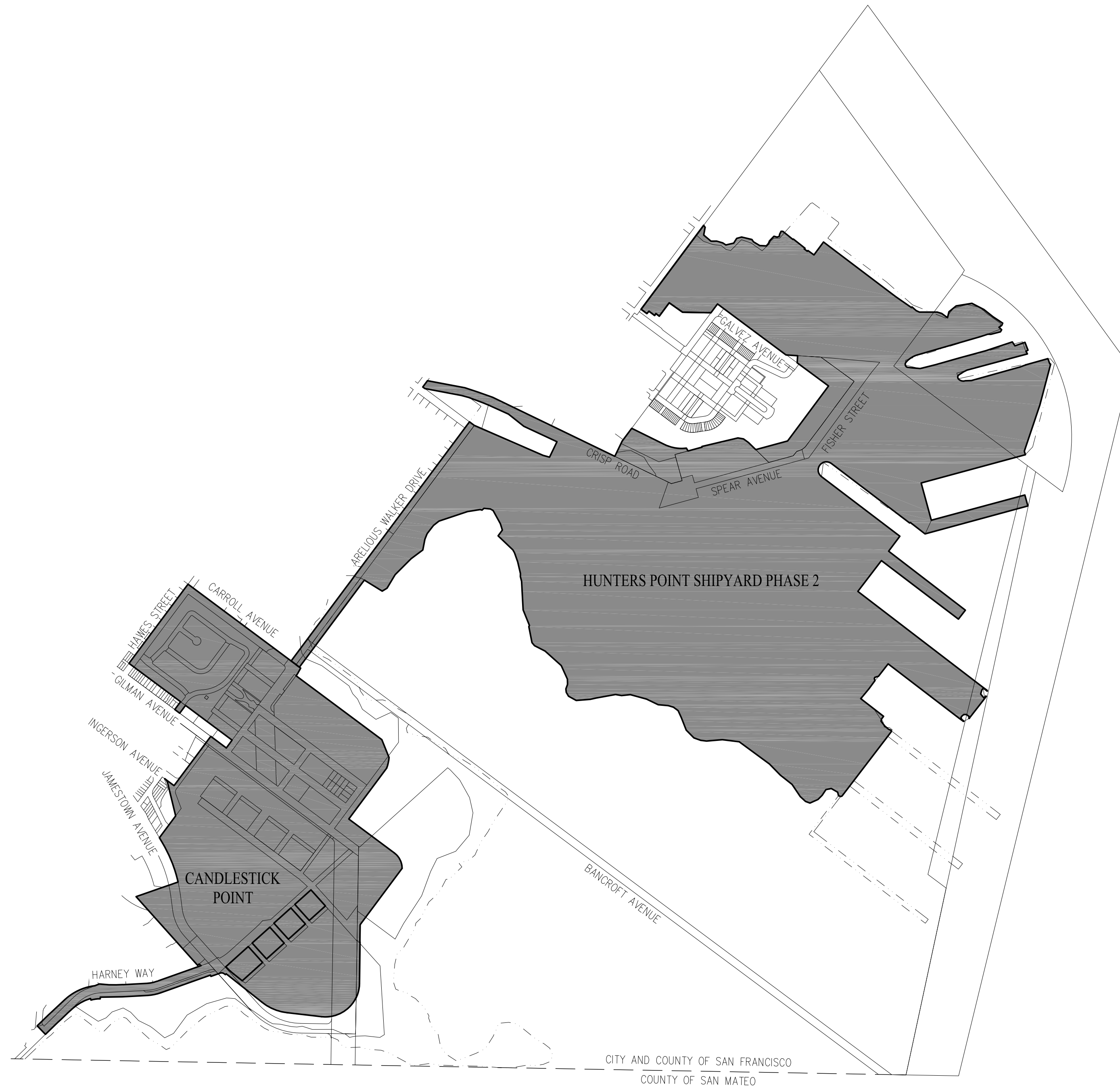
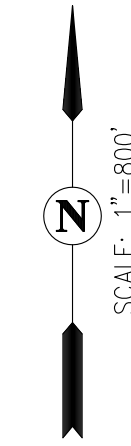
Notwithstanding any other provision of this RMA, no Facilities Special Tax may be levied on Exempt Maker Space Square Footage, Exempt Regional Retail Center Square Footage, Exempt Institutional Square Footage, or Parking Square Footage in Improvement Area No. 1. In addition, no Special Taxes shall be 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

