

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 19-2018

Adopted April 17, 2018

**CALLING A SPECIAL ELECTION IN SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO
COMMUNITY FACILITIES DISTRICT NO. 9 (HPS2/CP PUBLIC FACILITIES AND
SERVICES) AND DETERMINING OTHER MATTERS IN CONNECTION
THEREWITH**

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

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

WHEREAS, Subsequent to the adoption of AB 1484, on October 2, 2012 the Board of Supervisors of the City and County of San Francisco (the “City”) adopted Ordinance No. 215-12 (the “Implementing Ordinance”), which was signed by the Mayor on October 4, 2012, and which, among other matters: (a) acknowledged and confirmed that, as of the effective date of AB 1484, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) is a separate legal entity from the City, (b) acknowledged and confirmed that the Successor Agency holds, subject to the applicable rights and restrictions set forth in AB 26 as amended by AB 1484, and as it may be further amended from time to time (collectively referred to in the Implementing Ordinance as the “Redevelopment Dissolution Law”), title to all assets, and all rights, obligations and liabilities of the Former Redevelopment Agency, (c) declared that the name of the Successor Agency is the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco,” (d) established the Successor Agency Commission (the “Successor Agency Commission” or the “Commission”) and delegated to the Successor Agency Commission the authority (excluding authority as to the “Housing Assets,” as defined in the Implementing Ordinance, but not excluding authority as to the “Retained Housing Obligations”) to act in place of the governing body of the Former Redevelopment Agency (the “Former Redevelopment Agency Commission”) to, among other matters: (i) implement, modify, enforce and complete the Former Redevelopment Agency’s enforceable obligations, except with respect to certain enforceable obligations for

specified affordable housing purposes, (ii) approve all contracts and actions related to the assets transferred to or returned by the Successor Agency, consistent with applicable enforceable obligations, and (iii) take any action that the Redevelopment Dissolution Law requires or authorizes on behalf of the Successor Agency and any other action that the Successor Agency Commission deems appropriate consistent with the Redevelopment Dissolution Law to comply with such obligations, including, without limitation, authorizing additional obligations in furtherance of enforceable obligations, and approving the issuance of bonds to carry out the enforceable obligations, subject to any approval of the oversight board of the Successor Agency established pursuant to the provisions of the Redevelopment Dissolution Law (the “Oversight Board”), (e) authorized the Mayor to appoint the five members of the Successor Agency Commission, and (f) provided for an Executive Director of, and legal counsel to, the Successor Agency; and,

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

WHEREAS, Pursuant to the Mello-Roos Community Facilities Act of 1982, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (“Mello-Roos Act”), the Commission has adopted a resolution entitled “Resolution of Formation 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 a Future Annexation Area, and Determining Other Matters in Connection Therewith” (“Resolution of Formation”), ordering (i) the formation of (A) “Successor Agency to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services)” (“CFD”), (B) “Improvement Area No. 1 of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services)” (“Improvement Area No. 1”), and (C) a future annexation area for the CFD (“Future Annexation Area”); and (ii) authorizing the levy of a special tax on property within Improvement Area No. 1 and preliminarily establishing an appropriations limit for Improvement Area No. 1; and,

WHEREAS, The Commission has also adopted a resolution entitled “Resolution Determining Necessity to Incur Bonded Indebtedness and Other Debt in an Amount Not to Exceed \$6,000,000,000 for the Successor Agency to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services) and Determining Other Matters in Connection Therewith” (“Resolution Determining Necessity”), determining (i) the necessity to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the maximum aggregate principal amount of \$202,200,000 for Improvement Area No. 1 upon the security of the special tax to be levied within Improvement Area No. 1 pursuant to the Mello-Roos Act and (ii) the necessity to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) in the maximum aggregate principal amount of \$5,797,800,000 for the territory in

the CFD that is not in Improvement Area No. 1 (“Non-Improvement Area No. 1 Indebtedness”) upon the security of the special tax to be levied in such territory pursuant to the Mello-Roos Act; and,

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

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

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

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

WHEREAS, Pursuant to the provisions of the Resolution of Formation and the Resolution Determining Necessity, the propositions of the levy of the special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness and other debt for Improvement Area No. 1 shall be submitted to the qualified electors of Improvement Area No. 1 as required by the provisions of the Mello-Roos Act; now, therefore, be it

RESOLVED, Pursuant to Mello-Roos Act Sections 53326, 53351 and 53325.7, the issues of the levy of the special tax, the incurring of bonded indebtedness and other debt and the establishment of the appropriations limit for Improvement Area No. 1 shall be submitted to the qualified electors (as defined below) of Improvement Area No. 1 at an election called therefor as provided below; and, be it further

RESOLVED, The designation as an improvement area of any territory annexing to the CFD, the maximum amount of bonded indebtedness and other debt for such improvement area, the rate and method of apportionment of special tax for such improvement area and the appropriations limit for such improvement area shall be identified and approved in the unanimous approval executed by property owners in connection with their annexation to the CFD (each, a “Unanimous Approval”) and in accordance with the Annexation Approval Procedures described in the Resolution of Formation, and the amount of the maximum indebtedness for such improvement area shall be subtracted from the Non-Improvement Area No. 1

Indebtedness Limit as set forth in a resolution of this Commission, which shall result in a reduction in the Non-Improvement Area No. 1 Indebtedness Limit; and, be it further

RESOLVED, This Commission hereby finds that fewer than 12 persons residing in Improvement Area No. 1 have been registered to vote within the territory of Improvement Area No. 1 for each of the 90 days preceding the close of the public hearings heretofore conducted and concluded by this Commission for the purposes of these proceedings, and accordingly, and pursuant to Mello-Roos Act Section 53326, this Commission finds that, for these proceedings, the qualified electors are the landowners within Improvement Area No. 1 and that the vote shall be by such landowners or their authorized representatives, each having one vote for each acre or portion thereof such landowner owns in Improvement Area No. 1 not exempt from the special tax as of the close of the public hearings; and, be it further

RESOLVED, This Commission hereby calls a special election in Improvement Area No. 1 to consider the propositions of the levy of the special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness and other debt for Improvement Area No. 1, which election shall be held on April 17, 2018, and the results thereof canvassed at the meeting of this Commission on April 17, 2018. The Secretary of the Commission is hereby designated as the official to conduct the election and to receive all ballots until 1:00 p.m. on the election date, and it is hereby acknowledged that the Secretary of the Commission has on file the Resolution of Formation, a certified map of the boundaries of the CFD and Improvement Area No. 1, and a sufficient description to allow the Secretary of the Commission to determine the electors of Improvement Area No. 1, and pursuant to Mello-Roos Act Section 53327, the election shall be conducted by messenger or mail-delivered ballot pursuant to California Elections Code Section 4000, except that Mello-Roos Act Sections 53326 and 53327 Act shall govern for purposes of determining the date of election; and, be it further

RESOLVED, As authorized by Mello-Roos Act Section 53353.5, the three propositions described above shall be combined into a single ballot measure for Improvement Area No. 1, the form of which is attached hereto as Exhibit "A" and by this reference incorporated herein and the form of ballot is hereby approved, and the Secretary of the Commission is hereby authorized and directed to cause a ballot, in substantially the form of Exhibit "A," to be delivered to each of the qualified electors of Improvement Area No. 1, and each ballot shall indicate the number of votes to be voted by the respective landowner to which the ballot pertains, and each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot, and the envelope to be used to return the ballot was enclosed with the ballot, had the return postage prepaid, and contained the following: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or authorized representative of the landowner entitled to vote and is the person whose name appears on the envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration pursuant to clause (b) above, and (e) a notice that the envelope contains an official

ballot and is to be opened only by the canvassing board of the election; and, be it further

RESOLVED, This Commission hereby further finds that the provisions of Mello-Roos Act Section 53326 requiring a minimum of 90 days following the adoption of the Resolution of Formation to elapse before the special election are for the protection of the qualified electors of Improvement Area No. 1, and there is on file with the Secretary of the Commission a written waiver executed by all of the qualified electors of Improvement Area No. 1 allowing for a shortening of the time for the special election to expedite the process of formation of Improvement Area No. 1 and waiving any requirement for notice, analysis and arguments in connection with the election, and accordingly, this Commission finds and determines that the qualified electors have been fully apprised of and have agreed to the shortened time for the election and waiver of analysis and arguments, and have thereby been fully protected in these proceedings, and this Commission also finds and determines that the Commission has concurred in the shortened time for the election. Analysis and arguments with respect to the ballot measures are hereby waived, as provided in Mello-Roos Act Section 53327; and, be it further