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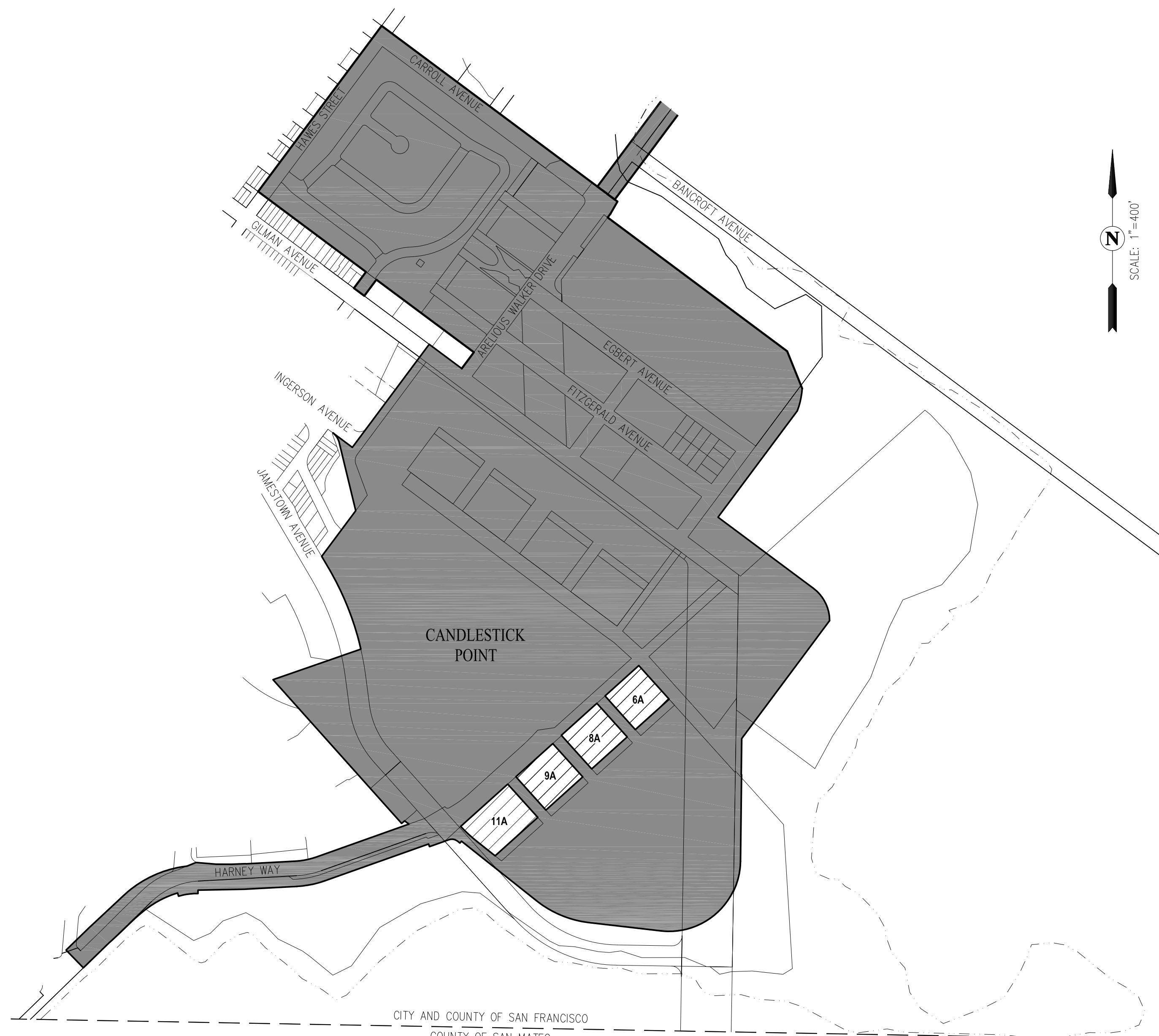
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ATTACHMENT 2

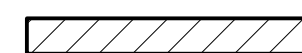

BLOCKS AND AGENCY HOUSING LOTS IN IMPROVEMENT AREA NO. 1



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
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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

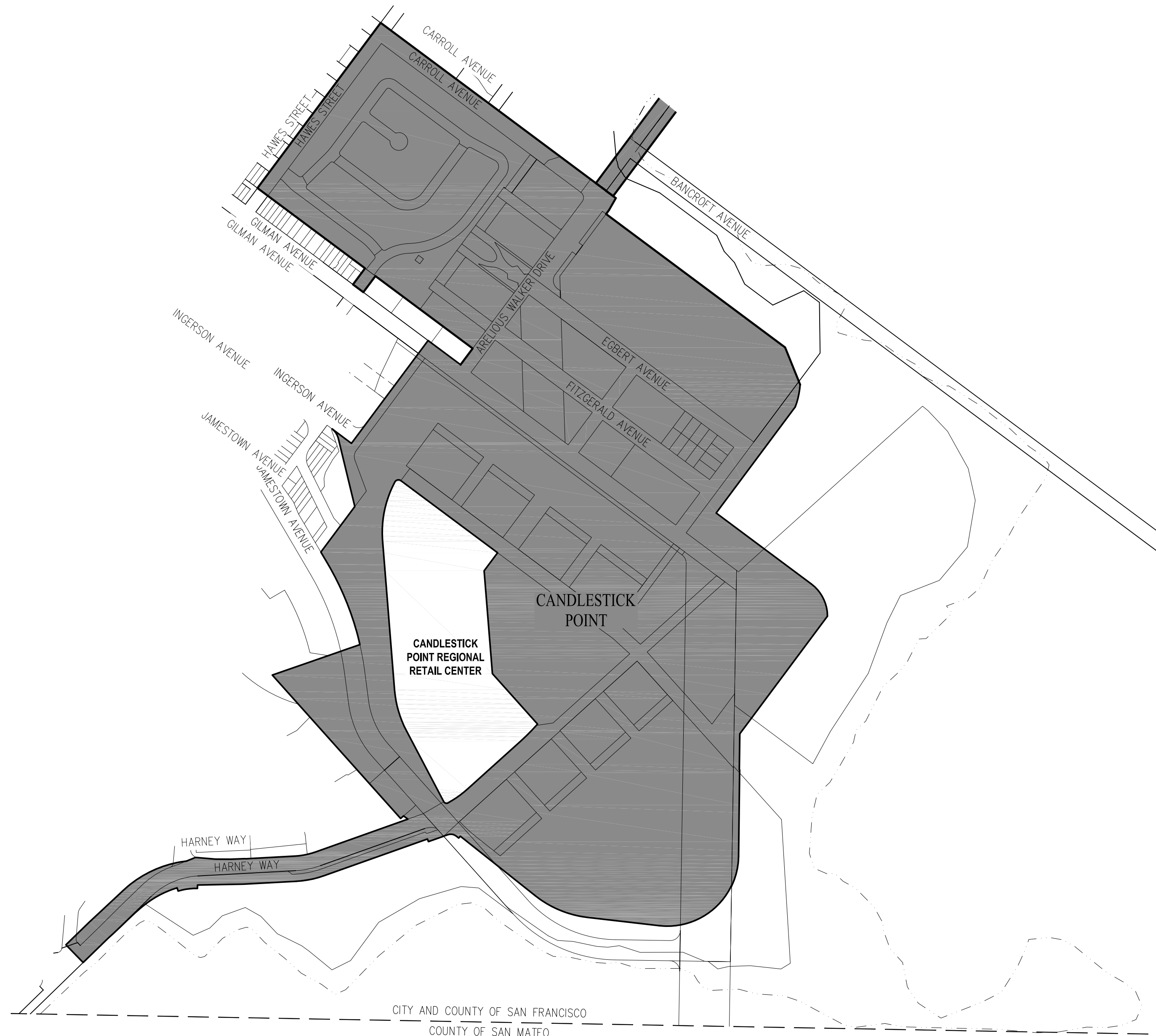
/1 See Attachment 2 for the geographic area associated with each Block.

/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
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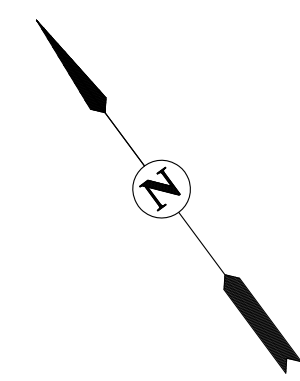
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ATTACHMENT 5

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)
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