RESOLVED, The Commission hereby finds that the proposed issuance of bonds and other debt for Improvement Area No. 1 constitutes a “local bond measure” within the meaning of California Government Code Sections 53410 *et seq.*, and as a result, the bond measure shall include the propositions set forth above and the following: (a) the specific purpose of the bonds and other debt shall be as set forth in the propositions; (b) any proceeds received from the sale of any bonds and other debt shall be applied only to the purposes set forth in the propositions; (c) the proceeds of any bonds and other debt shall be deposited into special accounts to be created therefor as part of the issuance of the bonds and other debt; and (d) the Successor Agency shall cause a report to be prepared annually under Government Code Section 53411; and, be it further

RESOLVED, Under Government Code Section 50075.1, the following accountability provisions shall apply to the special taxes: (a) the provision and/or acquisition of the Facilities and the Services, the payment of debt service on the bonds and other debt and the incidental costs thereof, all as defined in the Resolution of Formation, shall constitute the specific single purpose; (b) the proceeds shall be applied only to the specific purposes identified in (a) above; (c) there shall be created special account(s) or funds(s) into which the proceeds shall be deposited; and (d) there shall be caused to be prepared an annual audit and report of the CFD; and, be it further

RESOLVED, The Commission finds and determines that the actions taken by this resolution are consistent with the Project as analyzed in the FEIR and require no additional environmental review beyond the FEIR pursuant to CEQA Section 21166 and the CEQA Guidelines Sections 15180, 15162, 15163, and 15164 because there are no substantial changes to the Project analyzed in the FEIR, no change in circumstances under which the Project is being undertaken, and no new information of substantial importance indicating that new significant impacts would occur, that the impacts identified in the FEIR as significant impacts would

be substantially more severe, or that mitigation or alternatives previously found infeasible are now feasible; and, be it further

RESOLVED, If the Board of Supervisors rescinds Ordinance No. 215-12 without otherwise delegating to the Commission the authority to act as legislative body for the CFD, all references to the Commission in this Resolution shall thereafter constitute references to the Board of Supervisors; and, be it further

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

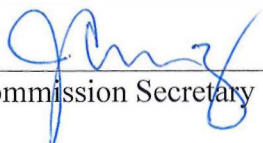
RESOLVED, If any section, subsection, sentence, clause, phrase, or word of this resolution, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining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

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

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

RESOLVED, This Resolution shall take effect upon its adoption.

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



Commission Secretary

Exhibit A: Office Ballot Special Tax Election

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)

OFFICIAL BALLOT
SPECIAL TAX ELECTION

Improvement Area No. 1

This ballot is for a special, landowner election. You must return this ballot in the enclosed postage paid envelope to the office of the Commission of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco no later than the hour of 1:00 p.m. on April 17, 2018, either by mail or in person. The office of the Commission of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco is located at 1 South Van Ness Ave., 5th Floor, San Francisco, California 94103.

To vote, mark a cross (X) on the voting line after the word “YES” or after the word “NO”. All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the Commission of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and obtain another.

Shall the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (“Successor Agency”) levy a special tax solely on lands within Improvement Area No. 1 of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services) (“Improvement Area”) in accordance with the rate and method contained in the Commission of the Successor Agency resolution entitled “Resolution of Formation of Successor Agency of the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 9 (HPS2/CP Public Facilities and Services), Improvement Area No. 1 and a Future Annexation Area, and Determining Other Matters in Connection Therewith” (“Formation Resolution”), commencing in the Successor Agency’s fiscal year 2018-19, to pay for the public facilities and the public services specified in the Formation Resolution and to pay the costs of the Successor Agency in administering the Improvement Area, which special tax, if levied at the maximum rate and assuming full build-out, is anticipated to raise \$2,094,814 in fiscal year 2018-19 (with annual escalation thereafter) and is anticipated to be levied on a perpetual basis; shall the annual appropriations

limit of the Improvement Area be established in the amount of \$200 million; and shall the Successor Agency issue bonds and incur other debt (“bonds”) for the Improvement Area in one or more series in the maximum aggregate principal amount of \$202,200,000 with interest at a rate or rates not to exceed the maximum interest rate permitted by law at the time of sale of such bonds on behalf of the Improvement Area, the proceeds of which bonds will be used to acquire and/or construct certain facilities and pay for the costs of issuing the bonds and related expenses?

Shall the measure be adopted?

YES:

NO:

By execution in the space provided below, you also indicate your waiver of (i) the time limit pertaining to the conduct of the election, (ii) any requirement for analysis and arguments with respect to the ballot measure, and (iii) any irregularity in the proceedings that may be claimed as a result of the application of such waivers.

Number of Votes: _____

Number of acres: _____

Property Owner: [Property Owner Name]

By: _____

Name:

Title: