

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

SCHEDULE OF TRANSCRIPT DOCUMENTS

A. BASE LEGAL DOCUMENTS

1. List of Financing Participants.
2. Commission on Community Investment and Infrastructure (the "Commission") Resolution No. 02-2023 entitled "Authorizing the Issuance of New Money Tax Allocation Bonds, Subject to Oversight Board and Department of Finance Approval, as Permitted in Sections 34177.7(a)(1)(A) and 34177.7(A)(1)(B) of the California Health And Safety Code to Finance (I) Affordable Housing Obligations in an Aggregate Principal Amount Not-to-Exceed \$30,000,000 and (II) Infrastructure Obligations in the Transbay Redevelopment Project Area in an Aggregate Principal Amount Not-to-Exceed \$45,000,000, Approving and Directing the Execution of a Second Supplement to Indenture of Trust and Bond Purchase Contract, and Approving Other Related Documents and Actions; Affordable Housing Obligations; Transbay Infrastructure Obligation," adopted March 21, 2023.
3. Commission Resolution No. 21-2023 entitled "Confirming the Issuance of New Money Tax Allocation Bonds, as Permitted in Sections 34177.7(a)(1)(A) and 34177.7(a)(1)(B) of the California Health and Safety Code to Finance (1) Affordable Housing Obligations in an Aggregate Principal Amount Not-to-Exceed \$30,000,000 and (2) Infrastructure in the Transbay Project Area in an Aggregate Principal Amount Not to Exceed \$45,000,000, and Approving Preliminary and Final Official Statements, a Continuing Disclosure Certificate and Other Related Documents and Actions; Affordable Housing Obligations; Transbay Infrastructure Obligations," adopted June 20, 2023.
4. Oversight Board to the Successor Agency of the Redevelopment Agency of the City and County of San Francisco (the "Oversight Board") Resolution No. 03-2023 entitled "Resolution Approving, Under Sections 34177.7(a)(1)(A), 34177.7(a)(1)(B), and 34177.7(f) of the California Health and Safety Code, the Issuance of New Money Tax Allocation Bonds by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, and Related Actions; Affordable Housing Obligations; Transbay Infrastructure Obligations," adopted April 7, 2023, together with Certificate of the Secretary of the Oversight Board.

5. Board of Supervisors of the City and County of San Francisco (the “BOS”) Resolution No. 368-23 entitled, “Resolution approving the Fiscal Year (FY) 2023-2024 Budget of the Office of Community Investment and Infrastructure (“OCII”), operating as the Successor Agency to the San Francisco Redevelopment Agency; and approving the issuance by OCII of Bonds in an aggregate principal amount of not to exceed \$75,000,000 for the purpose of financing a portion of OCII’s enforceable obligations,” adopted by the BOS on July 18, 2023, and signed by the Mayor of the City and County of San Francisco on July 26, 2023.
6. Approval Letter from the California State Department of Finance, dated April 13, 2023.
7. Preliminary Official Statement, dated August 22, 2023.
8. Bond Purchase Contract, dated August 30, 2023 (the “Purchase Contract”), by Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters (collectively, the “Underwriter”), and accepted by the Successor Agency.
9. Indenture of Trust, dated as of March 1, 2017, between the Successor Agency and U.S. Bank National Association, as trustee.
10. First Supplement to Indenture of Trust, dated as of December 1, 2021, between the Successor Agency and U.S. Bank National Association, as trustee.
11. Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the “Indenture”), between the Successor Agency and U.S. Bank Trust Company, National Association, as successor trustee (the “Trustee”).
12. Final Official Statement, dated August 30, 2023.
13. Continuing Disclosure Certificate, dated September 14, 2023, executed by the Successor Agency.
14. Proof of Filing Report of Final Sale to California Debt and Investment Advisory Commission (“CDIAC”), Acknowledgment No. 2023-1274 of Receipt of Report of Proposed Debt Issuance from CDIAC relating to the above-captioned 2023 Series A Taxable Third Lien Tax Allocation Bonds (the “2023A Bonds”), together with Report.
15. Proof of Filing Report of Final Sale to CDIAC, Acknowledgment No. 2023-1275 of Receipt of Report of Proposed Debt Issuance from CDIAC relating to the above-captioned 2023 Series B Third Lien Tax Allocation Bonds (the “2023B Bonds”), together with Report.
16. Blanket Letter of Representations of the Successor Agency to DTC.

B. SUCCESSOR AGENCY and CITY DOCUMENTS

1. Officer's Certificate of the Successor Agency pursuant to Section 9(d)(xi) of the Purchase Contract.
2. Certificate as to Arbitrage. (2023B Bonds)
3. Certificate of the Successor Agency Regarding Parity Debt pursuant to Section 9(d)(xix) of the Purchase Contract.
4. Certificate as to Finality of the Preliminary Official Statement.
5. Certificate Regarding Use of Proceeds. (2023B Bonds)
6. Written Request No. 1 for Disbursement from Costs of Issuance Funds, pursuant to Sections 11.07(a) and (b) of the Indenture.
7. Certificate of Mailing Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, to the Internal Revenue Service Center, together with Form 8038-G. (2023B Bonds)
8. Opinion of James Morales, Esq., as General Counsel to the Successor Agency, pursuant to Section 9(d)(vii) of the Purchase Contract.
9. Subordination Letters with evidence of mailing and delivery.

C. TRUSTEE DOCUMENTS

1. Incumbency Certificate of the Trustee.
2. Certificate of the Trustee, pursuant to Section 9(d)(xii) of the Purchase Contract.
3. Trustee's Receipt of Proceeds, Insurance Policy and Reserve Policies.
4. Opinion of Dorsey & Whitney LLP, Counsel to the Trustee, pursuant to Section 9(d)(x) of the Purchase Contract.

D. FISCAL CONSULTANT AND UNDERWRITERS DOCUMENTS

1. Certificate of Fiscal Consultant, given by Urban Analytics, LLC, pursuant to Section 9(d)(xiii) of the Purchase Contract.
2. Issue Price Certificate relating to the 2023B Bonds.
3. Certificate of the Representative relating to the 2023B Bonds.
4. Receipt for Bonds.
5. Specimen Bond. (2023A Bonds)
6. Specimen Bond. (2023B Bonds)

7. Opinion of Stradling Yocca Carlson & Rauth, A Professional Corporation, Counsel to the Underwriter, pursuant to Section 9(d)(ix) of the Purchase Contract.
8. Closing Memorandum, with Sources and Uses of Funds, prepared by the Underwriter.

E. BOND INSURER DOCUMENTS

1. Rating Letters of S&P Global Ratings (Insured: “AA”; Underlying: “A”).
2. Assured Guaranty Municipal Corp. (“AGM”) Municipal Bond Insurance Commitment to Issue Municipal Bond Insurance Policy (the “Bond Insurance Policy”), dated August 1, 2023.
3. AGM Municipal Bond Debt Service Reserve Insurance Commitments, to Issue Municipal Bond Debt Service Reserve Insurance Policy (collectively, the “Reserve Policies”) dated August 1, 2023.
4. Specimen Policy No. 222840-N issued by AGM.
5. Specimen Reserve Policy No. 222840-R1 issued by AGM. (2023A Bonds)
6. Specimen Reserve Policy No. 222840-R2 issued by AGM. (2023B Bonds)
7. Disclosure, No Default and Tax Certificate of AGM.
8. Opinion of Counsel to AGM regarding validity and enforceability of the Bond Insurance Policy and Reserve Policies.

F. OPINIONS

1. Final Approving Legal Opinion of Jones Hall, A Professional Law Corporation (“Bond Counsel”).
2. Supplemental Opinion of Bond Counsel, pursuant to Section 9(d)(vi) of the Purchase Contract.
3. Reliance Letter of Bond Counsel to the Underwriter, AGM and the Trustee Regarding Final Approving Legal Opinion.
4. Disclosure Counsel Letter of The Law Offices of Alexis S. M. Chiu, as disclosure counsel (“Disclosure Counsel”), pursuant to Section 9(d)(viii) of the Purchase Contract.
5. Reliance Letter of Disclosure Counsel to the Underwriter.



City and County of San Francisco Successor Agency

2023A Housing (Taxable) & 2023B Transbay Third Lien Tax Allocation Bonds

Distribution List as of 08/30/2023

ORGANIZATION/ADDRESS	PHONE	EMAIL ADDRESS
Issuer		
Successor Agency to the Redevelopment Agency of the City and County of San Francisco		
One South Van Ness Avenue, 5th Floor San Francisco, CA 94103		
John Daigle, <i>Debt Manager</i>	(415) 749-2471	john.daigle@sfgov.org
Rosa Torres, <i>Deputy Director</i>	(415) 749-2469	rosa.torres@sfgov.org
James Morales, <i>General Counsel</i>	(415) 749-2454	james.morales@sfgov.org
Thor Kaslofsky, <i>Executive Director</i>	(415) 749-2588	thor.kaslofsky@sfgov.org
Mina Yu, <i>Analyst</i>	(415) 749-2515	mina.yu@sfgov.org
Municipal Advisor		
PFM California Advisors LLC		
44 Montgomery Street, 3rd Floor San Francisco, CA 94104		
Sarah Hollenbeck, <i>Managing Director</i>	(415) 393-7260	hollenbecks@pfmcallc.com
Nick Jones, <i>Sr. Managing Consultant</i>	(415) 393-7245	Jonesn@pfmcallc.com
Dominic Scattini, <i>Senior Analyst</i>	(415) 393-7229	scattinid@pfm.com
Bond Counsel		
Jones Hall		
475 Sansome Street, Suite 1700 San Francisco, CA 94111		
Juan Galvan, <i>Shareholder</i>	(415) 391-5780 x229	jgalvan@joneshall.com
David A. Walton, <i>Shareholder</i>	(415) 391-5780 x239	dwalton@joneshall.com
Eorl H. Carlson, <i>Shareholder</i>	(415) 391-5780 x251	ecarlson@joneshall.com
Sarina Kernberg, <i>Associate</i>	(415) 391-5780 x201	skernberg@joneshall.com
Vincent Truong	(415) 391-5780	vtruong@joneshall.com
Disclosure Counsel		
Law Offices of Alexis S. M. Chiu		
One Sansome Street, Suite 3500 San Francisco, CA 94104		
Alex Chiu, <i>Principal</i>	(415) 777-9500	achiu@chiulaw.com
Fiscal Consultant		
Urban Analytics LLC		
5214F Diamond Heights Blvd #423 San Francisco CA 94131-2175		
David Mealy, <i>Principal</i>	(415) 781-2800	dmealy@uallc.com



City and County of San Francisco Successor Agency

2023A Housing (Taxable) & 2023B Transbay Third Lien Tax Allocation Bonds

Distribution List as of 08/30/2023

ORGANIZATION/ADDRESS	PHONE	EMAIL ADDRESS
Senior Underwriter		
Stifel		
2121 Avenue of the Stars, Suite 2150 Los Angeles, CA 90067		
Thomas Jacob, <i>Managing Director</i>	(213) 443-5010	tjacob@stifel.com
John Kim, <i>Managing Director</i>	(213) 443-5203	jkim@stifel.com
Jordan Keny-Guyer, <i>Assistant VP</i>		guyerj@stifel.com
Kavin Chang, <i>Analyst</i>	(213) 443-5020	changk@stifel.com
Co-Manager		
Backstrom McCarley Berry & Co., LLC		
130 Battery Street, Suite 560 San Francisco, CA 94111		
Vincent McCarley, <i>CEO</i>	(415) 857-6101	vmccarley@bmcbco.com
Pharris Langston, <i>Sr. Vice President</i>	(415) 857-6104	plangston@bmcbco.com
Brant Smith, <i>Managing Director</i>	(925) 858-7619	bsmith@bmcbco.com
Peter Wong, <i>Senior Vice President</i>	(415) 857-6103	pwong@bmcbco.com
Underwriter's Counsel		
Stradling		
660 Newport Center Drive, Suite 1600 Newport Beach, CA 92660		
Brian Forbath, <i>Shareholder</i>	(949) 725-4193	bforbath@stradlinglaw.com
Jordan Lee, <i>Associate</i>	(949) 725-4224	jtleee@stradlinglaw.com
Trustee		
U.S. Bank National Association		
One California Street, Suite 1000 San Francisco, CA 94111		
Mary Wong, <i>Vice President</i>	(415) 677-3602	mary.wong@usbank.com
Andrew Fung, <i>Vice President</i>	(415) 677-3593	andrew.fung@usbank.com
Trustee Counsel		
Dorsey & Whitney LLP		
51 West 52nd Street New York, NY 10019-6119		
Mark Jutsen, <i>Partner</i>	(212) 415-9335	jutsen.mark@dorsey.com
Fanny Renault, <i>Of Counsel</i>	(212) 415-9367	renault.fanny@dorsey.com
Bond Insurance & Surety		
Assured Guaranty		
Erika Paredes		eparedes@agltd.com
Eric Torkelson		etorkelson@agltd.com
Andrew Porges		aporges@agltd.com



City and County of San Francisco Successor Agency

2023A Housing (Taxable) & 2023B Transbay Third Lien Tax Allocation Bonds

Distribution List as of 08/30/2023

ORGANIZATION/ADDRESS	PHONE	EMAIL ADDRESS
FULL WORKING GROUP		

john.daigle@sfgov.org; rosa.torres@sfgov.org; james.morales@sfgov.org; thor.kaslofsky@sfgov.org; mina.yu@sfgov.org;
jgalvan@joneshall.com; dwalton@joneshall.com; ecarlson@joneshall.com; skernberg@joneshall.com; vtruong@joneshall.com;
hollenbecks@pfmcallc.com; Jonesn@pfmcallc.com; scattinid@pfm.com; achiu@chiulaw.com; dmealy@uallc.com;
tjacob@stifel.com; jkim@stifel.com; guyerj@stifel.com; changk@stifel.com; vmccarley@bmcbbco.com;
plangston@bmcbbco.com; bsmith@bmcbbco.com; pwong@bmcbbco.com; bforbath@stradlinglaw.com; jtlee@stradlinglaw.com;
mary.wong@usbank.com; andrew.fung@usbank.com; jutsen.mark@dorsey.com; renault.fanny@dorsey.com;
eparedes@agltd.com; etorkelson@agltd.com; aporges@agltd.com;

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 02-2023

Adopted March 21, 2023

AUTHORIZING THE ISSUANCE OF NEW MONEY TAX ALLOCATION BONDS, SUBJECT TO OVERSIGHT BOARD AND DEPARTMENT OF FINANCE APPROVAL, AS PERMITTED IN SECTIONS 34177.7(A)(1)(A) AND 34177.7(A)(1)(B) OF THE CALIFORNIA HEALTH AND SAFETY CODE TO FINANCE (I) AFFORDABLE HOUSING OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT-TO-EXCEED \$30,000,000 AND (II) INFRASTRUCTURE OBLIGATIONS IN THE TRANSBAY REDEVELOPMENT PROJECT AREA IN AN AGGREGATE PRINCIPAL AMOUNT NOT-TO-EXCEED \$45,000,000, APPROVING AND DIRECTING THE EXECUTION OF A SECOND SUPPLEMENT TO INDENTURE OF TRUST AND BOND PURCHASE CONTRACT, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS; AFFORDABLE HOUSING OBLIGATIONS; TRANSBAY INFRASTRUCTURE OBLIGATIONS

WHEREAS, Under California Assembly Bill No. X126 (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 No. 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 have the authority, with approval of the oversight board and the California Department of Finance (the “Department of Finance”), to issue bonds for certain purposes (Section 34177.5(a) of 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 “Board of Supervisors”) 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 and County of San Francisco (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”) 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 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 and its commission is also known as the Commission on Community Investment and Infrastructure; and,

WHEREAS, In September of 2015, the California legislature adopted Senate Bill No. 107 (Stats. 2015, ch. 325, § 9, *codified at* Section 34177.7 of the Code) (“SB 107”), further amending the Redevelopment Dissolution Law and providing that the Successor Agency has the authority, with approval of the Oversight Board and the Department of Finance, to issue bonds or incur other indebtedness for certain purposes; and,

WHEREAS, SB 107 was signed by the Governor of the State on September 22, 2015 and became effective immediately on such date; and,

WHEREAS, Section 34177.7(a)(1)(A) of the of the Code provides that the Successor Agency may, subject to the approval of the Oversight Board and the California Department of Finance, issue bonds or incur other indebtedness to finance the affordable housing required by the following agreements (collectively referred to herein as the “Affordable Housing Obligations”): (i) the Disposition and Development Agreement for Hunters Point Shipyard Phase 1 dated as of December 2, 2003, between Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Redevelopment Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (ii) the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Redevelopment Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (iii) the Mission Bay North Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a

Delaware limited liability company, as heretofore amended and as hereafter may be amended; (iv) the Mission Bay South Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended; and (v) the Transbay Implementation Agreement (as defined below); and,

WHEREAS, Section 34177.7(a)(1)(B) of the Code provides that the Successor Agency has the authority, with approval of the Oversight Board and the Department of Finance, to issue bonds or incur other indebtedness to finance the infrastructure (the “Transbay Infrastructure Obligations”) required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005 between the Former Redevelopment Agency, as succeeded by the Successor Agency, and the Transbay Joint Powers Authority, as hereafter may be amended (the “Transbay Implementation Agreement”); and,

WHEREAS, On December 13, 2016, the Board of Supervisors adopted Resolution No. 538-16, which was signed by the Mayor on December 22, 2016, pursuant to which the Board of Supervisors consented to the use of tax increment from redevelopment project areas outside of the Candlestick Point-Hunters Shipyard Project Site that are deposited in the Redevelopment Property Tax Trust Fund established for the Successor Agency for the exclusive purpose of funding affordable housing development that the Successor Agency is required to build under the Affordable Housing Obligations; and,

WHEREAS, In order to finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”) in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and the U.S. Bank National Association, as trustee; and,

WHEREAS, In order to finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”) in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture; and,

WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) in the original aggregate principal amount of \$127,210,000 (the “2021 Bonds”) pursuant to the Original Indenture as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the “First Supplement”), by and between the Successor Agency and U.S. Bank National Association, as trustee; and,

WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (with any changes to the designation of such bonds as an Authorized Officer (as such term is defined herein) may approve, the “2023A Bonds”); and,

WHEREAS, In order to further finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (with any changes to the designation of such bonds as an Authorized Officer may approve, the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”); and,

WHEREAS, The 2023 Bonds will be payable from Pledged Tax Revenues (as defined in the Original Indenture) on (A) parity with the 2017 Bonds and the 2021 Bonds, and (B) on a basis subordinate to the Successor Agency’s repayment obligations under its (i) \$67,955,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014B Bonds”), (ii) \$75,945,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014C Bonds” and together with the 2014B Bonds, the “2014 Bonds”), (iii) \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017D Bonds”), (iv) \$19,745,000 original aggregate principal amount of 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017E Bonds” and, together with the 2017D Bonds, the “2017D/E Bonds”), and (v) any other debt issued or incurred by the Successor Agency on a parity with the 2014 Bonds and the 2017D/E Bonds; and,

WHEREAS, The sale of the 2023 Bonds will comply with the provisions of the Successor Agency’s debt policy (the “Debt Policy”), adopted by Resolution 32-2021 of the Successor Agency Commission on October 5, 2021, unless such compliance is waived in accordance with the Debt Policy; and,

WHEREAS, PFM California Advisors LLC (the “Municipal Advisor”), as municipal advisor to the Successor Agency, has prepared an analysis which is attached hereto as Exhibit A and by this reference incorporated herein, which addresses the matters described in Section 34177.7(h) of the Code with respect to the 2023 Bonds; and,

WHEREAS, The Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance’s non-objection to or approval of the Oversight Board’s approval, to sell the 2023 Bonds to Stifel, Nicolaus & Company, Incorporated and Backstrom McCarley Berry & Co., LLC

(collectively, the “Underwriters”) pursuant to a Bond Purchase Contract (the “Purchase Contract”) between the Successor Agency and the Underwriters; and,

WHEREAS, The following documents and instruments have been made available to the Successor Agency and the public and are on file with the Secretary of the Successor Agency: (i) the Second Supplement to Indenture of Trust (the “Second Supplement”) between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (as successor-in-interest to U.S. Bank National Association) (the “Trustee”), supplementing and amending the Original Indenture, as supplemented and amended by the First Supplement, and providing for the issuance of the 2023 Bonds; and (ii) the Purchase Contract; and,

WHEREAS, The Successor Agency is now requesting that the Oversight Board direct the Successor Agency to undertake the proceedings necessary to issue the 2023 Bonds and to approve the issuance of the 2023 Bonds pursuant to this Resolution and the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by the Second Supplement (as so supplemented and amended, the “Indenture”); and,

WHEREAS, The Successor Agency further requests that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the proceedings necessary to issue the 2023 Bonds and the issuance of the 2023 Bonds; and,

WHEREAS, Following approval by the Oversight Board of the issuance of the 2023 Bonds by the Successor Agency and upon submission of the Oversight Board’s resolution to the Department of Finance, the Successor Agency will, with the assistance of the Municipal Advisor, bond counsel to the Successor Agency (“Bond Counsel”), disclosure counsel to the Successor Agency (“Disclosure Counsel”), and the fiscal consultant to the Successor Agency (the “Fiscal Consultant”), cause to be prepared a form of Official Statement describing the 2023 Bonds and containing material information relating to the Successor Agency and the 2023 Bonds, the preliminary form of which will be submitted to the Successor Agency’s Commission (but not the Oversight Board) for approval for distribution by the Underwriters to persons and institutions interested in purchasing the 2023 Bonds; and,

WHEREAS, The sale and issuance of the 2023 Bonds are Successor Agency fiscal activities that do not constitute a “project” as defined by the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and are not subject to environmental review under CEQA; and,

WHEREAS, Section 5852.1 of the California Government Code requires that the Successor Agency obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the 2023 Bonds, good faith estimates of (a) the true interest cost of the 2023 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the 2023 Bonds, (c) the amount of proceeds of the 2023 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds, and (d) the sum total of all debt service payments on the 2023 Bonds calculated to the final

maturity of the 2023 Bonds, plus the fees and charges paid to third parties not paid with the proceeds of the 2023 Bonds; and,

WHEREAS, In compliance with Section 5852.1 of the California Government Code, the Successor Agency Commission has obtained from the Municipal Advisor the required good faith estimates and such estimates are attached hereto as Exhibit B and by this reference incorporated herein, and such information has been disclosed and made public; now therefore, be it

RESOLVED, The Successor Agency Commission finds that:

The Successor Agency has full authority to issue the 2023A Bonds to finance a portion of the Affordable Housing Obligations under Section 34177.7(a)(1)(A) of the Code and to issue the 2023B Bonds to finance a portion of the Transbay Infrastructure Obligations under Section 34177.7(a)(1)(B) of the Code, and upon the Oversight Board's approval and the Department of Finance's non-objection to or approval of the Oversight Board's approval, all acts and proceedings required by law necessary to make the 2023 Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute the Second Supplement a valid and binding agreement for the uses and purposes therein set forth, in accordance with its terms, will have been done or taken and the execution and delivery of the Second Supplement will have been in all respects duly authorized; and, be it further

RESOLVED, Pursuant to the Redevelopment Dissolution Law, this Resolution, the Indenture, and Sections 34177.7(a)(1)(A) and 34177.7(b) of the Code, the 2023A Bonds are hereby authorized to be issued, subject to the adoption of a resolution of the Board of Supervisors approving the issuance by the Successor Agency of bonds to further finance a portion of the Affordable Housing Obligations and the Transbay Infrastructure Obligations (the "BOS Resolution"), and the approval of the Oversight Board and the Department of Finance's non-objection to or approval of the Oversight Board's approval, provided that the aggregate initial amount of the 2023A Bonds shall not exceed \$30,000,000. The 2023A Bonds shall be executed in the form set forth in and otherwise as provided in the Second Supplement. Notwithstanding the foregoing, the Successor Agency may issue the 2023A Bonds in two or more subseries at different times if the Authorized Officers (as defined below) determine it is in the best interests of the Successor Agency to do so, provided that the maximum combined principal amount of all such bonds shall not exceed \$30,000,000; and, be it further

RESOLVED, Pursuant to the Redevelopment Dissolution Law, this Resolution, the Indenture, and Sections 34177.7(a)(1)(B) and 34177.7(b) of the Code, the 2023B Bonds are hereby authorized to be issued, subject to the adoption of the BOS Resolution and the approval of the Oversight Board and the Department of Finance's non-objection to or approval of the Oversight Board's approval, provided that the aggregate initial amount of the 2023B Bonds shall not exceed \$45,000,000. The 2023B Bonds shall be executed in the form set forth in and otherwise as provided in the Second Supplement. Notwithstanding the foregoing, the Successor Agency may issue the 2023B Bonds in two or more subseries at different times if the Authorized Officers (as defined below) determine it is in the best interests of the Successor Agency to do so, provided that the maximum combined principal amount of all such bonds shall not exceed \$45,000,000; and, be it further

RESOLVED, It is the intent of the Successor Agency that interest on the 2023A Bonds be subject to all applicable federal income taxation; and, be it further

RESOLVED, The Second Supplement is hereby approved in the form attached hereto as Exhibit C and by this reference incorporated herein. The Executive Director, the Deputy Director of Finance and Administration and any of their designees (each being hereinafter referred to as an “Authorized Officer”), each acting alone, are hereby authorized and directed, subject to the Oversight Board’s approval and the Department of Finance’s non-objection to or approval of the Oversight Board’s approval, to execute and deliver the Second Supplement in said form, with such additions thereto or changes therein as are approved by an Authorized Officer upon consultation with the Successor Agency’s General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Second Supplement by an Authorized Officer. The date, manner of payment, interest rate or rates, interest payment dates, series or subseries designations, denominations, form, registration, privileges, manner of execution, place of payment, terms of redemption and other terms of the 2023 Bonds shall be as provided in the Second Supplement as finally executed; and, be it further

RESOLVED, The Successor Agency hereby approves the selection of the Underwriters and the negotiated sale of the 2023 Bonds to the Underwriters. The Purchase Contract is hereby approved in the form attached hereto as Exhibit D and by this reference incorporated herein. An Authorized Officer is hereby authorized and directed to accept the offer of the Underwriters to purchase the 2023 Bonds from the Successor Agency, provided that the following conditions are met: (1) the aggregate principal amount of the 2023A Bonds and 2023B Bonds may not exceed \$30,000,000 and \$45,000,000, respectively; (2) the Underwriters’ discount for the 2023A Bonds, without regard to any original issue discount, may not exceed 0.5% of the aggregate initial amount of the 2023A Bonds; and (3) the Underwriters’ discount for the 2023B Bonds, without regard to any original issue discount, may not exceed 0.5% of the aggregate initial amount of the 2023B Bonds. Subject to the adoption of the BOS Resolution and the Oversight Board’s approval, and the Department of Finance’s non-objection to or approval of the Oversight Board’s approval, an Authorized Officer is hereby authorized and directed to execute and deliver the Purchase Contract in said form, with such additions thereto or changes therein as are recommended or approved by an Authorized Officer upon consultation with the Successor Agency’s General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Purchase Contract by an Authorized Officer; and, be it further

RESOLVED, Following approval by the Oversight Board of the issuance of the 2023 Bonds by the Successor Agency and upon submission to the Department of Finance of such approval by the Oversight Board, the Successor Agency will, with the assistance of Disclosure Counsel, Bond Counsel, the Fiscal Consultant and the Municipal Advisor, cause to be prepared a form of Official Statement describing the 2023 Bonds and containing material information relating to the Successor Agency and the 2023 Bonds, the preliminary form of which will be submitted to the Successor Agency’s Commission (but not to the Oversight Board) for approval for distribution by the Underwriters to persons and institutions interested in purchasing the 2023 Bonds; and, be it further

RESOLVED, The 2023 Bonds, when executed, shall be delivered to the Trustee for authentication, and the Trustee is hereby requested and directed to authenticate the 2023 Bonds by executing the Trustee's certificate of authentication and registration appearing thereon, and to deliver the 2023 Bonds, when duly executed and authenticated, to the Underwriters in accordance with written instructions executed on behalf of the Successor Agency by an Authorized Officer, which instructions such officer is hereby authorized and directed to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the 2023 Bonds to the Underwriters upon payment of the purchase price therefor; and, be it further

RESOLVED, The Successor Agency hereby requests the Oversight Board, as authorized by Section 34177.7(f) of the Code, to direct the Successor Agency to undertake the proceedings relating to the issuance of bonds to finance a portion of the Affordable Housing Obligations authorized under Section 34177.7(a)(1)(A) of the Code and to finance a portion of the Transbay Infrastructure Obligations authorized under Section 34177.7(a)(1)(B) of the Code for said purposes, and, as authorized by Sections 34177.7(f) and 34180(b) of the Code, to approve the issuance of the 2023A Bonds and the 2023B Bonds pursuant to Section 34177.7(a)(1)(A) and Section 34177.7(a)(1)(B), respectively, of the Code, this Resolution and the Indenture; and, be it further

RESOLVED, The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the proceedings necessary for the issuance of the 2023 Bonds and the issuance of the 2023 Bonds:

- (a) The Successor Agency is authorized, as provided in Section 34177.7(f) of the Code, to recover its costs related to the issuance of the 2023 Bonds from the proceeds of the 2023 Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the 2023 Bonds.
- (b) The application of proceeds of the 2023A Bonds by the Successor Agency to finance a portion of the Affordable Housing Obligations pursuant to Section 34177.7(a)(1)(A) of the Code, the application of proceeds of the 2023B Bonds by the Successor Agency to finance a portion of the Transbay Infrastructure Obligations pursuant to Section 34177.7(a)(1)(B) of the Code, and the payment by the Successor Agency of costs of issuance of the 2023 Bonds, shall be implemented by the Successor Agency promptly upon sale and delivery of the 2023 Bonds, notwithstanding Section 34177.3 of the Code or any other provision of law to the contrary, without the further approval of the Oversight Board, the Department of Finance, or any other person or entity other than the Successor Agency.
- (c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) of the Code without any deductions with respect to continuing post-issuance compliance and administration costs related to the 2023 Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues

pursuant to Section 34183 of the Code. In addition, and as provided by Section 34177.7(f) of the Code, if the Successor Agency is unable to complete the issuance of the 2023A Bonds and/or the 2023B Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the proceedings relating to the issuance thereof from such property tax revenues pursuant to Section 34183 of the Code without reduction in its Administrative Cost Allowance; and, be it further

RESOLVED, The Successor Agency is hereby authorized and directed to file a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) of the Code, with the Department of Finance, the Administrative Officer and Auditor-Controller of the City and County of San Francisco; and, be it further

RESOLVED, The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy and/or reserve account reserve policy, or both, for the 2023A Bonds and/or the 2023B Bonds, or any portion thereof, from a municipal bond insurance company if it is determined, upon consultation with the Municipal Advisor, that such municipal bond insurance policy and/or reserve policy will reduce the true interest cost thereof; and, be it further

RESOLVED, That, subject to the preparation and approval of the Official Statement, as described above, this Commission authorizes all actions heretofore taken by the officers and agents of the Successor Agency with respect to the sale and issuance of the 2023 Bonds herein authorized, the expenditure of the proceeds of the 2023 Bonds is hereby approved, confirmed and ratified, and the proper officers of the Successor Agency are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2023 Bonds in accordance with this Resolution and any certificate, agreement and other document described in the documents herein approved.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of March 21, 2023.

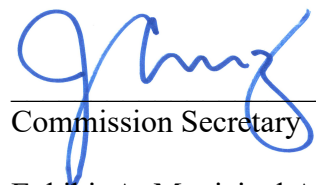

Commission Secretary

Exhibit A: Municipal Advisor's Analysis

Exhibit B: Good Faith Estimates

Exhibit C: Form of Second Supplement to Indenture of Trust

Exhibit D: Form of Bond Purchase Contract

MEMORANDUM

To: Office of Community Investment and Infrastructure (“OCII”)

Date: February 28, 2023

From: Sarah Hollenbeck and Nick Jones, PFM California Advisors LLC
Municipal Advisor to OCII

RE: Analysis Required for Proposed OCII 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Background

Purpose of this Report. PFM California Advisors LLC is an Independent Registered Municipal Advisor registered with both the Securities & Exchange Commission and the Municipal Securities Rulemaking Board, with significant experience with tax increment financing, including post-Redevelopment Dissolution refinancing in California. The Office of Community Investment and Infrastructure (“OCII”) is the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and has requested that the firm prepare this memo in conformance with California Health and Safety Code authorizing OCII to issue new-money bonds. This memo has been prepared in connection with the proposed issuance of approximately \$26.9 million 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), with net proceeds going solely to fund affordable housing projects, and \$40.5 million 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects), with net proceeds going solely to fund transbay infrastructure projects. 2023 Series A and 2023 Series B will not refund any outstanding debt.

2023 Series A and 2023 Series B are Parity to Established and Approved Debt. The proposed bonds will be secured by tax increment revenues in a third lien position, on parity with OCII’s 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), 2017 Series B Taxable Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects), and 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), which were all reviewed and approved by the State Department of Finance (“DOF”).

Compliance with Health and Safety Code Requirements

The proposed financing meets the requirements of State law, as set forth in *Section 34177.5(h)* of the Health and Safety Code:

The successor agency to the Redevelopment Agency of the City and County of San Francisco shall make diligent efforts to ensure that the lowest long-term cost financing is obtained. The financing shall not provide for any bullets or spikes and shall not use variable rates. The agency shall make use of an independent financial advisor in developing financing proposals and shall make the work products of the financial advisor available to the department at its request. (Added by Stats. 2015, Ch. 325, Sec. 9. (SB 107) Effective September 22, 2015.)

Shall make diligent efforts to ensure that the lowest long-term cost financing is obtained. OCII as the successor agency has hired an experienced financing team of municipal advisor, underwriters, bond counsel, disclosure counsel, and fiscal consultant to develop a plan of finance for the lowest cost long-term financing that is consistent with OCII’s program goals now and in the future. The indenture allows for new parity financing to continue to fund affordable housing and transbay infrastructure. OCII seeks efficient and low-cost financing

that maximizes debt service coverage, credit quality, and future debt capacity.

The financing shall not provide for any bullets or spikes and shall not use variable rates. 2023 Series A and 2023 Series B are being structured in a manner that optimizes debt service coverage and future bonding capacity, while minimizing the cost of financing. Principal may be amortized in a manner that furthers these goals, which could include some front-loading and back-loading of principal at the beginning and end of the maturity schedule. 2023 Series A and 2023 Series B will be structured as fixed-rate debt.

The agency shall make use of an independent financial advisor in developing financing proposals and shall make the work products of the financial advisor available to the department at its request. OCII has retained PFM California Advisors LLC to serve as its municipal advisor, and the firm has conducted an RFP process to assist OCII in selecting an underwriting team for this negotiated financing. The municipal advisor has prepared this memo for OCII and DOF and can provide additional information upon DOF request. Attached is an initial bond sizing for 2023 Series A and 2023 Series B.

ATTACHMENT A – Bond Cash Flows prepared by PFM California Advisors LLC

SOURCES AND USES OF FUNDS

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

Dated Date 07/27/2023
Delivery Date 07/27/2023

Sources:	2023A Affordable Housing (Taxable)	2023B Transbay	Total
Bond Proceeds:			
Par Amount	26,865,000.00	40,490,000.00	67,355,000.00
Premium		1,893,465.70	1,893,465.70
	26,865,000.00	42,383,465.70	69,248,465.70

Uses:	2023A Affordable Housing (Taxable)	2023B Transbay	Total
Project Fund Deposits:			
Project Fund	24,000,000.00	37,000,000.00	61,000,000.00
Other Fund Deposits:			
Debt Service Reserve Fund	1,976,660.80	3,980,556.74	5,957,217.54
Delivery Date Expenses:			
Cost of Issuance	199,428.40	300,571.60	500,000.00
Underwriter's Discount	96,631.64	145,639.86	242,271.50
Insurance (1% of Debt Service)	592,232.52	955,687.44	1,547,919.96
	888,292.56	1,401,898.90	2,290,191.46
Other Uses of Funds:			
Additional Proceeds	46.64	1,010.06	1,056.70
	26,865,000.00	42,383,465.70	69,248,465.70

UNDERWRITER'S DISCOUNT

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

<i>Underwriter's Discount</i>	<i>\$/1000</i>	<i>Amount</i>
Underwriter's Counsel	0.29693	20,000.00
Expenses	0.30000	20,206.50
Average Takedown	3.00000	202,065.00
	3.59693	242,271.50

BOND SUMMARY STATISTICS

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

	2023A Affordable Housing (Taxable)	2023B Transbay	Aggregate
Dated Date	07/27/2023	07/27/2023	07/27/2023
Delivery Date	07/27/2023	07/27/2023	07/27/2023
First Coupon	08/01/2024	08/01/2024	08/01/2024
Last Maturity	08/01/2053	08/01/2053	08/01/2053
Arbitrage Yield	6.301199%	4.699988%	4.699988%
True Interest Cost (TIC)	6.126050%	4.712532%	5.193095%
Net Interest Cost (NIC)	6.138405%	4.841334%	5.261986%
All-In TIC	6.408336%	4.914415%	5.423031%
Average Coupon	6.120129%	5.000000%	5.363268%
Average Life (years)	19.681	27.206	24.204
Weighted Average Maturity (years)	19.681	27.200	27.200
Duration of Issue (years)	11.056	15.408	13.544
Par Amount	26,865,000.00	40,490,000.00	67,355,000.00
Bond Proceeds	26,865,000.00	42,383,465.70	69,248,465.70
Total Interest	32,358,252.30	55,078,744.44	87,436,996.74
Net Interest	32,454,883.94	53,330,918.60	85,785,802.54
Total Debt Service	59,223,252.30	95,568,744.44	154,791,996.74
Maximum Annual Debt Service	1,976,660.80	7,000,750.00	8,973,482.80
Average Annual Debt Service	1,973,377.53	3,184,445.39	5,157,822.92
Underwriter's Fees (per \$1000)			
Average Takedown	3.000000	3.000000	3.000000
Other Fee	0.596934	0.596934	0.596934
Total Underwriter's Discount	3.596934	3.596934	3.596934
Bid Price	99.640307	104.316685	102.451480

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Taxable Bonds	26,865,000.00	100.000	6.12012863%	19.681	28,535.95
Tax-Exempt Bonds	40,490,000.00	104.676	5.00000000%	27.206	33,364.15
	67,355,000.00			24.204	61,900.10

BOND SUMMARY STATISTICS

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

	TIC	All-In TIC	Arbitrage Yield
Par Value	67,355,000.00	67,355,000.00	40,490,000.00
+ Accrued Interest			
+ Premium (Discount)	1,893,465.70	1,893,465.70	1,893,465.70
- Underwriter's Discount	(242,271.50)	(242,271.50)	
- Cost of Issuance Expense		(500,000.00)	
- Other Amounts		(1,547,919.96)	(955,687.44)
Target Value	69,006,194.20	66,958,274.24	41,427,778.26
Target Date	07/27/2023	07/27/2023	07/27/2023
Yield	5.193095%	5.423031%	4.699988%

BOND PRICING

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable)

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Taxable Bonds:					
	08/01/2024	335,000	5.660%	5.660%	100.000
	08/01/2025	375,000	5.490%	5.490%	100.000
	08/01/2026	395,000	5.310%	5.310%	100.000
	08/01/2027	415,000	5.442%	5.442%	100.000
	08/01/2028	435,000	5.320%	5.320%	100.000
	08/01/2029	460,000	5.422%	5.422%	100.000
	08/01/2030	485,000	5.420%	5.420%	100.000
	08/01/2031	510,000	5.572%	5.572%	100.000
	08/01/2032	540,000	5.574%	5.574%	100.000
	08/01/2033	570,000	5.560%	5.560%	100.000
	08/01/2034	600,000	5.922%	5.922%	100.000
	08/01/2035	635,000	5.934%	5.934%	100.000
	08/01/2036	675,000	5.946%	5.946%	100.000
	08/01/2037	715,000	5.958%	5.958%	100.000
	08/01/2038	755,000	5.970%	5.970%	100.000
	08/01/2039	805,000	6.132%	6.132%	100.000
	08/01/2040	850,000	6.144%	6.144%	100.000
	08/01/2041	905,000	6.156%	6.156%	100.000
	08/01/2042	960,000	6.168%	6.168%	100.000
	08/01/2043	1,020,000	6.220%	6.220%	100.000
	08/01/2044	1,085,000	6.296%	6.296%	100.000
	08/01/2045	1,150,000	6.272%	6.272%	100.000
	08/01/2046	1,225,000	6.248%	6.248%	100.000
	08/01/2047	1,300,000	6.224%	6.224%	100.000
	08/01/2048	1,380,000	6.200%	6.200%	100.000
	08/01/2049	1,465,000	6.176%	6.176%	100.000
	08/01/2050	1,555,000	6.152%	6.152%	100.000
	08/01/2051	1,650,000	6.128%	6.128%	100.000
	08/01/2052	1,755,000	6.104%	6.104%	100.000
	08/01/2053	1,860,000	6.120%	6.120%	100.000
		26,865,000			

Dated Date 07/27/2023
Delivery Date 07/27/2023
First Coupon 08/01/2024

Par Amount 26,865,000.00
Original Issue Discount

Production 26,865,000.00 100.000000%
Underwriter's Discount (96,631.64) (0.359693%)

Purchase Price 26,768,368.36 99.640307%
Accrued Interest

Net Proceeds 26,768,368.36

BOND PRICING

SFOCII - Third Lien Tax Allocation Bonds 2023B Transbay

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Tax-Exempt Bonds:									
	08/01/2047	4,970,000	5.000%	4.330%	105.395 C	4.626%	08/01/2033	100.000	268,131.50
	08/01/2048	5,220,000	5.000%	4.360%	105.146 C	4.650%	08/01/2033	100.000	268,621.20
	08/01/2049	5,485,000	5.000%	4.420%	104.650 C	4.689%	08/01/2033	100.000	255,052.50
	08/01/2050	5,760,000	5.000%	4.430%	104.568 C	4.700%	08/01/2033	100.000	263,116.80
	08/01/2051	6,045,000	5.000%	4.440%	104.486 C	4.710%	08/01/2033	100.000	271,178.70
	08/01/2052	6,345,000	5.000%	4.450%	104.403 C	4.720%	08/01/2033	100.000	279,370.35
	08/01/2053	6,665,000	5.000%	4.460%	104.321 C	4.729%	08/01/2033	100.000	287,994.65
40,490,000									1,893,465.70

Dated Date	07/27/2023	
Delivery Date	07/27/2023	
First Coupon	08/01/2024	
Par Amount	40,490,000.00	
Premium	1,893,465.70	
Production	42,383,465.70	104.676379%
Underwriter's Discount	(145,639.86)	(0.359693%)
Purchase Price	42,237,825.84	104.316685%
Accrued Interest		
Net Proceeds	42,237,825.84	

BOND DEBT SERVICE

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable)

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>
08/01/2024	335,000	5.660%	1,638,327.50	1,973,327.50
08/01/2025	375,000	5.490%	1,601,362.90	1,976,362.90
08/01/2026	395,000	5.310%	1,580,775.40	1,975,775.40
08/01/2027	415,000	5.442%	1,559,800.90	1,974,800.90
08/01/2028	435,000	5.320%	1,537,216.60	1,972,216.60
08/01/2029	460,000	5.422%	1,514,074.60	1,974,074.60
08/01/2030	485,000	5.420%	1,489,133.40	1,974,133.40
08/01/2031	510,000	5.572%	1,462,846.40	1,972,846.40
08/01/2032	540,000	5.574%	1,434,429.20	1,974,429.20
08/01/2033	570,000	5.560%	1,404,329.60	1,974,329.60
08/01/2034	600,000	5.922%	1,372,637.60	1,972,637.60
08/01/2035	635,000	5.934%	1,337,105.60	1,972,105.60
08/01/2036	675,000	5.946%	1,299,424.70	1,974,424.70
08/01/2037	715,000	5.958%	1,259,289.20	1,974,289.20
08/01/2038	755,000	5.970%	1,216,689.50	1,971,689.50
08/01/2039	805,000	6.132%	1,171,616.00	1,976,616.00
08/01/2040	850,000	6.144%	1,122,253.40	1,972,253.40
08/01/2041	905,000	6.156%	1,070,029.40	1,975,029.40
08/01/2042	960,000	6.168%	1,014,317.60	1,974,317.60
08/01/2043	1,020,000	6.220%	955,104.80	1,975,104.80
08/01/2044	1,085,000	6.296%	891,660.80	1,976,660.80
08/01/2045	1,150,000	6.272%	823,349.20	1,973,349.20
08/01/2046	1,225,000	6.248%	751,221.20	1,976,221.20
08/01/2047	1,300,000	6.224%	674,683.20	1,974,683.20
08/01/2048	1,380,000	6.200%	593,771.20	1,973,771.20
08/01/2049	1,465,000	6.176%	508,211.20	1,973,211.20
08/01/2050	1,555,000	6.152%	417,732.80	1,972,732.80
08/01/2051	1,650,000	6.128%	322,069.20	1,972,069.20
08/01/2052	1,755,000	6.104%	220,957.20	1,975,957.20
08/01/2053	1,860,000	6.120%	113,832.00	1,973,832.00
	26,865,000		32,358,252.30	59,223,252.30

BOND DEBT SERVICE

SFOCII - Third Lien Tax Allocation Bonds 2023B Transbay

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>
08/01/2024			2,046,994.44	2,046,994.44
08/01/2025			2,024,500.00	2,024,500.00
08/01/2026			2,024,500.00	2,024,500.00
08/01/2027			2,024,500.00	2,024,500.00
08/01/2028			2,024,500.00	2,024,500.00
08/01/2029			2,024,500.00	2,024,500.00
08/01/2030			2,024,500.00	2,024,500.00
08/01/2031			2,024,500.00	2,024,500.00
08/01/2032			2,024,500.00	2,024,500.00
08/01/2033			2,024,500.00	2,024,500.00
08/01/2034			2,024,500.00	2,024,500.00
08/01/2035			2,024,500.00	2,024,500.00
08/01/2036			2,024,500.00	2,024,500.00
08/01/2037			2,024,500.00	2,024,500.00
08/01/2038			2,024,500.00	2,024,500.00
08/01/2039			2,024,500.00	2,024,500.00
08/01/2040			2,024,500.00	2,024,500.00
08/01/2041			2,024,500.00	2,024,500.00
08/01/2042			2,024,500.00	2,024,500.00
08/01/2043			2,024,500.00	2,024,500.00
08/01/2044			2,024,500.00	2,024,500.00
08/01/2045			2,024,500.00	2,024,500.00
08/01/2046			2,024,500.00	2,024,500.00
08/01/2047	4,970,000	5.000%	2,024,500.00	6,994,500.00
08/01/2048	5,220,000	5.000%	1,776,000.00	6,996,000.00
08/01/2049	5,485,000	5.000%	1,515,000.00	7,000,000.00
08/01/2050	5,760,000	5.000%	1,240,750.00	7,000,750.00
08/01/2051	6,045,000	5.000%	952,750.00	6,997,750.00
08/01/2052	6,345,000	5.000%	650,500.00	6,995,500.00
08/01/2053	6,665,000	5.000%	333,250.00	6,998,250.00
	40,490,000		55,078,744.44	95,568,744.44

AGGREGATE DEBT SERVICE

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

Period Ending	2023A Affordable Housing (Taxable)	2023B Transbay	2021A Taxable	2017A Taxable	2017B	Subordinated Debt Service	Existing Loan Agreements	Aggregate Debt Service
08/01/2023			3,544,846.66	1,024,355.00	992,500	16,199,476	32,306,689	54,067,866.66
08/01/2024	1,973,327.50	2,046,994.44	6,733,489.96	1,024,355.00	992,500	16,057,396	32,303,477	61,131,539.90
08/01/2025	1,976,362.90	2,024,500.00	14,244,300.46	4,024,355.00	992,500	8,958,500	23,564,227	55,784,745.36
08/01/2026	1,975,775.40	2,024,500.00	13,816,580.60	3,918,365.00	992,500	8,941,196	22,920,937	54,589,854.00
08/01/2027	1,974,800.90	2,024,500.00	16,629,358.26	809,375.00	992,500	8,976,430	22,896,481	54,303,445.16
08/01/2028	1,972,216.60	2,024,500.00	16,766,208.20	809,375.00	992,500	8,951,175	22,896,434	54,412,408.80
08/01/2029	1,974,074.60	2,024,500.00	16,952,275.36	809,375.00	992,500	8,951,906	22,876,471	54,581,101.96
08/01/2030	1,974,133.40	2,024,500.00	17,146,052.00	809,375.00	992,500	9,463,173	21,885,189	54,294,922.40
08/01/2031	1,972,846.40	2,024,500.00	20,798,072.50	809,375.00	992,500	4,642,452	23,858,861	55,098,606.90
08/01/2032	1,974,429.20	2,024,500.00	21,627,401.50	809,375.00	992,500	4,631,507	23,847,321	55,907,033.70
08/01/2033	1,974,329.60	2,024,500.00		809,375.00	992,500	4,633,669	23,839,711	34,274,084.60
08/01/2034	1,972,637.60	2,024,500.00		809,375.00	992,500	4,617,814	23,821,782	34,238,608.60
08/01/2035	1,972,105.60	2,024,500.00		809,375.00	992,500	4,956,975	19,304,732	30,060,187.60
08/01/2036	1,974,424.70	2,024,500.00		809,375.00	992,500	3,884,075	19,292,295	28,977,169.70
08/01/2037	1,974,289.20	2,024,500.00		809,375.00	992,500	4,064,094	13,727,503	23,592,261.20
08/01/2038	1,971,689.50	2,024,500.00		809,375.00	992,500	4,804,375	2,936,692	13,539,131.50
08/01/2039	1,976,616.00	2,024,500.00		809,375.00	992,500	4,805,063	2,921,542	13,529,596.00
08/01/2040	1,972,253.40	2,024,500.00		809,375.00	992,500	5,760,438		11,559,066.40
08/01/2041	1,975,029.40	2,024,500.00		1,349,375.00	992,500	3,258,250		9,599,654.40
08/01/2042	1,974,317.60	2,024,500.00		7,475,750.00	992,500			12,467,067.60
08/01/2043	1,975,104.80	2,024,500.00		7,498,062.50	992,500			12,490,167.30
08/01/2044	1,976,660.80	2,024,500.00		4,451,593.76	4,062,500			12,515,254.56
08/01/2045	1,973,349.20	2,024,500.00			9,024,000			13,021,849.20
08/01/2046	1,976,221.20	2,024,500.00			9,024,750			13,025,471.20
08/01/2047	1,974,683.20	6,994,500.00						8,969,183.20
08/01/2048	1,973,771.20	6,996,000.00						8,969,771.20
08/01/2049	1,973,211.20	7,000,000.00						8,973,211.20
08/01/2050	1,972,732.80	7,000,750.00						8,973,482.80
08/01/2051	1,972,069.20	6,997,750.00						8,969,819.20
08/01/2052	1,975,957.20	6,995,500.00						8,971,457.20
08/01/2053	1,973,832.00	6,998,250.00						8,972,082.00
	59,223,252.30	95,568,744.44	148,258,585.50	42,097,461.26	42,953,750	136,557,964	355,200,344	879,860,101.50

UNIVERSAL BOND SOLUTION

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay 2023B Transbay Bonds Solution

<i>Period Ending</i>	<i>2023B Principal</i>	<i>2023B Debt Service</i>	<i>2023A & Parity Debt Service</i>	<i>Total Adj Debt Service</i>	<i>Revenue Constraints</i>	<i>Unused Revenues</i>	<i>Debt Service Coverage</i>
08/01/2023			54,067,867	54,067,867	292,155,808	238,087,941	540.35017%
08/01/2024		2,046,994	59,084,545	61,131,540	292,155,808	231,024,268	477.91338%
08/01/2025		2,024,500	53,760,245	55,784,745	292,155,808	236,371,063	523.71989%
08/01/2026		2,024,500	52,565,354	54,589,854	292,155,808	237,565,954	535.18335%
08/01/2027		2,024,500	52,278,945	54,303,445	292,155,808	237,852,363	538.00603%
08/01/2028		2,024,500	52,387,909	54,412,409	292,155,808	237,743,399	536.92864%
08/01/2029		2,024,500	52,556,602	54,581,102	292,155,808	237,574,706	535.26916%
08/01/2030		2,024,500	52,270,422	54,294,922	292,155,808	237,860,886	538.09048%
08/01/2031		2,024,500	53,074,107	55,098,607	292,155,808	237,057,201	530.24173%
08/01/2032		2,024,500	53,882,534	55,907,034	292,155,808	236,248,774	522.57433%
08/01/2033		2,024,500	32,249,585	34,274,085	292,155,808	257,881,723	852.41024%
08/01/2034		2,024,500	32,214,109	34,238,609	292,155,808	257,917,199	853.29346%
08/01/2035		2,024,500	28,035,688	30,060,188	292,155,808	262,095,620	971.90281%
08/01/2036		2,024,500	26,952,670	28,977,170	292,155,808	263,178,638	1,008.22755%
08/01/2037		2,024,500	21,567,761	23,592,261	292,155,808	268,563,547	1,238.35441%
08/01/2038		2,024,500	11,514,632	13,539,132	292,155,808	278,616,677	2,157.86225%
08/01/2039		2,024,500	11,505,096	13,529,596	292,155,808	278,626,212	2,159.38309%
08/01/2040		2,024,500	9,534,566	11,559,066	292,155,808	280,596,742	2,527.50350%
08/01/2041		2,024,500	7,575,154	9,599,654	292,155,808	282,556,154	3,043.39923%
08/01/2042		2,024,500	10,442,568	12,467,068	292,155,808	279,688,740	2,343.42042%
08/01/2043		2,024,500	10,465,667	12,490,167	292,155,808	279,665,641	2,339.08643%
08/01/2044		2,024,500	10,490,755	12,515,255	292,155,808	279,640,553	2,334.39765%
08/01/2045		2,024,500	10,997,349	13,021,849	292,155,808	279,133,959	2,243.58156%
08/01/2046		2,024,500	11,000,971	13,025,471	292,155,808	279,130,337	2,242.95769%
08/01/2047	4,970,000	6,994,500	1,974,683	8,969,183	292,155,808	283,186,625	3,257.32903%
08/01/2048	5,220,000	6,996,000	1,973,771	8,969,771	292,155,808	283,186,037	3,257.11550%
08/01/2049	5,485,000	7,000,000	1,973,211	8,973,211	292,155,808	283,182,597	3,255.86684%
08/01/2050	5,760,000	7,000,750	1,972,733	8,973,483	292,155,808	283,182,325	3,255.76830%
08/01/2051	6,045,000	6,997,750	1,972,069	8,969,819	292,155,808	283,185,989	3,257.09807%
08/01/2052	6,345,000	6,995,500	1,975,957	8,971,457	292,155,808	283,184,351	3,256.50339%
08/01/2053	6,665,000	6,998,250	1,973,832	8,972,082	292,155,808	283,183,726	3,256.27661%
	40,490,000	95,568,744	784,291,357	879,860,102	9,056,830,048	8,176,969,947	

EXHIBIT B

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the 2023 Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Successor Agency by PFM California Advisors LLC, as the Successor Agency's Municipal Advisor (the "Municipal Advisor"), after consultation with Stifel, Nicolaus & Company, Incorporated, an underwriter of the 2023 Bonds.

Principal Amount. The Municipal Advisor has informed the Successor Agency that, based on the Successor Agency's financing plan and current market conditions, their good faith estimate of the aggregate principal amount of the 2023 Bonds to be sold is \$67,355,000 (the "Estimated Principal Amount"), which excludes approximately \$1,893,466 of net premium estimated to be generated from current market pricing. Net premium is generated when, on a net aggregate basis for a single issuance, the prices paid for the bonds are higher than the face values of such bonds. The sum of the Estimated Principal Amount and the estimated net premium is \$69,248,466, which is equal to the estimated net proceeds of the 2023 Bonds.

True Interest Cost of the 2023 Bonds. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the 2023 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2023 Bonds, is 5.19%.

Finance Charge of the 2023 Bonds. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the 2023 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the 2023 Bonds), is \$2,290,191.

Amount of Proceeds to be Received. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the Successor Agency from the sale of the 2023 Bonds, less the finance charge of the 2023 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds, is \$61,000,000.

Total Payment Amount. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the Successor Agency will make to pay debt service on the 2023 Bonds, plus the finance charge for the 2023 Bonds, as described above, not paid with the proceeds of the 2023 Bonds, calculated to the final maturity of the 2023 Bonds, is \$154,791,997, which excludes any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the 2023 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the 2023 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of 2023 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the 2023 Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the 2023 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Successor Agency's financing plan, including delays in the financing, or a combination of such factors. The actual date of sale of the 2023 Bonds and the actual principal amount of 2023 Bonds sold will be determined by the Successor Agency based on the timing of the need for proceeds of the 2023 Bonds and other factors. The actual interest rates borne by the 2023 Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the 2023 Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Successor Agency.

SECOND SUPPLEMENT TO INDENTURE OF TRUST

Dated as of [Month] 1, 2023

by and between the

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee**

Relating to

**[\$[PARA]
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
[(Social Bonds)]**

**[\$[PARA]
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)**

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SECOND SUPPLEMENT TO INDENTURE OF TRUST

This SECOND SUPPLEMENT TO INDENTURE OF TRUST (this “Second Supplement”), dated as of [Month] 1, 2023, is by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity duly created and existing under the laws of the State of California (the “Successor Agency”), as successor to the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee under the hereinafter defined Original Indenture (the “Trustee”), as successor-in-interest to U.S. Bank National Association;

WITNESSETH:

WHEREAS, prior to its dissolution, the Former Agency was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code (the “Code”) of the State (as amended, the “Law”), including the power to issue bonds and incur debt for any of its corporate purposes;

WHEREAS, a Redevelopment Plan for each of the following redevelopment project areas, subproject areas or land use zones (collectively, the “Project Areas”) of the Former Agency was adopted and, as applicable, subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of each of the Redevelopment Plans, as amended, have been duly complied with:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (formerly known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1;

WHEREAS, to finance and refinance redevelopment activities within or of benefit to the Project Areas, the Former Agency entered into various loan agreements (collectively, the “Existing Loan Agreements”), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans (collectively, the “Existing Loans”) made to the Former Agency under the Existing Loan Agreements;

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as so amended and as further amended from time to time, the “Dissolution Act”), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Existing Loan Agreements and the related documents to which the Former Agency was a party;

WHEREAS, Section 34177.5(a)(1) of the Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in Section 34177.5(a)(1) of the Code;

WHEREAS, Section 34177.5(a)(1) of the Code also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) of the Code;

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in Section 34177.5(a)(1) of the Code, issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$67,944,000 (the “2014B Bonds”) and its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$75,945,000 (the “2014C Bonds” and, together with the 2014B Bonds, the “2014 Bonds”);

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in Section 34177.5(a)(1) of the Code, issued its \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017D Bonds”) and its \$19,745,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017E Bonds” and, together with the 2017D Bonds, the “2017D/E Bonds”);

WHEREAS, the outstanding 2014 Bonds and the outstanding 2017D/E Bonds are payable from Pledged Tax Revenues on a basis subordinate to the payments under the outstanding Existing Loan Agreements;

WHEREAS, Section 34177.7(a)(1)(A) of the Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement (collectively referred to herein as the "Affordable Housing Obligations"), and Section 34177.7(a)(1)(B) of the Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the infrastructure required by the Transbay Implementation Agreement (the "Transbay Infrastructure Obligations");

WHEREAS, to provide moneys to finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2017A Bonds") in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017, by and between the Successor Agency and the Trustee (as amended from time to time, the "Original Indenture");

WHEREAS, to provide moneys to finance a portion the Transbay Infrastructure Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(B) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2017B Bonds" and, together with the 2017A Bonds, the "2017 Bonds") in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture;

WHEREAS, to provide moneys to further finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) in the original aggregate principal amount of \$127,210,000 (the "2021 Bonds") pursuant to the Original Indenture as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the "First Supplement"), by and between the Successor Agency and U.S. Bank National Association, as trustee;

WHEREAS, to provide moneys to further finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] (the "2023A Bonds") in the initial aggregate principal amount of \$[PARA] pursuant to the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement;

WHEREAS, to provide moneys to further finance a portion of the Transbay Infrastructure Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(B) of the Code, the

Successor Agency has determined to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”) in the original aggregate principal amount of \$[PARB] pursuant to the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement;

WHEREAS, the 2023 Bonds will be payable from Pledged Tax Revenues on (i) a parity with the 2017 Bonds, the 2021 Bonds and any additional Parity Debt issued in the future, and (ii) a basis subordinate to the Successor Agency’s repayment obligations under the outstanding Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds and any additional 2014 Parity Debt;

WHEREAS, to provide for the authentication and delivery of the 2023 Bonds under the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Second Supplement; and

WHEREAS, the Successor Agency has certified that all acts and proceedings required by law necessary to make the 2023 Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Second Supplement a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Second Supplement have been in all respects duly authorized; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto do hereby agree as follows:

SECTION 1. Supplement to Original Indenture. In accordance with the provisions of Section 7.01(c) of the Original Indenture, the Original Indenture, as supplemented and amended by the First Supplement, is hereby further amended by adding a supplement thereto consisting of a new article to be designated as Article XI. Such Article XI shall read in its entirety as follows:

ARTICLE XI

2023 BONDS

Section 11.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 11.01 shall, for all purposes of this Article but not for any other purposes of this Indenture, have the respective meanings specified in this Section 11.01. All terms defined in Section 1.02 and not otherwise defined in this Section 11.01 shall, when used in this Article XI, have the respective meanings given to such terms in Section 1.02.

“Article XI” means this Article XI which has been incorporated in and made a part of this Indenture pursuant to the Second Supplement, together with all amendments of and supplements to this Article XI entered into pursuant to the provisions of Section 7.01.

“Bond Year” means each twelve (12) month period extending from August 2 in one calendar year to August 1 of the succeeding calendar year, both dates inclusive; provided that

the first Bond Year with respect to the 2023 Bonds shall commence on the Closing Date and end on _____, 2024.

“Closing Date” means the date on which the 2023 Bonds are delivered by the Successor Agency to the original purchaser thereof, which date is _____, 2023.

“Interest Payment Date” means each February 1 and August 1, commencing [August 1, 2024], for so long as any of the 2023 Bonds remain Outstanding hereunder.

“Original Indenture” means the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms thereof.

“Participating Underwriter” has the meaning ascribed thereto in the 2023 Bonds Continuing Disclosure Certificate.

“Second Supplement” means the Second Supplement to Indenture of Trust, dated as of [Month] 1, 2023, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“2023 Bonds” means, collectively, the 2023A Bonds and the 2023B Bonds.

“2023 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2023 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2023 Original Purchaser” means, collectively, Stifel, Nicolaus & Company, Incorporated and Backstrom McCarley Berry & Co., LLC.

“2023A Bonds” means the \$[PARA] original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)].

“2023A Bonds Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 11.07(a).

“2023A Bonds Insurance Policy” means the insurance policy issued by the 2023A Insurer guaranteeing the scheduled payment of principal of and interest on the 2023A Bonds when due.

“2023A Bonds Project Fund” means the fund by that name established pursuant to Section 11.08(a).

“2023A Insurer” means [Assured Guaranty Municipal Corp., a New York stock insurance company]¹, or its successors and assigns, as issuer of the 2023A Bonds Insurance Policy and the 2023A Reserve Policy.

¹ NTD: To be updated as necessary.

“2023A Reserve Policy” means Municipal Bond Debt Service Reserve Policy No. _____ issued by the 2023A Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2023A Bonds as provided in such policy.

“2023A Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to Section 11.10(a).

“2023B Bonds” means the \$[PARB] original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

“2023B Bonds Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 11.07(b).

“2023B Bonds Insurance Policy” means the insurance policy issued by the 2023B Insurer guaranteeing the scheduled payment of principal of and interest on the 2023B Bonds when due.

“2023B Bonds Project Fund” means the fund by that name established pursuant to Section 11.08(b).

“2023B Insurer” means [Assured Guaranty Municipal Corp., a New York stock insurance company]², or its successors and assigns, as issuer of the 2023B Bonds Insurance Policy and the 2023B Reserve Policy.

“2023B Reserve Policy” means Municipal Bond Debt Service Reserve Policy No. _____ issued by the 2023B Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2023B Bonds as provided in such policy.

“2023B Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to Section 11.10(b).

Section 11.02. Authorization of 2023 Bonds. (a) The 2023A Bonds in the aggregate principal amount of _____ Dollars (\$[PARA]) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and interest on all Bonds that may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The 2023A Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)].”

(b) The 2023B Bonds in the aggregate principal amount of _____ Dollars (\$[PARB]) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and interest on all Bonds that may from time to time be executed and

² NTD: To be updated as necessary.

delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The 2023B Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).”

Section 11.03. Terms of 2023 Bonds. The 2023 Bonds shall be issued in fully registered form without coupons. The 2023 Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no 2021 Bond shall have more than one maturity date. The 2023 Bonds shall be dated as of the Closing Date. The 2023 Bonds shall be lettered and numbered as the Trustee shall prescribe.

The 2023A Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

Maturity Date <u>(August 1)</u>	<u>Amount</u>	<u>Rate</u>
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* Denotes 2023A Bonds that are Term Bonds.

The 2023B Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

Maturity Date <u>(August 1)</u>	<u>Amount</u>	<u>Rate</u>
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* Denotes 2023B Bonds that are Term Bonds.

Each 2023 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before [July 15, 2024], in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any 2023 Bond, interest thereon is in default, such 2023 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2023 Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of 2023 Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2023 Bonds shall be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the 2023 Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 11.04. Redemption.

(a) Optional Redemption. The 2023A Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023A Bonds maturing on or after August 1, 20__, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 20__, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The 2023B Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023B Bonds maturing on or after August 1, 20__, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 20__, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem any 2023 Bonds under this subsection (a) with a designation of the principal amount and maturities to be redeemed at least forty five (45) days prior to the date fixed for such redemption (or such later date as shall be acceptable to the Trustee in the sole determination of the Trustee), and shall transfer to the Trustee for deposit in the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

(b) Mandatory Sinking Fund Redemption. The 2023A Bonds maturing August 1, 20__ shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 20__, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption

price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

**2023A Term Bonds
Maturing August 1, 20__**

August 1

Principal Amount

(Maturity)

The 2023B Bonds maturing August 1, 20__ shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 20__, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

**2023B Term Bonds
Maturing August 1, 20__**

August 1

Principal Amount

(Maturity)

(c) Redemption Procedures. Except as provided in this Section 11.04 to the contrary, Section 2.03(c) through (g) hereof shall also apply to the redemption of the 2023 Bonds. Additionally, all references to "Section 2.03(a)" in Section 4.03(d) shall be deemed to be references to "Sections 2.03(a) and 11.04(a)".

Section 11.05. Form of 2023 Bonds. The 2023 Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the forms set forth in Exhibit H, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture, including without limitation, such variations, omissions and insertions to reflect the particular series designation thereof.

Section 11.06. Application of Proceeds of Sale of 2023 Bonds.

(a) On the Closing Date, the proceeds of sale of the 2023A Bonds, being \$_____ (calculated as the par amount of the 2023A Bonds of \$[PARA], less the discount of the 2023 Original Purchaser in the amount of \$_____, less the premium for the 2023A Bonds Insurance Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023A Insurer, and less the premium for the 2023A Reserve Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023A Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$_____ in the 2023A Bonds Costs of Issuance Fund.

(ii) The Trustee shall deposit \$_____, being the remaining amount of proceeds of the 2023A Bonds, in the 2023A Bonds Project Fund.

In addition, the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account in satisfaction of the Reserve Requirement for the 2023A Bonds.

(b) On the Closing Date, the proceeds of sale of the 2023B Bonds, being \$_____ (calculated as the par amount of the 2023B Bonds of \$[PARA], less the discount of the 2023 Original Purchaser in the amount of \$_____, less the premium for the 2023B Bonds Insurance Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023B Insurer, and less the premium for the 2023B Reserve Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023B Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$_____ in the 2023B Bonds Costs of Issuance Fund.

(ii) The Trustee shall deposit \$_____, being the remaining amount of proceeds of the 2023B Bonds, in the 2023B Bonds Project Fund.

In addition, the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account in satisfaction of the Reserve Requirement for the 2023B Bonds.

Section 11.07. 2023 Bonds Costs of Issuance Funds.

(a) There is hereby established a separate fund to be known as the "2023A Bonds Costs of Issuance Fund," which shall be held by the Trustee in trust. The moneys in the 2023A Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023A Bonds upon submission of a Written Request of

the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023A Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023A Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023A Bonds, and the 2023A Bonds Costs of Issuance Fund shall be closed.

(b) There is hereby established a separate fund to be known as the “2023B Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023B Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023B Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023B Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023B Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023B Bonds, and the 2023B Bonds Costs of Issuance Fund shall be closed.

Section 11.08. 2023 Bonds Project Funds.

(a) There shall be established a separate and segregated fund to be known as the “2023A Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023A Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023A Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023A Bonds. The Successor Agency covenants that no funds on deposit in the 2023A Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023A Bonds Project Fund.

(b) There shall be established a separate and segregated fund to be known as the “2023B Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023B Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023B Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023B Bonds. The Successor Agency covenants that no funds on deposit in the 2023B Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023B Bonds Project Fund.

(c) The Trustee shall disburse amounts at any time on deposit in the 2023A Bonds Project Fund and the 2023B Bonds Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached hereto as Exhibit I. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

(d) At such time as no amounts remain on deposit in the 2023A Bonds Project Fund, the 2023A Bonds Project Fund shall be closed. At such time as no amounts remain on deposit in the 2023B Bonds Project Fund, the 2023B Bonds Project Fund shall be closed.

Section 11.09. Security for 2023 Bonds. The 2023 Bonds shall be Parity Debt within the meaning of such term in Section 1.02 and shall be secured in the manner and to the extent set forth in Article IV.

As provided in Section 4.01, except as may otherwise be provided in Section 4.02, Section 5.17 and Section 6.06, and subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds, and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in this Indenture, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The 2023A Bonds are additionally secured by the 2023A Reserve Subaccount of the Reserve Account. The 2023B Bonds are additionally secured by the 2023B Reserve Subaccount of the Reserve Account.

Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

Without in any way limiting anything contained in Section 5.17 of this Indenture, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024 and January 2, 2025 disbursement dates, (i) all amounts required to pay debt service on the 2023 Bonds on August 1, 2024 for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient for the payment of debt service on the 2023 Bonds on February 1, 2025 and August 1, 2025 for distribution to the Successor Agency on January 2, 2025.

From and after the Closing Date with respect to the 2023 Bonds, the 2023 Bonds shall be incontestable by the Successor Agency.

Section 11.10. Reserve Subaccounts for 2023 Bonds.

(a) The Trustee shall establish a "2023A Reserve Subaccount" within the Reserve Account solely as security for the 2023A Bonds. The Reserve Requirement for the 2023A Bonds will be calculated for the 2023A Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023A Bonds shall be satisfied by the delivery of the 2023A Reserve Policy by the 2023A Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023A Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2023A Bonds.

The amounts available under the 2023A Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023A Bonds. Amounts on deposit in the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023A Bonds.

The Trustee shall comply with all documentation relating to the 2023A Reserve Policy as shall be required to maintain the 2023A Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 11.10(a).

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023A Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023A Bonds are Outstanding, amounts are not available under the 2023A Reserve Policy, other than in connection with the replenishment of a draw on the 2023A Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023A Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023A Reserve Policy in the event that any rating assigned to the 2023A Insurer is downgraded, suspended or withdrawn.

(b) The Trustee shall establish a "2023B Reserve Subaccount" within the Reserve Account solely as security for the 2023B Bonds. The Reserve Requirement for the 2023B Bonds will be calculated for the 2023B Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023B Bonds shall be satisfied by the delivery of the 2023B Reserve Policy by the 2023B Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023B Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2023B Bonds.

The amounts available under the 2023B Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023B Bonds. Amounts on deposit in the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021

Reserve Subaccount of the Reserve Account and the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023B Bonds.

The Trustee shall comply with all documentation relating to the 2023B Reserve Policy as shall be required to maintain the 2023B Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 11.10(b).

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023B Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023B Bonds are Outstanding, amounts are not available under the 2023B Reserve Policy, other than in connection with the replenishment of a draw on the 2023B Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023B Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023B Reserve Policy in the event that any rating assigned to the 2023B Insurer is downgraded, suspended or withdrawn.

Section 11.11. Claims Upon the 2023A Bonds Insurance Policy: Rights of the 2023A Insurer. So long as the 2023A Bonds Insurance Policy remains in force and effect, the following provisions of this Section 11.11 shall govern, notwithstanding anything to the contrary contained in this Indenture:³

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2023A Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2023A Insurer and to its designated agent (if any) (the “2023A Insurer’s Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2023A Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2023A Bonds Insurance Policy and give notice to the 2023A Insurer and the 2023A Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2023A Bonds and the amount required to pay principal of the 2023A Bonds, confirmed in writing to the 2023A Insurer and the 2023A Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2023A Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2023A Bonds paid by the 2023A Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2023A Bonds registered to the then current Owner of 2023A Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2023A Bond to the 2023A Insurer, registered in the name of [Assured Guaranty Municipal Corp.], in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement 2023A Bond shall have no effect

³ NTD: Sections 11.11 through 11.14 to be updated based on provisions required by selected bond insurer.

on the amount of principal or interest payable by the Successor Agency on any 2023A Bond or the subrogation rights of the 2023A Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2023A Insurer into the 2023A Bonds Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2023A Bond. The 2023A Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2023A Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2023A Bonds referred to herein as the "2023A Bonds Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2023A Bonds Insurance Policy in trust on behalf of Owners of the 2023A Bonds and shall deposit any such amount in the 2023A Bonds Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2023A Bonds in the same manner as principal and interest payments are to be made with respect to the 2023A Bonds under the sections hereof regarding payment of 2023A Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2023A Insurer (i) a sum equal to the total of all amounts paid by the 2023A Insurer under the 2023A Bonds Insurance Policy (the "2023A Insurer Advances"); and (ii) interest on such 2023A Insurer Advances from the date paid by the 2023A Insurer until payment thereof in full, payable to the 2023A Insurer at the 2023A Late Payment Rate per annum (collectively, the "2023A Insurer Reimbursement Amounts"). "2023A Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2023A Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023A Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023A Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023A Insurer shall specify. The Successor Agency hereby covenants and agrees that the 2023A Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2023A Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2023A Insurer Reimbursement Amounts (including any amounts due the 2023A Insurer pursuant to item (g)(iii) below) are paid to the 2023A Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2023A Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2023A Bonds Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2023A Bonds Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2023A Insurer.

(g) The following terms and provisions of this subsection (g) shall govern with respect to the 2023A Bonds Insurance Policy, notwithstanding anything in this Indenture to the contrary:

(i) The 2023A Insurer shall be deemed to be the sole Owner of the 2023A Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2023A Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and each 2023A Bond, each of the Owners of 2023A Bonds appoints the 2023A Insurer as its agent and attorney-in-fact with respect to the 2023A Bonds and agrees that the 2023A Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2023A Bond delegates and assigns to the 2023A Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2023A Bond with respect to the 2023A Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2023A Bond for the 2023A Insurer's benefit, and agrees to cooperate with the 2023A Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2023A Bonds shall include mandamus.

(ii) The rights granted to the 2023A Insurer under this Indenture to request, consent to or direct any action are rights granted to the 2023A Insurer in consideration of its issuance of the 2023A Bonds Insurance Policy. Any exercise by the 2023A Insurer of such rights is merely an exercise of the 2023A Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2023A Bonds and such action does not evidence any position of the 2023A Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2023A Insurer. Each obligation of the Successor Agency to the 2023A Insurer under this Indenture shall survive discharge or termination of this Indenture.

(iii) The Successor Agency shall pay or reimburse the 2023A Insurer any and all charges, fees, costs and expenses that the 2023A Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Indenture; (ii) the pursuit of any remedies under this Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2023A Insurer to

honor its obligations under the 2023A Bonds Insurance Policy. The 2023A Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account and the respective subaccounts therein to their respective Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of this Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2023A Insurer shall be subject to the prior written consent of the 2023A Insurer.

(vi) The 2023A Insurer shall be entitled to pay principal or interest on the 2023A Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such terms are defined in the 2023A Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2023A Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the 2023A Insurer has received a Notice of Nonpayment (as such term is defined in the 2023A Bonds Insurance Policy) or a claim upon the 2023A Bonds Insurance Policy.

(vii) The 2023A Insurer shall, to the extent it makes any payment of principal of or interest on the 2023A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2023A Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2023A Insurer under this Indenture shall survive discharge or termination of this Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account and the respective subaccounts therein are fully funded at their respective Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2023A Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2023A Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2023A Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2023A Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2023A Insurer.

(h) The 2023A Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2023A Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2023A Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2023A Reserve Subaccount of the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement for the 2023A Bonds and (ii) withdrawals in connection with a refunding of the 2023A Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2023A Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any Insolvency Proceeding.

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2023A Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of this Indenture.

(x) All information furnished by the Successor Agency pursuant to the 2023 Bonds Continuing Disclosure Certificate.

(xi) The 2023A Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2023A Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023A Insurer may reasonably request regarding the security for the Bonds with appropriate

officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023A Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2023A Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under this Indenture.

(i) The maturity of the 2023A Bonds shall not be accelerated without the consent of the 2023A Insurer and in the event the maturity of the 2023A Bonds is accelerated, the 2023A Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2023A Insurer's obligations under the 2023A Bonds Insurance Policy with respect to such 2023A Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2023A Insurer. No grace period shall be permitted for payment defaults.

(k) The 2023A Insurer is hereby expressly made a third party beneficiary of this Indenture.

(l) The exercise of any provision of this Indenture which permits the purchase of 2023A Bonds in lieu of redemption shall require the prior written approval of the 2023A Insurer if any 2023A Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2023A Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2023A Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2023A Bonds unless the 2023A Insurer otherwise approves.

To accomplish defeasance of the 2023A Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2023A Insurer verifying the sufficiency of the escrow established to pay the 2023A Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2023A Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2023A Bonds are no longer "Outstanding" under this Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2023A Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2023A Insurer. The 2023A Insurer shall be provided

with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2023A Bonds shall be deemed “Outstanding” under this Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2023A Insurer under the 2023A Bonds Insurance Policy shall not be deemed paid for purposes of this Indenture and the 2023A Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the 2023A Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

(p) Notices and other information to the 2023A Insurer shall be sent to the following address (or such other address as the 2023A Insurer may designate in writing): [Assured Guaranty Municipal Corp.], 1633 Broadway, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. ____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

Section 11.12. Claims Upon the 2023B Bonds Insurance Policy: Rights of the 2023B Insurer. So long as the 2023B Bonds Insurance Policy remains in force and effect, the following provisions of this Section 11.12 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2023B Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2023B Insurer and to its designated agent (if any) (the “2023B Insurer’s Fiscal Agent”) by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2023B Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2023B Bonds Insurance Policy and give notice to the 2023B Insurer and the 2023B Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2023B Bonds and the amount required to pay principal of the 2023B Bonds, confirmed in writing to the 2023B Insurer and the 2023B Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2023B Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2023B Bonds paid by the 2023B Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2023B Bonds registered to the then current Owner of 2023B Bonds, whether DTC or its nominee or

otherwise, and shall issue a replacement 2023B Bond to the 2023B Insurer, registered in the name of [Assured Guaranty Municipal Corp.], in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2023B Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2023B Bond or the subrogation rights of the 2023B Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2023B Insurer into the 2023B Bonds Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2023B Bond. The 2023B Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2023B Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2023B Bonds referred to herein as the "2023B Bonds Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2023B Bonds Insurance Policy in trust on behalf of Owners of the 2023B Bonds and shall deposit any such amount in the 2023B Bonds Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2023B Bonds in the same manner as principal and interest payments are to be made with respect to the 2023B Bonds under the sections hereof regarding payment of 2023B Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2023B Insurer (i) a sum equal to the total of all amounts paid by the 2023B Insurer under the 2023B Bonds Insurance Policy (the "2023B Insurer Advances"); and (ii) interest on such 2023B Insurer Advances from the date paid by the 2023B Insurer until payment thereof in full, payable to the 2023B Insurer at the 2023B Late Payment Rate per annum (collectively, the "2023B Insurer Reimbursement Amounts"). "2023B Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2023B Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023B Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2023B Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2023B Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2023B Insurer Reimbursement Amounts (including any amounts due the 2023B Insurer pursuant to item (g)(iii) below) are paid to the 2023B Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2023B Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2023B Bonds Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the

Trustee. Any funds remaining in the 2023B Bonds Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2023B Insurer.

(g) The following terms and provisions of this subsection (g) shall govern with respect to the 2023B Bonds Insurance Policy, notwithstanding anything in this Indenture to the contrary:

(i) The 2023B Insurer shall be deemed to be the sole Owner of the 2023B Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2023B Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and each 2023B Bond, each of the Owners of 2023B Bonds appoints the 2023B Insurer as its agent and attorney-in-fact with respect to the 2023B Bonds and agrees that the 2023B Insurer may at any time during the continuation of any Insolvency Proceeding direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any Claim, (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2023B Bond delegates and assigns to the 2023B Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2023B Bond with respect to the 2023B Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2023B Bond for the 2023B Insurer's benefit, and agrees to cooperate with the 2023B Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2023B Bonds shall include mandamus.

(ii) The rights granted to the 2023B Insurer under this Indenture to request, consent to or direct any action are rights granted to the 2023B Insurer in consideration of its issuance of the 2023B Bonds Insurance Policy. Any exercise by the 2023B Insurer of such rights is merely an exercise of the 2023B Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2023B Bonds and such action does not evidence any position of the 2023B Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2023B Insurer. Each obligation of the Successor Agency to the 2023B Insurer under this Indenture shall survive discharge or termination of this Indenture.

(iii) The Successor Agency shall pay or reimburse the 2023B Insurer any and all charges, fees, costs and expenses that the 2023B Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Indenture; (ii) the pursuit of any remedies under this Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2023B Insurer to honor its obligations under the 2023B Bonds Insurance Policy. The 2023B Insurer

reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account and the respective subaccounts therein to their respective Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of this Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2023B Insurer shall be subject to the prior written consent of the 2023B Insurer.

(vi) The 2023B Insurer shall be entitled to pay principal or interest on the 2023B Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such terms are defined in the 2023B Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2023B Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the 2023B Insurer has received a Notice of Nonpayment (as such term is defined in the 2023B Bonds Insurance Policy) or a claim upon the 2023B Bonds Insurance Policy.

(vii) The 2023B Insurer shall, to the extent it makes any payment of principal or interest on the 2023B Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2023B Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2023B Insurer under this Indenture shall survive discharge or termination of this Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account and the respective subaccounts therein are fully funded at their respective Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2023B Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2023B Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2023B Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2023B Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2023B Insurer.

(h) The 2023B Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2023B Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2023B Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2023B Reserve Subaccount of the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement for the 2023B Bonds and (ii) withdrawals in connection with a refunding of the 2023B Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2023B Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any Insolvency Proceeding.

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2023B Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of this Indenture.

(x) All information furnished by the Successor Agency pursuant to the 2023 Bonds Continuing Disclosure Certificate.

(xi) The 2023B Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2023B Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023B Insurer may reasonably request regarding the security for the Bonds with appropriate

officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023B Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2023B Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under this Indenture.

(i) The maturity of the 2023B Bonds shall not be accelerated without the consent of the 2023B Insurer and in the event the maturity of the 2023B Bonds is accelerated, the 2023B Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2023B Insurer's obligations under the 2023B Bonds Insurance Policy with respect to such 2023B Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2023B Insurer. No grace period shall be permitted for payment defaults.

(k) The 2023B Insurer is hereby expressly made a third party beneficiary of this Indenture.

(l) The exercise of any provision of this Indenture which permits the purchase of 2023B Bonds in lieu of redemption shall require the prior written approval of the 2023B Insurer if any 2023B Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) Treasuries, (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2023B Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2023B Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2023B Bonds unless the 2023B Insurer otherwise approves.

To accomplish defeasance of the 2023B Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2023B Insurer verifying the sufficiency of the escrow established to pay the 2023B Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2023B Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2023B Bonds are no longer "Outstanding" under this Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2023B Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2023B Insurer. The 2023B Insurer shall be provided

with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2023B Bonds shall be deemed "Outstanding" under this Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2023B Insurer under the 2023B Bonds Insurance Policy shall not be deemed paid for purposes of this Indenture and the 2023B Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the 2023B Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

(p) Notices and other information to the 2023B Insurer shall be sent to the following address (or such other address as the 2023B Insurer may designate in writing): [Assured Guaranty Municipal Corp.], 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. ____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 11.13. Provisions Relating to 2023A Reserve Policy. So long as the 2023A Reserve Policy remains in force and effect, the following provisions of this Section 11.13 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2023A Reserve Policy and pay all related reasonable expenses incurred by the 2023A Insurer and shall pay interest thereon from the date of payment by the 2023A Insurer at the 2023A Late Payment Rate. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023A Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023A Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023A Late Payment Rate (collectively, "2023A Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its

then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023A Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023A Policy Costs paid to the 2023A Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023A Insurer on account of principal due, the coverage under the 2023A Reserve Policy will be increased by a like amount, subject to the terms of the 2023A Reserve Policy. The obligation to pay 2023A Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2023A Reserve Subaccount of the Reserve Account shall be transferred to the Debt Service Fund for payment of debt service on 2023A Bonds before any drawing may be made on the 2023A Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023A Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023A Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023A Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023A Reserve Subaccount of the Reserve Account. Payment of 2023A Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023A Reserve Subaccount of the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023A Policy Costs in accordance with the requirements of this Indenture, the 2023A Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2023A Bonds or (ii) remedies which would adversely affect owners of the 2023A Bonds.

(c) This Indenture shall not be discharged until all 2023A Policy Costs owing to the 2023A Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023A Bonds.

(d) The Successor Agency shall include any 2023A Policy Costs then due and owing the 2023A Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023A Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023A Insurer in accordance with the terms of the 2023A Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023A Bonds.

Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023A Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023A Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2023A Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023A Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2023A Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023A Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023A Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023A Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023A Late Payment Rate from the date such amount is paid or incurred by the 2023A Insurer until the date the 2023A Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023A Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023A Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023A Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023 Bonds or this Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023A Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023A Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023A Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023A Insurer under the 2023A Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023A Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023A Insurer) of this Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023A Insurer as if set forth directly herein. No provision of this Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023A Policy Costs under this Indenture, without the prior written consent of the 2023A Insurer. The 2023A Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2023A Insurer, promptly upon request, any information regarding the 2023 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023A Insurer. The Successor Agency will permit the 2023A Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023A Insurer may reasonably request regarding the security for the 2023 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023A Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2023A Insurer shall be sent to the following address (or such other address as the 2023A Insurer may designate in writing): [Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. _____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 11.14. Provisions Relating to 2023B Reserve Policy. So long as the 2023B Reserve Policy remains in force and effect, the following provisions of this Section 11.14 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2023B Reserve Policy and pay all related reasonable expenses incurred by the 2023B Insurer and shall pay interest thereon from the date of payment by the 2023B Insurer at the 2023B Late Payment Rate. "2023B Late Payment Rate" means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023B Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023B Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023B Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023B Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be

so applied and the 2023B Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023B Late Payment Rate (collectively, "2023B Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023B Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023B Policy Costs paid to the 2023B Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023B Insurer on account of principal due, the coverage under the 2023B Reserve Policy will be increased by a like amount, subject to the terms of the 2023B Reserve Policy. The obligation to pay 2023B Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2023B Reserve Subaccount of the Reserve Account shall be transferred to the Debt Service Fund for payment of debt service on 2023B Bonds before any drawing may be made on the 2023B Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023B Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023B Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023B Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023B Reserve Subaccount of the Reserve Account. Payment of 2023B Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023B Reserve Subaccount of the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023B Policy Costs in accordance with the requirements of this Indenture, the 2023B Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2023B Bonds or (ii) remedies which would adversely affect owners of the 2023B Bonds.

(c) This Indenture shall not be discharged until all 2023B Policy Costs owing to the 2023B Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023B Bonds.

(d) The Successor Agency shall include any 2023B Policy Costs then due and owing the 2023B Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023B Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023B Insurer in accordance with the terms of the 2023B Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023B Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023B Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023B Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2023B Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023B Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023B Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2023B Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023B Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023B Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023B Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023B Late Payment Rate from the date such amount is paid or incurred by the 2023B Insurer until the date the 2023B Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023B Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023B Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023B Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023B Bonds or this Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023B Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the

Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023B Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023B Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023B Insurer under the 2023B Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023B Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023B Insurer) of this Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023B Insurer as if set forth directly herein. No provision of this Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023B Policy Costs under this Indenture, without the prior written consent of the 2023B Insurer. The 2023B Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2023B Insurer, promptly upon request, any information regarding the 2023B Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023B Insurer. The Successor Agency will permit the 2023B Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023B Insurer may reasonably request regarding the security for the 2023B Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023B Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2023B Insurer shall be sent to the following address (or such other address as the 2023B Insurer may designate in writing): [Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. _____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 11.15. Tax Covenants.

(a) Private Activity Bond Limitation. The Successor Agency will assure that the proceeds of the 2023B Bonds are not so used as to cause the 2023B Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

(b) Federal Guarantee Prohibition. The Successor Agency will not take any action or permit or suffer any action to be taken if the result of such action would be to cause any of the 2023B Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(c) Rebate Requirement. The Successor Agency will take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess

investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2023B Bonds.

(d) No Arbitrage. The Successor Agency will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2023B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2023B Bonds would have caused the 2023B Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

(e) Maintenance of Tax-Exemption. The Successor Agency will take all actions necessary to assure the exclusion of interest on the 2023B Bonds from the gross income of the Owners of the 2023B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2023B Bonds.

(f) Record Retention. The Successor Agency will retain its records of all accounting and monitoring it carries out with respect to the 2023B Bonds for at least 3 years after the 2023B Bonds mature or are redeemed (whichever is earlier); however, if the 2023B Bonds are redeemed and refunded, the Successor Agency will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the 2023B Bonds.

(g) Compliance with Tax Certificate. The Successor Agency will comply with the provisions of the Certificate as to Arbitrage and the Use of Proceeds Certificate with respect to the 2023B Bonds, which are incorporated herein as if fully set forth herein. The covenants of this Section 11.15 will survive payment in full or defeasance of the 2023B Bonds.

Section 11.16. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2023 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the 2023 Bonds Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2023 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2023 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order of this Section 11.16.

Section 11.17. Benefits Limited to Parties. Nothing in this Article XI, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee, the 2023A Insurer, the 2023B Insurer and the Owners of the 2023 Bonds, any right, remedy, claim under or by reason of this Article XI. Any covenants, stipulations, promises or agreements in this Article XI contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, the 2023A Insurer, the 2023B Insurer and the Owners of the 2023 Bonds.

Section 11.18. Effect of this Article XI. Except as in this Article XI is expressly provided or except to the extent inconsistent with any provision of this Article XI, the 2023 Bonds shall be deemed to be Bonds and Parity Debt under and within the meaning of Section

1.02 of this Indenture, and every term and condition contained in the other provisions of this Indenture (other than Sections 5.11, 5.12, 5.13, 5.14 and 5.15 which shall not apply to the 2023A Bonds) shall apply to the 2023 Bonds with full force and effect, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Article XI.

Section 11.19. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the 2023 Bonds and the rights and benefits provided in this Indenture.

- End of Article XI -

SECTION 2. Amendments to Original Indenture. The Original Indenture is hereby further amended by amending the last two paragraphs of Section 5.07 thereof to read in their entirety as follows:

“If any amounts then due and payable to the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and/or the 2023B Insurer under this Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and the 2023B Insurer, as applicable.

The Successor Agency will not submit to the Oversight Board and the State Department of Finance a request for the final amendment permitted for its Last and Final Recognized Obligation Payment Schedule pursuant to Section 34191.6 of the Dissolution Act without the prior written consent of the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and the 2023B Insurer, unless all amounts that could become due and payable to the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and the 2023B Insurer under this Indenture would be included as a line item on the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.”

SECTION 3. Attachment of Exhibit H. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit H setting forth the form of the 2023 Bonds, which shall read substantially as set forth in Exhibit H hereto, and by this reference incorporated herein.

SECTION 4. Attachment of Exhibit I. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit I setting forth the form of disbursement request from the 2023A Bonds Project Fund and the 2023B Bonds Project Fund, which shall read substantially as set forth in Exhibit I attached hereto and by this reference incorporated herein.

SECTION 5. Original Indenture. Except as expressly set forth herein, the terms and conditions of the Original Indenture shall remain in full force and effect. Unless the context

clearly otherwise requires or unless otherwise defined in this Second Supplement, the terms defined in the recitals above have the respective meanings given those terms when used in this Second Supplement. Capitalized terms which are defined in the Original Indenture and which are not otherwise defined herein shall have the respective meanings given those terms in the Original Indenture.

SECTION 6. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Second Supplement shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Second Supplement. The Successor Agency hereby declares that it would have entered into this Second Supplement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the 2023 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Second Supplement may be held illegal, invalid or unenforceable.

SECTION 7. Execution in Counterparts. This Second Supplement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. Governing Law. This Second Supplement shall be construed and governed in accordance with the laws of the State of California.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this Second Supplement to Indenture of Trust to be signed in its name by its Executive Director, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Second Supplement to Indenture of Trust to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: _____
Thor Kaslofsky
Executive Director

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
*as Trustee***

By: _____
Authorized Officer

EXHIBIT H

(FORM OF 2023A/B BOND)

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**[SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO 2023 SERIES A TAXABLE THIRD LIEN TAX
ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
[(SOCIAL BONDS)]]**

**/
[SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
[2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)]**

INTEREST RATE:

MATURITY DATE:
August 1, _____

DATED DATE:
[Closing Date]

CUSIP:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before [July 15, 2024], in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in

each year, commencing [August 1, 2024] (each an “Interest Payment Date”), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the “Trustee”), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the “Principal Corporate Trust Office”). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner’s address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as [“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)]”]/[“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)”] (the “2023[A]/[B] Bonds”), of an aggregate principal amount of _____ Dollars (\$ _____), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, or interest rates and other provisions) and all issued pursuant to the provisions of the Dissolution Act, and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the “Law”), and pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by a First Supplement to Indenture of Trust, dated as of December 1, 2021, and as further supplemented and amended by a Second Supplement to Indenture of Trust, dated as of [Month] 1, 2023, each by and between the Successor Agency and the Trustee (as so supplemented and amended, the “Indenture”). The 2023[A]/[B] Bonds are being issued in the form of registered bonds without coupons.

The 2023[A]/[B] Bonds are payable from Pledged Tax Revenues on a parity with the \$89,765,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”), the \$19,850,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”), the \$127,210,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2021 Bonds”) and the \$ _____ original principal amount of [“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)]”]/[“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)”] (the “2023[A]/[B] Bonds”). Additional bonds, or other obligations may be issued on a parity with the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the 2017 Bonds, the 2021 Bonds, the 2023A Bonds

and the 2023B Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, and the rights thereunder of the registered owners of the 2023[A]/[B] Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The 2023[A]/[B] Bonds have been issued by the Successor Agency for the purpose of providing funds to finance [affordable housing in certain redevelopment project areas of the Successor Agency] [infrastructure required by the Transbay Implementation Agreement] and to pay certain expenses of the Successor Agency in issuing the 2023[A]/[B] Bonds.

The 2023[A]/[B] Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture.

There has been created, and will be maintained by, the Successor Agency the Special Fund into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Parity Debt.

The 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Bonds are also secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest on the Bonds. The 2023 Bonds are additionally secured by the 2023[A]/[B] Reserve Subaccount of the Reserve Account. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023[B]/[A] Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023[A]/[B] Bonds.

The 2023[A]/[B] Bonds are subject to optional redemption [and mandatory redemption from mandatory sinking fund payments] as provided in the Indenture.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The 2023[A]/[B] Bonds are issuable as fully registered 2023[A]/[B] Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, 2023[A]/[B] Bonds may be exchanged for a like aggregate principal amount of 2023[A]/[B] Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered 2023[A]/[B] Bond or 2023[A]/[B] Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any 2023[A]/[B] Bond during the fifteen (15) days prior to the date established for the selection of 2023[A]/[B] Bonds for redemption, or (b) any 2023[A]/[B] Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the 2023[A]/[B] Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any 2023[A]/[B] Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal or interest at the time and place and at the rate and in the currency provided herein of any 2023[A]/[B] Bond without the express written consent of the registered owner of such 2023[A]/[B] Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any 2023[A]/[B] Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The 2023[A]/[B] Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law

or any laws of the State of California, and is not in excess of the amount of 2023[A]/[B] Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Executive Director

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____Custodian _____
TEN ENT --	as tenants by the entireties	(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)
COMM PROP --	as community property	

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signatures Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT I

FORM OF PROJECT FUNDS DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

U.S. Bank Trust Company, National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, California 94111
Fax: 415-677-3768
Attention: Global Corporate Trust Services

Re: \$[PARA] Successor Agency to the Redevelopment Agency of the City and
County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects) [(Social Bonds)]; and
\$[PARB] Successor Agency to the Redevelopment Agency of the City and
County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)]

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of March 1, 2017, as supplemented and amended from time to time (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the **[chose one: [2023A Bonds Project Fund for the purpose of financing Affordable Housing Obligations pursuant to Section 11.08(a) of the Indenture] - or- [2023B Bonds Project Fund for the purpose of financing Transbay Infrastructure Obligations pursuant to Section 11.08(b) of the Indenture]**.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule, in payment of all or a portion of the costs for the purpose of aiding in financing the **[chose one: [Affordable Housing Obligations] -or- [Transbay Infrastructure Obligations]]** (the "Project Costs") described on said Schedule.

The undersigned hereby certifies that (i) the amounts listed on Schedule A constitute Project Costs, (ii) no part of the amount requested herein has been included in any other request previously filed with you; (iii) to the knowledge of the undersigned, there has not been filed with or served upon the Successor Agency any notice of any lien or attachment upon or claim (except for any preliminary notice of lien as may be filed in accordance with law) affecting the right of the person, corporation or other entity stated below to receive payment of the amount stated below, which lien has not been released or will not be released simultaneously with the payment requested hereunder; and (iv) the labor, services and/or materials covered

hereby have been performed upon or furnished and the payment requested herein is due and payable under a purchase order, contract or other authorization.

Capitalized terms used but defined herein have the meanings given to such terms in the Indenture.

Dated: _____, 20__

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

**\$(PARA)
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

**\$(PARB)
2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBY INFRASTRUCTURE
PROJECTS)**

BOND PURCHASE CONTRACT

[Pricing Date]

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attention: Executive Director

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative (the “Representative”) of Backstrom McCarley Berry & Co., LLC (collectively, the “Underwriters”), offers to enter into this Bond Purchase Contract (this “Purchase Contract”) with the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”). This offer is made subject to acceptance by the Successor Agency by execution of this Purchase Contract and delivery of the same to the Representative on or before 11:59 p.m. (California time) on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Successor Agency at any time prior to such acceptance. Upon the acceptance by the Successor Agency hereof, this Purchase Contract will be binding upon the Successor Agency and the Underwriters.

Capitalized terms used in this Purchase Contract and not otherwise defined herein shall have the respective meanings set forth for such terms in the Indenture (as such term is defined below) and if not otherwise defined therein, shall have the meanings given to such terms as set forth in the Official Statement (as such term is defined below).

Section 1. Purchase and Sale of the Bonds. Upon the terms and conditions and upon the basis of the representations set forth in this Purchase Contract, the Underwriters agree to purchase from the Successor Agency, and the Successor Agency agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$(PARA) principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien

Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] (the “2023A Bonds”) and all of the \$[PARB] principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds,” and together with the 2023A Bonds, the “Bonds”) The Bonds shall be dated their date of delivery and shall have the maturities, bear interest at the rates per annum and have the yields all as set forth on Schedule I attached hereto. The purchase price for the 2023A Bonds shall be \$_____, calculated as \$[PARA].00 (aggregate principal amount of the 2023A Bonds), less an Underwriters’ discount in the amount of \$_____. The purchase price for the 2023B Bonds shall be \$_____, calculated as \$[PARB].00 (aggregate principal amount of the 2023B Bonds), less an Underwriters’ discount in the amount of \$_____.

Section 2. Preliminary Official Statement. The Successor Agency has delivered to the Underwriters a Preliminary Official Statement, dated [POS Date], as supplemented to date (the “Preliminary Official Statement”), and will deliver to the Underwriters a final Official Statement dated the date hereof as provided in Section 5 of this Purchase Contract (as amended and supplemented from time to time pursuant to Section 6(k) of this Purchase Contract, the “Official Statement”). The Successor Agency has delivered to the Underwriters a certificate pursuant to Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”) relating to the Preliminary Official Statement, in substantially the form attached hereto as Exhibit A.

Section 3. Description of the Bonds. The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of and shall be payable as provided in the Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the “First Supplement”) and as further as supplemented and amended by the Second Supplement to Indenture of Trust, dated as of _____ 1, 2023 (the “Second Supplement”), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), as successor-in-interest to U.S. Bank National Association (as so supplemented and amended, the “Indenture”), and the Constitution and laws of the State of California, including but not limited to Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code of the State of California (as amended from time to time, the “Dissolution Act”). The Bonds shall be payable and subject to redemption as provided in the Indenture and as set forth in the Official Statement. The Bonds are legal, valid and binding limited obligations of the Successor Agency which are payable solely from and secured by a pledge of Pledged Tax Revenues and the moneys in the Special Fund, as defined and described in the Indenture, on a parity with the 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017 Series A Taxable Bonds”), the 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017 Series B Bonds” and, together with the 2017 Series A Taxable Bonds, the “2017 Bonds”) and the 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds). The 2023A Bonds are issued for the primary purpose of providing funds, together with other lawfully available moneys: (a) to finance the Affordable Housing Obligations (as such term is defined in the Indenture); (b) to pay the premium for a debt service reserve fund policy (the “2023A Reserve Policy”), to be issued by [Assured Guaranty Municipal Corp.] (the “Insurer”) to satisfy the Reserve Requirement with respect to the 2023A Bonds; (c) to pay the premium for a municipal bond insurance policy (the “2023A Policy”) to be issued by the Insurer; and (d) to pay the costs associated with the issuance of the 2023A Bonds. The 2023B Bonds are issued for the primary purpose of providing funds, together with other lawfully available moneys: (a) to finance the Transbay Infrastructure Obligations (as such term is defined in the Indenture); (b) to pay the premium for a debt service reserve fund policy (the “2023B Reserve Policy” and together with the 2023A Reserve Policy, the “Reserve Policies”), to be

issued by the Insurer to satisfy the Reserve Requirement with respect to the 2023B Bonds; (c) to pay the premium for a municipal bond insurance policy (the “2023B Policy” and together with the 2023A Policy, the “Policies”) to be issued by the Insurer; and (d) to pay the costs associated with the issuance of the 2023B Bonds. In order to finance and refinance redevelopment activities within or of benefit to the Project Areas (as defined in the Indenture), (a) the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) entered into the Existing Loan Agreements (as defined in the Indenture), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans made to the Former Agency under the Existing Loan Agreements; and (b) the Successor Agency issued the 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014 Series B Taxable Bonds”), the 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014 Series C Bonds,” and together with the 2014 Series B Taxable Bonds, the “2014 Bonds”), the 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series D Taxable Bonds”), and the 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series E Bonds” and, together with the 2017 Series D Taxable Bonds, the “2017D/E Bonds”), pursuant to an indenture of trust as supplemented and amended by a first supplement to indenture of trust (as so supplemented and amended, the “2014 Indenture”). The pledge of Pledged Tax Revenues securing the Bonds will be subordinate to the pledge thereof securing the 2014 Bonds and the 2017D/E Bonds and the pledge of Tax Revenues securing the Existing Loan Agreements.

Section 4. Public Offering. The Underwriters agree to make a bona fide public offering of all of the Bonds at not in excess of the initial public offering prices or yields set forth in Schedule I attached hereto, plus interest accrued thereon, if applicable, from the date of the Bonds. The Underwriters reserve the right to make concessions to dealers and to change such initial public offering prices or yields as the Underwriters reasonably deem necessary in connection with the marketing of the Bonds. The Underwriters also reserve the right: (a) to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market; and (b) to discontinue such stabilizing, if commenced, at any time.

Section 5. Delivery of Official Statement. The Successor Agency shall deliver to the Underwriters, as promptly as practicable but in no event later than the Closing Date (as such term is defined herein), such number of copies of the final Official Statement, as the Underwriters may reasonably request in order to comply with Rule 15c2-12(b) and the rules of the Municipal Securities Rulemaking Board (the “MSRB”).

The Successor Agency hereby authorizes the Underwriters to use the Official Statement and the information contained therein in connection with the offering and sale of the Bonds and ratifies and confirms the authorization of the use by the Underwriters prior to the date hereof of the Preliminary Official Statement, furnished to the Underwriters by the Successor Agency in connection with such offering and sale.

The Underwriters agree that from the time that the Official Statement becomes available until the earlier of: (a) the “End of the Underwriting Period,” as defined in Section 6(j) of this Purchase Contract; or (b) the time when the Official Statement is available to any person from the MSRB’s Electronic Municipal Market Access system (“EMMA”), but in no case less than 25 days following the End of the Underwriting Period, the Underwriters shall send no later than the next business day following a request for a copy thereof, by first class mail or other equally prompt means, to any

potential customer (as such term is defined in Rule 15c2-12), on request, a single copy of the Official Statement. The Underwriters agree to file as soon as reasonably practicable a copy of the Official Statement with EMMA and to take any and all actions necessary to comply with applicable Securities and Exchange Commission rules and MSRB rules governing the offering, sale and delivery of the Bonds to ultimate purchasers.

Section 6. Representations, Warranties and Covenants of the Successor Agency.

The Successor Agency represents, warrants and covenants with the Underwriters that:

(a) the Successor Agency is a public body corporate and politic, organized and existing under the laws of the State of California, including the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California (the “Redevelopment Law”) and the Dissolution Act, with full right, power and authority to execute, deliver and perform its obligations under the Indenture, the Continuing Disclosure Certificate of the Successor Agency, dated the Closing Date and substantially in the form attached to the Official Statement as Appendix [D] (the “Continuing Disclosure Certificate”) and this Purchase Contract (collectively, the “Successor Agency Agreements”), and to carry out all transactions contemplated by each of the Successor Agency Agreements, the Bonds and the Official Statement;

(b) by Resolution No. ____-2023 adopted by the Successor Agency on _____, 2023 (the “Successor Agency Bond Resolution”), the Successor Agency has taken all necessary official action to authorize and approve the execution, delivery of, and the performance by the Successor Agency of the obligations contained in, the Bonds and the Successor Agency Agreements and by Resolution No. ____-2023 adopted by the Successor Agency on _____, 2023 (the “Successor Agency POS Resolution” and together with the Successor Agency Bond Resolution, the “Successor Agency Resolutions”) has duly authorized and approved the Preliminary Official Statement, and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded; when executed and delivered, each of the Successor Agency Agreements and the Bonds will constitute a legally valid and binding obligation of the Successor Agency enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally; the Successor Agency has complied and will as of the Closing Date be in compliance in all respects with the terms of the Successor Agency Agreements; compliance with the provisions of the Successor Agency Agreements will not materially conflict with or constitute a breach of or default under any applicable constitutional provision, law, administrative regulation, court order, consent decree, judgment, decree, loan agreement, note, resolution, indenture, agreement or other instrument to which the Successor Agency is a party or may be otherwise subject; and the Successor Agency Resolutions were adopted by a majority of the members of the Board of Directors of the Successor Agency at a meeting duly called, noticed and conducted, at which a quorum was present and acting throughout and constitutes all action necessary to be taken by the Successor Agency for the execution, delivery and issuance of the Bonds and the execution, delivery and due performance of the Successor Agency Agreements;

(c) at the time of acceptance hereof by the Successor Agency, and (unless an event occurs of the nature described in Section 6(k)) at all times during the period from the date of this Purchase Contract to and including the date which is 25 days following the End of the Underwriting Period for the Bonds (as determined in accordance with Section 6(j)), the statements and information contained in the Preliminary Official Statement as of its date, and the Official

Statement as of its date (excluding the information provided by the Underwriters, under the caption [“UNDERWRITING,” information regarding the Insurer, the Policies and the Reserve Policies, and contained in Appendix F—“DTC AND THE BOOK ENTRY ONLY SYSTEM”]) are true, correct and complete in all material respects and such statements with respect to the Preliminary Official Statement as of its date do not, and with respect to the Official Statement as of its date and the Closing Date will not, omit to state any material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading;

(d) [Reserved.]

(e) to the best of its knowledge, the Successor Agency is not in violation or breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any agency or instrumentality of either of them, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Successor Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a violation or a breach of or a default under any such instrument;

(f) at the date hereof and on the Closing Date, the Successor Agency will be in compliance in all respects with the material covenants and agreements contained in the Successor Agency Agreements, the Existing Loan Agreements and the 2014 Indenture, and no event of default and no event which, with the passage of time or giving of notice, or both, would constitute an event of default thereunder shall have occurred and be continuing;

(g) other than as set forth in the Official Statement or as the Successor Agency has otherwise disclosed, in writing, to the Underwriters, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or by or before any court, governmental agency, public board or body, pending or, to the best knowledge of the Successor Agency after due investigation, threatened: (i) wherein an unfavorable decision, ruling or finding would adversely affect the existence of the Successor Agency or the title of any official of the Successor Agency to such person’s office; (ii) seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the assignment by the Successor Agency of its rights under the Indenture; (iii) in any way contesting or affecting the validity or enforceability of the Successor Agency Agreements or the Bonds; (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement; or (v) contesting the power of the Successor Agency or its authority with respect to the Bonds or the Successor Agency Agreements, nor is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the Successor Agency Agreements or the authorization, execution, delivery or performance by the Successor Agency of the Bonds or the Successor Agency Agreements;

(h) the Successor Agency will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters which the Underwriters may reasonably request in order for the Underwriters to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions; provided, however, that in no event shall the Successor Agency be required to take any action which would subject it to service of process in any jurisdiction in which it is not now subject;

(i) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the due performance by the Successor Agency of its obligations under the Successor Agency Agreements or the Bonds have been duly obtained or made, and are, and will be on the Closing Date, in full force and effect;

(j) as used in this Purchase Contract, the term “End of the Underwriting Period” for the Bonds shall mean the earlier of: (i) the Closing Date unless the Successor Agency shall have been notified in writing to the contrary by the Representative on or prior to the Closing Date; or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12, provided, however, that the Successor Agency may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Representative stating the date which is the End of the Underwriting Period;

(k) if between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs, or facts or conditions become known to the Successor Agency which, in the reasonable opinion of the Underwriters, _____ (“Underwriters’ Counsel”), the Law Offices of Alexis S. M. Chiu (“Disclosure Counsel”) or counsel to the Successor Agency, would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances, not misleading, the Successor Agency will notify the Underwriters, and if in the opinion of the Representative such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Successor Agency will forthwith prepare and furnish to the Underwriters (at the expense of the Successor Agency) a reasonable number of copies of an amendment of or supplement to the Official Statement (in the form and substance satisfactory to the Representative) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading with respect to the information of the Successor Agency. If such notification shall be subsequent to the Closing Date, the Successor Agency shall forthwith provide to the Underwriters such legal opinions, certificates, instruments and other documents as the Underwriters may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Successor Agency will furnish such information with respect to itself as the Underwriters may from time to time reasonably request;

(l) if the information contained in the Official Statement relating to the Successor Agency is amended or supplemented pursuant to Section 6(k), at the time of such supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein), will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was made, not misleading;

(m) any certificate signed by any officer of the Successor Agency authorized to deliver such certificate and delivered to the Underwriters pursuant to the Indenture or this Purchase Contract or any document contemplated thereby shall be deemed a representation and warranty by the Successor Agency to the Underwriters as to the statements made therein and that such officer shall have been duly authorized to execute the same;

(n) there is no public vote or referendum pending or proposed, the results of which could materially adversely affect the transactions contemplated by the Official Statement or the Successor Agency Agreements or the Bonds, or the validity or enforceability of the Bonds;

(o) the Successor Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Indenture;

(p) the financial statements of the Successor Agency contained in the Preliminary Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied;

(q) except as otherwise disclosed in the Preliminary Official Statement, the Successor Agency is in compliance with all of its prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 and at or prior to the Closing Date, the Successor Agency shall have duly authorized, executed and delivered the Continuing Disclosure Certificate;

(r) the Successor Agency is not subject to a court order rendered pursuant to Section 33080.8 of the Redevelopment Law prohibiting the Successor Agency from among other things, issuing, selling, offering for sale, or delivering bonds or other evidences of indebtedness;

(s) the Oversight Board of the City and County of San Francisco (the "Oversight Board") has duly adopted Resolution No. ____ on _____, 2023 (the "Oversight Board Resolution") approving the issuance of the Bonds, and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement; and

(t) no further State of California Department of Finance (the "DOF") approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Successor Agency is not aware of the DOF directing or having any basis to direct the Auditor-Controller of the City and County of San Francisco (the "City") to deduct unpaid unencumbered funds from future allocations of property tax to the Successor Agency pursuant to Section 34183 of the Dissolution Act.

Section 7. Closing. At 8:00 A.M., California time, on _____, 2023, or on such earlier or later date as may be mutually agreed upon by parties hereto (the "Closing Date"), the Successor Agency will deliver or cause to be delivered to the Representative the duly executed Bonds through the facilities of The Depository Trust Company in New York, New York, and will deliver or cause to be delivered at the offices of Jones Hall, A Professional Law Corporation ("Bond Counsel"), in San Francisco, California, or such other place as shall have been mutually agreed upon by the parties, the other documents described herein; and the Underwriters shall pay the purchase price of the Bonds as set forth in Section 1 of this Purchase Contract (less \$_____, which the Representative shall wire

directly to the Insurer as the premiums with respect to the Policies and the Reserve Policies) to the order of the Trustee in immediately available funds.

The Bonds shall be issued in fully registered form. It is anticipated that CUSIP identification numbers will be inserted on the Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Representative to accept delivery of the Bonds in accordance with the terms of this Purchase Contract.

Section 8. Termination. The Underwriters shall have the right to terminate their obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the Successor Agency of their election to do so if, after the execution hereof and prior to the Closing Date:

(a) any legislation (including any amendments thereto), resolution, rule or regulation (including any amendments thereto) shall be introduced in, considered by or be enacted by any governmental body, department or political subdivision of the State of California, or a decision by any court of competent jurisdiction within the State of California shall be rendered which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(b) the outbreak or declaration of war, institution of a police action, engagement in military hostilities by the United States, or any escalation of any existing conflict or hostilities in which the United States is involved or the occurrences or escalation of any other national emergency or calamity or crisis or any change in financial markets resulting from the foregoing, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(c) a general banking moratorium by federal, State of New York or State of California authorities, or the general suspension or material limitation of trading on any national securities exchange which in the Underwriters' reasonable opinion materially adversely affects the market price of the Bonds, is declared;

(d) the New York Stock Exchange or other national securities exchange, or any governmental authority, imposes any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or there is a material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriters which, in the reasonable opinion of the Underwriters would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(e) legislation is enacted (or resolution passed) by or introduced or pending legislation is amended in the Congress or recommended for passage by the President of the United States, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed) is issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that securities of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as

amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended, or that the execution, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement, otherwise is or would be in violation of the federal securities laws as amended and then in effect;

(f) (i) legislation (including any amendment thereto) shall have been introduced in or adopted by either House of the Congress of the United States or recommended to the Congress or otherwise endorsed for passage by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff of such committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Internal Revenue Code shall be filed in either house; (ii) a decision shall have been rendered by any federal or state court; (iii) an order, filing, ruling or regulation shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the United States; or (iv) a release or official statement shall have been issued by the President of the United States, the Treasury Department of the United States or the Internal Revenue Service, the effect of which, in any such case described in clause (i), (ii), (iii), or (iv), would be to impose, directly or indirectly, federal income taxation upon income of the general character to be derived by the Successor Agency under the federal tax laws in effect on the date hereof, in such a manner as in the reasonable judgment of the Underwriters would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the 2023B Bonds on the terms and in the manner contemplated in the Official Statement;

(g) there occurs a withdrawal, downgrading or placement on credit watch negative of any rating of the obligations of the Successor Agency (including the rating to be issued with respect to the Bonds) by a “nationally recognized statistical rating organization,” as such term is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(h) an event occurs which in the reasonable opinion of the Underwriters requires a supplement or amendment to the Official Statement and: (i) the Successor Agency refuses to prepare and furnish such supplement or amendment; or (ii) in the reasonable judgment of the Underwriters, the occurrence of such event materially and adversely affects the marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds; any change or development occurs involving a prospective change in the condition of the Successor Agency, financial or otherwise, or in the operations of the Successor Agency from those set forth in the Official Statement that makes the Bonds, in the reasonable judgment of the Underwriters, impracticable or inadvisable to offer, sell or deliver the Bonds on the terms and in the manner contemplated by the Official Statement;

(i) (i) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the New York Stock Exchange or the NASDAQ National Market; (ii) trading of any securities of the Successor Agency shall have been suspended on any exchange or in any over-the-counter market; (iii) a material disruption in securities settlement, payment or clearance

services in the United States shall have occurred; or (iv) any moratorium on commercial banking activities shall have been declared by federal or State of New York authorities; and which, singly or together with any other event specified in this clause; makes it, in the judgment of the Underwriters, impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(j) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(k) any action, suit or proceeding described in Section 6(g) of this Purchase Contract is commenced which, in the reasonable judgment of the Representative, materially adversely affects the market for the Bonds.

Section 9. Closing Conditions. The Underwriters hereby enter into this Purchase Contract in reliance upon the representations and warranties of the Successor Agency contained herein and the representations and warranties to be contained in the documents and instruments to be delivered on the Closing Date, and upon the performance by the Successor Agency and the Trustee of their respective obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the obligations of the Underwriters under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties of the Successor Agency contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Successor Agency and the Trustee made in any certificate or document furnished pursuant to the provisions hereof, to the performance by the Successor Agency and the Trustee of their respective obligations to be performed hereunder and under the Successor Agency Agreements, at or prior to the Closing Date, to the issuance, sale and delivery to the Underwriters of the Bonds, and also shall be subject to the following additional conditions:

(a) the Underwriters shall receive, within seven business days after the date hereof, copies of the Official Statement (including all information permitted to have been omitted from the Preliminary Official Statement by the Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriters), in such reasonable quantity as the Underwriters shall have requested;

(b) on the Closing Date, the representations, warranties, covenants and agreements of the Successor Agency in this Purchase Contract shall be true, complete and correct on and as of the Closing Date; and the Successor Agency Agreements shall have been duly authorized, executed and delivered by the Successor Agency, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Underwriters, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the Board of Directors of the Successor Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(c) on the Closing Date, all necessary action of the Successor Agency relating to the execution and delivery of the Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented; and

(d) at or prior to the Closing Date, the Underwriters shall have received the following additional documents, in each case satisfactory in form and substance to the Underwriters:

(i) the Successor Agency Resolutions, together with a certificate of the Secretary of the Successor Agency, dated as of the Closing Date, to the effect that such resolutions are true, correct and complete copies of the Successor Agency Resolutions duly adopted by the Successor Agency;

(ii) the Oversight Board Resolution, together with a certificate of the Secretary of the Oversight Board, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the Oversight Board Resolution duly adopted by the Oversight Board;

(iii) the Successor Agency Documents duly executed and delivered by the parties thereto;

(iv) the Preliminary Official Statement, and the Official Statement duly executed by the Successor Agency;

(v) the approving opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency, in substantially the form attached to the Official Statement as [Appendix E], together with a letter of Bond Counsel, addressed to the Representative and the Trustee to the effect that such opinion may be relied upon by the Underwriters and the Trustee to the same extent as if such opinion were addressed to them;

(vi) the supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency and the Representative, substantially to the effect that: (A) this Purchase Contract and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the Successor Agency and are valid and binding agreements of the Successor Agency, enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (C) the statements contained in the Official Statement under the captions ["THE 2023 BONDS" (other than information in the section entitled "– Designation as Social Bonds" as to which no opinion is expressed), "SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS—General," "—Security for the 2023 Bonds; Equal Security," "—Special Fund; Deposit of Pledged Tax Revenues," "—Existing Senior Obligations – *Existing Senior Loans and Second Lien Debt*" (excluding the information therein that is presented in tabular form), "—Existing Third Lien Parity Debt," "—Limitations on Additional Indebtedness," "—Recognized Obligation Payment Schedule" (as to the third through final paragraphs under such caption only), "—Last and Final Recognized Obligation Payment Schedule" (as to the final paragraph under such caption only), and "TAX MATTERS,"] and contained in [Appendices C and E], insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the final opinion of Bond Counsel, are accurate in all material respects;

(vii) the opinion of counsel to the Successor Agency dated the Closing Date and addressed to the Representative and Bond Counsel, to the effect that: (A) the Successor

Agency is duly organized and validly existing under the Constitution and laws of the State of California; (B) the Successor Agency Resolutions approving and authorizing the execution and delivery of the Successor Agency Agreements and the Preliminary Official Statement were duly adopted at meetings of the Successor Agency which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed; (C) no material litigation is pending, with service of process having been accomplished or, to the knowledge of the Successor Agency, threatened, concerning the validity of the Bonds, the corporate existence of the Successor Agency, or the title of the officers of the Successor Agency who will execute the Bonds as to their respective offices; (D) the execution and delivery of the Successor Agency Agreements and the Official Statement, the adoption of the Successor Agency Resolutions, the issuance of the Bonds and compliance by the Successor Agency with the provisions of the foregoing, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Successor Agency a breach or default under any agreement or other instrument to which the Successor Agency is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or under any existing law, regulation, court order or consent decree to which the Successor Agency is subject; (E) the Official Statement has been duly authorized, executed and delivered and the Bonds and the Successor Agency Agreements each have been duly authorized, executed and delivered by the Successor Agency and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Successor Agency enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought; (F) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California having jurisdiction over the Successor Agency is required for the valid authorization, execution, delivery and performance by the Successor Agency of the Successor Agency Agreements, the valid issuance of the Bonds or the adoption of the Successor Agency Resolutions which has not been obtained; (G) the information in the Official Statement under the captions ["THE SUCCESSOR AGENCY," "THE PROJECT AREAS," "PLEDGED TAX REVENUES AND DEBT SERVICE," "LIMITATIONS ON TAX REVENUES," and "LITIGATION"] is true and accurate in all material respects; provided, however, that no opinion is expressed as to any financial or statistical information contained therein;

(viii) a negative assurance letter of Disclosure Counsel addressed to the Successor Agency and the Representative, to the effect that, during the course of his engagement as Disclosure Counsel to the Successor Agency with respect to the preparation of the Official Statement and without having independently verified the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement, no facts came to his attention which caused him to believe the Preliminary Official Statement as of its date or the Official Statement as of its date and as of the Closing Date (except for any information listed below, as to which he will express no view) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect. No view will be expressed as to: (a) the information under the headings ["THE 2023 BONDS – Designation as Social Bonds" and "– Book-Entry Only System," "BOND INSURANCE," "TAX MATTERS," "MUNICIPAL ADVISORS," "RATINGS," "FINANCIAL STATEMENTS," "FISCAL CONSULTANT REPORT," "UNDERWRITING," and "CERTAIN RELATIONSHIPS,"] and in the Appendices to the Preliminary Official Statement and the Official Statement; (b) any CUSIP or other identification

numbers, other financial, accounting, engineering, economic, demographic or statistical data or forecasts, debt service schedules, numbers, charts, tables, graphs, estimates, projections, appraisals, assumptions, ratings, any management discussion and analysis or expression of opinion included or incorporated by reference in the Preliminary Official Statement, the Official Statement or the Appendices thereto, or omitted therefrom; (c) statements relating to the treatment of the Bonds or the interest, discount or premium related thereto for tax purposes under the law of any jurisdiction, statements relating to or summarizing the tax opinion of Bond Counsel and statements relating to or setting forth the initial public offering prices or yields on the Bonds; (d) any information about the book-entry system or The Depository Trust Company; and (e) any information about the Insurer, the Policies or the Reserve Policies.

(ix) the opinion of Underwriters' Counsel, dated the Closing Date and addressed to the Representative, to the effect that: (A) while Underwriters' Counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the information contained in the Official Statement and has not undertaken to verify the accuracy, completeness or fairness of, or independently verified the information contained in, the Official Statement and is therefore unable to make any representation to the Underwriters in that regard, Underwriters' Counsel has participated in conferences prior to the date of the Official Statement with representatives of the Underwriters, the Successor Agency, Bond Counsel, Disclosure Counsel, the Fiscal Consultant (as such term is defined herein), the Trustee and their respective legal counsel and others, during which conferences the contents of the Official Statement and related matters were discussed and that, based upon the information made available to Underwriters' Counsel in the course of its participation in such conferences, review of the documents referred to above, reliance on the documents, letters, certificates and the opinions of counsel described in this Purchase Contract and Underwriters' Counsel's understanding of applicable law, as a matter of fact and not opinion, no information has come to the attention of the attorneys in Underwriters' Counsel's firm rendering legal services to the Underwriters with respect to the Bonds which caused Underwriters' Counsel to believe that the Preliminary Official Statement as of its date contained, or the Official Statement as of its date contained or as of the Closing Date contains, any untrue statement of a material fact, or as of its date omitted, or as of the Closing Date omitted, to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that Underwriters' Counsel expresses no view with respect to information related to any financial, statistical, engineering, or economic or demographic data or forecasts, numbers, charts, tables, estimates, projections, appraisals or assessed valuations or any information about CUSIP numbers, the ratings on the Bonds, the book-entry system or The Depository Trust Company contained in the Official Statement, including any of the appendices thereto), and that, other than reviewing the various certificates and opinions required by Section 9(d) of the Purchase Contract regarding the Official Statement, Underwriters' Counsel has not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Official Statement as of the Closing Date; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended, are accurate in all material respects; and (C) the Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds satisfies the requirements of Rule 15c2-12;

(x) the opinion of counsel to the Trustee, dated the Closing Date and addressed to the Representative and the Successor Agency, to the effect that: (A) the Trustee has been duly incorporated as a national banking association, duly organized and validly existing and in good standing under the laws of the United States of America having the legal authority to exercise

trust powers in the State of California and having full power and authority to enter into and to perform its duties as Trustee under the Indenture; (B) the Trustee has duly authorized, executed and delivered the Second Supplement, and by all proper corporate action has authorized the acceptance of the trust of the Indenture; (C) the Indenture constitutes a legally valid and binding agreement of the Trustee, enforceable against it in accordance with its terms; (D) the Bonds have been validly authenticated, registered and delivered by the Trustee; (E) no authorization, approval, consent or other order of the State of California or any other federal or State of California governmental authority or agency having jurisdiction over the Trustee, or, to such counsel's knowledge after reasonable investigation, any other person or corporation, is required for the valid authorization, execution, delivery and performance by the Trustee of the Second Supplement; and (F) the execution and delivery of the Second Supplement, and compliance by the Trustee, with the provisions of the foregoing under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Trustee a breach or default under any agreements or other instrument to which the Trustee is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or any existing law, regulation, court order or consent decree to which the Trustee is subject;

(xi) a certificate dated the Closing Date, signed by a duly authorized official of the Successor Agency, in form and substance satisfactory to the Underwriters, to the effect that, to the best of such official's knowledge: (A) the representations and warranties of the Successor Agency contained in the Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (B) the Successor Agency has complied with the requirements of the Successor Agency Agreements required to be complied with on and as of the Closing Date with respect to the Bonds; (C) no event affecting the Successor Agency has occurred since the date of the Official Statement which should be disclosed therein in order to make the statements therein not misleading in any respect; and (D) the financial statements of the Successor Agency contained in the Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such officer has no reason to believe that such financial statements have not been prepared in accordance with generally accepted accounting principles consistently applied;

(xii) a certificate, signed by a duly authorized official of the Trustee, dated the Closing Date, satisfactory in form and substance to the Underwriters, to the effect that: (A) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriters; (B) the Trustee is duly authorized to enter into the Second Supplement and to execute and deliver the Bonds to the Underwriters pursuant to the Indenture; (C) the Bonds have been duly authenticated and delivered by the Trustee; (D) the execution and delivery of the Second Supplement and compliance with the provisions on the part of the Trustee contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation or warranty is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other

instrument, except as provided by the Indenture; and (E) to the best knowledge of the Trustee, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against it, affecting its existence, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the Bonds or the collection of revenues to be applied to pay the principal, premium, if any, and interest with respect to the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds, the Indenture or the power and authority of the Trustee to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriters;

(xiii) a certificate of Urban Analytics LLC (the “Fiscal Consultant”) to the effect that the report of the Fiscal Consultant (the “Report”) contained in the Official Statement and the information set forth under the captions [“THE PROJECT AREAS,” “PLEDGED TAX REVENUES AND DEBT SERVICE” and “CERTAIN RISK FACTORS—Concentration of Property Ownership,” “—Subordination of ERAF,” “—Reduction in Tax Base and Assessed Values” and “—Appeals to Assessed Values”] in the Official Statement do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, consenting to the use of the Report in the Preliminary and Official Statement and stating that to the best of the Fiscal Consultant’s knowledge, nothing has come to the Fiscal Consultant’s attention between the date of such Report and the Closing Date which would materially alter any of the conclusions set forth in the Report;

(xiv) a letter from S&P Global Ratings, confirming that the Bonds have the ratings set forth in the Official Statement;

(xv) the Report of Proposed Debt Issuance Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855(g) and 53583 of the Government Code of the State of California;

(xvi) the Blanket Letter of Representations of the Successor Agency to DTC, relating to the book-entry only system for the Bonds;

(xvii) evidence of the action taken by the DOF approving the Oversight Board Resolution;

(xviii) a certificate of the Auditor-Controller of the City certifying the assessed valuations of the property located within the Project Areas, and the gross tax revenues for the fiscal year ended [June 30, 2023] for the Project Areas;

(xix) a copy of the executed certificate of the Successor Agency pursuant to Section 3.05 of the Indenture;

(xx) executed copies of the Policies and the Reserve Policies;

(xxi) an opinion of counsel to the Insurer, in form and substance satisfactory to the Successor Agency and the Representative, that the Policies and the Reserve Policies have been duly authorized, executed and delivered by the Insurer and are legally valid and binding against the Insurer.

(xxii) one or more opinions or certificates of the Insurer as to the accuracy of the information in the Official Statement relating to the Insurer, the Policies and the Reserve Policies; and

(xxiii) such additional legal opinions, certificates, instruments or evidences thereof and other documents as Underwriters' Counsel or Bond Counsel may reasonably request to evidence the due authorization, execution and delivery of the Bonds and the conformity of the Indenture with the terms of the Bonds, all as summarized in the Official Statement.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract will be deemed to be in compliance with the provisions hereof if and only if they are in form and substance satisfactory to the Underwriters.

If the Successor Agency shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Contract or if the Underwriters' obligations shall be terminated for any reason permitted herein, all obligations of the Underwriters hereunder may be terminated by the Underwriters at, or at any time prior to, the Closing Date by written notice to the Successor Agency and neither the Underwriters nor the Successor Agency shall have any further obligations hereunder, except the respective obligations of the parties set forth in Section 10.

Section 10. Expenses. The Successor Agency will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Successor Agency Legal Documents (other than this Purchase Contract); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Municipal Advisors, Fiscal Consultant and any other experts or other consultants retained by the Successor Agency; (c) the costs and fees of the credit rating agency; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; (h) the fees of Digital Assurance Certification LLC, if any, for a continuing disclosure services performed at the direction of the Successor Agency; and (i) expenses (included in the expense component of the underwriter's discount) incurred by the Underwriters on behalf of the Successor Agency's employees which are incidental to implementing this Purchase Contract, including, but not limited to, meals, transportation, and lodging, of those employees and expenses incurred for the rating presentation and the investor presentation. The Underwriters will pay the expenses of the preparation of this Purchase Contract and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, and the fee and disbursements of Underwriters' Counsel, which expenses may be included in the expense component of the underwriting discount. The Underwriters are required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Successor Agency acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and

consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Successor Agency agrees to reimburse the Underwriters for such fees.

Section 11. Notices. Any notice or other communication to be given to the Successor Agency under this Purchase Contract may be given by delivering the same in writing at the Successor Agency's address set forth above, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to the Representative at _____.

Section 12. Parties in Interest. This Purchase Contract is made solely for the benefit of the Successor Agency and the Underwriters (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations and warranties of the parties hereto contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriters or the Successor Agency; or (b) delivery of and payment for the Bonds. The agreements contained in Section 10 herein shall survive any termination of this Purchase Contract.

Section 13. Severability. In the event that any provision of this Purchase Contract shall be held or deemed to be invalid, inoperative or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14. Governing Law; Venue. This Purchase Contract shall be governed and interpreted exclusively by and construed in accordance with the laws of the State of California applicable to contracts made and to be performed in the State of California. Any and all disputes or legal actions or proceedings arising out of this Purchase Contract or any document related hereto shall be filed and maintained in a court of competent jurisdiction for matters arising in the City and County of San Francisco, California. By execution of and delivery of this Purchase Contract, the parties hereto accept and consent to the aforesaid jurisdiction.

Section 15. Execution in Counterparts. This Purchase Contract may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute the Purchase Contract by signing any such counterpart.

Section 16. Entire Agreement. This Purchase Contract, together with any contemporaneous written agreements that relate to the offering of the Bonds, represents the entire agreement between the Successor Agency and the Underwriters with respect to the preparation of the Official Statement, the conduct of the offering and the purchase and sale of the Bonds.

Section 17. Fiduciary Duty. The Successor Agency acknowledges that in connection with the offering of the Bonds: (a) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Successor Agency and the Underwriters; (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as Municipal Advisors (as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended); (c) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Successor Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or is currently providing other services to the Successor Agency on other matters); (d) the Successor Agency has consulted its own legal, financial and other

advisors to the extent that they have deemed appropriate; and (e) the Underwriters may have interests that differ from those of the Successor Agency.

[SIGNATURE PAGE FOLLOWS ON NEXT PAGE]

Section 18. **Effectiveness.** This Purchase Contract shall be effective as of the date set forth above upon the acceptance hereof by authorized officer of the Successor Agency and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

Stifel, Nicolaus & Company, Incorporated,
as Representative of the Underwriters

By: _____
Authorized Representative

Accepted this ____ day of _____ 2023 at ____ p.m.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO

By: _____
Executive Director

SCHEDULE I
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS) (SOCIAL BONDS)

<i><u>Maturity Date</u></i> <i><u>(August 1)</u></i>	<i><u>Amount</u></i>	<i><u>Rate</u></i>	<i><u>Yield</u></i>	<i><u>Price</u></i>
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[†] Insured 2023A Bonds.

**2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBY INFRASTRUCTURE PROJECTS)**

<i><u>Maturity Date</u></i> <i><u>(August 1)</u></i>	<i><u>Amount</u></i>	<i><u>Rate</u></i>	<i><u>Yield</u></i>	<i><u>Price</u></i>
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[†] Insured 2023B Bonds.

EXHIBIT A

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

**§[PARA]
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

**§[PARB]
2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBY INFRASTRUCTURE
PROJECTS)**

**FORM OF THE CERTIFICATE
REGARDING PRELIMINARY OFFICIAL STATEMENT**

The undersigned hereby states and certifies:

1. That he is the duly appointed, qualified and acting Executive Director of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

2. That there has been delivered to _____ on behalf of itself and as representative of _____, as underwriters (the “Underwriters”) of the captioned Bonds, a Preliminary Official Statement, relative to the captioned Bonds, dated [POS Date] (including the cover page and all appendices thereto, in printed form and in electronic form, which is consistent in all material forms to the printed form, the “Preliminary Official Statement”), which the Successor Agency, deems final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12; and

3. The Successor Agency hereby approves the use and distribution by the Underwriters of the Preliminary Official Statement.

Dated: [POS Date]

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO**

By: _____
Executive Director

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 21-2023

Adopted June 20, 2023

CONFIRMING THE ISSUANCE OF NEW MONEY TAX ALLOCATION BONDS, AS PERMITTED IN SECTIONS 34177.7(a)(1)(A) AND 34177.7(a)(1)(B) OF THE CALIFORNIA HEALTH AND SAFETY CODE TO FINANCE (1) AFFORDABLE HOUSING OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT-TO-EXCEED \$30,000,000 AND (2) INFRASTRUCTURE IN THE TRANSBAY PROJECT AREA IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$45,000,000, AND APPROVING PRELIMINARY AND FINAL OFFICIAL STATEMENTS, A CONTINUING DISCLOSURE CERTIFICATE AND OTHER RELATED DOCUMENTS AND ACTIONS; AFFORDABLE HOUSING OBLIGATIONS; TRANSBAY INFRASTRUCTURE OBLIGATIONS

WHEREAS, Under California Assembly Bill No. X126 (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 No. 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 have the authority, with approval of the oversight board and the California Department of Finance (the “Department of Finance”), to issue bonds for certain purposes (Section 34177.5(a) of 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 “Board of Supervisors”) 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 and County of San Francisco (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”) 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 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 and its commission is also known as the Commission on Community Investment and Infrastructure; and,

WHEREAS, In September of 2015, the California legislature adopted Senate Bill No. 107 (Stats. 2015, ch. 325, § 9, *codified at* Section 34177.7 of the Code) (“SB 107”), further amending the Redevelopment Dissolution Law and providing that the Successor Agency has the authority, with approval of the Oversight Board and the Department of Finance, to issue bonds or incur other indebtedness for certain purposes; and,

WHEREAS, SB 107 was signed by the Governor of the State on September 22, 2015 and became effective immediately on such date; and,

WHEREAS, Section 34177.7(a)(1)(A) of the of the Code provides that the Successor Agency may, subject to the approval of the Oversight Board and the California Department of Finance, issue bonds or incur other indebtedness to finance the affordable housing required by the following agreements (collectively referred to herein as the “Affordable Housing Obligations”): (i) the Disposition and Development Agreement for Hunters Point Shipyard Phase 1 dated as of December 2, 2003, between Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Redevelopment Agency, as succeeded by the Successor Agency, as

heretofore amended and as hereafter may be amended; (ii) the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Redevelopment Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (iii) the Mission Bay North Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended; (iv) the Mission Bay South Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended; and (v) the Transbay Implementation Agreement (as defined below); and,

WHEREAS, Section 34177.7(a)(1)(B) of the Code provides that the Successor Agency has the authority, with approval of the Oversight Board and the Department of Finance, to issue bonds or incur other indebtedness to finance the infrastructure (the “Transbay Infrastructure Obligations”) required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005 between the Former Redevelopment Agency, as succeeded by the Successor Agency, and the Transbay Joint Powers Authority, as hereafter may be amended (the “Transbay Implementation Agreement”); and,

WHEREAS, On December 13, 2016, the Board of Supervisors adopted Resolution No. 538-16, which was signed by the Mayor on December 22, 2016, pursuant to which the Board of Supervisors consented to the use of tax increment from redevelopment project areas outside of the Candlestick Point-Hunters Shipyard Project Site that are deposited in the Redevelopment Property Tax Trust Fund established for the Successor Agency for the exclusive purpose of funding affordable housing development that the Successor Agency is required to build under the Affordable Housing Obligations; and,

WHEREAS, In order to finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”) in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and the U.S. Bank National Association, as trustee; and,

WHEREAS, In order to finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”) in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture; and,

WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) in the original aggregate principal amount of \$127,210,000 (the “2021 Bonds”) pursuant to the Original Indenture as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the “First Supplement”), by and between the Successor Agency and U.S. Bank National Association, as trustee; and,

WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (with any changes to the designation of such bonds as an Authorized Officer (as such term is defined herein) may approve, the “2023A Bonds”); and,

WHEREAS, In order to further finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (with any changes to the designation of such bonds as an Authorized Officer may approve, the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”); and,

WHEREAS, The 2023 Bonds will be payable from Pledged Tax Revenues (as defined in the Original Indenture) on (A) parity with the 2017 Bonds and the 2021 Bonds, and (B) on a basis subordinate to the Successor Agency’s repayment obligations under its (i) \$67,955,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014B Bonds”), (ii) \$75,945,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014C Bonds” and together with the 2014B Bonds, the “2014 Bonds”),

(iii) \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017D Bonds”), (iv) \$19,745,000 original aggregate principal amount of 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017E Bonds” and, together with the 2017D Bonds, the “2017D/E Bonds”), and (v) any other debt issued or incurred by the Successor Agency on a parity with the 2014 Bonds and the 2017D/E Bonds; and,

WHEREAS, The sale of the 2023 Bonds will comply with the provisions of the Successor Agency’s debt policy (the “Debt Policy”), adopted by Resolution 32-2021 of the Successor Agency Commission on October 5, 2021, unless such compliance is waived in accordance with the Debt Policy; and,

WHEREAS, The Successor Agency adopted, by Resolution No. 02-2023 (March 21, 2023) (the “Bond Resolution”), approved the issuance of the 2023 Bonds and the execution of certain documents relating to the 2023 Bonds, including the Second Supplement to Indenture of Trust (the “Second Supplement”) between the Successor Agency and the Trustee, supplementing and amending the Original Indenture and providing for the issuance of the 2023 Bonds, and requested that the Oversight Board approve the issuance of the 2023 Bonds by the Successor Agency; and,

WHEREAS, The Oversight Board approved, by Resolution No. 03-2023 (April 7, 2023), the issuance of the 2023 Bonds by the Successor Agency, and said Resolution was sent to the Department of Finance pursuant to Sections 34177.7(f) and 34179(h) of the Code; and,

WHEREAS, By letter dated April 13, 2023, the Department of Finance approved Oversight Board Resolution No. 03-2023 and the issuance of the 2023 Bonds; and,

WHEREAS, The Successor Agency with the assistance of its municipal advisors, bond counsel, disclosure counsel, and fiscal consultant has caused to be prepared a form of Official Statement describing the 2023 Bonds and containing material information relating to the Successor Agency and the 2023 Bonds, the preliminary form of which is attached hereto as Exhibit A and by this reference incorporated herein; and,

WHEREAS, The sale and issuance of the 2023 Bonds are Successor Agency fiscal activities that do not constitute a “Project” as defined by the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and are not subject to environmental review under CEQA; now therefore, be it

RESOLVED, The Successor Agency Commission finds that:

The Successor Agency has full authority to issue the 2023A Bonds to finance a portion of the Affordable Housing Obligations under Section 34177.7(a)(1)(A) of the Code and to issue the 2023B Bonds to finance a portion of the Transbay Infrastructure Obligations under Section 34177.7(a)(1)(B) of the Code, and all acts and proceedings required by law necessary to make the 2023 Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute the Second Supplement a valid and binding agreement for the uses and purposes therein set forth, in accordance with its terms, will have been done or taken and the execution and delivery of the Second Supplement will have been in all respects duly authorized; and, be it further

RESOLVED, The Successor Agency hereby approves the preliminary Official Statement describing the 2023 Bonds, in substantially the form attached hereto as Exhibit A together with such changes or additions thereto as the Executive Director, the Deputy Director of Finance and Administration and any of their designees (each being hereinafter referred to as an “Authorized Officer”) deems necessary, desirable or appropriate upon consultation with the Successor Agency’s General Counsel, bond counsel and disclosure counsel, and authorizes an Authorized Officer, acting alone, to deem a preliminary form of the Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, except for omissions permitted therein. The distribution of the preliminary Official Statement by Stifel, Nicolaus & Company, Incorporated and Backstrom, McCarley Berry & Co., LLC (collectively, the “Underwriters”) is hereby approved. The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by an Authorized Officer and the addition of such information permitted to be excluded from the preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the 2023 Bonds, and the Authorized Officers, each acting alone, are hereby authorized and directed to execute and deliver the final Official Statement for and on behalf of the Successor Agency, to deliver to the Underwriters a certificate with respect to the information set forth therein and to deliver to the Underwriters a Continuing Disclosure Certificate substantially in the form appended to the final Official Statement; and, be it further

RESOLVED, The Successor Agency hereby confirms its actions in the Bond Resolution authorizing and approving the issuance of the 2023 Bonds; and, be it further

RESOLVED, This Commission authorizes all actions heretofore taken by the officers and agents of the Successor Agency with respect to the sale and issuance of the 2023 Bonds herein authorized, the expenditure of the proceeds of the 2023 Bonds is hereby approved, confirmed and ratified, and the proper officers of the Successor Agency are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the

lawful issuance and delivery of the 2023 Bonds in accordance with this Resolution and any certificate, agreement and other document described in the documents herein approved. Any authority delegated under this Resolution and/or the Bond Resolution to a specified official may also be exercised by officials acting in such positions on an interim basis.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of June 20, 2023.



Commission Secretary

Exhibit A: Preliminary Official Statement

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2023

**NEW ISSUE
BOOK-ENTRY ONLY**



Underlying Rating: Standard & Poor's: " _ "
(See "RATING" herein)

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject however to certain qualifications described herein, under existing law, the interest on the 2023 Series B Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Series B Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, interest on the 2023A/B Bonds is exempt from California personal income taxes. Bond Counsel observes that the interest on the 2023 Series A Taxable Bonds is not intended to be excluded from federal income taxation. See "TAX MATTERS" herein.

**\$[2023A Par]*
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
[(Social Bonds)]**

**\$[2023B Par]*
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)**

Dated: Date of Delivery

Due: August 1, as shown on the inside front cover

This cover page contains information for quick reference only. It is *not* intended to be a complete summary of all factors relevant to an investment in the 2023A/B Bonds. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] (the "**2023 Series A Taxable Bonds**") and the 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "**2023 Series B Bonds**") and, together with the 2023 Series A Taxable Bonds, the "**2023A/B Bonds**," and individually, each a "**Series**") are being issued by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "**Successor Agency**") pursuant to an Indenture of Trust, dated as of March 1, 2017 (the "**Original Indenture**"), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the "**Trustee**"), as amended and supplemented prior to the date hereof, and as further amended and supplemented by the Second Supplement to Indenture of Trust, dated as of ____ 1, 2023 (the "**Second Supplement**" and, the Original Indenture, as so amended and supplemented, the "**Indenture**"), by and between the Successor Agency and the Trustee.

Interest on the 2023A/B Bonds will be payable on February 1 and August 1 of each year, commencing ____ 1, 202_. Principal of the 2023A/B Bonds will be payable on the dates and in the respective principal amounts set forth on the inside cover page.

[The Successor Agency has [solicited] [received] bids from [2023 Bond Insurer Full Name] ("[2023 Insurer]") for a municipal bond debt service reserve insurance policy (the "**2023A Reserve Policy**") to satisfy the reserve requirement for the 2023 Series A Taxable Bonds and a municipal bond insurance policy (the "**2023A Insurance Policy**") to guarantee the scheduled payment of the principal of and interest on all or a portion of the 2023 Series A Taxable Bonds (the "**2023A Insured Bonds**"), when due. In addition, the Successor Agency has [solicited] [received] bids from [2023 Insurer] for a municipal bond debt service reserve insurance policy (the "**2023B Reserve Policy**") to satisfy the reserve requirement for the 2023 Series B Bonds and a municipal bond insurance policy (the "**2023B Insurance Policy**") to guarantee the scheduled payment of the principal of and interest on all or a portion of the 2023 Series B Bonds (the "**2023B Insured Bonds**"), when due. The Successor Agency will make a decision on whether to purchase any of such policies at or about the time of the pricing of

* Preliminary, subject to change.

the 2023A/B Bonds. No assurance can be given as to whether the Successor Agency will purchase any of such policies. See “INTRODUCTION – Reserve Account” and “– Bond Insurance” and “BOND INSURANCE” herein.]

The 2023A/B Bonds of each Series will be issued in book-entry form, without coupons, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository for the 2023A/B Bonds. Beneficial ownership interests in the 2023A/B Bonds may initially be purchased, in denominations of \$5,000 or any integral multiple thereof, in book-entry only form as described herein. So long as Cede & Co. is the registered owner of the 2023A/B Bonds, payments of principal and interest will be made to Cede & Co., as nominee for DTC. DTC is required in turn to remit such payments to DTC Participants for subsequent disbursements to Beneficial Owners. Disbursement of such payments to DTC Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Direct Participants and Indirect Participants as more fully described herein. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

[The 2023A/B Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See “THE 2023A/B BONDS – Redemption Provisions.”]

The 2023 Series A Taxable Bonds are being issued for the purpose of providing funds to (i) finance certain affordable housing, as described herein under “PLAN OF FINANCE,” (ii) make a deposit in the subaccount of the Reserve Account established for the 2023 Series A Taxable Bonds or purchase the 2023A Reserve Policy to satisfy such Series’ reserve requirement, and (iii) pay costs associated with the issuance of the 2023 Series A Taxable Bonds, which may include the premium for a 2023A Insurance Policy, if any.

The 2023 Series B Bonds are being issued for the purpose of providing funds to (i) finance certain infrastructure, as described herein under “PLAN OF FINANCE,” (ii) make a deposit in the subaccount of the Reserve Account established for the 2023 Series B Bonds or purchase the 2023B Reserve Policy to satisfy such Series’ reserve requirement, and (iii) pay costs associated with the issuance of the 2023 Series B Bonds, which may include the premium for a 2023B Insurance Policy, if any.

The 2023A/B Bonds are payable from and secured solely by Pledged Tax Revenues (defined herein) and moneys held in certain funds and accounts by the Trustee under the Indenture on parity with the outstanding 2017A/B Bonds (defined herein) and 2021A Bonds (defined herein). See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations.” No funds or properties of the Successor Agency, other than the Pledged Tax Revenues and certain other amounts held under the Indenture, are pledged to secure the 2023A/B Bonds, the 2017A/B Bonds or the 2021A Bonds. Pledged Tax Revenues generally consist of tax increment revenues generated within the Project Areas remaining after the payment of the City Controller Administration Fee, the Existing Senior Loan Agreements, and the Second Lien Debt (as such terms are defined herein) and, accordingly, the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds is subordinate to payments due on such obligations as described under “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Security for the 2023A/B Bonds; Equal Security” and “– Senior Obligations.” The Successor Agency has covenanted that it will not issue additional debt payable from the Pledged Tax Revenues on a basis senior to the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds, except for the purpose of refunding the Existing Senior Loan Agreements and the Second Lien Debt. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness.”

The 2023A/B Bonds are limited obligations of the Successor Agency, the principal of, premium, if any, and interest on which are payable solely from Pledged Tax Revenues and certain other amounts on deposit in the funds and accounts held under the Indenture. The 2023A/B Bonds are not a debt of the City and County of San Francisco (the “City”), the State of California (the “State”) or any of their political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable therefor. The 2023A/B Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Successor Agency has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the 2023A/B Bonds. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power.

MATURITY SCHEDULES
(see inside cover)

The 2023A/B Bonds are offered when, as and if issued, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, and certain other conditions. Alexis S. M. Chiu, Esq., San Francisco, California, is acting as Disclosure Counsel to the Successor Agency. Certain legal matters will be passed on for the Successor Agency by its General Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. It is anticipated that the 2023A/B Bonds will be delivered to the Underwriters through the facilities of DTC in New York, New York on or about _____, 2023.

STIFEL

Backstrom McCarley Berry & Co., LLC

Dated: ____, 2023

MATURITY SCHEDULES*

\$[2023A Par]*
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
[(Social Bonds)]

\$ _____ * Serial Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.</u> <u>(Base: 79770G)†</u>
--------------------------------------	------------------------------------	--------------------------------	--------------	--------------	--

\$

\$ _____ * ____% Term Bonds due August 1, ____, Yield ____%, Price ____, CUSIP No.† 79770G ____

\$[2023B Par]*
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)

\$ _____ * ____% Term Bonds due August 1, ____, Yield ____%, Price ____, CUSIP No.† 79770G ____

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. CUSIP data is not intended to create a database and does not serve in any way as a substitute for the CGS database and are included solely for convenience. Neither the Successor Agency nor the Underwriters assumes any responsibility for the accuracy of the CUSIP data.

[Map to Come.]

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO**

Commission Members

Bivett Brackett, *Chair*
Alex Ludlum, *Vice Chair*
Vanessa Ross Aquino
Tamsen Drew
Dr. Carolyn Ransom-Scott

Successor Agency Staff

Thor Kaslofsky, *Executive Director*
Rosa Torres, *Deputy Director of Finance and Administration*
James Morales, *Deputy Director and General Counsel*
Vacant, *Deputy Director, Projects and Programs*

CITY AND COUNTY OF SAN FRANCISCO

London Breed, *Mayor*

David Chiu, *City Attorney*
Benjamin Rosenfield, *Controller*
José Cisneros, *Treasurer*

BOARD OF SUPERVISORS

Aaron Peskin, <i>Board President, District 3</i>	
Connie Chan, <i>District 1</i>	Myrna Melgar, <i>District 7</i>
Catherine Stefani, <i>District 2</i>	Rafael Mandelman, <i>District 8</i>
Joel Engardio, <i>District 4</i>	Hillary Ronen, <i>District 9</i>
Dean Preston, <i>District 5</i>	Shamann Walton, <i>District 10</i>
Matt Dorsey, <i>District 6</i>	Ahsha Safai, <i>District 11</i>

SPECIAL SERVICES

Bond Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

Disclosure Counsel

Alexis S. M. Chiu, Esq.
San Francisco, California

Municipal Advisors

PFM Financial Advisors LLC
San Francisco, California

Fiscal Consultant

Urban Analytics LLC
San Francisco, California

Trustee

U.S. Bank Trust Company, National Association
San Francisco, California

No dealer, broker, salesperson or other person has been authorized by the Successor Agency or the City to give any information or to make any representations in connection with the offer or sale of the 2023A/B Bonds other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2023A/B Bonds by any person, in any jurisdiction where such offer, solicitation or sale would be unlawful. This Official Statement is not to be construed as a contract with the purchasers of the 2023A/B Bonds.

The information set forth herein has been obtained from sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Successor Agency. Neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the Successor Agency since the date hereof. The information and expressions of opinion stated herein are subject to change without notice.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking” statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” “assumes” and analogous expressions. The achievement of certain results or other expectations contained in such forward-looking statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. No assurance is given that actual results will meet the forecasts of the Successor Agency in any way, regardless of the optimism communicated in the information, and such statements speak only as of the date of this Official Statement. The Successor Agency disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the expectations of the Successor Agency with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

All summaries of the Indenture (as defined herein) and of statutes and other documents referred to herein do not purport to be comprehensive or definitive and are qualified in their entireties by reference to each such statute and document. This Official Statement, including any amendment or supplement hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (EMMA) website.

The Successor Agency and the City maintain a website. However, the information presented therein is not a part of this Official Statement and must not be relied upon in making an investment decision with respect to the 2023A/B Bonds.

The issuance and sale of the 2023A/B Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2023A/B BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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OFFICIAL STATEMENT

§[2023A Par]*
**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**
**2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
[(Social Bonds)]**

§[2023B Par]*
**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**
**2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)**

INTRODUCTION

This introduction contains only a brief summary of certain of the terms of the 2023A/B Bonds being offered, and a full review should be made of the entire Official Statement including the cover page, the table of contents and the appendices for a more complete description of the terms of the 2023A/B Bonds. All statements contained in this introduction are qualified in their entirety by reference to the entire Official Statement. References to, and summaries of provisions of, any other documents referred to herein do not purport to be complete, and such references are qualified in their entirety by reference to the complete provisions of such documents. Capitalized terms used in this Official Statement and not defined herein shall have the meanings assigned to them in APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” or, if not defined therein, then in the Indenture (defined herein).

Authority and Purpose

The purpose of this Official Statement, which includes the cover page, table of contents and appendices hereto (collectively, the “**Official Statement**”), is to provide certain information in connection with the offering by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “**Successor Agency**”) of its §[2023A Par]* aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] (the “**2023 Series A Taxable Bonds**”) and its §[2023B Par]* aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “**2023 Series B Bonds**” and, together with the 2023 Series A Taxable Bonds, the “**2023A/B Bonds**” and individually, each a “**Series**”), for the purposes described herein. The 2023A/B Bonds are being issued in accordance with a resolution of the Successor Agency adopted on March 21, 2023 (the “**Resolution**”), and an Indenture of Trust, dated as of March 1, 2017 (the “**Original Indenture**”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the “**Trustee**”), as amended and supplemented by a First Supplement to Indenture of Trust dated as of December 1, 2021, and as further amended and supplemented by a Second Supplement to Indenture of Trust, dated as of _____ 1, 2023 (the “**Second Supplement**” and, the Original Indenture, as so amended and supplemented, the “**Indenture**”), by and between the Successor Agency and the Trustee, and, as applicable, pursuant to authority contained in the Redevelopment Law (defined herein) and Sections 34177.7(a)(1)(A) and (B) of the Redevelopment Dissolution Act (defined herein). See “– The Successor Agency.”

The 2023 Series A Taxable Bonds are being issued for the purpose of providing funds to: (i) finance a portion of its Affordable Housing Obligations (defined herein), consisting of certain affordable housing

* Preliminary, subject to change.

as described herein under “PLAN OF FINANCE;” (ii) make a deposit in the subaccount of the Reserve Account established for the 2023 Series A Taxable Bonds or pay the premium for a municipal bond debt service reserve insurance policy (the “**2023A Reserve Policy**”) from [2023 Bond Insurer Full Name] (“**[2023 Insurer]**”) to satisfy the reserve requirement for the 2023 Series A Taxable Bonds; and (iii) pay costs associated with the issuance of the 2023 Series A Taxable Bonds, which may include the premium for a municipal bond insurance policy, if any, insuring the 2023A Insured Bonds (defined herein) to be issued by [2023 Insurer] concurrently with the delivery of the 2023A Insured Bonds. See “– Reserve Account” and “– Bond Insurance.”

The 2023 Series B Bonds are being issued for the purpose of providing funds to: (i) finance a portion of the infrastructure required by the Transbay Redevelopment Project Implementation Agreement, dated as of January 20, 2005 (as amended from time to time, the “**Transbay Implementation Agreement**”), between the former Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”), as succeeded by the Successor Agency, and the Transbay Joint Powers Authority (“**TJPA**”), as further described herein under “PLAN OF FINANCE;” (ii) make a deposit in the subaccount of the Reserve Account established for the 2023 Series B Bonds or pay the premium for a municipal bond debt service reserve insurance policy (the “**2023B Reserve Policy**” and, together with the 2023A Reserve Policy, the “**Reserve Policies**”) from [2023 Insurer] to satisfy the reserve requirement for the 2023 Series B Bonds; and (iii) pay costs associated with the issuance of the 2023 Series B Bonds, which may include the premium for a municipal bond insurance policy, if any, insuring the 2023B Insured Bonds (defined herein) to be issued by [2023 Insurer] concurrently with the delivery of the 2023B Insured Bonds. See “– The Successor Agency,” “– Reserve Account” and “– Bond Insurance,” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The Successor Agency will make a decision on whether to purchase either of the Reserve Policies and either of the municipal bond insurance policies at or about the time of the pricing of the 2023A/B Bonds. No assurance can be given as to whether the Successor Agency will purchase any of such policies.

The City and County of San Francisco

The City and County of San Francisco (the “**City**”) is the economic and cultural center of the San Francisco Bay Area and northern California. The corporate limits of the City encompass over 93 square miles, of which 49 square miles are land, with the balance consisting of tidelands and a portion of the San Francisco Bay. The City is located at the northern tip of the San Francisco Peninsula, bounded by the Pacific Ocean to the west, the San Francisco Bay to the east, the entrance to the San Francisco Bay and the Golden Gate Bridge to the north, and San Mateo County to the south. Silicon Valley is about 45 miles to the south, and the wine country is about 65 miles to the north. According to the U.S. Census Bureau, the population in the City in 2010 was 805,235 and in 2020 was 873,965. The California Department of Finance Demographic Research Unit estimated the City’s population at _____ as of _____ 1, 2023.

The 2023A/B Bonds are not a debt of the City and the General Fund of the City is not liable for the payment of the principal of, premium, if any, or interest on the 2023A/B Bonds. Neither the credit nor the taxing power of the City is pledged to the payment of the principal of, premium, if any, or interest on the 2023A/B Bonds. The 2023A/B Bonds are not secured by a legal or equitable pledge of, or charge, lien, or encumbrance upon, any of the property of the City.

The Successor Agency

As described below, the Successor Agency is the successor to the former Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”). The Former Agency was organized by the Board of Supervisors of the City (the “**Board of Supervisors**”) in 1948, to exercise the powers granted

by the California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) (as amended, the “**Redevelopment Law**”).

As a result of Assembly Bill No. X1 26 (“**AB 26**”) enacted on June 29, 2011, as Chapter 5, Statutes of 2011-12 First Extraordinary Session, and the decision of the State Supreme Court in *California Redevelopment Association, et al. v. Matosantos, et al.* (the “**California Redevelopment Association Case**”), as of February 1, 2012, all redevelopment agencies in the State of California (the “**State**”), including the Former Agency, were dissolved, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies. The California legislature has amended AB 26 several times, including on June 27, 2012 by Assembly Bill No. 1484 (“**AB 1484**”), enacted as Chapter 26, Statutes of 2012, and on September 22, 2015 by Senate Bill No. 107 (“**SB 107**”), enacted as Chapter 325, Statutes of 2015.

The primary provisions enacted by AB 26 relating to the dissolution and winding down of former redevelopment agency affairs are codified in Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as amended by AB 1484 and SB 107 (as further amended from time to time, the “**Redevelopment Dissolution Act**”). See also “THE SUCCESSOR AGENCY” for further discussion of the Redevelopment Dissolution Act, the formation of the Successor Agency and the current powers, and limitations thereon, of the Successor Agency. The Redevelopment Law, and the acts amendatory thereof and supplemental thereto, including the Redevelopment Dissolution Act, is collectively referred to herein as the “**Law**.”

In amending the Redevelopment Dissolution Act, SB 107 (i) clarified the Successor Agency’s authority to issue bonds for affordable housing and certain infrastructure (California Health & Safety Code § 34177.7) in certain of its project areas, (ii) removed certain time limits that had previously applied to the issuance of debt and the collection of tax increment by former redevelopment agencies (California Health & Safety Code § 34189 (a)), and (iii) authorized the Successor Agency to secure new debt with the property tax revenues (former tax increment) from project areas that had generated tax increment upon the dissolution of the Former Agency on February 1, 2012 (Stats. 2015, ch. 325, § 27(e)). Significantly, these project areas include those with redevelopment plans that may have expired for other purposes but that continue to be a source of funds for repayment of indebtedness.

Section 34177.7(a)(1)(A) of the Redevelopment Dissolution Act authorizes the Successor Agency to issue bonds and other indebtedness to finance affordable housing required by the following agreements (collectively referred to herein as the “**Affordable Housing Obligations**”): (i) the Disposition and Development Agreement for Hunters Point Shipyard Phase 1 dated as of December 2, 2003 between Lennar/BVHP, LLC, a California limited liability company, doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (ii) the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (iii) the Mission Bay North Owner Participation Agreement entered into as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation (“**Catellus**”), as succeeded by FOCIL-MB, LLC, a Delaware limited liability company (“**FOCIL-MB**”), as heretofore amended and as hereafter may be amended; (iv) the Mission Bay South Owner Participation Agreement entered into as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus, as succeeded by FOCIL-MB, as heretofore amended and as hereafter may be amended; and (v) the Transbay Implementation Agreement.

The Successor Agency is issuing the 2023 Series A Taxable Bonds to provide funds to finance a portion of its Affordable Housing Obligations. See “PLAN OF FINANCE.”

The issuance of the 2023A/B Bonds was subject to the approval of the Successor Agency Commission (as defined herein), the Successor Agency’s oversight board (the “**Oversight Board**”) and the Department of Finance of the State of California (the “**California Department of Finance**”) pursuant to the Redevelopment Dissolution Act. All such approvals have been obtained. See “THE 2023A/B BONDS – Authority for Issuance.”

The Project Areas

At the time of dissolution of the Former Agency, twelve (12) project areas of the Former Agency generated tax increment for redevelopment activities (see reference to the Federal Office Building Redevelopment Project Area in “– Excluded Project Areas” below regarding its lack of tax increment). Two (2) of these project areas (Mission Bay North Redevelopment Project Area and Mission Bay South Redevelopment Project Area) and portions of three (3) other project areas: (i) the State-Owned Parcels (defined herein) in the Transbay Redevelopment Project Area; (ii) Zone 1 (Candlestick Point Sub-Area) of Project Area B of the Bayview Hunters Point Redevelopment Project Area also referred to as “**Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B**” (further described herein); and (iii) all portions of the Hunters Point Shipyard Project Area (defined herein) except the Hunters Point Hill Residential District, were, and continue to be, subject to agreements that irrevocably commit all or a portion of the property tax increment from those areas to specific purposes. Such property tax increment is not pledged as security for debt service on the 2023A/B Bonds. See “– Excluded Project Areas” below. Accordingly, and pursuant to the Indenture, only tax increment from all or a portion of ten (10) such project areas is pledged under the Indenture as security for debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” Such project areas or portion thereof consist of the redevelopment project areas (except any portion thereof included in the Excluded Project Areas defined below) described in the following redevelopment plans (the “**Project Areas**”):

- Redevelopment Plan – Bayview Hunters Point Redevelopment Project Area – Zone 2 of Project Area B (the “**Bayview Hunters Point Project Area – Zone 2 of Project Area B**”)
- Redevelopment Plan – Embarcadero-Lower Market (“Golden Gateway”) Approved Redevelopment Project Area E-1 (the “**Embarcadero-Lower Market (“Golden Gateway”) Project Area**”)
- Redevelopment Plan – Bayview Hunters Point Redevelopment Project Area – Project Area A (formerly known as the Hunters Point Redevelopment Project Area) (the “**Bayview Hunters Point Project Area – Project Area A**”)
- Redevelopment Plan – Hunters Point Shipyard Redevelopment Project Area – Hunters Point Hill Residential District (the “**Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)**”) (only tax increment generated in the Hunters Point Hill Residential District is pledged under the Indenture as security for the 2023A/B Bonds)
- Redevelopment Plan – India Basin Industrial Park Redevelopment Project Area (the “**India Basin Industrial Park Project Area**”)
- Redevelopment Plan – Rincon Point – South Beach Redevelopment Project Area (the “**Rincon Point – South Beach Project Area**”)

- Redevelopment Plan – South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area) (the “**South of Market Project Area**”)
- Redevelopment Plan – Transbay Redevelopment Project Area (the “**Transbay Project Area**”) (excluding the State-Owned Parcel Net Tax Increment (defined herein))
- Redevelopment Plan – Western Addition Redevelopment Project Area A-2 (the “**Western Addition Project Area A-2**”)
- Redevelopment Plan – Yerba Buena Center Approved Redevelopment Project Area D-1 (the “**Yerba Buena Center Approved Project Area D-1**”)

As described in this Official Statement, the 2023A/B Bonds are secured by a pledge and lien on Pledged Tax Revenues (defined herein), which generally consist of tax increment revenues generated within the Project Areas remaining after the payment of the City Controller Administration Fee, the Existing Senior Loan Agreements and the Second Lien Debt (as such terms are defined herein) and on a parity with the 2017A/B Bonds and the 2021A Bonds (defined herein). See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – General.” All or a portion of tax increment revenues from certain excluded project areas or portions of project areas described below are not pledged as security for the payment of the 2023A/B Bonds; therefore, the description of the project areas of the Former Agency set forth in this Official Statement is limited to only the Project Areas and excludes any information relating to the Excluded Project Areas (defined herein), except that information regarding the State-Owned Parcels (defined herein), located within the Transbay Project Area, is included as a portion of the tax increment revenues generated within such parcels is pledged as security for the payment of the 2023A/B Bonds. See “– Excluded Project Areas” below.

Excluded Project Areas

Tax increment revenues from the following project areas of the Former Agency are not pledged as security to pay debt service on the 2023A/B Bonds under the Indenture:

- (i) the Mission Bay North Redevelopment Project Area (the “**Mission Bay North Project Area**”);
- (ii) the Mission Bay South Redevelopment Project Area (the “**Mission Bay South Project Area**”); and
- (iii) the Federal Office Building Redevelopment Project Area (the parcels in which are owned by the Federal Government which does not pay property tax).

In addition, tax increment revenues from the following are not pledged as security to pay debt service on the 2023A/B Bonds under the Indenture:

- (x) Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B;
- (y) parcels in the Hunters Point Shipyard Redevelopment Project Area (the “**Hunters Point Shipyard Project Area**”) other than the Hunters Point Hill Residential District; and
- (z) the State-Owned Parcels (defined herein) (except that as described under “– *Excluded Tax Increment from State-Owned Parcels*,” a certain portion of tax increment revenues from the

State-Owned Parcels is available to pay debt service on the 2023A/B Bonds and other debt obligations).

Collectively, the project areas listed in (i)-(iii) and the portions of project areas described in (x)-(z) above are referred to herein as “**Excluded Project Areas**.” See “PLEDGED TAX REVENUES AND DEBT SERVICE – Historical and Current Assessed Valuation and Tax Revenues” regarding negative tax increment generated by the Federal Office Building Redevelopment Project Area. See “THE PROJECT AREAS – Project Areas – *Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)*” and “– *Excluded Tax Increment from State-Owned Parcels*.” See also APPENDIX B – “FISCAL CONSULTANT REPORT.”

Excluded Tax Increment from State-Owned Parcels. Pursuant to the redevelopment plan for the Transbay Project Area, State-Owned Parcel Net Tax Increment from certain parcels within the Transbay Project Area totaling approximately 10 acres of land currently or previously owned by the State (referred to herein as the “**State-Owned Parcels**”) has been pledged to the TJPA to help pay the cost of replacing the former Transbay Terminal. “**State-Owned Parcel Net Tax Increment**” as used herein means all property and tax increment revenues attributable to the parcels transferred to the City and/or the TJPA pursuant to the Cooperative Agreement, dated as of July 11, 2003, by and among the City, the State and the TJPA, allocated to and received by the Successor Agency, but specifically excluding (i) charges for County administrative charges, fees or costs; (ii) the portion of the tax increment revenues that the Former Agency was required by law to set aside in the Former Agency’s affordable housing fund, pursuant to the Redevelopment Law (herein referred to as the former “**State-Owned Parcels Housing Set-Aside**”); (iii) a portion of the tax increment revenues equal to the percentage of such revenue required to pay all governmental entities as required under the Redevelopment Law; and (iv) the portion of tax increment revenues equal to the percentage of such revenues that the State may mandate the Successor Agency, as successor to the Former Agency, to pay from time to time in the future.

Under the Indenture, Pledged Tax Revenues exclude amounts required to be paid to the TJPA in accordance with the redevelopment plan for the Transbay Project Area (i.e. State-Owned Parcel Net Tax Increment). Therefore, State-Owned Parcel Net Tax Increment is not available for payment of debt service on the 2023A/B Bonds. State-Owned Parcel Net Tax Increment for Fiscal Year 2022-23 is approximately \$26.6 million. See Appendix B – “Fiscal Consultant Report.” The tax increment from the State-Owned Parcels in excess of the State-Owned Parcel Net Tax Increment is deposited into the RPTTF. For Fiscal Year 2022-23, such excess totaled approximately \$21.4 million. Of such excess, the tax increment from the State-Owned Parcels in an amount equal to the former State-Owned Parcels Housing Set-Aside and the amount equal to the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels, to the extent subordinated, is anticipated to be available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. For Fiscal Year 2022-23, such tax increment totaled \$ _____. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Former Housing Fund*” and “– *Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds*.”

Tax Allocation Financing

Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described herein. See “CERTAIN RISK FACTORS.”

Prior to the enactment of AB 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance, which adopted the redevelopment plan became the base year

valuation. Assuming the taxable valuation never dropped below the base year level, the taxing agencies thereafter generally received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of such agency's obligations.

The Redevelopment Dissolution Act authorizes bonds, including the 2023A/B Bonds, to be secured by a pledge of, and to be payable from and further secured by, property tax revenues deposited from time to time in the Redevelopment Property Tax Trust Fund held by the auditor-controller of the City and County of San Francisco (the “**City Controller**”) with respect to the Successor Agency (the “**Redevelopment Property Tax Trust Fund**” hereinafter referred to as “**RPTTF**”), if those revenues are not otherwise obligated. Such funds are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects. **DISCUSSIONS HEREIN REGARDING TAX INCREMENT OR TAX REVENUES NOW REFER TO THOSE MONEYS DEPOSITED BY THE CITY CONTROLLER INTO THE RPTTF AND NOT OBLIGATED FOR OTHER PURPOSES.**

Security and Sources of Payment for the 2023A/B Bonds

The 2023A/B Bonds are limited obligations of the Successor Agency entitled to the benefits of the Indenture and payable from and secured by the Pledged Tax Revenues (defined herein) on a parity with the 2017A/B Bonds and the 2021A Bonds. Pledged Tax Revenues, as more fully described herein, do not include the State-Owned Parcel Net Tax Increment from the State-Owned Parcels or any tax increment revenues from, or amounts deposited in, the RPTTF attributable to the other Excluded Project Areas. The payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds is subordinate to payment of the City Controller Administration Fee and payments due on the Senior Obligations. The Successor Agency has covenanted that it will not issue additional debt payable from the Pledged Tax Revenues on a basis senior to the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds except for the purpose of refunding the Senior Obligations. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act,” “– Security for the 2023A/B Bonds; Equal Security,” “– Senior Obligations,” “– Parity Obligations,” and “– Limitations on Additional Indebtedness.”

The Redevelopment Dissolution Act requires the City Controller to determine the amount of property taxes that would have been allocated to the Former Agency had it not been dissolved pursuant to the operation of AB 26, using current assessed values on the last equalized roll on August 20, and to deposit such amount in the RPTTF. The Redevelopment Dissolution Act further provides that Successor Agency bonds authorized under Section 34177.7 “*may be secured by property tax revenues available in the successor agency's Redevelopment Property Tax Trust Fund from those project areas that generated tax increment for the Redevelopment Agency of the City and County of San Francisco upon its dissolution, if the revenues are not otherwise obligated*” (Stats. 2015, ch. 325, § 27(e)). Such bonds will be secured by a pledge of, and lien on, and will be repaid from, moneys deposited from time to time in the RPTTF. Property tax revenues pledged to any bonds authorized under the Redevelopment Dissolution Act are taxes allocated to the successor agency pursuant to the provisions of the Redevelopment Law and the State Constitution which provided for the allocation of tax increment revenues under the Redevelopment Law. Section 34177.7(g) of the Redevelopment Dissolution Act provides that the Successor Agency's bonds will be considered indebtedness incurred by the dissolved Former Agency, with the same legal effect as if such bonds had been issued prior to the effective date of AB 26 and in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date. The Successor Agency must include debt service payments for such bonds on its Recognized Obligation Payment Schedule (defined herein) in

order for such amounts to be distributed to the Successor Agency and be available to pay debt service on the 2023A/B Bonds as described below. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule.”

The Redevelopment Dissolution Act requires compliance by the Successor Agency with a procedure for preparation of a Recognized Obligation Payment Schedule in order to receive funds for payment of debt service and submission thereof to the Oversight Board and the California Department of Finance for approval. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act.” Taxes levied on the property within the Project Areas on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various properties within the Project Areas, to the extent that such taxes constitute tax revenues, will be deposited in the RPTTF for transfer by the City Controller to the Successor Agency’s Redevelopment Obligation Retirement Fund (the “**Retirement Fund**”) on January 2 and June 1 of each year (adjusted for weekends and holidays) to the extent required for payments listed in the Successor Agency’s Recognized Obligation Payment Schedule in accordance with the requirements of the Redevelopment Dissolution Act. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule.” Moneys deposited by the City Controller into the Retirement Fund representing Pledged Tax Revenues will first be deposited by the Successor Agency in the “Third Lien Special Fund” which is to be held by the Successor Agency within the Retirement Fund (the “**Special Fund**”) and will then be transferred by the Successor Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture.

The 2023A/B Bonds are limited obligations of the Successor Agency, the principal of, and interest on which are payable solely from Pledged Tax Revenues and certain other amounts on deposit in the funds and accounts held under the Indenture on a parity with the 2017A/B Bonds and the 2021A Bonds. The 2023A/B Bonds are not a debt of the City, the State or any of their political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable therefor. The 2023A/B Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Successor Agency has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the 2023A/B Bonds. None of the members of the Successor Agency Commission (defined herein), the Successor Agency, the City, or the persons executing the 2023A/B Bonds is liable personally for the 2023A/B Bonds by reason of their issuance. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act” and “PLEDGED TAX REVENUES AND DEBT SERVICE.”

Senior Obligations

The pledge of tax increment revenues from the Project Areas to pay debt service on the 2023A/B Bonds is *subordinate* to the prior pledge, or priority of payment, of such tax increment revenue to the payment of the Existing Senior Loan Agreements (defined herein) and the Second Lien Debt (defined herein) (collectively, the “**Senior Obligations**,” as further described herein). As of June 30, 2023, there was approximately \$282 million aggregate principal amount of Senior Obligations outstanding. Approximately \$12 million of such aggregate principal amount is secured by pledges of tax revenue from Mission Bay North and Mission Bay South Project Areas (collectively, the “**Mission Bay Senior Loan Agreements**”), which are Excluded Project Areas. However, in the event there is insufficient money in any reserve account established under either of the Mission Bay Senior Loan Agreements to transfer to the applicable trustee when due under such loan agreement, the Successor Agency is obligated to cause tax increment revenue

from certain of the Project Areas in the amount of such insufficiency, subject to a certain maximum amount, to be paid to the applicable trustee. The Successor Agency has covenanted that it will not issue additional debt payable from the pledged tax increment revenues from the Project Areas on a basis senior to the payment of debt service on the 2023A/B Bonds, except for the purpose of refunding the Existing Senior Loan Agreements and the Second Lien Debt. See also “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – General” and “– Existing Senior Obligations.”

Third Lien Parity Debt

In addition to the Senior Obligations described above, as of June 30, 2023, the Successor Agency had outstanding \$44,350,000 aggregate principal amount of the 2017A/B Bonds and \$127,210,000 aggregate principal amount of the 2021A Bonds, the debt service on which is payable on a parity with the payment of debt service on the 2023A/B Bonds from Pledged Tax Revenues. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations.”

The Successor Agency has the right to issue additional indebtedness payable on a parity with the 2023A/B Bonds from Pledged Tax Revenues upon the satisfaction of certain conditions set forth in the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Third Lien Parity Debt*.” The Successor Agency currently anticipates needing to finance approximately \$[] million of infrastructure in the Transbay Project Area in the next five years and approximately \$[] million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. The amounts and time in the preceding sentence reflect current projections. No assurance can be given as to the exact timing or amount of any additional bond issuances.

Reserve Account

The Indenture establishes a “**2023A Reserve Subaccount**” within the Reserve Account for the 2023 Series A Taxable Bonds to be maintained in an amount at least equal to the Reserve Requirement (defined herein) for the 2023 Series A Taxable Bonds and a “**2023B Reserve Subaccount**” within the Reserve Account for the 2023 Series B Bonds to be maintained in an amount at least equal to the Reserve Requirement for the 2023 Series B Bonds (the 2023A Reserve Subaccount and the 2023B Reserve Subaccount, together, the “**Reserve Subaccounts**”). The Reserve Requirement for the 2023 Series A Taxable Bonds and the Reserve Requirement for the 2023 Series B Bonds will be calculated separately and without regard to the 2017A/B Bonds, the 2021A Bonds or any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds in the future (such additional bonds, loans, advances and indebtedness hereinafter referred to as “**Third Lien Parity Debt**”). [The Successor Agency has [solicited] [received] bids from [2023 Insurer] for a municipal bond debt service reserve insurance policy to satisfy the reserve requirement for the 2023 Series A Taxable Bonds and a municipal bond debt service reserve insurance policy to satisfy the reserve requirement for the 2023 Series B Bonds. The Successor Agency will make a decision on whether to purchase either of such policies at or about the time of the pricing of the 2023A/B Bonds. No assurance can be given as to whether the Successor Agency will purchase either of such policies. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Special Fund; Deposit of Pledged Tax Revenues – *Reserve Account*.”

Bond Insurance

[The Successor Agency has [solicited] [received] bids from [2023 Insurer] for a municipal bond insurance policy (the “**2023A Insurance Policy**”) to guarantee the scheduled payment of the principal of and interest on all or a portion of the 2023 Series A Taxable Bonds (the “**2023A Insured Bonds**”), when due, and a

municipal bond insurance policy (the “**2023B Insurance Policy**” and, together with the 2023A Insurance Policy, the “**Insurance Policies**,” and each, an “**Insurance Policy**”) to guarantee the scheduled payment of the principal of and interest on all or a portion of the 2023 Series B Bonds (the “**2023B Insured Bonds**” and, together with the 2023A Insured Bonds, the “**Insured Bonds**”), when due. The Successor Agency will make a decision on whether to purchase either of such Insurance Policies at or about the time of the pricing of the 2023A/B Bonds. No assurance can be given as to whether the Successor Agency will purchase either of such Insurance Policies.] See “BOND INSURANCE.”

Certain Risk Factors

Certain events could affect the ability of the Successor Agency to pay debt service on the 2023A/B Bonds when due. See “CERTAIN RISK FACTORS” for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the 2023A/B Bonds.

Public Health Emergency

In February 2023, the State of California and the San Francisco Department of Public Health ended their respective COVID-19 public health emergencies with respect to COVID-19, which had been declared a pandemic by the World Health Organization (the “**WHO**”). The WHO and the U.S. Department of Health and Human Services (“**HHS**”) ended their respective COVID-19 public health emergency declarations in May 2023. HHS determined that COVID-19 remained a public health priority and indicated it would monitor the latest subvariants. As the City recovers from the COVID-19 pandemic, it faces certain challenges. According to the City, it experienced a net loss of 54,813 people from 2020 to 2021, and it has been reported that the office vacancy rate in the City was 29.4% in the first quarter of 2023. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Projected Pledged Tax Revenues and Debt Service Coverage” and “CERTAIN RISK FACTORS – Reductions to Tax Base and Assessed Values,” “ – Appeals to Assessed Values,” “ – Public Health Emergencies” and “Office Vacancy in San Francisco; Impact on Property Taxes and Other Revenues.”

Continuing Disclosure

The Successor Agency has covenanted for the benefit of Owners and Beneficial Owners to provide certain financial information and operating data relating to the Successor Agency not later than six (6) months after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2023 (the “**Annual Report**”), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of the specified events will be filed with the Municipal Securities Rulemaking Board (the “**MSRB**”) through the Electronic Municipal Market Access website (“**EMMA**”) of the MSRB. The specific nature of the information to be contained in the Annual Report and the notice of events is set forth in APPENDIX D – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriters (defined herein) in complying with S.E.C. Rule 15c2-12(b)(5).

See “CONTINUING DISCLOSURE” for additional information.

Available Information

This Official Statement contains brief descriptions of the 2023A/B Bonds, the security for the 2023A/B Bonds, the Indenture, the Successor Agency, the Former Agency, the City, the Project Areas and certain other information relevant to the issuance of the 2023A/B Bonds. All references herein to the Indenture, the Redevelopment Law, the Redevelopment Dissolution Act, the State Constitution and laws of the State are qualified in their entirety by reference to the complete text thereof and all references to the 2023A/B Bonds are further qualified by reference to the form thereof contained in the Indenture.

The Successor Agency’s audited financial statements for the period ended June 30, 2022, are included in APPENDIX A – “SUCCESSOR AGENCY’S AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022.” Urban Analytics, LLC, San Francisco, California (the “**Fiscal Consultant**”), is providing consulting services to the Successor Agency with respect to the Project Areas and their projected taxable values and anticipated tax increment revenues. The Fiscal Consultant’s report is attached hereto as APPENDIX B – “FISCAL CONSULTANT REPORT.” The proposed form of legal opinion of Bond Counsel relating to the 2023A/B Bonds is set forth in APPENDIX E – “FORM OF BOND COUNSEL FINAL OPINION.”

The information set forth herein and in the Appendices hereto has been furnished by the Successor Agency and includes information which has been obtained from other sources, which are believed to be reliable but is not guaranteed as to accuracy or completeness by the Successor Agency or the Underwriters and is not to be construed as a representation by the Underwriters. Copies of documents referred to herein and information concerning the 2023A/B Bonds are available upon written request from the Trustee, U.S. Bank Trust Company, National Association, One California Street, Suite 1000, Mail Code: SF-CA-SFCT, San Francisco, California 94111. Within the City, the Successor Agency, which is constituted as the Office of Community Investment and Infrastructure or “OCII,” may be contacted at: Office of Community Investment and Infrastructure, One South Van Ness Avenue, 5th Floor, San Francisco, California 94103; telephone: (415) 749-2465. The Successor Agency will respond to requests by any Bondowner for public information. The Successor Agency may impose a charge for copying, mailing and handling.

PLAN OF FINANCE

A portion of the net proceeds from the sale of the 2023 Service A Taxable Bonds will be used to finance the development and/or construction of affordable housing under the Affordable Housing Obligations. Said housing is expected to consist of approximately [] units of housing in the [] Project Area, approximately [] units of housing in the [] Project Area and approximately [] units of housing in the [] Project Area, as further set forth in the table below. However, the Successor Agency may use proceeds of the 2023 Series A Taxable Bonds to finance other affordable housing developments under the Affordable Housing Obligations.

Projects to be Financed with Proceeds of 2023 Series A Taxable Bonds*

Name	Location	Units¹	Construction Loan Amount (\$millions)¹	Estimated Completion Date	Targeted AMI

¹ Units are estimates and subject to change. Projects include existing predevelopment loans that will be incorporated into new construction loans

Proceeds of the 2023 Series A Taxable Bonds also will be used to pay costs associated with the issuance of the 2023 Series A Taxable Bonds, including premiums for the purchase of a bond insurance policy and/or reserve surety, if any. If no reserve surety is purchased, then the proceeds of the 2023 Series A Taxable Bonds also will be used to fund a deposit to the 2023A Reserve Subaccount. See “INTRODUCTION – Reserve Account” and “ – Bond Insurance.”

* Preliminary, subject to change.

A portion of the net proceeds of the 2023 Series B Bonds will be used to finance infrastructure, specifically, improvements in the Transbay Project Area in the form of [_____]. Proceeds of the 2023 Series B Bonds also will be used to pay costs associated with the issuance of the 2023 Series B Bonds including premiums for the purchase of a bond insurance policy and/or a reserve surety, if any. If no reserve surety is purchased, then the proceeds of the 2023 Series B Bonds will also be used to fund a deposit to the 2023B Reserve Subaccount. See “INTRODUCTION – Reserve Account” and “ – Bond Insurance.”

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the 2023A/B Bonds are as follows:

<i>Sources:</i>	2023 Series A Taxable Bonds	2023 Series B Bonds	Total
Par Amount			
Original Issue Premium/(Discount)			
Total Sources			
 <i>Uses:</i>			
2023 Series A (Taxable) Project Fund			
2023 Series B Project Fund			
Costs of Issuance ⁽¹⁾			
Underwriters’ Discount			
Total Uses			

⁽¹⁾ Costs of issuance include legal, financing and consultant fees, rating agency fees, the fees for the reserve sureties and bond insurance policies, if any, and other miscellaneous expenses incurred in connection with the issuance of the 2023A/B Bonds.

THE 2023A/B BONDS

Authority for Issuance

The 2023A/B Bonds were authorized for issuance pursuant to the Indenture, the Redevelopment Law and the Redevelopment Dissolution Act. See “INTRODUCTION – The Successor Agency.” Issuance of the 2023A/B Bonds and the execution of the related documents were authorized by the Successor Agency pursuant to a resolution adopted on March 21, 2023 (the “**Resolution**”), and approved by the Successor Agency’s Oversight Board pursuant to a resolution of the Oversight Board adopted on April 7, 2023 (the “**Oversight Board Resolution**”).

Written notice of the Oversight Board Resolution was provided to the California Department of Finance, as required by the Redevelopment Dissolution Act, on April 7, 2023. On April 13, 2023, which is within the time period allotted under the Redevelopment Dissolution Act for the California Department of Finance to review the Oversight Board Resolution, the California Department of Finance provided a letter to the Successor Agency stating that, based on the California Department of Finance’s review of the Oversight Board Resolution and application of applicable law, the California Department of Finance approved of the issuance of the 2023A/B Bonds. A copy of the California Department of Finance’s letter is attached hereto as APPENDIX G.

[Designation as Social Bonds

[Update if decide to designate.] The Successor Agency is designating the 2023 Series A Taxable Bonds as “Social Bonds” as it has determined that the projects to be financed with the proceeds of the 2023

Series A Taxable Bonds are “Social Projects” based on the social benefits of addressing affordable housing within the City, and in accordance with the Successor Agency’s mission of funding and facilitating delivery of affordable housing and infrastructure throughout its project areas.

The projects planned to be financed with proceeds of the 2023 Series A Taxable Bonds will address the need within the City to preserve or increase affordable housing stock. See “– Use of Proceeds” below. The Successor Agency retained affordable housing obligations integrally related to the Major Approved Development Projects (defined herein) that the Successor Agency must continue to implement pursuant to the Affordable Housing Obligations, which are enforceable obligations, consistent with the Redevelopment Dissolution Act. See “THE SUCCESSOR AGENCY – Continuing Activities” below. The obligations include direct funding through loans or grants to “stand-alone,” or 100% affordable, residential developments as well as below market rate “inclusionary” housing that is required through Successor Agency development agreements with private developers in connection with market rate housing, and for which no subsidy is provided by the Successor Agency. The Successor Agency manages these affordable housing development obligations through direct oversight and underwriting along with services procured from the Mayor’s Office of Housing and Community Development (“**MOHCD**”) through a 2014 Memorandum of Understanding. In general, the Successor Agency is responsible for directly managing the affordable housing projects’ development through construction completion. The Successor Agency also procures services from the MOHCD’s staff for review and monitoring of marketing for both inclusionary and Successor Agency funded projects (including implementation of the Certificate of Preference program), and assisting with the fiscal management and disbursement of the Successor Agency’s funds pursuant to the relevant project’s financing agreements, and other ancillary tasks as needed. Upon completion of the project, defined as constructed, occupied, and conversion to permanent financing, the Successor Agency will transfer the affordable housing assets, such as land, funding agreements, ground leases, and affordability restrictions, for each completed project to the MOHCD. The MOHCD will then be responsible for all asset management responsibilities for the transferred projects. As a result of these retained affordable housing obligations, the Successor Agency is responsible for overseeing the creation of thousands of units of affordable housing related to the Major Approved Development Projects. As of [____], 2023, a total of [____] housing units have been completed and occupied across the Major Approved Development Projects, with [____] housing units in various stages of construction, predevelopment, planning and future development. Of the [____] total units already completed or planned, the Successor Agency must produce over [____] affordable housing units. Over 60% ([____] units) will be funded by the Successor Agency. A summary table is provided below.

**Total Housing Production for the Successor Agency in the Major Approved Development Projects
(as of [____], 2023)**

Project Status	Mission Bay North	Mission Bay South	Transbay	Hunters Point Shipyard Phase 1⁽¹⁾	Hunters Point Shipyard Phase 2⁽²⁾ and Candlestick Point⁽³⁾	Total
Completed & Occupied						
In Construction						
In Predevelopment						
In Planning						
Future Development						
Total						

⁽¹⁾ Hunters Point Hill Residential District (Hunters Point Shipyard Project Area).

⁽²⁾ Hunters Point Shipyard Project Area, except Hunters Point Hill Residential District.

⁽³⁾ Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B.

The designation of the 2023 Series A Taxable Bonds as “Social Bonds” is intended to generally comport with The Social Bond Principles promulgated by the International Capital Market Association (“ICMA”), updated as of June 2021. As promulgated by the ICMA and most recently updated in June 2021, the “Social Bond Principles” have four core components (i.e., Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting), each of which are further described below.

The term “Social Bonds” is neither defined in nor related to provisions in the Indenture. The 2023 Series A Taxable Bonds are payable from and secured solely by Pledged Tax Revenues and moneys held in certain funds and accounts by the Trustee under the Indenture on a parity with the 2023 Series B Bonds, the 2017A/B Bonds and the 2021A Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” Owners of the 2023 Series A Taxable Bonds do not assume any specific project risk related to any of the projects funded thereby. ICMA is a European-based entity with some members from the United States. The Successor Agency assumes no obligation to ensure that the projects financed with proceeds of the 2023 Series A Taxable Bonds comply with any legal or other standards or principles that may relate to “Social Projects” or that the 2023 Series A Taxable Bonds comply with any legal or other standards or principles that may relate to “Social Bonds.” The designation of the 2023 Series A Taxable Bonds as Social Bonds does not entitle the Owners thereof to any special treatment under the Internal Revenue Code of 1986, as amended.

ICMA Mapping of Social Bond Principles to United Nations Sustainable Development Goals. By reference to the ICMA “Green and Social Bonds: A High-Level Mapping to the Sustainable Development Goals” (June 2018), the Successor Agency has determined that its Social Bonds designation reflects the use of proceeds in a manner that is consistent with “Goal 1: No Poverty”, “Goal 10: Reduced Inequalities” and “Goal 11: Sustainable Cities and Communities” of the United Nations 17 Sustainable

Development Goals (referred to as “UNSDGs” generally and “SDG 1”, “SDG 10” and “SDG 11,” specifically). According to the United Nations, the UNSDGs were adopted by the United Nations General Assembly in September 2015 as part of its 2030 Agenda for Sustainable Development. According to the United Nations, SDG 1 is focused on ending poverty in all its forms everywhere, SDG 10 is focused on reducing inequality and SDG 11 is focused on making the cities and communities inclusive, safe, resilient and sustainable. ICMA maps SDG 1.4 to ICMA Social Bond Principles “Affordable Housing,” “Access to Essential Services,” and “Socioeconomic Advancement and Empowerment”; and maps SDG 11.1 to ICMA Social Bond Principles “Affordable Housing” and “Affordable Basic Infrastructure.”

Use of Proceeds. The Successor Agency expects to use a portion of the proceeds of the 2023 Series A Taxable Bonds to finance approximately [] affordable housing units in the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), approximately [] affordable housing units in the Mission Bay South Project Area and approximately [] affordable housing units in the Transbay Project Area. However, the Successor Agency may use proceeds of the 2023 Series A Taxable Bonds to finance other affordable housing developments under its Affordable Housing Obligations. See “PLAN OF FINANCE” for more details. Affordable units are defined as being restricted to, and priced for, households earning up to 120% of the Area Median Income (“AMI”). The Successor Agency’s rental projects typically serve low or very-low income households (up to 50% or 60% of AMI), while affordable homeownership units are designated for first-time low to moderate income buyers earning between 80%-120% of AMI. Ground leases for such projects guarantee affordability for 100 years. Allocation of proceeds occurs through the Successor Agency’s annual budget and ROPs process, and is tracked through an accounting system.

Process for Project Evaluation and Selection. The Successor Agency maintains a documented process to determine that projects fit within the defined AMI categories listed above, and the Successor Agency’s development agreements identify the locations and total number of affordable units to be funded in each project area.

Reporting. The Successor Agency produces an annual housing report, which provides status updates for housing projects associated with the Major Approved Development Projects as well as other projects. The report can be found at <https://sfocii.org/annual-housing-production-report>. The Successor Agency also provides updates through its annual budgets, which can be found at <https://sfocii.org/annual-financial-reports>. The information available on such websites is not incorporated by reference into this Official Statement and should not be relied upon in making an investment in the 2021A Bonds.

Description of the 2023A/B Bonds

The 2023A/B Bonds will be issued in the form of fully registered bonds without coupons and in principal denominations of \$5,000 or any integral multiple thereof. No 2023A/B Bond will have more than one maturity date.

The 2023A/B Bonds will be dated, and will bear interest from, their date of delivery to the original purchasers thereof. The 2023A/B Bonds will be issued in the respective aggregate amounts, will bear interest at the respective rates and will mature on the respective dates and in the amounts all as set forth on the inside cover page hereof.

[The 2023A/B Bonds are not subject to redemption prior to maturity.]

Interest on the 2023A/B Bonds will be payable on February 1 and August 1 of each year, commencing [August 1, 202[]] (each, an “**Interest Payment Date**”). Interest on the 2023A/B Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each 2023A/B Bond will bear

interest from the Interest Payment Date next preceding the date of authentication thereof, unless (i) it is authenticated after the close of business on the fifteenth (15th) calendar day of the month preceding an Interest Payment Date whether or not such fifteenth (15th) calendar day is a business day (the “**Record Date**”) and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (ii) it is authenticated on or prior to [____], 2023, in which event it will bear interest from the date of delivery of the 2023A/B Bonds to the original purchasers thereof, provided, however, that if at the time of authentication of a 2023A/B Bond, interest thereon is in default, such 2023A/B Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Book-Entry Only System

Each Series of 2023A/B Bonds initially will be issued as fully registered bonds without coupons for each maturity of such Series of 2023A/B Bonds. Upon initial delivery, the ownership of the 2023A/B Bonds will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“**DTC**”), New York, New York. DTC will act as a securities depository for the 2023A/B Bonds. Individual purchases may be made in book-entry only form. Purchasers will not receive certificates representing their beneficial ownership interest in the 2023A/B Bonds so purchased. So long as DTC, or its nominee, Cede & Co., is the registered owner of the 2023A/B Bonds, payments of principal, premium, if any, and interest evidenced by the 2023A/B Bonds will be made to DTC or its nominee, Cede & Co., as registered owner of the 2023A/B Bonds and references herein and in the Indenture to the Owners or Bondowners mean Cede & Co. and do not mean the Beneficial Owners of the 2023A/B Bonds. In this Official Statement, the term “**Beneficial Owner**” means the person for whom a DTC Participant acquires an interest in the 2023A/B Bonds. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Each such payment to DTC or its nominee will be valid and effective to fully discharge all liability of the Successor Agency or the Trustee with respect to the principal of or interest on the 2023A/B Bonds to the extent of the sum or sums so paid. The Successor Agency and the Trustee cannot and do not give any assurance that DTC’s Direct Participants or Indirect Participants will distribute to Beneficial Owners (i) payments of interest, principal or premium, if any, with respect to the 2023A/B Bonds, (ii) confirmation of ownership interests in the 2023A/B Bonds, or (iii) notices sent to DTC or Cede & Co., its nominee, as registered owner of the 2023A/B Bonds, or that DTC’s Direct Participants or Indirect Participants will do so on a timely basis.

Neither the Successor Agency nor the Trustee will have any responsibility or obligation to DTC Direct Participants, Indirect Participants or Beneficial Owners with respect to the payments or the providing of notice to DTC Direct Participants, Indirect Participants or Beneficial Owners [or the selection of the 2023A/B Bonds for redemption.]. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

In the event that either (i) DTC or a successor securities depository determines not to continue to act as a securities depository for the 2023A/B Bonds, or (ii) the Successor Agency determines to terminate DTC or a successor securities depository as such, then the Successor Agency will discontinue the book-entry system. Thereupon, DTC or the then current securities depository will furnish the Trustee with the names and addresses of the book-entry system Participants and their respective ownership interests thereof and the Trustee will issue replacement 2023A/B Bonds thereto.

[Redemption Provisions*]

Optional Redemption. The 2023 Series A Taxable Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023 Series A Taxable Bonds maturing on or after August 1, 20__, are subject to optional redemption at the option of the Successor Agency, prior to their respective maturity dates as a whole, or in part by a lot, on any date on or after August 1, 20__, by such maturity or maturities as will be directed by the Successor Agency (or in the absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption will be at a redemption price equal to 100% of the principal amount of the 2023 Series A Taxable Bonds to be redeemed, plus accrued but unpaid interest thereon to the date fixed for redemption, without premium.

The 2023 Series B Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023 Series B Bonds maturing on or after August 1, 20__, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 20__, by such maturity or maturities as will be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption will be at a redemption price equal to 100% of the principal amount of the 2023 Series B Bonds to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The 2023 Series A Taxable Bonds that are Term Bonds (the “**2023A Term Bonds**”) maturing on August 1, 20__, and August 1, 20__, are subject to mandatory sinking fund redemption in whole, or in part by lot, on August 1 in each year, commencing on August 1, 20__ and August 1, 20__, respectively, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years set forth in the following table[s]; provided, however, that (a) in lieu of mandatory sinking fund redemption thereof, such 2023A Term Bonds may be purchased by the Successor Agency as described below, and (b) if some but not all of such 2023A Term Bonds have been redeemed by optional redemption as described above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2023A Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination will be given by the Successor Agency to the Trustee).

2023 Series A Taxable Term Bonds maturing on August 1, 20__

Sinking Account
Redemption Date
(August 1)

Principal Amount
to be Redeemed

* Maturity

* Preliminary, subject to change.

2023 Series A Taxable Term Bonds maturing on August 1, 20__

Sinking Account
Redemption Date
(August 1)

Principal Amount
to be Redeemed

* Maturity

The 2023 Series B Bonds that are Term Bonds (the “**2023B Term Bonds**” and, together with the 2023A Term Bonds, the “**2023A/B Term Bonds**”) maturing on August 1, 20__, and August 1, 20__, are subject to mandatory sinking fund redemption in whole, or in part by lot, on August 1 in each year commencing on August 1, 20__ and August 1, 20__, respectively, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table[s]; provided, however, that (a) in lieu of mandatory sinking fund redemption thereof, such 2023B Term Bonds may be purchased by the Successor Agency as described below, and (b) if some but not all of such 2023B Term Bonds have been redeemed by optional redemption as described above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2023B Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination will be given by the Successor Agency to the Trustee).

2023 Series B Term Bonds maturing on August 1, 20__

Sinking Account
Redemption Date
(August 1)

Principal Amount
to be Redeemed

* Maturity

2023 Series B Term Bonds maturing on August 1, 20__

Sinking Account
Redemption Date
(August 1)

Principal Amount
to be Redeemed

* Maturity

Purchase in Lieu of Redemption. In lieu of redemption of the 2023A/B Term Bonds pursuant to the preceding paragraph[s], the Successor Agency may purchase such 2023A/B Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges) as the Successor Agency may in its discretion determine. The par amount of any of such 2023A/B Term Bonds so purchased by the Successor Agency in any twelve-month period ending on June 1 in any year will be credited towards and will reduce the par amount of such 2023A/B Term Bonds required to be redeemed on August 1 in each year.

Selection of Bonds for Redemption. Whenever any 2023A/B Bonds or any Parity Debt (defined herein) issued pursuant to a supplement to the Indenture (such Parity Debt and 2023A/B Bonds hereinafter together referred to as, “**Bonds**”) or portions thereof are to be selected for redemption by lot, the Trustee will make such selection, in such manner as the Trustee will deem appropriate, and will notify the Successor Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee will assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed will be the Bonds that were assigned the numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 will be redeemed as will equal \$5,000 for each number assigned to it and so selected.

Notice of Redemption; Rescission. Notice of redemption will be mailed by the Trustee by first class mail no less than thirty (30) and nor more than sixty (60) days prior to the redemption date (i) to any insurer of the Bonds and to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Securities Depositories and one or more Information Services designated in a Written Request of the Successor Agency filed with the Trustee; but such mailing will not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice will state the redemption date and the redemption price, will state, in the case of an optional redemption, that such redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, will designate the CUSIP number of the Bonds to be redeemed, will state the individual number of each Bond to be redeemed or will state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and will require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

The Successor Agency has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption will be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Indenture. If any redemption is rescinded or canceled in accordance with the Indenture, the Trustee will mail notice of such rescission or cancellation in the same manner and to the same recipients as the original notice of such redemption was sent, and neither the Successor Agency nor Trustee will have any liability to Owners or any other party related to or arising from such rescission of redemption.

Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption will have been duly deposited with the Trustee, such Bonds so called will be cancelled and cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest will accrue thereon from and after the redemption date specified in such notice.

Transfer and Exchange. The Bonds may be transferred or exchanged for a bond of the same tenor, maturity and principal amount at the Principal Corporate Trust Office of the Trustee by the person in whose name it is registered, provided that the Trustee will not be required to register the transfer or exchange of (i) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for selection of the Bonds for redemption, or (ii) any Bonds selected by the Trustee for redemption pursuant to the Indenture. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.” So long as Cede & Co. is the registered owner of the Bonds, transfers and exchanges of the Bonds will be subject to book-entry procedures. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Mutilated, Lost, Destroyed or Stolen Bonds. The Successor Agency and the Trustee will, under certain circumstances, replace Bonds which have been mutilated, lost, destroyed or stolen. The Successor Agency may require payment of a reasonable fee and of the expenses which may be incurred by the Successor Agency and the Trustee in connection with the issuance of a new Bond to replace a Bond which has been mutilated, lost, destroyed or stolen. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

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DEBT SERVICE SCHEDULE

Set forth below is a table showing scheduled principal, interest and total debt service for the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt (defined herein), consisting of the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds.

Bond Year ending August 1	Existing Senior Loan Agreements ⁽¹⁾	Second Lien Debt		Third Lien Debt			Total Debt Service	
		2014 Bonds ⁽²⁾	2014 Parity Debt ⁽³⁾	2017A/B Bonds and 2021A Bonds ⁽⁴⁾	2023A/B Bonds			
					Principal	Interest		Debt Service
2023	\$32,306,689.20	\$2,805,507.50	\$13,393,968.75	\$5,561,701.65				
2024	\$32,303,476.70	\$2,824,677.00	\$13,232,718.75	\$8,750,344.95				
2025	\$23,564,226.70	\$2,907,781.00	\$6,050,718.75	\$19,261,155.45				
2026	\$22,920,937.40	\$2,897,565.00	\$6,043,631.25	\$18,727,445.60				
2027	\$22,896,480.80	\$2,917,099.00	\$6,059,331.25	\$18,431,233.25				
2028	\$22,896,434.20	\$2,905,793.50	\$6,045,381.25	\$18,568,083.20				
2029	\$22,876,470.50	\$2,900,430.50	\$6,051,475.00	\$18,754,150.35				
2030	\$21,885,189.10	\$2,450,510.00	\$7,012,662.50	\$18,947,927.00				
2031	\$23,858,861.00	\$1,213,483.50	\$3,428,968.75	\$22,599,947.50				
2032	\$23,847,321.30	\$1,196,731.50	\$3,434,775.00	\$23,429,276.50				
2033	\$23,839,710.70	\$1,198,518.50	\$3,435,150.00	\$1,801,875.00				
2034	\$23,821,782.40	\$1,187,870.50	\$3,429,943.75	\$1,801,875.00				
2035	\$19,304,731.80	\$1,190,274.50		\$3,766,700.00				
2036	\$19,292,294.60		\$3,884,075.00	\$1,801,875.00				
2037	\$13,727,503.10		\$4,064,093.75	\$1,801,875.00				
2038	\$2,936,691.70		\$4,804,375.00	\$1,801,875.00				
2039	\$2,921,541.70		\$4,805,062.50	\$1,801,875.00				
2040			\$5,760,437.50	\$1,801,875.00				
2041			\$3,258,250.00	\$2,341,875.00				
2042				\$8,468,250.00				
2043				\$8,490,562.50				
2044				\$8,514,093.75				
2045				\$9,024,000.00				
2046				\$9,024,750.00				
2047								
2048								
2049								
2050								
2051								
2052								
2053								
TOTAL	\$355,200,342.90	\$28,596,242.00	\$107,961,718.75	\$233,309,796.70				

(1) The Successor Agency's obligation to pay debt service on the Existing Senior Loan Agreements is senior to that of the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loan Agreements*."

(2) Reflects debt service on the 2014 Bonds. The Successor Agency's obligation to pay debt service on the 2014 Bonds is senior to that of the 2023A/B Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loans and Second Lien Debt*."

(3) Reflects debt service on the 2014 Parity Debt, which consists of the 2017D/E Bonds (defined herein). The Successor Agency's obligation to pay debt service on the 2014 Parity Debt is senior to that of the 2023A/B Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loans and Second Lien Debt*."

(Footnotes continue on next page.)

- (4) Reflects debt service on the 2017A/B Bonds and the 2021A Bonds. The Successor Agency's obligation to pay debt service on the 2017A/B Bonds and the 2021A Bonds is on a parity with that of the 2023A/B Bonds. See "INTRODUCTION – Third Lien Parity Debt" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations."
- Sources:* Stifel, Nicolaus & Company, Incorporated, and the Successor Agency.

SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS

General

The 2023A/B Bonds are limited obligations of the Successor Agency entitled to the benefits of the Indenture, and are payable solely from and equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and moneys in the Special Fund and all the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account established under the Indenture. Except for the Pledged Tax Revenues and such moneys in the funds and accounts described above, no funds or properties of the Successor Agency will be pledged to, or otherwise be liable for, the payment of principal of or interest on the 2023A/B Bonds. See "– Security for the 2023A/B Bonds; Equal Security." See also APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE."

"**Pledged Tax Revenues**" are defined in the Indenture as all taxes that were eligible for allocation to the Former Agency with respect to the Project Areas and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and that are deposited in the RPTTF, excluding (i) amounts payable pursuant to the Existing Senior Loan Agreements, the Second Lien Debt and any debt issued on parity with the Existing Senior Loan Agreements or Second Lien Debt, but only to the extent such amounts are pledged as security therefor, (ii) all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law, unless such payments are subordinated to payments on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any additional Third Lien Parity Debt issued as bonds pursuant to the Indenture or to the payments owed under any Parity Debt Instrument pursuant to Section 33607.5(e) of the Redevelopment Law and Section 34177.5(c) of the Redevelopment Dissolution Act, and (iii) amounts required to be paid to the TJPA in accordance with Section 5.7 of the Redevelopment Plan – Transbay Redevelopment Project Area. See "– Security for the 2023A/B Bonds; Equal Security."

The 2023A/B Bonds are not a debt of the City, the State, or any of its political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State, nor any of its political subdivisions is liable therefor, nor in any event will the 2023A/B Bonds be payable out of any funds or properties other than those of the Successor Agency and only to the limited extent set forth in the Indenture. The 2023A/B Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. None of the members of the Successor Agency Commission, the Successor Agency, the City, or any person executing the 2023A/B Bonds is liable personally for the 2023A/B Bonds by reason of their issuance. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power.

Tax Increment Financing Generally

Under the Redevelopment Law and Section 16 of Article XVI of the State Constitution, taxes on all taxable property in a project area levied by or for the benefit of the State, any city, county, district or other public corporation (the "**Taxing Agencies**") when collected are divided as follows:

(a) To Taxing Agencies. An amount each year equal to the amount that would have been produced by the then current tax rates applied to the assessed valuation of such property within the redevelopment project areas last equalized prior to the effective date of the ordinance approving the redevelopment plan, plus the portion of the levied taxes in excess of the foregoing amount sufficient to pay debt service on any voter-approved bonded indebtedness of the respective Taxing Agencies incurred for the acquisition or improvement of real property and approved on or after January 1, 1989, is paid into the funds of the respective Taxing Agencies; and

(b) To the Former Agency/Successor Agency. That portion of the levied taxes in excess of the amount described in paragraph (a) is deposited into a special fund of the applicable redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness incurred by, such agency to finance or refinance activities in or related to such project area.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Redevelopment Dissolution Act for permitted administrative costs of the City Controller, constitute the amounts required under the Redevelopment Dissolution Act to be deposited by the City Controller into the RPTTF. In addition, Section 34183 of the Redevelopment Dissolution Act effectively eliminates the “on or after January 1, 1989” reference from paragraph (a) above. See “– Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Property Tax Administration Fees.*”

Allocation of Taxes Pursuant to the Redevelopment Dissolution Act

Prior to the enactment of the Redevelopment Dissolution Act, the Redevelopment Law authorized the financing of redevelopment projects by permitting the pledge of tax increment revenues derived from the applicable project area to repayment of tax allocation bonds. After enactment of the Redevelopment Dissolution Act, the Redevelopment Law authorizes the financing of certain projects, including specific Successor Agency affordable housing and infrastructure projects described in Section 34177.7(a) of the California Health and Safety Code. The Redevelopment Dissolution Act requires that all property tax increment derived from all former project areas be deposited in a RPTTF for the Successor Agency held and maintained by the City Controller. **DISCUSSIONS HEREIN REGARDING TAX INCREMENT OR TAX REVENUES REFER TO THOSE MONEYS DEPOSITED BY THE CITY CONTROLLER INTO THE RPTTF AND NOT OBLIGATED FOR OTHER PURPOSES.** Pursuant to the Redevelopment Dissolution Act, the pledge of the Pledged Tax Revenues to pay the 2023A/B Bonds is made as if the 2023A/B Bonds had been issued prior to the effective date of the Redevelopment Dissolution Act, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date.

The Redevelopment Dissolution Act authorizes bonds, including the 2023A/B Bonds, to be secured by property tax revenues available in the Successor Agency’s RPTTF from the Project Areas, which generated tax increment for the Former Agency upon its dissolution if those revenues are not otherwise obligated (Stats. 2015, ch. 325, § 27(e)). The Redevelopment Dissolution Law establishes that the funds in the RPTTF are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects, less amounts deducted pursuant to Section 34183(a) of the Redevelopment Dissolution Act for permitted administrative costs of the City Controller. Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described below.

The Redevelopment Dissolution Act requires the City Controller to determine the amount of property taxes that would have been allocated to the Former Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Former Agency not been dissolved pursuant to the operation of AB 26, using current assessed values on the last equalized roll on August 20, and to deposit

that amount in the RPTTF for the Successor Agency established and held by the City Controller pursuant to the Redevelopment Dissolution Act. The Redevelopment Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency, such as the 2023A/B Bonds, will be considered indebtedness incurred by the Former Agency, with the same legal effect as if the bonds had been issued prior to the effective date of AB 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date so that property tax revenues (formerly tax increment revenues) are paid to the Successor Agency in such amounts and on such dates to ensure the timely payment of debt service on the bonds. Pursuant to the Redevelopment Dissolution Act, the Successor Agency has covenanted to take all actions necessary to ensure that the 2023A/B Bonds will be included in each of the Successor Agency's Recognized Obligation Payment Schedules as prepared from time to time under the Redevelopment Dissolution Act. See “– Recognized Obligation Payment Schedule” below.

The Successor Agency tax rate calculated by the City is one percent (1.000%) for the secured roll and the unsecured roll. See APPENDIX B – “FISCAL CONSULTANT REPORT” for more information. In accordance with Section 33670(e) of the Redevelopment Law, the Successor Agency tax rate excludes taxes related to bonded indebtedness of the City approved by the voters of the City on or after January 1, 1989, and issued for the acquisition or improvement of real property. The Successor Agency receives, on an annual basis, only those tax increment revenues required by it to pay debt service or other enforceable obligations. See the tables for the Project Areas under “PLEGGED TAX REVENUES AND DEBT SERVICE – Historical and Current Assessed Valuation and Tax Revenues.”

Taxes levied on the property within the Project Areas on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Areas, to the extent they constitute tax revenues, less administrative costs, as described herein, will be deposited in the RPTTF for transfer by the City Controller to the Retirement Fund established pursuant to the Redevelopment Dissolution Act on January 2 and June 1 of each year (adjusted for weekends and holidays) to the extent required for payments listed in the Successor Agency's Recognized Obligation Payment Schedule in accordance with the requirements of the Redevelopment Dissolution Act. See “– Recognized Obligation Payment Schedule” below.

Prior to the dissolution of redevelopment agencies, tax increment revenues from one project area could not be used to repay indebtedness incurred for another project area. However, the Redevelopment Dissolution Act required that county auditor-controllers establish a single RPTTF with respect to each former redevelopment agency within the respective county. Additionally, the Redevelopment Dissolution Act now requires that all revenues equivalent to the amount that would have been allocated as tax increment to the former redevelopment agency will be allocated to the RPTTF of the applicable successor agency. This requirement does not require funds derived from separate project areas of a former redevelopment agency to be separated unless they are subject to a pledge agreement requiring the commitment of a particular project area's funds to a certain project. In effect, in situations where a former redevelopment agency had established more than one redevelopment project area (such as the Former Agency), the Redevelopment Dissolution Act combines the property tax revenues derived from all project areas into a single trust fund, the RPTTF, to repay indebtedness of the former redevelopment agency or the successor agency. To the extent the documents governing outstanding bonds of a redevelopment agency or a successor agency have pledged revenues derived from a specific project area, the Redevelopment Dissolution Act states: *“It is the intent [of the Redevelopment Dissolution Act] that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge.”*

Despite the provisions of the Redevelopment Dissolution Act that appear to permit the Successor Agency to use tax increment revenue that does not constitute Pledged Tax Revenues to pay debt service on the 2023A/B Bonds, the 2023A/B Bonds are secured by and payable solely from the

Pledged Tax Revenues and moneys in certain funds and accounts held by the Trustee under the Indenture. Investors should assume that State-Owned Parcel Net Tax Increment from the State-Owned Parcels and tax revenues generated within the other Excluded Project Areas are not available for payment of debt service on the 2023A/B Bonds.

Teeter Plan. The City has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), as provided for in Section 4701 *et seq.* of the State Revenue and Taxation Code. Generally, under the Teeter Plan, which applies to the property tax revenues, including tax increments, generated in the Project Areas, each participating local agency, including cities, levying property taxes in its county may receive the amount of uncollected taxes credited to its fund in the same manner as if the amount credited had been collected. In return, the county would receive and retain delinquent payments, penalties and interest, as collected, that would have been due to the local agency. However, although a local agency could receive the total levy for its property taxes without regard to actual collections, funded from a reserve established and held by the county for this purpose, the basic legal liability for property tax deficiencies at all times remains with the local agency.

The Teeter Plan remains in effect in the City unless and until the Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the City (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance joined in by resolutions adopted by two-thirds of the participating revenue districts in the City, in which event, the Board of Supervisors is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The Board of Supervisors may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in the City. There can be no assurance that the Teeter Plan will remain in effect throughout the life of the 2023A/B Bonds. In the event the Teeter Plan within the Project Areas were discontinued, the amount of the levy of property tax revenue that can be allocated to the Successor Agency would depend upon the actual collections of taxes within the Project Areas. Substantial delinquencies in the payment of property taxes could then impair the timely receipt by the Successor Agency of Pledged Tax Revenues and the payment of debt service on the 2023A/B Bonds.

As of September 6, 2022, the overall delinquency rate for Fiscal Year 2021-22 for all secured properties in the Project Areas was 1.6%. See APPENDIX B – “FISCAL CONSULTANT REPORT.”

Former Housing Fund. Prior to the Redevelopment Dissolution Act, the Redevelopment Law required generally that redevelopment agencies set aside in a low and moderate income housing fund not less than twenty percent (20%) of all tax revenues allocated to such agencies (the “**Housing Set-Aside**”). The Redevelopment Dissolution Act repealed the Housing Set-Aside, which is no longer in effect as a statutory obligation. However, the Housing Set-Aside is a contractual term in certain pledge agreements that the Successor Agency has with the City and that the California Department of Finance has finally and conclusively determined to be enforceable obligations. Accordingly, the Successor Agency previously maintained a fund for the pledged housing set-aside revenue even if the amount of revenue exceeded the amount necessary for debt service on affordable housing bonds in a particular fiscal year. In 2019, the California Department of Finance determined that the Successor Agency may take the twenty percent (20%) set-aside only to the extent it is listed in a Recognized Obligation Payment Schedule and is needed for fiscal year expenditures, such as debt service payments for outstanding housing bonds secured by a pledge of the revenues that had formerly been the Housing set-Aside. See “ – Recognized Obligation Payment Schedule.”

Under Section 34177.7(a)(1)(A) of the California Health and Safety Code, the Successor Agency is permitted to issue debt to meet its Affordable Housing Obligations.

Assembly Bill 1290; Statutory Pass-Throughs. Assembly Bill 1290 (being Chapter 942, Statutes of 1993) (“**AB 1290**”) was adopted by the California Legislature and became law on January 1, 1994 (adding, among other things, Sections 33607.5 and 33607.7 to the Redevelopment Law).

AB 1290 established, among other things, a mandatory statutory formula for sharing tax increment (“**Statutory Pass-Through Amounts**”) for project areas established, or amended in certain respects, on or after January 1, 1994, which applied to tax increment revenues net of the housing set-aside. The first twenty-five percent (25%) of net tax increment generated by the increase in assessed value after the establishment of the project areas or the effective date of the amendment is required to be paid to affected taxing entities. In addition, beginning in the 11th year of collecting tax increment, an additional twenty-one percent (21%) of the increment generated by increases in assessed value after the 10th year must be so paid. Finally, beginning in the 31st year of collecting tax increment, an additional fourteen percent (14%) of the increment generated by increases in assessed value after the 30th year must be so paid.

There are nine taxing entities (the “**Taxing Entities**”) within the Project Areas. Four of these Taxing Entities are funds of the City and County of San Francisco: the General Fund, the Children’s Fund, the Library Fund, and the Open Space Fund. The remaining five Taxing Entities are: the San Francisco Community College District, the San Francisco Superintendent of Schools, the San Francisco Unified School District, the Bay Area Air Quality Management District, and the Bay Area Rapid Transit District (“**BART**”). In addition to the Taxing Entities, the City Controller allocates a portion of revenue to the Educational Revenue Augmentation Fund (“**ERAF**”) for distribution to the schools. The proportion of the Statutory Pass-Through Amounts received by each of these Taxing Entities and ERAF is shown in the following table.

Statutory Pass-through Shares By Taxing Entity⁽¹⁾

Taxing Entity	Pass-through Share
General Fund	0.55588206
Children’s Fund	0.04000000
Library Fund	0.02500000
Open Space Fund	0.02500000
S.F. Community College District	0.01444422
S.F. Schools Superintendent	0.00097335
S.F. Unified School District	0.07698857
Bay Area Air Quality Management District	0.00208539
BART	0.00632528
ERAF ⁽²⁾	0.25330113
Total	1.00000000

(1) The Statutory Pass-Throughs are assumed to be subordinated to debt service on the 2023A/B Bonds for purposes of the projections of the tax increment revenues from the Project Areas, including the projections of Pledged Tax Revenues, in this Official Statement. See “–Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds.”

(2) ERAF is not itself a Taxing Entity; revenue deposited to ERAF is distributed to schools under statutory formulae with any excess distributed to the City.

Source: City Controller.

The Redevelopment Dissolution Act requires the City Controller to distribute from the RPTTF the Statutory Pass-Through Amounts required to be distributed to the Taxing Entities on each January 2 and June 1 before amounts are distributed by the City Controller from the RPTTF to the Retirement Fund, unless (i) pass-through payment obligations have previously been made subordinate to debt service payments for the bonded indebtedness of the Former Agency, as succeeded by the Successor Agency (*see discussion below relating to subordination of Statutory Pass-Through Amounts to the 2023A/B Bonds*), or (ii) (a) the Successor Agency has reported, no later than the December 1 and May 1 preceding the applicable January 2 or June 1 distribution date, that the total amount available to the Successor Agency from the RPTTF

allocation to the Retirement Fund, from other funds transferred from the Former Agency, and from funds that have or will become available through asset sales and all redevelopment operations is insufficient to fund the Successor Agency's enforceable obligations, Statutory Pass-Through Amounts, and the Successor Agency's administrative cost allowance for the applicable period, and (b) the State Controller has concurred with the Successor Agency that there are insufficient funds for such purposes.

If the requirements stated in the above paragraph have been met, the Redevelopment Dissolution Act provides for certain modifications in the distributions otherwise calculated to be distributed on the applicable January 2 or June 1 property tax distribution date (as adjusted for weekends and holidays). To provide for calculated shortages to be paid to the Successor Agency for enforceable obligations, the amount of the deficiency will first be deducted from the residual amount otherwise calculated to be distributed to the Taxing Entities under the Redevelopment Dissolution Act after payment of the Successor Agency's enforceable obligations, Statutory Pass-Through Amounts, and the Successor Agency's administrative cost allowance. If such residual amount is exhausted, the amount of the remaining deficiency will be deducted from amounts available for distribution to the Successor Agency for administrative costs for the applicable period in order to fund the enforceable obligations. Finally, funds required for servicing bond debt may be deducted from the amounts to be distributed as Statutory Pass-Through Amounts, in order to be paid to the Successor Agency for enforceable obligations, but only after the amounts described in the previous two sentences have been exhausted. See “– Recognized Obligation Payment Schedule” for further information regarding applicable periods and dates.

The process prescribed by the Redevelopment Dissolution Act of administering the tax revenues and the Statutory Pass-Through Amounts may affect the availability of an adequate amount of Pledged Tax Revenues for the payment of principal and interest on the 2023A/B Bonds when due. See “– Recognized Obligation Payment Schedule.” See also “PLEGDED TAX REVENUES AND DEBT SERVICE” for additional information regarding the Statutory Pass-Through Amounts applicable to the Successor Agency and the tax revenues derived from the Project Areas.

Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds. Section 34177.7(c) of the Redevelopment Dissolution Act sets forth a process pursuant to which payment of the Statutory Pass-Through Amounts may be subordinated to debt service on bonds or loans, provided that the affected taxing entity has approved the subordination. Accordingly, the Successor Agency notified the Taxing Entities of its intent to subordinate the Statutory Pass-Through Amounts to the payment of debt service on the 2023A/B Bonds and requested the Taxing Entities to approve of such subordination. All Taxing Entities have either approved such subordination or are deemed to have approved such subordination by not acting within 45 days after receipt of the Successor Agency's request. The Statutory Pass-Through Amount paid through ERAF to school districts is assumed to be subordinated with the Statutory Pass-Through Amount paid directly to school districts. See also “CERTAIN RISK FACTORS – Subordination of ERAF.” The total Statutory Pass-Through Amounts for the Taxing Entities (including ERAF) for Fiscal Year 2022-23 is estimated to be \$67.6 million.

Property Tax Administration Fees. Pursuant to Section 34183(a) of the Redevelopment Dissolution Act, the City Controller charges the Successor Agency a fee to recover property tax administration costs (the “**City Controller Administration Fee**”). Such administration fee is approximately 0.015% of tax increment and is allocated among all of the Successor Agency's project areas as determined at the discretion of the Successor Agency. For Fiscal Year 2022-23, the City Controller Administration Fee was approximately \$62,000. For Fiscal Year 2023-24, the City Controller Administration Fee is projected to be approximately \$45,000. See also “LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedure – *Property Tax Administrative Costs.*”

Security for the 2023A/B Bonds; Equal Security

Pursuant to Section 34177.7(g) of the Redevelopment Dissolution Act, and except as provided in the Indenture and subject to the deductions for the City Controller Administration Fee and the prior and senior pledge of and security interest in and lien in favor of the Existing Senior Loan Agreements and the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any Third Lien Parity Debt will be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and will also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues and such moneys in the funds and accounts described herein, no funds or properties of the Successor Agency will be pledged to, or otherwise be liable for, the payment of principal of or interest on the 2023A/B Bonds.

Pledged Tax Revenues, as defined in the Indenture, generally consist of tax revenues from the Project Areas, which are deposited into the RPTTF from time to time after the deduction of the City Controller Administration Fee, excluding (i) amounts payable pursuant to the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, and Second Lien Debt, but only to the extent such amounts are pledged as security therefor, (ii) all Statutory Pass-Through Amounts required to be paid to Taxing Entities unless such payments are subordinated to payments on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture, as applicable, and (iii) amounts required to be paid to the TJPA in accordance with Section 5.7 of the Redevelopment Plan – Transbay Redevelopment Project Area. See “– Senior Obligations.” No tax revenues deposited into the RPTTF representing State-Owned Parcel Net Tax Increment from the State-Owned Parcels or tax revenues from the other Excluded Project Areas are pledged to, or anticipated to be available for, payment of debt service on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture.

The Successor Agency has no power to levy and collect taxes, and various factors beyond its control (e.g., any property tax limitation, legislative measure, voter initiative or provisions of additional sources of income to taxing agencies) could affect the amount of Pledged Tax Revenues available to pay the principal of and interest on the 2023A/B Bonds. See “– Tax Increment Financing Generally,” “– Recognized Obligation Payment Schedule,” “LIMITATIONS ON TAX REVENUES” and “CERTAIN RISK FACTORS.”

In consideration of the acceptance of the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture (collectively, the “**Third Lien Bonds**”) by those who will hold the same from time to time, the Indenture constitutes a contract between the Successor Agency and the Owners from time to time of the Third Lien Bonds, and the covenants and agreements set forth therein to be performed on behalf of the Successor Agency are for the equal and proportionate benefit, security and protection of all owners of the Third Lien Bonds, without preference, priority or distinction as to security or otherwise of any of the Third Lien Bonds over any of the others by reason of the number or date thereof, or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided in the Third Lien Bonds or in the Indenture.

Special Fund; Deposit of Pledged Tax Revenues

The Indenture established the Special Fund, which is held by the Successor Agency within the Retirement Fund. On each January 2, the Successor Agency will transfer all of the Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on a pro rata basis to the Special Fund and to any other special fund created with respect to any additional Third Lien Parity Debt that is not issued as bonds under the Indenture, promptly upon receipt thereof by the Successor Agency, until such

time as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred in the Bond Year commencing on the immediately preceding August 2 (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to the Indenture and (ii) if applicable, with respect to any additional Third Lien Parity Debt (other than additional bonds issued pursuant to a Supplemental Indenture) for deposit into the funds and accounts that may be required pursuant to the applicable Parity Debt Instruments. If the amount of Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on January 2 will be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency will deposit the Pledged Tax Revenues received in connection with the succeeding June 1 in the Special Fund in order to make the remainder of the transfers and deposits described above. If there nonetheless remains insufficient Pledged Tax Revenues to make the transfers and deposits required above, then the Successor Agency will transfer such Pledged Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Third Lien Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the Third Lien Debt and any Subordinate Debt (defined herein); provided, however, the Successor Agency will not be obligated to collect any such reserve. See also “–Recognized Obligation Payment Schedule.”

All Pledged Tax Revenues received by the Successor Agency with respect to any Bond Year in excess of the amount required to be deposited into the Special Fund and the other special funds mentioned in the preceding paragraph during such Bond Year will be released from the pledge, security interest and lien under the Indenture for the security of the Third Lien Bonds and any additional Third Lien Parity Debt and may be applied by the Successor Agency for any lawful purpose of the Successor Agency. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Third Lien Bonds and the payment in full of all other amounts payable under the Indenture and under any Supplemental Indenture or Parity Debt Instrument, the Successor Agency will not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in the Indenture and in any Supplemental Indenture or Parity Debt Instrument.

There has been established under the Indenture a trust fund to be known as the Debt Service Fund, which will be held by the Trustee in trust in accordance with the Indenture. The Indenture requires the Successor Agency to transfer from the Special Fund to the Trustee (i) on or before the fifth (5th) business day preceding each Interest Payment Date, the amount necessary to pay the interest becoming due and payable on the Outstanding Third Lien Bonds on such Interest Payment Date, (ii) on or before the fifth (5th) business day preceding August 1 in each year, the necessary amount to pay the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1, (iii) at any time that the amount on deposit in the Reserve Account or any subaccount therein is less than the Reserve Requirement, unless there is a reserve policy on deposit, the amount necessary to maintain the Reserve Requirement for the applicable series of Third Lien Bonds on deposit in the applicable subaccount of the Reserve Account, and (iv) on or before the business day preceding any date on which Third Lien Bonds are to be optionally redeemed, the amount required to pay the principal of and premium, if any, on the Third Lien Bonds to be redeemed on such date pursuant to the Indenture or the applicable Supplemental Indenture.

Upon receipt, the Trustee will deposit the following amounts, at the times described above, and in the following respective accounts, which are established in the Debt Service Fund, and in the following order of priority:

Interest Account. The Trustee will deposit in the Interest Account the amount which, when added to the amount contained in the Interest Account on such date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Third Lien Bonds on such Interest Payment Date.

No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Third Lien Bonds. All moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Third Lien Bonds as it becomes due and payable (including accrued interest on any Third Lien Bonds redeemed prior to maturity pursuant to the Indenture).

Principal Account. The Trustee will deposit in the Principal Account the amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next August 1 on all of the Outstanding Serial Bonds and Outstanding Term Bonds. All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as it becomes due and payable.

Reserve Account. The Indenture establishes a “**2023A Reserve Subaccount**” within the Reserve Account for the 2023 Series A Taxable Bonds and a “**2023B Reserve Subaccount**” within the Reserve Account for the 2023 Series B Bonds (the 2023A Reserve Subaccount and the 2023B Reserve Subaccount, together, the “**2023A/B Reserve Subaccounts**”). The amount on deposit in the Reserve Account is required to be maintained at the “**Reserve Requirement**”, which is defined in the Indenture to mean, with respect to each series of Outstanding Third Lien Bonds, the lesser of (i) one hundred twenty-five percent (125%) of average Annual Debt Service with respect to that series of Third Lien Bonds, (ii) Maximum Annual Debt Service with respect to that series of Third Lien Bonds, or (iii) with respect to an individual series of Third Lien Bonds, ten percent (10%) of the original principal amount of such series of Third Lien Bonds (or, if such series of Third Lien Bonds has more than a *de minimis* amount of original issue discount or premium, 10% of the issue price of such series of Third Lien Bonds); subject to the limitations and conditions in the Indenture.

The Reserve Requirement for the 2023 Series A Taxable Bonds is \$_____ and the Reserve Requirement for the 2023 Series B Bonds is \$_____. Amounts on deposit in the 2023 Series A Taxable Subaccount will be available only to pay debt service on the 2023 Series A Taxable Bonds, and amounts on deposit in the 2023 Series B Subaccount will be available only to pay debt service on the 2023 Series B Bonds.

[The Successor Agency has [solicited] [received] bids from [2023 Insurer] for a 2023A Reserve Policy to satisfy the reserve requirement for the 2023 Series A Taxable Bonds and a 2023B Reserve Policy to satisfy the reserve requirement for the 2023 Series B Bonds. The Successor Agency will make a decision on whether to purchase either of such Reserve Policies at or about the time of the pricing of the 2023A/B Bonds. No assurance can be given as to whether the Successor Agency will purchase either of such Reserve Policies. If either of such Reserve Policies is purchased, the Trustee will draw on such Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in order to pay debt service on the applicable Series of the 2023A/B Bonds. Pursuant to the Indenture, in the event a Qualified Reserve Account Credit Instrument, such as either of the Reserve Policies, is delivered at any time to meet the entirety of the Reserve Requirement with respect to one or more series of Third Lien Bonds (that is, no cash is being deposited or will remain deposited in the Reserve Account with respect to those series of Third Lien Bonds), then, notwithstanding the above definition of Reserve Requirement, the Reserve Requirement will, with respect to those series of Third Lien Bonds, be determined only at the time of the delivery of the Qualified Reserve Account Credit Instrument and will not be subject to increase or decrease at a later date.

The amounts available under the 2023A Reserve Policy, if any, will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment

of debt service on the 2023 Series A Taxable Bonds. The amounts available under the 2023B Reserve Policy, if any, will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023 Series B Bonds. The Trustee will comply with all documentation relating to the Reserve Policies, if any, as required to maintain the Reserve Policies in full force and effect and as required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture. If any Reserve Policy is purchased, the Successor Agency has no obligation to replace such Reserve Policy or to fund the applicable Reserve Subaccount with cash if, at any time that any of the applicable Series of the 2023A/B Bonds are Outstanding, amounts are not available under such Reserve Policy, other than in connection with the replenishment of a draw on such Reserve Policy. Additionally, the Successor Agency will have no obligation to replace either of the Reserve Policies or to deposit any cash in the 2023A Reserve Subaccount or 2023B Reserve Subaccount in the event that any rating assigned to [2023 Insurer] is downgraded, suspended or withdrawn.

See “BOND INSURANCE—[_____]” herein for more information about [2023 Insurer]. See Appendix C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” for further information regarding the 2023A Reserve Subaccount and the 2023B Reserve Subaccount.

In connection with the issuance of the 2017A/B Bonds, Assured Guaranty Municipal Corp. (“AGM”) issued a debt service reserve policy (the “**2017 Reserve Policy**”) to satisfy the Reserve Requirement with respect to the 2017A/B Bonds. The amounts available under the 2017 Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2017A/B Bonds. No amounts under the 2017 Reserve Policy may be used to pay debt service on the 2021A Bonds, the 2023A/B Bonds or any additional Third Lien Bonds issued in the future.

In connection with the issuance of the 2021A Bonds, AGM issued a debt service reserve policy (the “**2021 Reserve Policy**”) to satisfy the Reserve Requirement with respect to the 2021A Bonds. The amounts available under the 2021 Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2021A Bonds. No amounts under the 2021 Reserve Policy may be used to pay debt service on the 2017A/B Bonds, the 2023A/B Bond or any additional Third Lien Bonds issued in the future.

See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Existing Senior Obligations

Existing Senior Loans and Second Lien Debt. Payment of debt service on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any additional Third Lien Bonds issued in the future from tax increment revenues from the Project Areas is subordinate to the Successor Agency’s obligations to pay debt service on certain outstanding loans (the “**Existing Senior Loans**”) made to the Former Agency by the City and County of San Francisco Redevelopment Financing Authority (the “**Authority**”) pursuant to certain loan agreements between the Former Agency and the Authority to fund redevelopment activities (the “**Existing Senior Loan Agreements**”). The Authority made the Existing Senior Loans with proceeds of certain bonds issued by the Authority (the “**Authority Bonds**”), payable from loan repayments under the Existing Senior Loan Agreements.

Payment of debt service on the 2023A/B Bonds is also subordinate to the Successor Agency’s obligation to pay debt service on its 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and its 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (together the “**2014 Bonds**”) and any 2014 Parity Debt

(which is defined in the Indenture as any indebtedness issued on parity with the 2014 Bonds in accordance with the indenture pursuant to which they were issued). 2014 Parity Debt includes the Successor Agency's 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (together, the "**2017D/E Bonds**") (the 2014 Bonds and the 2014 Parity Debt, including the 2017D/E Bonds, collectively, the "**Second Lien Debt**").

As of June 30, 2023, Senior Obligations were outstanding in the aggregate principal amount of approximately \$282 million and are described in the following table. Such Senior Obligations consisted of approximately \$177 million aggregate principal amount of outstanding Existing Senior Loans pursuant to Existing Senior Loan Agreements (including the Mission Bay Senior Loan Agreements with an outstanding aggregate principal amount of approximately \$12 million, which are secured by tax revenues from the Mission Bay North and Mission Bay South Project Areas, respectively, which are Excluded Project Areas and the tax revenues of which do not secure the Third Lien Bonds) and approximately \$106 million principal amount of Second Lien Bonds. In the event there is insufficient money in any reserve account established under either of the Mission Bay Senior Loan Agreements, the Successor Agency is obligated to cause aggregate tax increment revenue from certain of the Project Areas in the amount of such insufficiency to be deposited therein, subject to certain limits set forth in the Existing Senior Loan Agreements.

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

**Table of Senior Obligations
(The Project Areas)
as of June 30, 2023**

Lien	Series	Project Area	Outstanding Par Amount⁽¹⁾	Final Maturity⁽²⁾
Senior Lien (Existing Senior Loans)	1998C	Non-Mission Bay (RP)	\$1,072,519	8/1/2024
	1998D	Non-Mission Bay (GG, HP, WA, YB)	\$6,766,855	8/1/2024
	2006A	Non-Mission Bay (GG)	\$20,781,443	8/1/2036
	2007A	Mission Bay North ⁽³⁾	\$9,835,000	8/1/2037
		Non-Mission Bay (BV, RP, SM, TB)	\$82,460,000	8/1/2037
	2009E	Mission Bay South ⁽⁴⁾	\$2,605,000	8/1/2025
		Non-Mission Bay (BV, RP, WA, YB)	\$53,215,000	8/1/2039
		Mission Bay⁽³⁾⁽⁴⁾	\$12,440,000	
		Non-Mission Bay	\$164,295,817	
		Total Senior Lien Existing Senior Loans	\$176,735,817	
Second Lien Debt	2014B	Non-Mission Bay	\$19,425,000	8/1/2035
	2014C	Non-Mission Bay	\$2,795,000	8/1/2029
	2017D	Non-Mission Bay	\$65,770,000	8/1/2041
	2017E	Non-Mission Bay	\$17,645,000	8/1/2041
		Total Second Lien Debt	\$105,635,000	
		Mission Bay⁽³⁾⁽⁴⁾	\$12,440,000	
		Non-Mission Bay	\$269,930,817	
		Total Senior Obligations	\$282,370,817	

Legend: BV – Bayview Hunters Point RP – Rincon Point-South Beach
GG – Golden Gateway SM – South of Market
HP – Hunters Point TB – Transbay
IB – India Basin Industrial Park WA – Western Addition
YB – Yerba Buena Center

⁽¹⁾ Principal payments of Existing Senior Loans due on June 30, 2023, are set forth in this table as being outstanding until paid on August 1, 2023, pursuant to the Authority Bonds to which they relate.

⁽²⁾ Final maturities of Existing Senior Loans are set forth in this table as occurring on the August 1 immediately following such maturities.

⁽³⁾ Represents loan secured by (i) tax increment revenues generated within the Mission Bay North Project Area, and (ii) the Housing Set-Aside generated within the Project Areas on a basis senior to the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds.

⁽⁴⁾ Represents loan secured by (i) tax increment revenues generated within the Mission Bay South Project Area, and (ii) the Housing Set-Aside generated within the Project Areas on a basis senior to the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds.

Source: Successor Agency.

Project Area-Specific Prior Obligations. Tax increment revenue from certain of the Project Areas is subject to other obligations that are senior to the payment of debt service on the 2023A/B Bonds.

South of Market Project Area. A portion of the tax increment revenue from the Original Sub-Area of the South of Market Project Area is potentially allocable to school districts under Section 33676(a) of the Redevelopment Law and the Santa Ana Section 33676 Decision described in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B, wherein this obligation is referred to as a “senior obligation.” This portion is potentially payable on a basis senior to the payment of debt service on the 2023A/B Bonds. The

amount of tax revenue potentially payable to the school entities is estimated to be \$77,000 for Fiscal Year 2022-23.

Yerba Buena Center Approved Project Area D-1. In the Yerba Buena Center Approved Project Area D-1, consistent with an amendment to its redevelopment plan, a portion of the tax increment revenues (i.e., 2% of growth) from the Emporium Sub-Area is allocated to certain Taxing Entities. Distribution of this 2% occurs prior to calculation of tax increment revenue available for payment of debt service on the 2023A/B Bonds. The portion of assessed valuation excluded from tax increment in this manner is approximately \$38.2 million in Fiscal Year 2022-23 or approximately \$382,000 in tax increment. See APPENDIX B – “FISCAL CONSULTANT REPORT” wherein this obligation is referred to as a “senior obligation.”

Property Tax Administration Fees. Pursuant to the Redevelopment Dissolution Act, beginning for Fiscal Year 2012-13, the City Controller charges the Successor Agency the City Controller Administration Fee to recover property tax administration costs. For Fiscal Year 2022-23, the City Controller Administration Fee was approximately \$62,000. For Fiscal Year 2023-24, it is expected to be approximately \$45,000. See “ – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Property Tax Administration Fees*” and “LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedures – *Property Tax Administrative Costs*.”

Existing Third Lien Parity Debt

Payment of debt service on the 2023A/B Bonds from Pledged Tax Revenues is on a parity with the Successor Agency’s obligations to pay debt service on the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (together, the “**2017A/B Bonds**”) and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “**2021A Bonds**”). As of June 30, 2023, the 2017A/B Bonds are outstanding in the aggregate principal amount of \$44,350,000 and the 2021A Bonds are outstanding in the aggregate principal amount of \$127,210,000. Prior to the issuance of the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds are the only Third Lien Parity Debt.

Limitations on Additional Indebtedness

Senior Debt. Under the Indenture, the Successor Agency has covenanted that so long as the Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues (as defined in the Existing Senior Loan Agreements) or Pledged Tax Revenues on a basis senior to payment of debt service on the Third Lien Bonds and any other Third Lien Parity Debt issued in the future, except for obligations issued to refund any of the Senior Obligations, so long as the debt service in any Bond Year does not increase as a result of such refunding. Further, the Successor Agency covenants that, so long as the Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues, other than Third Lien Parity Debt meeting the requirements of the Indenture and any Subordinate Debt. See also “– Senior Obligations” above. The Successor Agency has also covenanted that it will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Third Lien Bonds superior or equal to the pledge and lien created for the benefit of the Third Lien Bonds under the Indenture.

Third Lien Parity Debt. In addition to the 2023A/B Bonds, the Successor Agency may issue additional bonds (including pursuant to a Supplemental Indenture) or incur other loans, advances or indebtedness, which are secured by and payable from Pledged Tax Revenues on a parity with the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and other Third Lien Parity Debt issued in the future (“**Third Lien Debt**”) for any purpose provided for in the Redevelopment Dissolution Act, including, but not limited to, refunding existing indebtedness of the Successor Agency in accordance with Section 34177.5(a) of the Redevelopment Dissolution Act, and funding the affordable housing obligations and the infrastructure obligations described in Section 34177.7(a)(1)(A) and (B) of the Redevelopment Dissolution Act, in such principal amount as will be determined by the Successor Agency, subject to the following specific conditions, which are all conditions precedent to the issuance and delivery of such Third Lien Parity Debt:

(a) No event of default under the Indenture or under any Parity Debt Instrument will have occurred and be continuing unless such event of default will be cured by the issuance of such Third Lien Parity Debt;

(b) Pledged Tax Revenues (after adding back amounts payable pursuant to the Existing Senior Loan Agreements, any debt issued on parity with the Existing Senior Loan Agreements and Second Lien Debt) received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Areas as evidenced in a written document from an appropriate official of the City, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, will be at least equal to one hundred twenty-five percent (125%) of Maximum Annual Debt Service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt that will be outstanding immediately following the issuance of such Third Lien Parity Debt, provided that, in the case of a refunding, in whole or in part, of the Existing Senior Loans, the Second Lien Debt or the Third Lien Debt, the requirements set forth in this section (b) do not need to be met if the debt service on the Third Lien Parity Debt in each bond year either will be less than the debt service in each bond year on the Existing Senior Loans, the Second Lien Debt, or the Third Lien Debt being refunded;

(c) In the event the Successor Agency issues additional Third Lien Bonds pursuant to a Supplemental Indenture, the Successor Agency will cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency will deliver to the Trustee a written certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Third Lien Parity Debt set forth above have been satisfied.

The Successor Agency currently anticipates needing to finance approximately \$[] million of infrastructure in the Transbay Project Area in the next five years and approximately \$[] million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds. The amounts and time in the preceding sentence reflect current projections; no assurance can be given as to the exact timing or amount of any additional bond issuances.

Subordinate Debt. Under the Indenture “**Subordinate Debt**” is defined as loans, advances or other indebtedness issued or incurred by the Successor Agency that are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues that is expressly subordinate to the pledge of and lien upon the Pledged Tax Revenues under the Indenture for the security of the Third Lien Parity Debt. The Successor Agency may issue or incur Subordinate Debt in such principal amount as may be determined by the Successor Agency. Such Subordinate Debt may be payable from any assets or property of the Successor Agency, including Pledged Tax Revenues, on a subordinate basis to the payment of debt service on the Third Lien Bonds.

Recognized Obligation Payment Schedule

The Redevelopment Dissolution Act requires successor agencies to annually prepare and approve, and submit to the successor agency's oversight board, the county auditor-controller, and the California Department of Finance for approval, a Recognized Obligation Payment Schedule (the "**Recognized Obligation Payment Schedule**") hereinafter also referred to as "**ROPS**") pursuant to which enforceable obligations (as defined in the Redevelopment Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Only those payments listed in a ROPS may be made by the successor agency from the funds specified in the ROPS. A reserve may be included on the ROPS and held by the successor agency when required by a bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bonds for the next payment due in the following half of the calendar year.

Pursuant to SB 107, commencing on February 1, 2016, successor agencies transitioned to an annual ROPS process pursuant to which successor agencies are required to submit by each February 1 their oversight board-approved ROPS for the July 1 through June 30 period to the California Department of Finance for its approval and to the successor agencies' respective auditor-controllers. If the Successor Agency does not timely submit an Oversight Board-approved ROPS to the California Department of Finance and the City Controller, then the Successor Agency will be subject to a \$10,000 per day civil penalty for every day the ROPS is late. Additionally, if the Successor Agency does not submit a ROPS to the California Department of Finance and the City Controller within ten (10) days of the deadline, then the Successor Agency's maximum administrative cost allowance may be reduced by up to twenty-five percent (25%). For additional information regarding procedures under the Redevelopment Dissolution Act relating to late ROPSs and implications thereof for the 2023A/B Bonds, see "CERTAIN RISK FACTORS – Recognized Obligation Payment Schedule." Also see "– Last and Final Recognized Obligation Payment Schedule" below for a description of the Last and Final ROPS authorized by the Redevelopment Dissolution Act pursuant to SB 107.

In the Indenture, the Successor Agency covenants to comply with all of the requirements of the Law and the Redevelopment Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Redevelopment Dissolution Act to assure compliance by the Successor Agency with its covenants under the Indenture.

Further, the Successor Agency covenants to take all actions required under the Redevelopment Dissolution Act to include

- (i) scheduled debt service on the Existing Senior Loans, the Second Lien Debt and any amounts required to replenish any reserve account established under an Existing Senior Loan Agreement, the indenture pursuant to which the 2014 Bonds were issued or any instrument pursuant to which any other Second Lien Debt is issued,
- (ii) scheduled debt service on the 2017A/B Bonds, the 2021A Bonds and any Third Lien Parity Debt, which includes the 2023A/B Bonds, and any amount required under the Indenture or any Parity Debt Instrument to replenish the Reserve Account or the reserve account established under any Parity Debt Instrument, and
- (iii) amounts due to any Insurer under the Indenture or under an insurance or surety bond agreement, [including the Insurance Policies and the [Reserve Policies]],

in each annual ROPS so as to enable the City Controller to distribute from the RPTTF to the Successor Agency's Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to

pay principal of, and interest on, the Third Lien Bonds coming due in the respective six-month period and to pay amounts owed to any bond insurer, as well as the other amounts set forth above.

These actions will include, without limitation, placing on the periodic ROPS for approval by the Oversight Board and California Department of Finance the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Redevelopment Dissolution Act, that are necessary to comply with the Indenture. Not later than each February 1 (or at such other time as may be required by the Redevelopment Dissolution Act) for so long as any of the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt or the Third Lien Bonds, including the 2023A/B Bonds, remain outstanding or any amounts owing to an Insurer remain unpaid, (a) the Successor Agency will place on the ROPS relating to the January 2 disbursement date all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on the immediately succeeding February 1 and August 1, and (b) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on a timely basis, the Successor Agency will place on the ROPS relating to the June 1 disbursement date amounts required to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on the next succeeding August 1. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on February 1 and August 1 of the next succeeding calendar year. Further, the Successor Agency will place any amounts required to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument and any amounts owing to any Insurer under the Indenture or under an insurance or surety bond agreement, [including the Insurance Policies and the Reserve Policies], on its next Recognized Obligation Payment Schedule upon any such amounts becoming owing.

Under the Indenture, without in any way limiting the foregoing, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024, and January 2, 2025, disbursement dates, (i) all amounts required to pay debt service on the 2023A/B Bonds on August 1, 2024, for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the 2023A/B Bonds, are sufficient for the payment of debt service on the 2023A/B Bonds on February 1, 2025, and August 1, 2025, for distribution to the Successor Agency on January 2, 2025.

The Successor Agency further covenants that it will, on or before May 1 and December 1 of each year, file a Notice of Insufficiency with the City Controller if the amount of Tax Revenues available to the Successor Agency from the RPTTF on the upcoming June 1 or January 2, as applicable, is insufficient to pay debt service on the Third Lien Bonds or any other Third Lien Parity Debt, to replenish the Reserve Account or the reserve account established under any Parity Debt Instrument and to pay any Insurer any amounts owing under the Indenture or under an insurance or surety bond agreement, [including the Insurance Policies or the Reserve Policies.]

[If any amounts then due and payable to [2023 Insurer] under the Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to its Oversight Board and the California Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to [2023 Insurer]].

The Successor Agency will not submit to its Oversight Board and the California Department of Finance a request for the final amendment permitted for its Last and Final ROPS pursuant to Section 34191.6 of the Redevelopment Dissolution Act without the prior written consent of [AGM and] [2023 Insurer], unless all amounts that could become due and payable to [AGM and] [2023 Insurer] under the Indenture would be included as a line item on the Last and Final ROPS following approval of the requested amendment.

Last and Final Recognized Obligation Payment Schedule

SB 107 amended the Redevelopment Dissolution Act to permit a successor agency to submit a Last and Final Recognized Obligation Payment Schedule (a “**Last and Final ROPS**”). In particular, successor agencies that have received a Finding of Completion and the concurrence of the California Department of Finance as to the items that qualify for payment, among other conditions, may at their option, file a Last and Final ROPS. If approved by the California Department of Finance, the Last and Final ROPS will be binding on all parties, and the successor agency will no longer submit the ROPS to the California Department of Finance or its oversight board. The county auditor-controller will continue to allocate moneys in the successor agency’s RPTTF pursuant to Section 34183 of the Redevelopment Dissolution Act; however, the county auditor-controller will allocate such moneys in each fiscal period, after deducting the county auditor-controller’s administrative costs, in the following order of priority: (A) pass-through payments pursuant to Section 34183(a)(1) of the Redevelopment Dissolution Act; (B) scheduled debt service payments on tax allocation bonds listed and approved in the Last and Final ROPS; (C) scheduled payments on revenue bonds listed and approved in the Last and Final ROPS, but only to the extent the revenues pledged for them are insufficient to make the payments and only if the successor agency’s tax increment revenues were also pledged for the repayment of bonds; (D) scheduled payments for debts and obligations listed and approved in the Last and Final ROPS to be paid from the RPTTF; (E) payments listed and approved on the Last and Final ROPS that were authorized but unfunded in prior periods; (F) repayment of loans and deferrals to the city that created the redevelopment agency or the successor to the former redevelopment agency’s housing functions and assets that are listed and approved on the Last and Final ROPS; and (G) any moneys remaining in the RPTTF after the payments and transfers described in (A) to (F), above, will be distributed to taxing entities in accordance with Section 34183(a)(4) of the Redevelopment Dissolution Act. A Last and Final ROPS may only be amended twice, and only with approval of the California Department of Finance and the county auditor-controller.

If the successor agency reports to the county auditor-controller that the total available amounts in the RPTTF will be insufficient to fund the successor agency’s current or future fiscal year obligations, and if the county auditor-controller concurs that there are insufficient funds to pay the required obligations, the county auditor-controller may distribute funds pursuant to Section 34183(b) of the Redevelopment Dissolution Act. See “– Tax Increment Financing Generally.”

The Successor Agency does not currently intend to submit a Last and Final ROPS. The Successor Agency has covenanted in the Indenture not to submit to the Oversight Board and the California Department of Finance a request for the final amendment permitted for its Last and Final ROPS pursuant to Section 34191.6 of the Redevelopment Dissolution Act without the prior written consent of [AGM and] [2023 Insurer], unless all amounts that could become due and payable to [AGM and] [2023 Insurer] under the

Indenture would be included as a line item on the Last and Final ROPS following approval of the requested amendment.

[BOND INSURANCE]

The information under this section has been prepared by [2023 Insurer] for inclusion in this Official Statement. Neither the Successor Agency nor the Underwriters have reviewed this information, nor do the Successor Agency or the Underwriters make any representation with respect to the accuracy or completeness thereof.]

[Insert if applicable.]

THE SUCCESSOR AGENCY

The Redevelopment Dissolution Act established, by operation of law, the Successor Agency with all authority, rights, powers, duties, and obligations previously vested with the Former Agency under the Redevelopment Law, as amended by the Redevelopment Dissolution Act. The Successor Agency is a separate public entity from the City, but the Board of Supervisors of the City serves as the legislative body of the Successor Agency and delegated, by Ordinance No. 215-12 adopted on Oct. 4, 2012, its authority under the Redevelopment Dissolution Act to the Successor Agency Commission. Within City government, the Successor Agency is titled “The Office of Community Investment and Infrastructure as the Successor to the San Francisco Redevelopment Agency.” Set forth below is a discussion of the history of the Former Agency and the Successor Agency, the governance and operations of the Successor Agency and its powers under the Redevelopment Law and the Redevelopment Dissolution Act, and the limitations thereon.

The Successor Agency maintains a website at www.sfocii.org. The information presented therein is not incorporated herein by reference.

Authority and Personnel

The powers of the Successor Agency are vested in its governing board (the “**Successor Agency Commission**”), which in the City is referred to as the “**Commission on Community Investment and Infrastructure**” and which has five (5) members who are appointed by the Mayor of the City with the approval of the Board of Supervisors. Members are appointed to staggered four-year terms (provided that two (2) members had initial two-year terms). Once appointed, members serve until replaced or reappointed.

The current members of the Successor Agency Commission, together with their principal occupations, the years of their first appointment to the Commission and the expiration date of their current terms are as follows:

<u>Name</u>	<u>Occupation</u>	<u>First Appointed</u>	<u>Term Expires</u>
Vanessa Ross Aquino	Community Organizer	2023	November 3, 2024
Bivett Brackett	Small Business Owner	2019	November 3, 2024
Tamsen Drew	Attorney	2023	November 3, 2026
Alex Ludlum	Real Estate Professional	2022	November 3, 2026
Dr. Carolyn Ransom-Scott	Clergy	2018	November 3, 2024

The Successor Agency has 55 full-time equivalent positions budgeted, approximately 35 of which are filled. On April 12, 2022, the Successor Agency Commission appointed Thor Kaslofsky to serve as Executive Director. The other principal full-time staff positions are: the Deputy Director of Finance and

Administration; the Deputy Director of Project and Programs, which currently is vacant; and the General Counsel and Deputy Director. Each project area in which the Successor Agency continues to implement enforceable obligations is managed by a designated project manager. There are separate staff support divisions with real estate and housing development specialists as well as planning and other technical staff. The Successor Agency has its own fiscal, legal, and administrative staff.

Effect of the Redevelopment Dissolution Act

AB 26. As a result of AB 26 and the decision of the California Supreme Court in the *California Redevelopment Association* case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Former Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies and also to satisfy “enforceable obligations” of the former redevelopment agencies all under the supervision of new oversight boards, the California Department of Finance and the State Controller.

Pursuant to Ordinance No. 215-12 adopted by the Board of Supervisors on October 2, 2012 and signed by the Mayor on October 4, 2012, the Board of Supervisors: (i) officially gave the following name to the Successor Agency: the “**Successor Agency to the Redevelopment Agency of the City and County of San Francisco**”; (ii) created the Successor Agency Commission as the policy body of the Successor Agency; (iii) delegated to the Successor Agency Commission the authority to act in place of the Former Agency’s Commission to implement the surviving redevelopment projects, the replacement housing obligations and other enforceable obligations of the Former Agency and the authority to take actions that AB 26 and AB 1484 require or allow on behalf of the Successor Agency; and (iv) established the composition and terms of the members of the Successor Agency Commission. As discussed below, many actions of the Successor Agency are subject to approval by the Oversight Board and review or approval by the California Department of Finance, including the issuance of bonds such as the 2023A/B Bonds.

AB 1484. On June 27, 2012, the Redevelopment Dissolution Act was amended by AB 1484, which clarified that successor agencies are separate public entities from the city or counties in which they operate and that a successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation.

SB 107. On September 22, 2015, the Redevelopment Dissolution Act was further amended by SB 107, which, among other things: a) clarified the authority of the Successor Agency to issue bonds for affordable housing and certain infrastructure (California Health & Safety Code § 34177.7); b) removed, for purposes of payment of enforceable obligations, certain time limits that had previously applied to the issuance of debt, the receipt of tax increment, the repayment of debt and any other matters set forth in Sections 33333.2, 33333.4, and 33333.6 of the Redevelopment Law; and c) authorized the Successor Agency to secure new debt with the property tax revenues (former tax increment) from project areas that had generated tax increment upon the dissolution of the Former Agency on February 1, 2012 (Stats. 2015, ch. 325, § 27(e)). Significantly, these project areas include those with redevelopment plans that may have expired for other purposes but that continue to be a source of funds for repayment of indebtedness. Accordingly, the Successor Agency will continue to be allocated revenue from all former project areas until such time as all enforceable obligations have been repaid, even if such time extends beyond such project area plan’s stated last day to repay indebtedness. SB 107 did not however change a redevelopment plan’s limit on the amount of bonds that can be outstanding at any one time or restore or continue funding for projects whose contractual terms specified that project funding would cease once the limits in the Redevelopment Law were realized. See “– Continuing Activities” below for more information relating to Section 34177.7.

Oversight Board

The Redevelopment Dissolution Act established special provisions for the composition of a seven-member oversight board operating in a jurisdiction that is both a charter city and a county, such as the City (California Health & Safety Code § 34179(a)(10)). These provisions require that four (4) members of the oversight board be appointed by the mayor, one of whom must represent the largest number of former redevelopment agency employees employed by the Successor Agency at that time, one member appointed by the largest special district as determined by property tax share, one member appointed by the superintendent of education, and one member appointed by the chancellor of the state community colleges. The Successor Agency's Oversight Board is composed of the four (4) members appointed by the Mayor, the one (1) member appointed by the BART, the one (1) member appointed by the County Superintendent of Education, and the one (1) member appointed by the Chancellor of the California Community Colleges.

Department of Finance Finding of Completion

The Redevelopment Dissolution Act established a process for determining the liquid assets that redevelopment agencies should have shifted to their successor agencies when they were dissolved, and the amount that should be available for remittance by the successor agencies to their respective county auditor-controllers for distribution to affected taxing entities. This determination process was required to be completed through the final step (review by the California Department of Finance) by November 9, 2012 with respect to affordable housing funds and by April 1, 2013 with respect to non-housing funds. On May 23, 2013, the Successor Agency promptly remitted to the City Controller the amounts of unobligated balances relating to affordable housing funds, determined by the California Department of Finance in the amount of \$10,577,932, plus \$1,916 in interest. On May 23, 2013, the Successor Agency promptly remitted to the City Controller the amount of unobligated balances relating to all other funds determined by the California Department of Finance in the amount of \$959,147. The Successor Agency has made all payments required under AB 1484 and received its finding of completion from the California Department of Finance on May 29, 2013.

State Controller Asset Transfer Review

The Redevelopment Dissolution Act requires that any asset of a former redevelopment agency transferred to a city, county or other local agency after January 1, 2011, be sent back to the successor agency. The Redevelopment Dissolution Act further requires that the State Controller review any such transfer. On September 23, 2014, the State Controller notified the Successor Agency of its review of such transfers by the Former Agency. Specifically, the State Controller found that \$660,830 (0.09%) of the assets transferred by the Former Agency after January 1, 2011 were unallowable and were required to be turned over by the City to the Successor Agency. The Successor Agency received these funds back from the City in late November 2014.

Continuing Activities

The Former Agency was organized in 1948 by the Board of Supervisors pursuant to the Redevelopment Law. The Former Agency's mission was to eliminate physical and economic blight within specific geographic areas of the City designated by the Board of Supervisors. The Former Agency had redevelopment plans for fourteen (14) redevelopment project areas of which thirteen (13) continue, including the Project Areas. The Successor Agency only has the authority to complete work related to approved enforceable obligations.

These enforceable obligations are related to the following "**Major Approved Development Projects**": (i) the Mission Bay North Project Area; (ii) the Mission Bay South Project Area; (iii) the Hunters Point Shipyard Project Area and Zone 1-Candlestick Point Site of the Bayview Hunters Point Project

Area B; and (iv) the Transbay Project Area. Further, the Redevelopment Dissolution Act expressly provides (pursuant to Section 34177.7) for the issuance by the Successor Agency of bonds and any other obligations (and, pursuant to Section 34177.5, bonds and other indebtedness to refund such bonds or obligations) and specifically states that the Successor Agency “*shall have the authority, rights, and powers of the Redevelopment Agency to which it succeeded solely for the purpose of issuing bonds or incurring other indebtedness to finance...the affordable housing required by the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, the Disposition and Development Agreement for Hunters Point Shipyard Phase I, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, and the Transbay Implementation Agreement,*” which documents, respectively, relate to the Major Approved Development Projects, for which the Successor Agency “*may pledge to [any such] bonds or other indebtedness the property tax revenues available in the...Redevelopment Property Tax Trust Fund that are not otherwise obligated*”. The Mission Bay North Project Area, the Mission Bay South Project Area, parcels in the Hunters Point Shipyard Project Area (other than the Hunters Point Hill Residential District), Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B and the State-Owned Parcels in the Transbay Project Area are Excluded Project Areas. See “INTRODUCTION – Excluded Project Areas.”

In addition, the Successor Agency continues to manage the Former Agency’s assets and real property that ultimately must be disposed of, or transferred to the City, under a long range property management plan required by the Redevelopment Dissolution Act and approved by the California Department of Finance on December 7, 2015.

THE PROJECT AREAS

General

As discussed under “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS,” the 2023A/B Bonds are secured by Pledged Tax Revenues generally consisting of tax increment revenues generated within the Project Areas remaining after payment of the City Controller Administration Fee, the Existing Senior Loan Agreements and the Second Lien Debt. The Project Areas consist of the following:

- Bayview Hunters Point Project Area – Zone 2 of Project Area B*
- Bayview Hunters Point Project Area – Project Area A
- Embarcadero-Lower Market (“Golden Gateway”) Project Area
- Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)*
- India Basin Industrial Park Project Area
- Rincon Point – South Beach Project Area
- South of Market Project Area
- Transbay Project Area*
- Western Addition Project Area A-2
- Yerba Buena Center Approved Project Area D-1

* Bayview Hunters Point Project Area – Zone 2 of Project Area B excludes Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B. See “– Project Areas – Bayview Hunters Point Project Area – Zone 2 of Project Area B.” The projections of tax increment revenues available to pay debt service on the 2023A/B Bonds exclude tax increment from areas in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and the State-Owned Parcel Net Tax Increment. See “– Project Areas – Hunters Point Hill Residential District (Hunters Point Shipyard Project Area).” . See also “– Project Areas – Transbay Project Area” and “INTRODUCTION – Excluded Project Areas.”

Under the Indenture, Pledged Tax Revenues exclude amounts required to be paid to the TIPA in accordance with the redevelopment plan for the Transbay Project Area (i.e. State-Owned Parcel Net Tax Increment). Therefore, State-Owned Parcel Net Tax Increment is not available for payment of debt service on the 2023A/B Bonds. State-Owned Parcel Net Tax Increment for Fiscal Year 2022-23 is approximately \$26.6 million. See Appendix B – “Fiscal Consultant Report.” The tax increment from the State-Owned Parcels in excess of the State-Owned Parcel Net Tax Increment is deposited into the RPTTF. For Fiscal Year 2022-23, such excess totaled approximately \$21.4 million. Of such excess, the tax increment from the State-Owned Parcels in an amount equal to the former State-Owned Parcels Housing Set-Aside and the amount equal to the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels, to the extent subordinated, is anticipated to be available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. For Fiscal Year 2022-23, such tax increment totaled \$ _____. See “INTRODUCTION – Excluded Project Areas,” “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Former Housing Fund*” and “– *Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds*.”

Redevelopment Plans

Under the Redevelopment Law, a city or county that activated a redevelopment agency was required to adopt, by ordinance, a redevelopment plan for each redevelopment project to be undertaken by the redevelopment agency. A redevelopment agency could only undertake those activities within a redevelopment project area specifically authorized in the adopted redevelopment plan. A redevelopment plan is a legal document, the content of which is largely prescribed in the Redevelopment Law, rather than a “plan” in the customary sense of the word. The Former Agency adopted a redevelopment plan for each of the Project Areas, each of which originally included separate time and financial limitations applicable to such Project Area. However, SB 107 provides that the time limits for receiving property tax revenues and the limitation on the amount of property tax revenues that may be received by the Former Agency and the Successor Agency as set forth in these redevelopment plans are not effective for purposes of paying the Successor Agency’s enforceable obligations, such as the 2023A/B Bonds. As a result, the projections set forth in this Official Statement and in the Fiscal Consultant’s Report attached hereto as APPENDIX B were prepared without regard to the time and financial limitations set forth in any of the redevelopment plans. Certain information regarding the redevelopment plans for these Project Areas can be found in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B.

Project Areas

A brief description of each of the Project Areas is set forth below. Additional information regarding the Project Areas can be found in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B.

Bayview Hunters Point Project Area – Zone 2 of Project Area B. The 1,081-acre Bayview Hunters Point Project Area – Zone 2 of Project Area B consists of residential, commercial, industrial, and public uses in the Bayview Hunters Point community, which is located in the southeast quadrant of San Francisco. As defined herein, this project area includes Zone 2 of the larger Bayview Hunters Point Project Area B, but excludes Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B. Tax increment revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B is not pledged to the payment of the 2023A/B Bonds and is part of what is referred to herein as the “Excluded Project Areas.”

The Bayview Hunters Point Project Area – Zone 2 of Project Area B includes the majority of the length of Bayview’s portion of the Third Street commercial corridor, which extends from Cesar Chavez Street on the north side, to Meade Street and Highway 101 on the south side. The project area also includes large portions of industrial and residential areas west of Third Street towards Bayshore Boulevard, east of

Third Street, roughly between Palou Street and Jamestown Street, towards the Yosemite Slough, and a residential district near the India Basin shoreline adjacent to the Bayview Hunters Point Project Area – Project Area A.

Bayview Hunters Point Project Area – Project Area A. The Bayview Hunters Point Project Area – Project Area A is a 137-acre hilly residential tract located in Bayview Hunters Point on a site formerly occupied by temporary federal wartime housing. It is bounded by Fairfax Avenue on the north, Griffith Street on the east, Palou Avenue on the south and Mendell Street on the west. It extends five blocks on its east-west axis and ten blocks in the north-south direction. Pursuant to the redevelopment plan for this project area, over 1,760 new rental, co-op, condominium and ownership units have been constructed and 122 homes have been rehabilitated in this project area. Community improvements include major new roadways and their associated streetscape improvements, a number of neighborhood parks, community facilities and schools.

Embarcadero-Lower Market (“Golden Gateway”) Project Area. The Embarcadero-Lower Market (“Golden Gateway”) Project Area is an approximately 51-acre high density district located along the Embarcadero, largely north of Market Street and east of Battery Street. This project area is developed with approximately 1,400 housing units, an approximately 800-room hotel, approximately 3.5 million square feet of office and commercial space (including the Embarcadero Center) and twelve acres of public parks and open space, as well as the Embarcadero Station of the BART.

Hunters Point Hill Residential District (Hunters Point Shipyard Project Area). The Hunters Point Hill Residential District (Hunters Point Shipyard Project Area) is approximately 74 acres that consists of residential, retail, and community uses in the Bayview Hunters Point community located in the southeast quadrant of San Francisco. As defined herein, this project area includes the Hunters Point Residential District of the Hunters Point Shipyard Project Area, but excludes the remaining land use districts within the Hunters Point Shipyard Project Area. Tax increment revenue from the remaining land use districts within the Hunters Point Shipyard Project Area is not pledged to the payment of the 2023A/B Bonds. See also “INTRODUCTION – Excluded Project Areas.”

The Hunters Point Hill Residential District consists of two geographic areas, the “Hilltop” and the “Hillside”. The two sites are entitled for 1,428 housing units, of which approximately twenty-nine percent (29%) will be rented or sold at rents or sale prices that are below market, and up to 20,000 square feet of retail. The Hilltop consists of Block 1 and Blocks 49 through 57. Vertical developers have received major phase approvals for all private development blocks on the Hilltop. As of [____], 2023, [] units of housing, including [] below-market sale and rental units, have been completed on Blocks 49, 50, 51, 53, 54, 55, 56 and 57 since Fiscal Year 2014-15. Site permits for construction have been issued on an additional [] units of housing, of which [] will be below-market rate sale units. The Hillside consists of Block 48, which has 404 housing units, of which [] are below market rate sale and rental units. To date, vertical developers have received major phase approvals for all private development blocks on the Hillside.

Within the Hunters Point Hill Residential District, the Successor Agency has an enforceable obligation to build an additional [] units of affordable housing, of which [] below-market rate units will be located on the Hilltop and [] below-market rate units will be located on the Hillside.

[A class action lawsuit that has been filed seeks, among other relief, to enjoin development at the Hunters Point Shipyard Project Area, which could include certain land in the Hunters Point Hill Residential District. See “CERTAIN RISK FACTORS – Hazardous Substances.”] **[Update?]**

India Basin Industrial Park Project Area. The India Basin Industrial Park Project Area encompasses approximately 126 acres of commercial and light industrial development in Bayview Hunters Point. It is bounded by Third Street on the west, Jennings Street on the east, Arthur Avenue on the north

and Hudson Avenue and Galvez Avenue on the south. This project area includes a large United States Postal Service distribution facility, several light industrial, commercial service and multimedia businesses and some retail businesses.

Rincon Point-South Beach Project Area. The Rincon Point-South Beach Project Area is an approximately 115-acre area consisting of two noncontiguous subareas located within the northeastern waterfront area of San Francisco, immediately south of the Ferry Building. The major artery through this project area is the Embarcadero Roadway, which connects the project area to the City's financial district to the north and to the Mission Bay district to the south. Over 2,800 residential units and over one million square feet of mid- and high-rise office space have been constructed in this project area. In 2000, the approximately 43,000-seat major league baseball park for the San Francisco Giants (Oracle Park) opened in the project area on land owned by the Port of San Francisco (the "**Port**"). Public improvements completed in the project area include the 700-berth South Beach Harbor, two major waterfront parks and roadway and streetscape improvements.

South of Market Project Area. The South of Market Project Area, which is comprised of two areas: the Original Sub-Area and the Western Expansion Sub-Area, is approximately sixty-nine acres in size and located in the central city area of San Francisco. This project area is roughly bounded by Stevenson, Mission and Natoma Streets on the north, Fifth Street on the east, Harrison Street on the south and Seventh Street on the west. Its focus is the Sixth Street corridor, a mixed-use community located between Market and Harrison Streets.

Transbay Project Area. The Transbay Project Area is approximately 40 acres in size and roughly bounded by Mission Street on the north, Main Street on the east, Folsom Street on the south, and Second Street on the west. As described in "INTRODUCTION – Excluded Project Areas," State-Owned Parcel Net Tax Increment from the State-Owned Parcels, which total approximately 10 acres of land, is not pledged as security to pay debt service on the 2023A/B Bonds, because those revenues have been previously pledged to the TJPA to help pay the cost of replacing the former Transbay Terminal. However, the former State-Owned Parcels Housing Set-Aside and the Statutory Pass-Through Amounts are available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt, including the 2023A/B Bonds. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*"

The Transbay Project Area currently is composed of transportation-related infrastructure, high-rise and mid-rise commercial and residential development, and vacant public and private parcels entitled for high-rise and mid-rise commercial and residential development. The area currently includes a mix of market rate and affordable housing, new commercial buildings, one new park with another two in the predevelopment phase, and retail to serve residents and the larger community. Numerous major developments recently have been completed within the Transbay Project Area.

Western Addition Project Area A-2. The Western Addition Project Area A-2 is an approximately 277-acre area located in the northeast quadrant of San Francisco. It encompasses portions of the area bounded by Van Ness Avenue, Bush Street, Broderick Street and Grove Street. Its land uses are predominantly multi-family residential, with retail, commercial, public and institutional uses concentrated along the project area's main commercial corridors.

Yerba Buena Center Approved Project Area D-1. The Yerba Buena Center Approved Project Area D-1 consists of an approximately 87-acre area in the central city area of San Francisco. This project area contains the Moscone Center convention center, cultural institutions of regional importance, such as the Yerba Buena Center for the Arts and the San Francisco Museum of Modern Art, as well as the Yerba Buena Gardens, recreational uses and the Children's Creativity Museum. The project area is located in the southwest portion of San Francisco's downtown office, hotel and retail district and is developed with high-

rise and mid-rise hotels, and residential and commercial buildings. It extends from Market Street on the north to Harrison Street on the south, and from Second Street on the east to Fourth Street on the west, and includes the Emporium Sub-Area, which contains the Westfield San Francisco Centre regional shopping mall, located between Market Street and Mission Street and between Fourth Street and Fifth Street.

Assessed Valuation and Other Information Regarding the Project Areas

The assessed valuation of each of the Project Areas for the current Fiscal Year by land use category is set forth on the following Table 1.

Table 1
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Assessed Value by Land Use in the Project Areas, Fiscal Year 2022-23⁽¹⁾

Category by Value	Bayview Hunters Point Project Area B ⁽²⁾	Embarcadero- Lower Market ("Golden Gateway") Project Area	Bayview Hunters Point Project Area – Project Area A	Hunters Point Hill Residential District	India Basin Industrial Park Project Area	Rincon Point – South Beach Project Area	South of Market Project Area
Commercial	\$220,661,949	\$2,560,027,008	-	-	\$39,321,178	\$549,349,577	\$279,145,545
Industrial	1,542,841,884	-	-	-	80,823,889	-	131,595,969
Residential							
<i>Single-Family</i>	652,580,035	-	\$118,830,069	\$96,274,378	-	-	23,186,825
<i>Condominiums</i>	188,743,268	232,755,857	9,636,177	251,284,090	-	1,276,169,802	408,596,929
<i>Other</i>	247,146,729	84,608,616	57,388,176	9,322,716	-	381,874,421	635,602,519
Vacant	284,859,089	186	1,177,322	60,950,447	6,717,389	-	357,290,031
Other Secured ⁽³⁾	52,197,425	2,750,943	1,477,000	1,873,772	-	2,361,393	50,163,788
SBE-Assessed Utilities ⁽⁴⁾	392,040	298,757	-	-	-	935,000	-
Unsecured	215,991,125	517,950,324	326,524	1,129,559	37,067,884	796,689,738	41,376,408
Total	\$3,405,413,544	\$3,398,391,691	\$188,835,268	\$420,834,962	\$163,930,340	\$3,007,379,931	\$1,926,958,014
Acreage	1,361	51	137	N/A	126	115	69

Category by Value	Transbay Project Area ⁽⁵⁾	Western Addition Project Area A-2	Yerba Buena Center Approved Project Area D-1	Total Value ⁽¹⁾	% of Total Value	Number of Properties Levied
Commercial	\$7,013,869,049	\$643,709,051	\$3,060,457,716	\$14,366,541,073	41.7%	638
Industrial	14,694,026	-	51,114,173	1,821,069,941	5.3%	871
Residential						
<i>Single-Family</i>	-	113,324,632	-	1,004,195,939	2.9%	1,881
<i>Condominiums</i>	2,000,129,849	1,557,044,952	1,895,486,197	7,819,847,121	22.7%	7,903
<i>Other</i>	1,072,109,210	1,191,313,658	527,472,162	4,206,838,207	12.2%	969
Vacant	323,875,605	36,280,312	38,191,631	1,109,342,012	3.2%	942
Other Secured ⁽³⁾	996,800	22,470,104	25,064,055	159,355,280	0.5%	344
SBE-Assessed Utilities ⁽⁴⁾	-	-	16,962	1,642,759	0.0%	-
Unsecured	1,197,988,183	75,858,709	1,075,178,727	3,959,557,181	11.5%	3,240
Total	\$11,623,662,72	\$3,640,001,418	\$6,672,981,623	\$34,448,389,513	100.0%	17,132
Acreage	40	277	87	2,263		

⁽¹⁾ Assessed valuations are as of July 1, 2022.

⁽²⁾ Amounts shown here include assessed value of Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, in the amount of \$182.0 million, or approximately \$1.8 million in tax increment revenue, which amounts are not available to pay debt service on the 2023A/B Bonds.

⁽³⁾ Includes other land use classifications and homeowner exemptions.

⁽⁴⁾ Non-unitary property assessed by the State Board of Equalization.

⁽⁵⁾ Amounts shown here include values for State-Owned Parcels, a portion of the tax increment from which is not available to pay debt service on the 2023A/B Bonds. See "INTRODUCTION – Excluded Project Areas – Excluded Tax Increment from State-Owned Parcels."

Sources: Assessor; Urban Analytics.

The ten largest taxpayers by assessed valuation in the Project Areas, in aggregate, in Fiscal Year 2022-23 are set forth below in Table 2. Ownership concentration for these top taxpayers is 25.0% of total assessed valuation and 26.8% of incremental assessed valuation in the Project Areas. See “CERTAIN RISK FACTORS – Concentration of Property Ownership.”

Table 2
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Top Ten Taxpayers By Assessed Valuation in the Project Areas, Fiscal Year 2022-23

Assessee Name ⁽¹⁾	Project Area	Use	Parcel Count	Fiscal Year 2021-22 Value	Percent of Total Aggregate Value	Percent of Incremental Value
TRANSBAY TOWER LLC ²	Transbay	Office	1	\$1,839,390,574	5.3%	5.7%
BOSTON PROPERTIES	Golden Gateway	Office	4	1,608,888,992	4.7%	5.0%
PARK TOWER OWNER LLC ²	Transbay	Office	1	1,118,038,941	3.2%	3.5%
EMPORIUM MALL LLC * (2020-21, 2021-22)	Y-C - Emporium	Commercial/ Retail	5	819,319,636	2.4%	2.6%
706 MISSION STREET CO LLC	Y-C - Original	Residential	135	718,011,625	2.1%	2.2%
UNION INVESTMENT REAL ESTATE G	Transbay	Office	1	528,527,800	1.5%	1.6%
MARRIOTT HOTEL * (2020-21, 2021-22)	Y-C - Original	Hotel	1	512,003,966	1.5%	1.6%
CHINA BASIN BALLPARK CO	Rincon	Sports Facility	4	507,680,756	1.5%	1.6%
181 FREMONT OFFICE LLC	Transbay	Office	1	504,809,720	1.5%	1.6%
PPF OFF ONE MARITIME PLAZA LP	Golden Gateway	Office	3	444,877,141	1.3%	1.4%
Totals			156	\$8,601,549,151	25.0%	26.8%

* The owner has one or more appeals pending in the years indicated.

(1) The Millennium Towers in the Transbay Project Area is assessed through its individual condominium owners, a number of whom have pending assessment appeals. The combined assessment for all condominiums in the building is \$794,829,105, or 2.3% of total aggregate value and 2.5% of incremental value. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

(2) The Transbay Tower and Park Tower properties are located on the State-Owned Parcels; approximately 55% of the tax increment revenue from these properties represents State-Owned Parcel Net Tax Increment and is therefore not available for debt service on the 2023A/B Bonds. See “Introduction – Excluded Project Areas – Excluded Tax Increment from State-Owned Parcels.”

Sources: Assessor; Urban Analytics.

As set forth in Table 2, above, Emporium Mall LLC and Marriott Hotel are appealing their assessed valuations for certain Fiscal Years. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

The assessed valuation of the Millennium Tower (defined herein) condominium building in the Transbay Project Area consists of assessments on individual property owners which do not separately appear among the top ten largest assesseees. Taken as a whole, the constituent condominium assessments in the Millennium Tower would appear as the fifth largest taxpayer in the Project Areas; the 419 condominiums in the building total \$794,829,105 in Fiscal Year 2022-23 assessed valuation, or 2.3% of total valuation and 2.5% of incremental valuation for the Project Areas. As discussed under “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals” below, the Millennium Tower is currently subject to assessment appeals related to the settling and tilting of the building.

The Project Areas include two other residential condominium buildings in addition to the Millennium Tower whose constituent condominium assessments would, if taken in the aggregate, be included among the ten largest taxpayers for Fiscal Year 2022-23. These buildings are located at [706 Mission Street] with an aggregate valuation of \$758.2 million, which would make it the seventh largest taxpayer if the Millennium Tower was included as a taxpayer, and 765 Market Street with an aggregate

valuation of \$515.9 million, which would make it the ninth largest taxpayer if the Millennium Tower and [706 Mission Street] were included as taxpayers. Both of these properties are Four Seasons Residences properties. [None of these condominium buildings, including the Millennium Tower, is located on the State-Owned Parcels. Therefore, tax revenues from these buildings are included as security to pay debt service on the 2023A/B Bonds.]

The Transbay Towers property is located on the State-Owned Parcels. State-Owned Parcel Net Tax Increment is not available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt, including the 2023A/B Bonds. See “INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*”

PLEDGED TAX REVENUES AND DEBT SERVICE

The Successor Agency has retained the Fiscal Consultant to provide projections of taxable assessed valuation and tax increment revenue from developments in the Project Areas.

Historical and Current Assessed Valuation and Tax Revenues

A summary of the projected total taxable valuation and tax increment for the Project Areas based on Fiscal Year 2022-23 roll data provided by the offices of the Assessor of the City (the “**Assessor**”), the City Controller and the State Board of Equalization is set forth in Table 3 below. Based on such roll, the total assessed valuation for Fiscal Year 2022-23 in the Project Areas, after deducting all exemptions, except the homeowner’s exemption which is reimbursed by the State, is approximately \$34.4 billion. Deducting the base year valuation for the Project Areas of approximately \$2.4 billion produces an incremental assessed valuation amount of approximately \$32.0 billion. The largest contributor to incremental assessed valuation, at 33.5%, is the Transbay Project Area, followed by the Yerba Buena Center Approved Project Area D-1 at 17.9% and the Western Addition Project Area A-2 at 11.2%. Gross tax increment, calculated by applying a one percent tax rate to the incremental assessed valuation, is \$320.4 million for Fiscal Year 2022-23, prior to deductions for the Excluded Project Areas and senior obligations.

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Table 3
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Tax Increment Estimates by Project Areas, Fiscal Year 2022-23

Project Area	Number of Acres	Total Assessed Valuation	Less Base Year Assessed Valuation	Incremental Valuation	% of Incremental Valuation	Gross Tax Increment
Bayview Hunters Point Project Area B ⁽¹⁾	1,361	\$3,405,413,544	\$1,165,228,645	\$2,240,184,899	7.0%	\$22,401,849
Embarcadero-Lower Market (“Golden Gateway”) Project Area ⁽¹⁾	51	3,398,391,691	21,172,000	3,377,219,691	10.5%	33,772,197
Bayview Hunters Point Project Area – Project Area A	137	188,835,268	2,847,427	185,987,841	0.6%	1,859,878
Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)	NA	420,834,962	6,526,793	414,308,169	1.3%	4,143,082
India Basin Industrial Park Project Area	126	163,930,340	13,691,137	150,239,203	0.5%	1,502,392
Rincon Point - South Beach Project Area	115	3,007,379,931	18,092,701	2,989,287,230	9.3%	29,892,872
South of Market Project Area ⁽¹⁾⁽²⁾						
<i>Original Area</i>	63	1,839,659,712	108,585,675	1,731,074,037	5.4%	17,310,740
<i>Western Expansion Area</i>	6	87,298,302	9,360,179	77,938,123	0.2%	779,381
Transbay Project Area ⁽¹⁾	40	11,623,662,722	880,853,389	10,742,809,333	33.5%	107,428,093
Western Addition Project Area A-2	277	3,640,001,418	61,239,180	3,578,762,238	11.2%	35,787,622
Yerba Buena Center Approved Project Area D-1 ⁽³⁾						
<i>Original Area</i>	74	5,772,811,129	52,656,706	5,720,154,423	17.9%	57,201,544
<i>Emporium Site Area</i>	13	900,170,494	69,957,924	830,212,570	2.6%	8,302,126
Total	2,263	\$34,448,389,513	\$2,410,211,756	\$32,038,177,757	100.0%	\$320,381,778

⁽¹⁾ In the Bayview Hunters Point Project Area B, project area tax increment revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, estimated to be \$1.82 million in Fiscal Year 2022-23, is not available to pay debt service on the Second Lien Debt or the Third Lien Debt, including the 2023A/B Bonds. In the Transbay Project Area, approximately \$26.6 million of the State-Owned Parcel Not Tax Increment in Fiscal Year 2022-23 is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds. Tax increment revenue from the South of Market and Embarcadero-Lower Market (“Golden Gateway”) Project Areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building Redevelopment Project Area through a fiscal merger of these project areas.

⁽²⁾ In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 and the Santa Ana Section 33676 Decision.

⁽³⁾ In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that project area’s redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000.

Sources: Assessor, Successor Agency, and Urban Analytics,

The following Table 4 shows the historic and current assessed valuation for the Project Areas. Assessed valuation grew by 5.3% in Fiscal Year 2022-23, following increases of 0.8% in Fiscal Year 2021-22, 13.0% in Fiscal Year 2020-21, 13.2% in Fiscal Year 2019-20, and 13.6% in Fiscal Year 2018-19.

Fiscal Year 2022-23 assessed valuation increased by \$1.7 billion over Fiscal Year 2021-22. The Transbay Project Area increased by \$647.6 million, including a \$106.0 million valuation gain from the Park Tower office building. The Yerba Buena Center Approved Project Area D-1 increased by \$440.8 million, including \$255.6 million in gains from 149 condominium units owned by 706 Mission Street LLC. Bayview Hunters Point Project Area B increased in valuation by \$224.5 million, in part because of property transfers and new construction. The Embarcadero-Lower Market (“Golden Gateway”) Project Area increased by \$160.5 million including new unsecured valuation of \$82.0 million from Google. The remaining six project areas grew by \$275.2 million for Fiscal Year 2022-23.

Net Available Tax Increment Revenue is determined by deducting from gross tax increment: the portion of tax increment attributable to Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, the State-Owned Parcel Net Tax Increment, the 2% Section 33676 Allocation, the 2% Emporium Amount, the Federal Building negative tax increment and the City Controller Administration Fee. Net Available Tax Increment Revenue as shown on Table 4 is the amount available for debt service on the Senior Obligations and Third Lien Debt, including the 2023A/B Bonds, and any subordinate obligations.

In California, a property's annual assessed value is determined as of January 1 of the year preceding the fiscal year for which taxes are billed and paid. Under Article XIII A of the State Constitution, known as Proposition 13, a property's annual assessed value is the lesser of (1) its base year value (fair market value as of the date of change in ownership or completion of new construction), factored for inflation at no more than two percent per year; or (2) its fair market value as of January 1 of the year preceding the fiscal year for which property taxes are billed and paid. If a property's fair market value falls below its factored base year value, the reduced value is enrolled on a temporary basis (for one year), and is commonly referred to as a "Proposition 8" reduction, after the 1978 initiative. However, if a property's base year value is reduced, then that reduced value carries forward for factoring purposes until the next change in ownership or completion of new construction. Assessors in California have the authority to use Proposition 8 criteria to apply reductions in valuation to classes of properties affected by any factors affecting value, including but not limited to negative economic conditions. See "LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution."

COVID-19's impact on San Francisco real property values first arose with respect to assessed valuations for Fiscal Year 2021-22, with an almost 4-times increase in the total count of Proposition 8 reductions granted compared to Fiscal Year 2020-21 (up from 2,154 to 8,305) and more than 6.5-times increase in the value of the reductions (up from \$359 million to \$2.45 billion). The two most significant factors driving these changes were values of hotels and condominiums. In response to COVID-19, the Assessor's office performed proactive reviews of commercial properties, which resulted in temporary reductions City-wide of \$1.26 billion for 31 hotel properties for Fiscal Year 2021-22 and \$1.1 billion for 19 hotel properties for Fiscal Year 2022-23. Apart from these reductions for hotels, condominiums accounted for the largest share of new reductions City-wide at over 40% of the total value of reductions in both years and over 60% of the total count—with the reductions relating to condominiums increasing by roughly 10 times and 8 times for Fiscal Years 2022-23 and 2021-22, respectively. Unlike the assessed valuation for Fiscal Year 2021-22, the Assessor's office did not do proactive Proposition 8 reductions for the Fiscal Year 2022-23 and 2023-24 assessed valuations. For the Fiscal Year 2023-24 assessed valuations, the Assessor's office will be reviewing all reductions granted for the Fiscal Year 2022-23 assessed valuations, as well as additional requests, including ones submitted through March 31, 2023. [The Assessor's office will review all these items by end of May 2023.] [Any information on how much of these properties are in Project Areas?]

Declines in values of condominiums also are reflected in recent sale prices. According to data from the San Francisco Association of Realtors, as of April 2023, the median sale price of condominiums in the downtown and South of Market area of San Francisco was less than every past April since 2014.

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Table 4
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Historical and Current Assessed Valuations and Net Available Tax Increment Revenue by Project Areas

Project Area	Fiscal Year				
	2018-19	2019-20	2020-21	2021-22	2022-23
Bayview Hunters Point Project Area B	\$ 2,428,295,685	\$ 2,646,387,244	\$ 3,094,567,609	\$ 3,180,947,910	\$ 3,405,413,544
Embarcadero-Lower Market ("Golden Gateway") Project Area	2,974,147,240	3,120,024,522	3,284,546,125	3,237,894,690	3,398,391,691
Bayview Hunters Point Project Area – Project Area A	202,365,397	190,503,384	174,862,380	177,908,649	188,835,268
Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)	385,654,673	563,836,534	411,032,740	406,868,722	420,834,962
India Basin Industrial Park Project Area	139,665,532	142,543,978	150,361,395	163,869,889	163,930,340
Rincon Point - South Beach Project Area	2,693,139,551	2,776,555,071	2,895,125,534	2,915,318,545	3,007,379,931
South of Market Project Area	1,225,992,555	1,488,673,192	1,609,348,316	1,813,776,387	1,926,958,014
Transbay Project Area	7,403,718,271	8,878,757,711	10,473,093,339	10,976,063,961	11,623,662,722
Western Addition Project Area A-2	2,711,494,490	3,162,940,016	3,904,663,267	3,594,951,724	3,640,001,418
Yerba Buena Center Approved Project Area D-1	5,195,709,121	5,735,491,031	6,443,560,076	6,232,159,683	6,672,981,623
Total Value⁽¹⁾	\$ 25,360,182,515	\$ 28,705,712,683	\$ 32,441,160,781	\$ 32,699,760,160	\$34,448,389,513
<i>% Change</i>	<i>12.2%</i>	<i>13.2%</i>	<i>13.0%</i>	<i>0.8%</i>	<i>5.3%</i>
Base Year Assessed Value	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)
Total Incremental Value	\$ 22,949,970,759	\$ 26,295,500,927	\$ 30,030,949,025	\$ 30,289,548,404	\$32,038,177,757
<i>% Change</i>	<i>13.6%</i>	<i>14.6%</i>	<i>14.2%</i>	<i>0.9%</i>	<i>5.8%</i>
Gross Tax Increment ⁽²⁾	\$ 229,499,708	\$ 262,955,009	\$ 300,309,490	\$ 302,895,484	\$ 320,381,778
Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B ⁽³⁾	(470,432)	(973,310)	(1,010,489)	(996,417)	(1,023,091)
State-Owned Parcel Net Tax Increment ⁽³⁾	(15,250,861)	(18,602,921)	(23,194,947)	(25,104,488)	(26,648,847)
Negative Federal Office Building Revenue ⁽⁴⁾	(46,908)	(47,177)	(47,380)	(48,059)	(48,059)
Senior Obligations ⁽⁵⁾	(401,103)	(425,397)	(454,234)	(478,477)	(505,367)
Net Available Tax Increment Revenue	\$ 213,330,404	\$ 242,906,204	\$ 275,602,441	\$ 276,268,042	\$ 292,156,412

Note: Columns may not add due to rounding

⁽¹⁾ Assessed valuations shown are "full cash value" and exclude homeowner subventions.

⁽²⁾ Revenue numbers equal the tax rate times the increase over base year value and do not necessarily equal amounts collected.

⁽³⁾ Revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B and from the State-Owned Parcel Net Tax Increment is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Revenue from the South of Market and Embarcadero-Lower Market ("Golden Gateway") Project Areas is offset by negative revenue from the Federal Office Building Redevelopment Project Area through a fiscal merger of these project areas.

⁽⁵⁾ In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that Project Area's redevelopment plan. This (the 2% Emporium Amount) is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 of the Redevelopment Law and the Santa Ana Section 33676 Decision. The City Controller charges the City Controller Administration Fee pursuant to the Redevelopment Dissolution Act, of approximately 0.015% of tax increment. Amount does not reflect the bonds or loans (including the Existing Senior Loans and the Second Lien Debt) payable from tax increment revenues on a senior basis to the 2023A/B Bonds.

Source: Urban Analytics.

Projected Pledged Tax Revenues and Debt Service Coverage

Set forth below are tables showing net available tax increment revenues from the Project Areas on an aggregate basis, projected Pledged Tax Revenues and estimated debt service coverage for all Existing Senior Loan Agreements, Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. The below projections assume, with the exception of Table 6, approximately two percent (2%) annual growth in gross tax increment revenues beginning in Fiscal Year 2023-24 through the maturity of the 2023A/B Bonds. The projections do not take into consideration any changes in assessed valuation due to new construction, property sales, Proposition 8 reductions (other than those initiated by the Assessor for Fiscal Year 2022-23), assessment appeals or other factors. The actual growth rate in the Project Areas may differ from that which is projected.

The Successor Agency believes that the assumptions (including those in APPENDIX B – “FISCAL CONSULTANT REPORT”) upon which the projections are based are reasonable; however, some assumptions may not materialize and unanticipated events and circumstances may occur.

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Table 5
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Projected Net Available Tax Increment
(The Project Areas)
(in thousands)

Fiscal Year	Assessed Valuation ⁽¹⁾	Base Year Valuation	Incremental Valuation	Gross Tax Increment Revenues ⁽²⁾	Excluded Revenue ⁽³⁾	City Controller Admin Fee ⁽⁴⁾	Prior Obligations ⁽⁵⁾	Net Available Tax Increment Revenues
2022/23	\$34,448,390	\$2,410,212	\$32,038,178	\$320,382	\$(27,720)	\$(47)	\$(459)	\$292,156
2023/24	35,054,040	2,410,212	32,643,828	326,438	(28,259)	(48)	(484)	297,648
2024/25	35,671,804	2,410,212	33,261,592	332,616	(28,808)	(48)	(509)	303,250
2025/26	36,301,923	2,410,212	33,891,711	338,917	(29,369)	(49)	(535)	308,964
2026/27	36,944,644	2,410,212	34,534,432	345,344	(29,941)	(50)	(561)	314,792
2027/28	37,600,220	2,410,212	35,190,008	351,900	(30,524)	(51)	(588)	320,737
2028/29	38,268,907	2,410,212	35,858,695	358,587	(31,119)	(52)	(615)	326,801
2029/30	38,950,968	2,410,212	36,540,756	365,408	(31,725)	(53)	(643)	332,986
2030/31	39,646,670	2,410,212	37,236,458	372,365	(32,344)	(54)	(672)	339,294
2031/32	40,356,286	2,410,212	37,946,075	379,461	(32,975)	(55)	(701)	345,729
2032/33	41,080,095	2,410,212	38,669,883	386,699	(33,619)	(56)	(731)	352,293
2033/34	41,818,380	2,410,212	39,408,168	394,082	(34,276)	(57)	(761)	358,987
2034/35	42,571,430	2,410,212	40,161,218	401,612	(34,946)	(58)	(792)	365,816
2035/36	43,339,541	2,410,212	40,929,330	409,293	(35,629)	(60)	(823)	372,781
2036/37	44,123,015	2,410,212	41,712,803	417,128	(36,278)	(61)	(855)	379,934
2037/38	44,922,158	2,410,212	42,511,946	425,119	(36,937)	(62)	(888)	387,232
2038/39	45,737,284	2,410,212	43,327,072	433,271	(37,610)	(63)	(922)	394,676
2039/40	46,568,713	2,410,212	44,158,501	441,585	(38,296)	(64)	(956)	402,269
2040/41	47,416,770	2,410,212	45,006,558	450,066	(38,995)	(66)	(990)	410,014
2041/42	48,281,788	2,410,212	45,871,576	458,716	(39,709)	(67)	(1,026)	417,914
2042/43	49,164,107	2,410,212	46,753,895	467,539	(40,437)	(68)	(1,062)	425,972
2043/44	50,064,072	2,410,212	47,653,860	476,539	(41,179)	(69)	(1,099)	434,191
2044/45	50,982,036	2,410,212	48,571,824	485,718	(41,936)	(71)	(1,137)	442,575
2045/46	51,918,359	2,410,212	49,508,148	495,081	(42,709)	(72)	(1,175)	451,126
2046/47	52,873,409	2,410,212	50,463,198	504,632	(43,496)	(73)	(1,214)	459,848
2047/48	53,847,560	2,410,212	51,437,349	514,373	(44,300)	(75)	(1,254)	468,745
2048/49	54,841,195	2,410,212	52,430,983	524,310	(45,119)	(76)	(1,295)	477,819
2049/50	55,854,701	2,410,212	53,444,489	534,445	(45,955)	(78)	(1,336)	487,075
2050/51	56,888,478	2,410,212	54,478,266	544,783	(46,808)	(79)	(1,379)	496,517
2051/52	57,942,930	2,410,212	55,532,719	555,327	(47,678)	(81)	(1,422)	506,147
2052/53	59,018,472	2,410,212	56,608,260	566,083	(48,565)	(82)	(1,466)	515,970
Total	\$1,412,498,345	\$74,716,564	\$1,337,781,780	\$13,377,818	\$(1,157,262)	\$(1,947)	\$(28,349)	\$12,190,260

Note: Columns may not add due to rounding.

⁽¹⁾ Assessed valuation includes a growth factor of 2% per year. Assessed valuation for Fiscal Year 2022-23 is as of July 1, 2022, and includes the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area A, the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District, and the State-Owned Parcels.

⁽²⁾ Gross tax increment equals the tax rate times the increase over base year value and does not necessarily equal amounts collected.

⁽³⁾ In the Bayview Hunters Point Redevelopment Project Area B, revenue from the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, estimated to be \$1.0 million in Fiscal Year 2022-23, is not available to pay debt service on the Second Lien Debt or the Third Lien Debt, including the 2023A/B Bonds. In the Transbay Project Area, approximately \$26.6 million of State-Owned Parcel Net Tax Increment in Fiscal Year 2022-23 is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds. Revenue from the South of Market and Embarcadero-Lower Market ("Golden Gateway") Project Areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building Redevelopment Project Area through a fiscal merger.

⁽⁴⁾ The City Controller charges the City Controller Administration Fee pursuant to the Redevelopment Dissolution Act, of approximately 0.015% of tax increment.

⁽⁵⁾ Consists of Project Area-specific prior obligations senior to the 2023A/B Bonds. In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that project area's redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000, estimated to be \$38.2 million for Fiscal Year 2022-23 or approximately \$382,000 in tax increment. In the South of Market Project Area, a portion of tax increment revenue, estimated to be \$77,000, is potentially allocable to school districts under Section 33676 and the Santa Ana Section 33676 Decision. Projections in this column do not include debt service for Existing Senior Loans or Second Lien Debt, which are payable from tax increment on a basis senior to the 2023A/B Bonds.

See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – Project Area-Specific Prior Obligations."

Source: Urban Analytics.

Table 6
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Estimated All-In Debt Service Coverage – No Growth
(The Project Areas)

Bond Year ending August 1	Net Available Tax Increment Revenues	Less: Existing Senior Loan Agreements and Second Lien Debt⁽¹⁾	Pledged Tax Revenues	2017A/B Bonds and 2021A Bonds⁽²⁾	2023A/B Bonds^{(2)*}	Total Payments for All-In Debt Service Coverage Calculation^{(3)*}	All-In Debt Service Coverage^{(4)*}
2024							
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2026							
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2052							
2053							

*Preliminary, subject to change.

⁽¹⁾ Second Lien Debt consists of the 2014 Bonds and the 2017D/E Bonds.

⁽²⁾ Third Lien Debt.

⁽³⁾ Consists of debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Net available tax increment revenues divided by total debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

Source: Stifel, Nicolaus & Company, Incorporated, as to debt service and debt service coverage data and Urban Analytics, LLC, as to Net Available Tax Increment Revenues.

Table 7
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Estimated All-In Debt Service Coverage – 2% Growth*
(The Project Areas)

Bond Year ending August 1	Net Available Tax Increment Revenues	Less: Existing Senior Loan Agreements and Second Lien Debt⁽¹⁾	Pledged Tax Revenues	2017A/B Bonds and 2021A Bonds⁽²⁾	2023A/B Bonds^{(2)*}	Total Payments for All-In Debt Service Coverage Calculation^{(3)*}	All-In Debt Service Coverage^{(4)*}
2024							
2025							
2026							
2027							
2028							
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2052							
2053							

*Preliminary, subject to change.

⁽¹⁾ Second Lien Debt consists of the 2014 Bonds and the 2017D/E Bonds.

⁽²⁾ Third Lien Debt.

⁽³⁾ Consists of debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Net available tax increment revenues divided by total debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

Source: Stifel, Nicolaus & Company Incorporated, as to debt service and debt service coverage data and Urban Analytics, LLC, as to Net Available Tax Increment Revenues.

Assessment Appeals

Appeals of assessments by property owners in the Project Areas can result in future reductions in assessed valuations that can affect the amount of Tax Revenues. It has been the practice of the City Controller to not deduct appeal-related tax refunds from the Successor Agency's tax increment. Instead, these refunds are apportioned to other Taxing Entities using the normal apportionment mechanism. While this practice is expected to continue indefinitely, the City Controller may choose to alter or eliminate it.

The most common type of appeal filed is known as a Proposition 8 appeal, in which the property owner seeks a reduction in a particular year's secured assessment based on the current economic value of the property. The Assessor may also adjust valuations based on Proposition 8 criteria. In past years, assessment reductions under Proposition 8 have been generally temporary in nature and were usually restored to their previous levels, as adjusted for inflation, as economic conditions improved. The Assessor's office has not indicated how many parcels are currently subject to Proposition 8 reductions in the Project Areas.

Property owners may also appeal the Proposition 13 base assessment of a property. Although less frequently filed, such appeals, if successful, can permanently reduce the enrolled valuation of a property and consequently affect the Successor Agency's annual revenue. The annual filing period for all appeals extends from July 2 to September 15. See "CERTAIN RISK FACTORS – Appeals to Assessed Values" and "LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution."

Appeal filings in the Project Areas for the past ten (10) years as of May 24, 2023, are shown in the table below for the secured and unsecured rolls. The table compares the Assessor's valuation with the applicant's opinion of the value of a property and show the resulting valuation for resolved appeals. Appeals are considered resolved when they are withdrawn by the applicant, denied a hearing by the City's Assessment Appeals Board ("**Assessment Appeals Board**"), granted a hearing but denied an adjustment in valuation, or granted an adjustment in valuation.

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Table 8
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Assessment Appeals in the Project Areas
as of May 24, 2023

Roll Year	Status	Number of Appeals	County Valuation	Applicant Opinion of Value	Valuation After Appeal	Retention Rate*
2022-23	Resolved	121	\$601,295,756	\$362,673,194	\$599,182,066	99.6%
2022-23	Pending	104	6,769,261,379	4,201,185,127	TBD	TBD
2021-22	Resolved	192	1,886,126,957	1,297,510,728	1,878,393,849	99.6%
2021-22	Pending	74	4,566,396,545	2,770,363,102	TBD	TBD
2020-21	Resolved	189	1,618,693,604	1,063,739,545	1,610,527,675	99.5%
2020-21	Pending	44	3,340,161,600	2,032,956,105	TBD	TBD
2019-20	Resolved	66	1,533,435,296	902,484,996	1,530,511,973	99.8%
2019-20	Pending	14	920,542,478	666,884,639	TBD	TBD
2018-19	Resolved	64	2,795,062,526	2,026,538,468	2,745,373,273	98.2%
2018-19	Pending	8	654,135,086	448,354,774	TBD	TBD
2017-18	Resolved	214	2,571,608,460	1,723,558,036	2,546,485,190	99.0%
2017-18	Pending	6	356,260,361	257,087,605	TBD	TBD
2016-17	Resolved	209	1,822,114,232	865,834,954	1,794,131,367	98.5%
2016-17	Pending	1	2,808,636	500,000	TBD	TBD
2015-16	Resolved	56	2,294,449,168	1,313,463,151	2,263,373,746	98.6%
2015-16	Pending	-	-	-	-	NA
2014-15	Resolved	113	3,554,601,518	2,421,450,703	3,509,619,762	98.7%
2014-15	Pending	-	-	-	-	NA
2013-14	Resolved	172	3,703,538,935	2,205,517,104	3,697,619,615	99.8%
2013-14	Pending	-	-	-	-	NA
All Years	Resolved	1,396	\$22,380,926,452	\$14,182,770,879	\$22,175,218,516	99.1%
All Years	Pending	251	\$16,609,566,085	\$10,377,331,352	TBD	TBD

* Retention Rate is the proportion of value retained after resolution of an appeal. The rate is calculated by dividing the "Valuation After Appeal" into the "County Valuation." For withdrawn and denied appeals, the "Valuation After Appeal" is the original County Valuation.

Source: San Francisco County Assessment Appeals Board. Data as of 5/24/2023.

[Additionally, in the Transbay Project Area, a residential tower at 301 Mission Street (the "**Millennium Tower**") is reported to have experienced greater settling than anticipated as well as tilting of the building. Such building has been undergoing repairs to address the settling and tilting after the settlement of multiple lawsuits related to such problems. The property consists of 419 residential condominiums and 2 commercial condominiums with a combined Fiscal Year 2022-23 assessed valuation of \$806.0 million, which represents approximately 2.3% of the aggregate assessed valuation of the properties in the Project Areas shown in Table 3. Of these condominium owners in Millennium Tower, 167 filed appeals in Fiscal Year 2016-17 on \$392.1 million in assessed valuation resulting in reductions of \$10.9 million and 169 filed appeals in Fiscal Year 2017-18 on \$374.4 million assessed valuation resulting in reductions of \$23.2 million. Fewer appeals were filed in subsequent years: 20 appeals in Fiscal Year 2018-19 resulting in \$1.6 million in reduced valuations with 4 still pending, 13 in Fiscal Year 2019-20 resulting in \$1.7 million in reduced valuations with 4 still pending, 7 in Fiscal Year 2020-21 resulting in no reductions in valuation with 2 still pending, and 8 in Fiscal Year 2021-22 resulting in \$0.5 million in reduced valuations with 4 still pending.

The potential exposure of the Successor Agency's tax increment revenue to appeals were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions may be seen by applying the overall retention rate for all years in a project area to the amount of roll valuation in pending appeals for the project area. Applying the retention rate of 99.1% set forth in Table 8 to the aggregate valuation subject to pending appeals in the Project Areas as of May 24, 2023, the Fiscal Consultant estimates a reduction in assessed valuation of approximately \$152.6 million or approximately \$1.5 million in gross tax increment revenues, which is 0.5% of the Project Areas' gross tax increment revenues in Fiscal Year 2022-23. As this includes properties with appeals in multiple years, it does not necessarily indicate an equivalent reduction in future revenue.

If the full amount of disputed valuations were to be granted by the Assessment Appeals Board across the Project Areas, and if the City Controller were to deduct the resulting tax refunds from the tax increment allocated to the Successor Agency, the Fiscal Consultant estimates a reduction in assessed valuation of approximately \$6.2 billion and a reduction in the gross tax increment revenue for the Project Areas of approximately \$62.3 million or 19.5% of gross tax increment in Fiscal Year 2022-23. Any such reductions in taxable values could cause a reduction in the Pledged Tax Revenues securing the 2023A/B Bonds. However, based on projected debt service coverage shown on Table 6, the Successor Agency does not expect Fiscal Year 2022-23 assessment appeals to impact its ability to pay debt service on the 2023A/B Bonds when due. See "PLEDGED TAX REVENUES AND DEBT SERVICE – Projected Pledged Tax Revenues and Debt Service Coverage."]

CERTAIN RISK FACTORS

In addition to the information set forth elsewhere in this Official Statement, potential investors should consider the following matters in evaluating an investment in the 2023A/B Bonds. The following does not purport to be an exhaustive listing of risks and other considerations that may be relevant to investing in the 2023A/B Bonds. No assurance can be given that additional risk factors will not become evident at any future time. The order in which the following information is presented is not intended to reflect the relative importance of any such risks.

Recognized Obligation Payment Schedule

As described in greater detail above under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule," the Redevelopment Dissolution Act provides that only those payments listed in the ROPS may be made by the Successor Agency from the funds specified in the ROPS. Tax Revenues will not be distributed from the RPTTF by the City Controller to the Retirement Fund without a duly approved and effective ROPS obtained in sufficient time prior to the distribution date, unless a Last and Final ROPS is filed in which event no periodic filing requirements apply. In instances where a Last and Final ROPS is not filed, if the Successor Agency were to fail to submit an approved ROPS by the applicable date and the California Department of Finance does not provide a notice to the City Controller to withhold funds from distribution to Taxing Entities, amounts in the RPTTF for such period would be distributed to Taxing Entities and the availability of Pledged Tax Revenues for the Successor Agency to pay debt service on the 2023A/B Bonds could be adversely affected for such period. The Successor Agency does not currently plan to file a Last and Final ROPS. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule."

Certain Uncertainties Regarding the Redevelopment Dissolution Act

Prior to the dissolution of redevelopment agencies, tax increment revenues from one project area could not be used to repay indebtedness incurred for another project area. However, the Redevelopment Dissolution Act does not require funds derived from separate project areas of a former redevelopment

agency to be used only in the project areas from which the revenue was generated. Instead, the Redevelopment Dissolution Act requires that the county auditor-controller establish a single RPTTF with respect to each former redevelopment agency within the respective county and that the county auditor-controller deposit into the RPTTF all revenues equivalent to the amount that would have been allocated as tax increment to the former redevelopment agency. In effect, the Redevelopment Dissolution Act combines the property tax revenues derived from all project areas of a former redevelopment agency into a single trust fund, the RPTTF, to repay indebtedness of the successor agency. The only exception to this aggregation of property tax revenues is for those property tax revenues of a particular project area that have been contractually committed for certain enforceable obligations of a former redevelopment agency. To the extent the documents governing outstanding bonds of a redevelopment agency have pledged revenues derived from a specific project area, the Redevelopment Dissolution Act does not impair that pledge. Section 34175(a) of the California Health and Safety Code states, *“it is the intent... that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge.”* Accordingly, the Pledged Tax Revenues securing the 2023A/B Bonds will be used for purposes consistent with the applicable bond covenants prior to being used for any other purpose, including payment of any other indebtedness of the Former Agency now being paid by the Successor Agency (excluding Senior Obligations).

Estimates of Tax Revenues

To estimate the Pledged Tax Revenues ultimately available to pay debt service on the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds, the Successor Agency has made certain assumptions with regard to the present and future assessed valuation of taxable property in the Project Areas, future tax rates, growth in tax revenues over time, percentage of taxes collected and other senior obligations. See APPENDIX B – “FISCAL CONSULTANT REPORT.” The Successor Agency believes these assumptions to be reasonable, but there is no assurance that these assumptions will be realized. To the extent that actual assessed valuation, tax rates or percentages collected are less than the Successor Agency’s assumptions, the Pledged Tax Revenues would be less than those projected and may be insufficient to pay debt service on the 2023A/B Bonds.

Concentration of Property Ownership

The risk of reduction in assessed value as a result of factors described herein may increase where the assessed value within the Project Areas is concentrated among a relatively few number of property owners. Ownership of property in the Project Areas is significantly concentrated, with the ten largest property owners by assessed valuation accounting for 25.0% of the Fiscal Year 2022-23 assessed valuation and 26.8% of the Project Areas’ incremental assessed value. Significant reduction in the assessed values of these properties could, by itself or in combination with other factors, have a material adverse effect on the Successor Agency’s ability to pay debt service on the 2023A/B Bonds as such payments become due and payable. See “THE PROJECT AREAS – Assessed Valuation and Other Information Regarding the Project Areas – Table 1, Assessed Value by Land Use in the Project Areas” and “– Table 2, Top Ten Taxpayers by Assessed Valuation in the Project Areas” and discussion thereafter about three residential condominium buildings whose constituent condominium assessments would, if taken in the aggregate, be among the top ten taxpayers for Fiscal Year 2022-23.

Subordination of ERAF

The AB 1290 Statutory Pass-Through Amounts are, or are assumed to be, subordinate to the payment of debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Assembly Bill*

1290; Statutory Pass-Throughs” and “ – Subordination of Pass-Through Amounts to Payment of Debt Service on the 2023A/B Bonds.” As ERAF is not an entity, but a fund, there is not a mechanism to seek affirmative approval of the subordination of monies payable to ERAF. The Successor Agency believes that the Statutory Pass-Through Amounts to be deposited in ERAF are subordinated if the Taxing Entities, to whom the amounts deposited in ERAF will be distributed, have approved, or are deemed to have approved, the subordination of the Statutory Pass-Through Amounts directly payable to them. Should a Taxing Entity or the State disagree with the Successor Agency’s position with regards to the subordination of the ERAF and determine that the Statutory Pass-Through Amounts due to ERAF cannot be subordinated, such amounts would be a senior obligation and payment thereof would have to be made prior to payment of debt service on the 2023A/B Bonds. The Statutory Pass-Through Amount for ERAF for Fiscal Year 2022-23 is approximately 25.3% of the total Statutory Pass-Through Amounts. The Successor Agency does not believe that an obligation to pay the ERAF amounts on a basis senior to the payment of debt service on the 2023A/B Bonds will have a materially adverse effect on its ability to pay debt service on the 2023A/B Bonds.

Reduction in Tax Base and Assessed Values

Pledged Tax Revenues constitute the ultimate source of payment for the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any other Third Lien Parity Debt issued in the future. Such tax revenues are determined by the amount of the incremental taxable value of property in the Project Areas, the current rate or rates at which property in the Project Areas is taxed and the percentage of taxes collected in the Project Areas. A reduction of the taxable values of property in the Project Areas could occur as a result of numerous factors beyond the Successor Agency’s control, including but not limited to, a general economic downturn, political and economic obstacles to additional development and redevelopment activities in the Project Areas, relocation out of the Project Areas by one or more major property owners or tenants, property becoming exempt from property taxes through condemnation or acquisition by certain entities such as nonprofit corporations, or the complete or partial destruction of property caused by, among other calamities, earthquake, fire, flood or other natural disaster. In addition, taxable values may be reduced pursuant to successful appeals of assessed valuations or by widespread temporary reduction in assessed valuation under Proposition 8. See also “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals” above.

Were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions, applying the overall retention rate of 99.1% set forth in Table 8 to the valuation subject to pending appeals as of November 22, 2022, the estimated reduction in prior-year assessed valuation would be approximately \$93.5 million, or approximately \$935,000 in gross tax increment revenues. If the full amount of such disputed valuation were to be granted by the Assessment Appeals Board across the Project Areas, and if the City Controller were to deduct the resulting tax refunds from the Successor Agency’s tax increment, the estimated reduction in prior-year assessed valuation would be approximately \$3.7 billion for the Project Areas and in gross tax increment revenues would be approximately \$37.2 million or 11.6% of gross tax increment; this includes multi-year appeals and does not necessarily indicate an equivalent reduction in future revenue. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

The COVID-19 pandemic has had an adverse impact on property valuations in the Project Areas. As set forth in Table 4, the assessed valuations for Fiscal Year 2021-22 in the Embarcadero-Lower Market (“Golden Gateway”) Project Area, the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), the Western Addition Project Area A-2 and the Yerba Buena Center Approved Project Area D-1 declined from the previous fiscal year, although the assessed valuations for Fiscal Year 2022-23 in such Project Areas increased from the previous fiscal year. The COVID-19 pandemic is ongoing, and its duration, severity and economic effects are uncertain in many respects. See “– Public Health Emergencies” and “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”]

In general, because property on the unsecured tax roll includes personal property and leasehold interests, the values of property on the unsecured roll are more likely to fluctuate and are more susceptible to reduction due to adverse economic circumstances affecting the owners of the properties. Accordingly, unsecured assessed valuation may present special risks and may be more susceptible to fluctuation from year to year than valuation reflected on the secured roll. According to the Fiscal Consultant, the unsecured roll represents approximately 11.5% of the overall assessed value in the Project Areas for Fiscal Year 2022-23.

Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a two percent (2%) increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such adjustments are computed on a calendar year basis. In projecting future Pledged Tax Revenues to be available to it to make payments with respect to the 2023A/B Bonds, the Successor Agency has assumed an annual two percent (2%) inflationary increase. The projected Pledged Tax Revenues are based on the latest actual amounts received by the Successor Agency. However, future deflation could cause decreases in property values, a reduction in tax revenues received by the Successor Agency and reduced Pledged Tax Revenues. See “– Reduction in Inflation Rate,” “PLEDGED TAX REVENUES AND DEBT SERVICE” and “LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution” herein.

In addition to the other limitations on and the required application under the Redevelopment Dissolution Act of tax revenues on deposit in the RPTTF, the State electorate or Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing tax revenues allocated to the RPTTF and available to the Successor Agency. Although the federal and State Constitutions include clauses generally prohibiting the Legislature’s impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could reduce Pledged Tax Revenues and adversely affect the source of repayment and security of the 2023A/B Bonds.

Appeals to Assessed Values

There are two basic types of assessment appeals provided for under California law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the Assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the Assessor is reduced, the valuation of the property cannot increase in subsequent years more than two percent (2%) annually unless and until another change in ownership and/or additional new construction activity occurs. The second type of appeal, commonly referred to as a Proposition 8 appeal, can result if factors occur causing a decline in the market value of the property to a level below the property’s then current taxable value (escalated base year value). Pursuant to California law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner’s property by filing a written application, in a form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board.

In the City, a property owner desiring a Proposition 8 reduction of the assessed value of such owner’s property in any one (1) year period must submit an application to the City’s Assessment Appeals Board. Applications for any tax year must be submitted, or postmarked if mailed, by September 15 of such tax year. Following a review of the application by the Assessor, the Assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Assessment Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Assessment Appeals Board generally is required to determine the outcome of appeals within two (2) years of each appeal’s filing date unless waived by the applicant. Any reduction in the assessment ultimately granted applies only to the

year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than two percent (2%)) following the year for which the reduction application is filed. However, the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted. See “LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedure” and “PLEDGED TAX REVENUES AND DEBT SERVICE.”

An appeal may result in a reduction to the Assessor’s original taxable value and a tax refund to the applicant property owner. A reduction in present or future taxable values within the Project Areas, which may arise out of successful appeals by property owners, will affect the amount of present or future Pledged Tax Revenues.

Two of the ten (10) largest property taxpayers in the Project Areas and the Millennium Tower, a condominium property in the Transbay Project Area, whose constituent condominium assessments would, if taken in the aggregate, be included among the ten (10) largest property taxpayers in the Project Areas for Fiscal Year 2022-23, have pending property tax appeals. See “THE PROJECT AREAS – Assessed Valuation and Other Information Regarding the Project Areas – Table 2, Top Ten Taxpayers by Assessed Valuation,” and “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals” for a description of pending appeals and the potential impact on allocable tax revenues if the appeals are granted.

Property Foreclosures

Foreclosures primarily affect assessed valuations at the point at which the property foreclosed upon is sold to a third party, with the often significantly lower sale price determining the property’s new assessed value. As available foreclosure data does not track properties through to the point of sale to third parties, the actual impact on assessed valuation cannot be reasonably determined.

State Budget Issues; Changes in State Law

In general terms, the Redevelopment Dissolution Act implemented a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services, with assets transferred to schools offsetting State general fund costs (then projected savings of \$1.5 billion). Subsequently, SB 107 was enacted, making additional changes to the Redevelopment Dissolution Act.

There can be no assurance that additional legislation will not be enacted in the future to additionally implement provisions relating to the State budget or otherwise that may affect successor agencies or tax increment revenues, including Pledged Tax Revenues. There can be no assurance that the California electorate will not at some future time adopt initiatives or that the Legislature will not enact legislation that will amend the Redevelopment Law, the Redevelopment Dissolution Act or other laws or the Constitution of the State resulting in a reduction of Pledged Tax Revenues, or that otherwise have an adverse effect on the Successor Agency’s ability to pay debt service on the 2023A/B Bonds.

The Redevelopment Dissolution Act and implementation of its provisions have been and may continue to be subject to differing interpretations by different stakeholders, including the California Department of Finance, the State Controller, oversight boards, successor agencies, auditor-controllers, and others. Certain litigation is challenging some of the terms of the Redevelopment Dissolution Act and the Redevelopment Dissolution Act could be subject to further legislative or judicial review. The Successor Agency cannot predict the outcome or impact of any such litigation, interpretations or reviews on the availability of Pledged Tax Revenues to pay the 2023A/B Bonds.

Development Risks

Only a few undeveloped areas remain within the Project Areas, as the Project Areas are substantially developed. According to the Fiscal Consultant, of the 942 properties classified as vacant in Table 1, 164 are located in the Excluded Project Areas, of which 78 are in Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, 1 is in the Hunters Point Shipyard Project Area and 85 are in the State-Owned Parcels. Any future property tax revenue from properties in the Excluded Project Areas will not be pledged revenue, except that tax increment revenues from the State-Owned Parcels in an amount equal to the former State-Owned Parcels Housing Set-Aside and the amount equal to the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels, to the extent subordinated, is anticipated to be available for payment of debt service on the Senior Obligations and the Third Lien Bonds, including the 2023A/B Bonds, as described in this Official Statement. See “INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*” Of the remaining 778 properties, 400 are within the Bayview Hunters Point Project Area – Zone 2 of Project Area B and 105 are within the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area).

The developments within the Project Areas will be subject to all the risks generally associated with real estate development. Projected development within the Project Areas may be subject to unexpected delays, disruptions and changes. Real estate development operations may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development operations within the Project Areas could be adversely affected by future governmental policies, including governmental policies to restrict or control development. If projected development in the Project Areas is delayed or halted, the economy of the Project Areas could be affected. If such events lead to a decline in assessed values, they could cause a reduction in Pledged Tax Revenues. In addition, if there is a decline in the general economy of the Project Areas, the owners of property within the Project Areas may be less able or less willing to make timely payments of property taxes causing a delay or stoppage of the tax revenues received by the Successor Agency from the Project Areas. In addition, the insolvency or bankruptcy of one or more large owners of property within the Project Areas could delay or impair the receipt of tax revenues by the Successor Agency.

Natural Disasters

Real estate values can be adversely affected by a variety of natural events and conditions, including earthquakes, tsunamis, sea level rise and floods. The Successor Agency expects that one or more of these conditions may occur from time to time, and such conditions may result in delays in development or damage to property improvements. Any damage resulting from a natural disaster may entail significant repair or replacement costs, and repair or replacement may never occur. Under any of these circumstances, the value of real estate within the Project Areas could depreciate substantially and owners of property may be less willing or able to pay property taxes.

Earthquake. The City is located in a seismically active region. Active earthquake faults underlie both the City and the surrounding Bay Area, including the San Andreas Fault, which passes about three miles to the southeast of the City’s border, the Hayward Fault, which runs under Oakland, Berkeley and other cities on the east side of San Francisco Bay, about 10 miles away, and a number of other significant faults in the region. Significant seismic events include the 1989 Loma Prieta earthquake, centered about 60 miles south of the City, which registered 6.9 on the Richter scale of earthquake intensity. That earthquake caused fires, building collapses, and structural damage to buildings and highways in the City and surrounding areas. The San Francisco-Oakland Bay Bridge, the only east-west vehicle access into the City, was closed for a month for repairs, and several highways in the City were permanently closed and eventually removed. On August 24, 2014, the San Francisco Bay Area experienced a 6.0 earthquake

centered near Napa along the West Napa Fault. The City did not suffer any material damage as a result of this earthquake.

In March 2015, the Working Group on California Earthquake Probabilities (a collaborative effort of the U.S. Geological Survey (U.S.G.S.), the California Geological Survey, and the Southern California Earthquake Center) reported that there is a 72% chance that one or more quakes of about magnitude 6.7 or larger will occur in the San Francisco Bay Area before the year 2045. Such earthquakes may be very destructive. In addition to the potential damage to City-owned buildings and facilities (on which the City does not generally carry earthquake insurance), due to the importance of San Francisco as a tourist destination and regional hub of commercial, retail and entertainment activity, a major earthquake anywhere in the Bay Area may cause significant temporary and possibly long-term harm to the City's economy, tax receipts, and residential and business real property values, including those located in the Project Areas.

In early 2016, the Port Commission of the City (the "**Port Commission**") commissioned an earthquake vulnerability study of the Northern Waterfront Seawall. The three-mile Seawall was constructed over 100 years ago and sits on reclaimed land, rendering it vulnerable to seismic risk. The Seawall provides flood and wave protection to downtown San Francisco, and stabilizes hundreds of acres of filled land. Preliminary findings of the study indicate that a strong earthquake may cause most of the Seawall to settle and move outward toward the Bay, which would significantly increase earthquake damage and disruption along the waterfront. The Successor Agency is unable to predict the impact, if any, on property tax revenues from the Project Areas if the Seawall were to be damaged. See "*– Climate Change and Flooding*" below.

In September 2022, Port staff delivered a report on key findings from an initial assessment of seismic hazards and vulnerabilities to the City's southern waterfront facilities. It reported that the assessment identified several key earthquake hazards and vulnerabilities at facilities that were essential to the Port's maritime business line as well as critical for the City's emergency response and recovery operations that would cost over \$300 million to mitigate. It also reported that Port staff was actively pursuing next steps to further analyze, fund and mitigate the hazards and vulnerabilities identified.

Climate Change and Flooding. It is expected that sea levels will rise given the rising temperature of the oceans and an increase in ocean volume as land ice melts and runs off into the ocean. Over the past century, sea level has risen nearly eight inches along the California coast, and substantial increases in sea level rise are projected due to climate change over the coming century. In May 2009, the California Climate Change Center released a final paper, for informational purposes only, which was funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation and the California Ocean Protection Council. The title of the paper is "The Impacts of Sea-Level Rise on the California Coast." The paper posited that increases in sea level will be a significant consequence of climate change over the next century. The paper evaluated the population, infrastructure, and property at risk from projected sea-level rise along the Pacific Coast and along the San Francisco Bay if no action is taken to protect the coasts. The paper estimated that if the sea level were to rise 1.4 meters, a 100-year flood along the Pacific Coast would increase the vulnerable population in the City from 4,800 under then-current sea level to 6,500 (all population numbers based on 2000 census) and the replacement value of buildings and contents at risk in the City would increase from \$670 million to \$890 million (all dollar amounts in year 2000 dollars). In addition, the paper estimated that a 100-year flood along the San Francisco Bay with sea level rises of 0.5 meter, 1.0 meter or 1.4 meters, would increase the vulnerable population in the City from 190, at then-current sea level, to 600, 1,600 or 3,800, respectively, and increase the replacement value of buildings and contents at risk in the City from \$110 million, at then-current sea level, to \$370 million, \$1.4 billion or \$4.0 billion, respectively. The paper further stated that the San Francisco Bay is particularly vulnerable to impacts associated with sea-level rise due to extensive development on the margins of the Bay. A wide range of critical infrastructure along the California Coast and in communities along the San Francisco Bay, such as roads, hospitals, schools,

emergency facilities, wastewater treatment plants, power plants, and wetlands is also vulnerable. Continued development in vulnerable areas will put additional assets at risk and raise protection costs.

Sea level rise can lead not only to permanent inundation of land but it can also expand the 100-year floodplain. Land composed of fill near San Francisco Bay is at risk for inundation because of low elevation and subsidence over time due to compaction from buildings and soil desiccation.

In March 2016, the City released a report entitled “Sea Level Rise Action Plan,” which identified geographic zones at risk of sea level rise and provided a framework for devising adaption strategies to confront such risks. To implement such Plan, the Mayor’s Sea Level Rise Coordinating Committee, co-chaired by the Planning Department and Office of Resilience and Capital Planning, joined the Port, the Public Utilities Commission and other public agencies in moving several initiatives forward. This included a Citywide Sea Level Rise Vulnerability and Consequences Assessment to identify and evaluate sea level rise impacts across the City and in various neighborhoods that was released in February 2020.

In March 2020, a consortium of State and local agencies, led by the Bay Area Conservation and Development Commission, released a detailed study entitled, “Adapting to Rising Tides Bay Area: Regional Sea Level Rise Vulnerability and Adaptation Study,” on how sea level rise could alter the Bay Area. The study states that a 48-inch increase in the bay’s water level in coming decades could cause more than 100,000 Bay Area jobs to be relocated, nearly 30,000 lower-income residents to be displaced, and 68,000 acres of ecologically valuable shoreline habitat to be lost. The study further argues that without a far-sighted, nine county response, the region’s economic and transportation systems could be undermined along with the environment. Runways at San Francisco International Airport could largely be under water.

The City has already incorporated site specific adaption plans in the conditions of approval for certain large waterfront development projects, such as the Candlestick/Hunters Point Shipyard, Treasure Island, Pier 70 and Mission Rock projects. Also, the City is in the process of planning to fortify the Port’s Bay shoreline against earthquakes, flooding, and sea level rise. In November 2018, voters of the City approved Proposition A, authorizing the issuance of up to \$425 million in general obligation bonds for seismic safety and disaster response improvements along the Seawall. The City has expended \$16.2 million through Fiscal Year 2020-21 and expects short-term upgrades to cost over \$500 million and long-term upgrades to cost more than \$5 billion. In August 2020, the Port released a multi-hazard seismic and flood risk assessment of Port and City infrastructure along the Embarcadero Seawall, which is being used as a guide to inform project planning. The Port and the United States Army Corps of Engineers have also partnered to study and develop coastal flood defenses to address the flooding and sea level rise along the Port’s Bay waterfront, which will yield a recommendation to Congress as to the federal interest in funding coastal flood defenses.

Portions of the San Francisco Bay Area, including the City, are built on fill that was placed over saturated silty clay known as “**Bay Mud.**” This Bay Mud is soft and compressible, and the consolidation of the Bay Mud under the weight of the existing fill is ongoing. A report issued in March 2018 by researchers at UC Berkeley and the University of Arizona suggests that flooding risk from climate change could be exacerbated in the San Francisco Bay Area due to the sinking or settling of the ground surface, known as subsidence. The study claims that the risk of subsidence is more significant for certain parts of the City built on fill. The Transbay Project Area has property built on Bay Mud. The Successor Agency has not conducted any investigation as to whether any property in other Project Areas is on Bay Mud.

In October 2022, the Port announced that it, in partnership with the U.S. Army Corps of Engineers and City agencies, had developed seven Waterfront Adaptation Strategies, which are different ways for the City to create a resilient, sustainable, and equitable waterfront for the next 100 years. It indicated the intent is not to choose one of the strategies, but to use the best ideas from all of them to create a plan or approach to reduce

flood risks from sea level rise and extreme storms and provide an opportunity to invest in and bring public benefits to the City's waterfront.

Projections of the effects of global climate change on the City and the Successor Agency are complex and depend on many factors that are outside the control of the City or the Successor Agency. The various scientific studies that forecast climate change and its adverse effects, including sea level rise and flooding risk, are based on assumptions contained in such studies, but actual events may vary materially. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the Successor Agency is unable to forecast when sea level rise or other adverse effects of climate change (e.g., the occurrence and frequency of 100-year storm events and king tides) will occur. In particular, the Successor Agency cannot predict the timing or precise magnitude of adverse economic effects, including, without limitation, material adverse effects on the business operations or financial condition of the Successor Agency or the Project Areas or the local economy during the term of the 2023A/B Bonds. While the effects of climate change may be mitigated by past and future investment in adaptation strategies, the Successor Agency can give no assurance about the net effects of those strategies and whether additional adaptive mitigation measures will be required. If necessary, such additional measures could require significant capital resources.

Tsunamis. Tsunamis are large waves in the ocean generated by earthquakes, coastal or submarine landslides, or volcanoes. Damaging tsunamis are not common on the California coast. Most California tsunami are associated with distant earthquakes (most likely those in Alaska or South America, and recently in Japan), not with local earthquakes. Devastating tsunamis have not occurred in historic times in the San Francisco Bay Area. The Community Safety Element states that, because of the lack of reliable information about the kind of tsunami run-ups that have occurred in the prehistoric past, there is considerable uncertainty over the extent of tsunami run-up that could occur.

It should be assumed, therefore, that an earthquake or other natural event or man-made activity may occur and may cause damage to improvements on parcels in the Project Areas of varying degrees of severity, that such damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost or because repair or replacement will not facilitate usability or because other considerations may preclude such repair or replacement. Consequently, the occurrence of any of these conditions could result in a significant decrease in the assessed value of taxable values of property in the Project Areas and could result in a significant reduction in Pledged Tax Revenues. Such reduction of Pledged Tax Revenues could have an adverse effect on the Successor Agency's payment of debt service on the 2023A/B Bonds.

Cybersecurity

The Successor Agency, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations, and faces multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "**Systems Technology**").

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Successor Agency's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. The Successor Agency participates in the City's cybersecurity program, which invests in multiple forms of cybersecurity and operational safeguards to protect against such events and attacks.

While the Successor Agency's cybersecurity and operational safeguards are periodically tested, no assurance can be given by the Successor Agency that such measures will ensure against cybersecurity threats and attacks. Cybersecurity breaches could damage the Successor Agency's Systems Technology

and cause material disruption to the Successor Agency's operations. The costs of remedying any such damage or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose the Successor Agency to material litigation and other legal risks, which could cause the Successor Agency to incur material costs related to such legal claims or proceedings.

Public Health Emergencies

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. In February 2020, the WHO announced the official name for the outbreak of COVID-19, an upper respiratory tract illness. COVID-19 spread across the globe and has had significant adverse health and financial impacts throughout the world, including the City. States of emergency declared by the Mayor of the City and the Governor of the State were ended in February 2023 and the States of emergency declared by the WHO and the President of the United States were ended in May 2023.

While COVID-19 case rates have significantly declined, vaccination rates have increased, and the national and local economy has been improving, COVID-19 is an established and ongoing health issue according to the WHO, and its duration and severity and economic effects are uncertain in many respects. The ultimate impact of COVID-19 on the Successor Agency's operations and finances and the economy, real estate market and development within the Project Areas, is not fully known, and it may be some time before the full adverse impact of the COVID-19 outbreak is known.

Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the Successor Agency's operations and finances and on the economy, real estate market and development within the Project Areas.

Office Vacancy in San Francisco; Impact on Property Taxes and Other Revenues

On October 19, 2022, the Chief Economist of the City Controller's office released a memorandum regarding the impact of remote work on commercial property and tax revenue in the City. The following summarizes certain portions of such memorandum.

The City has experienced the largest increase in office vacancy among major urban office markets in the United States, currently estimated at 24% in the 3rd quarter of 2022, from around 5% before the COVID-19 pandemic. Because of the prevalence of long-term leases in the commercial real estate industry, sudden reductions in demand often result in increases in sublease vacancy, instead of direct vacancy. Sublease vacancy occurs when existing tenants vacate their space and seek to find sub-lessees, but continue to pay rent under the original lease. A direct vacancy occurs when the original lease has been broken, or has expired and not been renewed. In this case, the property's income declines until a new lease is signed. In San Francisco, sublease vacancies were a very high percentage (80-90%) of office vacancies during 2020 and 2021. In 2022, the sublease vacancy rate has declined, while the direct vacancy rate has continued to rise.

By mid-2022, direct vacancies accounted for most of the vacant office space in San Francisco, according to Jones Lang LaSalle IP, Inc. ("JLL"). For example, JLL has developed a series of office vacancy rate forecasts for the City, through the year 2026. JLL generally show historically high office vacancy rates persisting throughout the forecast period. JLL forecasts office vacancy in the city to remain between 19.5% and 25.3% by 2026, a range which is as high as or higher than any previous peak in office vacancy dating back to the 1990s. JLL also forecasts rents to rise again by the end of the forecast period, but at a slower rate than was seen in the 2010s. If vacancy rates remain at this elevated level, and a large share of these are direct vacancies, then the income, and market value, of office buildings in the City are likely to be negatively affected.

Since the release of the memorandum described above, CBRE, Inc., issued a report indicating the office vacancy rate in San Francisco in the first quarter of 2023 was 29.4%. In addition, local news outlets have reported that a 300,000 square foot downtown San Francisco office building, which previously was occupied by

Union Bank and which had become vacant, recently sold for roughly 75% less than what it had been offered for in 2020. Such building is not in any of the Project Areas. However, it may be reflective of the current market values of certain of the office buildings in San Francisco, including those in Project Areas.

The Controller's memorandum notes that "the prevalence of long-term leases, and the cushioning effect that Proposition 13 has provided San Francisco's property tax base, will be mitigating factors in the short term" with respect to reductions in property taxes from office buildings. As an example, the Union Bank building's new assessment, which will be based on the reported \$65 million sale price, is expected to be slightly less than the building's \$66.2 million current assessment, which amount was based on the building's last sale occurring around 2007.

[Add information as to amount of office buildings in Project Areas and any information as to their assessed values?][Urban Analytics will look into updating a similar analysis done in 2019 for the TIPA TABs]

The market value of a property is important for property tax revenue because a property's assessed value – the basis of its property tax liability – may not exceed its market value. If a property owner believes a property is assessed above its market value, they may request a temporary reduction in assessment from the Assessor, and/or appeal an assessment to the Assessment Appeals Board. See "– Reductions in Tax Base and Assessed Values" and "PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals," above.

Bond Insurance Risk Factors

[The Successor Agency may obtain a bond insurance policy issued by [2023 Insurer] to guarantee the scheduled payment of principal of and interest on all or a portion of the 2023A/B Bonds. The Successor Agency has yet to determine whether an insurance policy will be purchased with the 2023A/B Bonds or either Series of the 2023A/B Bonds, which decision is at its sole and absolute discretion. If an insurance policy is purchased, the following are some risk factors relating to bond insurance.

In the event of default of the payment of principal or interest with respect to any Insured Bonds when due, any owner of such Insured Bonds would have a claim under the applicable Insurance Policy for such payments. Under most circumstances, default of payment of principal and interest would not obligate acceleration of the obligations of the bond insurer without appropriate consent of the bond insurer.

In the event the bond insurer was unable to make payment of principal and interest under the applicable Insurance Policy as such payments became due, the Insured Bonds insured by such Insurance Policy would be payable solely from the moneys received pursuant to the Indenture. In the event the bond insurer became obligated to make payments with respect to any of the Insured Bonds, no assurance is given that such event would not adversely affect the market price of the Insured Bonds or the marketability (liquidity) of the Insured Bonds.

The long-term ratings on the Insured Bonds would be dependent in part on the financial strength of [2023 Insurer], as the bond insurer, and its claim paying ability, which might change over time. No assurance is given that the long-term ratings of [2023 Insurer] and of the ratings on the Insured Bonds will not be subject to downgrade and such event could adversely affect the market price of the Insured Bonds or the marketability (liquidity) of the Insured Bonds. See "RATINGS."

The obligations of [2023 Insurer] would be general obligations of [2023 Insurer] and in an event of default by [2023 Insurer], the remedies available might be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the Successor Agency nor the Underwriters will make any independent investigation into the claims paying ability of [2023 Insurer] and no assurance or representation regarding the financial strength or projected financial strength of [2023 Insurer] will be given. Thus, when making an investment

decision, potential investors should carefully consider the ability of the Successor Agency to pay principal and interest on the 2023A/B Bonds and the claims paying ability of [2023 Insurer], particularly over the life of the investment. See “INTRODUCTION – Bond Insurance” and “BOND INSURANCE” herein for further information provided by [2023 Insurer].]

[Reserve Policy Risk Factors]

[The Successor Agency may obtain a reserve policy issued by [2023 Insurer] in lieu of a cash deposit to the 2023A Reserve Subaccount, the 2023B Reserve Subaccount or both Reserve Subaccounts in the Reserve Account to satisfy the Reserve Requirement for the 2023A/B Bonds. The Successor Agency has yet to determine whether to obtain a reserve policy, which decision is at the sole and absolute discretion of the Successor Agency. If a reserve policy is obtained, the following are some risk factors relating to reserve policies.

In the event of insufficient Pledged Tax Revenues to pay the scheduled principal of or interest on the 2023 Series A Taxable Bonds or the 2023 Series B Bonds when due, the Trustee would draw upon the applicable reserve policy, if any, for all or a portion of such payments. The obligations of [2023 Insurer], as the policy provider, would be unsecured contractual obligations and in an event of default by [2023 Insurer], the remedies available might be limited by applicable bankruptcy law or other similar laws related to insolvency.

The long-term ratings on the Series of 2023A/B Bonds, if any, with respect to which a reserve policy has been obtained, would be dependent in part on the financial strength of [2023 Insurer] and its claim paying ability, which might change over time.

Neither the Successor Agency nor the Underwriters will make independent investigation into the claims paying ability of [2023 Insurer] and no assurance or representation regarding the financial strength or projected financial strength of [2023 Insurer] will be given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Successor Agency to pay principal of and interest on the 2023A/B Bonds and, if applicable, the claims paying ability of [2023 Insurer], particularly over the life of the investment.]

Hazardous Substances

[Update?] An additional environmental condition that may result in the reduction in the assessed value of property would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within any of the Project Areas. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Areas be affected by a hazardous substance, could be to reduce the marketability (liquidity) and value of the property by the costs of remedying the condition.

In 1995, the United States Navy (the “**Navy**”) determined, and the United States Environmental Protection Agency (the “**US EPA**”), the State of California and the San Francisco Department of Public Health agreed, that the lands making up the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), which is part of the Project Areas, also referred to as “**Parcel A**” or “**Shipyard Phase 1**,” (which consisted of soldiers’ barracks and which was the site of accessory activities during its use as a military base) posed no threat to human health or the environment and required no further action. In 1999, the US EPA removed Parcel A from the National Priorities (Superfund) List and confirmed that the site was safe for its intended use as a residential community.

In 2004, the Navy conveyed Parcel A to the Former Agency after determinations by the Navy, the US EPA, the California Environmental Protection Agency and the San Francisco Department of Public Health that all necessary investigation and remediation of potential contamination had been completed for Parcel A, and that Parcel A was suitable for residential reuse. Thereafter, the Former Agency transferred Parcel A (with the exception of certain affordable housing sites, parks and roadway parcels retained by the Former Agency) to the master developer, who has commenced development. The master developer (or its assignees) has completed approximately 505 residential units within Parcel A-1 and broken ground on infrastructure or homesites for the remainder of its development on Parcel A, and continues to sell homes within Parcel A-1. The Successor Agency expects to use a portion of the proceeds from the sale of the 2023A/B Bonds to finance the development of affordable housing in Parcel A-1.

The Navy and its contractors have performed environmental remediation on other parcels making up the remainder of the Hunters Point Shipyard Project Area, referred to as “**Shipyard Phase 2**,” which are part of the Excluded Project Areas. Allegations of fraudulent testing have delayed the completion of such testing, and the Navy, with the oversight of federal, state and local environmental regulators, is currently implementing a review and focused retesting of previously remediated areas in Shipyard Phase 2. Under its agreement with the City and the Successor Agency, the Navy remains responsible for completing remediation activities on Shipyard Phase 2 lands prior to their transfer to the Successor Agency for use for their intended redevelopment purposes.

The allegations of fraud at Shipyard Phase 2 have resulted in litigation. A class action lawsuit¹ seeks damages against Navy contractors Tetra Tech EC, Inc. and Tetra Tech, Inc. (collectively, “**Tetra Tech**”) for, among other things, fraudulent performance of Tetra Tech’s environmental remediation work in the Hunters Point Shipyard Project Area. The case remains pending. Such lawsuit does not name the Successor Agency or the City as defendants. It seeks to enjoin development at the Hunters Point Shipyard Project Area, which could include remaining development at Parcel A, until independent verified reports can be obtained showing complete and total remediation of all alleged toxic substances. Plaintiffs have not yet taken action to obtain injunctive relief. Certain of the plaintiffs in the lawsuit tentatively settled all claims in March 2021 (awaiting final approval by all parties).

In response to the allegations against Tetra Tech for its work in Shipyard Phase 2, the California Department of Public Health (“**CDPH**”) conducted a radiological survey of Parcel A at the behest of the City and federal and state representatives. CDPH performed a phased-approach radiological survey to assess the health and safety of the public and the environment at Parcel A. In its final report dated February 5, 2019, CDPH declared the first subphase of Parcel A (known as “**Parcel A-1**” or the “**Hilltop**”) to be free from radiological health and safety hazards. In its final report dated April 24, 2019, CDPH similarly declared the remainder of Parcel A (known as “**Parcel A-2**” or the “**Hillside**”) to be free from radiological health and safety hazards.

To address continued concerns and questions from the community regarding the testing conducted on Parcel A, experts from UC San Francisco and UC Berkeley conducted an impartial analysis of CDPH’s procedures for Parcel A. The report, released in December 2019, concluded that CDPH’s health and safety scan on Parcel A was appropriate as a health and safety survey. The panel of experts supported CDPH’s conclusion that no radiological health and safety hazards to the current residents of Parcel A were observed.

Lastly, at the request of community members and local representatives and out of abundance of caution, affordable housing developers performed additional radiological soil testing at the Successor Agency’s three affordable housing parcels within Parcel A-1 in advance of commencing construction thereon. [These tests _____.]

¹Summaries of the class action lawsuit included herein are based on publicly available information not confirmed for accuracy.

Reduction in Inflation Rate

As described in greater detail below, Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflation rate, not to exceed a two percent (2%) increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the 2023A/B Bonds could reduce Pledged Tax Revenues. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The State Board of Equalization directed county assessors to use 1.036% as the inflation factor for purposes of preparing the 2021-22 tax roll and 2% as the inflation factor for purposes of preparing the 2022-23 tax roll. The Successor Agency is unable to predict future adjustments to the full cash value of real property within any of the Project Areas, whether an increase or a reduction. See “LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution.”

Delinquencies

The Successor Agency does not have any independent power to levy and collect property taxes. Delinquencies in the payment of property taxes could have an adverse effect on the Successor Agency’s ability to make timely debt service payments. However, the City has adopted the Teeter Plan and provides one hundred percent (100%) of tax revenues to the Successor Agency regardless of delinquencies. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Teeter Plan*.” Such plan may be discontinued at any time.

Investment Risk

As provided in the Indenture, moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account and the Redemption Account are required to be invested in Permitted Investments and moneys in the Special Fund into which Pledged Tax Revenues are initially deposited may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. All investments, including the Permitted Investments and those authorized by law from time to time for investments by municipalities, contain a certain degree of risk. Such risks include, but are not limited to, a lower rate of return than expected and loss or delayed receipt of principal. The occurrence of these events with respect to amounts held under the Indenture or the Special Fund could have a material adverse effect on the security for the 2023A/B Bonds.

Bankruptcy and Foreclosure

The payment of the property tax revenue from which Pledged Tax Revenues are derived and the ability of the City to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors’ rights (such as the Soldiers’ and Sailors’ Relief Act of 1940 discussed below) or by the laws of the State relating to judicial foreclosure.

The rights of the Owners of the 2023A/B Bonds and the enforceability of the obligation to make payments on the 2023A/B Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights under currently existing law or laws enacted in the future and may also be subject to the exercise of judicial discretion under certain circumstances. The various legal opinions to be delivered concurrently with the delivery of the 2023A/B Bonds (including Bond Counsel’s approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors’ rights, by the

application of equitable principles and by the exercise of judicial discretion in appropriate cases. See APPENDIX E – “FORM OF BOND COUNSEL FINAL OPINION.”

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2023A/B Bonds and the possibility of delinquent tax installments not being paid in full. Moreover, if the value of the subject property is less than the lien of property taxes, such excess could be treated as an unsecured claim by the bankruptcy court. Further, should remedies be exercised under the federal bankruptcy laws, payment of property taxes may be subordinated to bankruptcy law priorities. Thus, certain claims may have priority over property taxes in a bankruptcy proceeding even though they would not outside of a bankruptcy proceeding.

In addition, the United States Bankruptcy Code might prevent moneys on deposit in the Retirement Fund from being applied to pay principal of, or interest on, the 2023A/B Bonds, if bankruptcy proceedings were brought by or against a landowner and if the court found that any of such landowner had an interest in such moneys within the meaning of Section 541(a)(1) of the United States Bankruptcy Code.

Other laws generally affecting creditors’ rights or relating to judicial foreclosure may affect the ability to enforce payment of property taxes or the timing of enforcement thereof. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax or assessment and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if a court concludes that the ability to pay such taxes or assessments is materially affected by reason of such service.

As discussed under “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Teeter Plan*,” under its current policies, the City Controller distributes one hundred percent (100%) of tax increment revenues allocated to the Successor Agency without regard to delinquencies in the payment of property taxes. However, there can be no assurance that such policies will not be changed in the future.

Levy and Collection of Taxes

The Successor Agency has no independent power to levy and collect property taxes. As discussed herein, the Successor Agency only receives, on an annual basis, that amount of tax increment revenue required for it to pay debt service, enforceable obligations and administrative expenses. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Pledged Tax Revenues, and accordingly, could have an adverse impact on the ability of the Successor Agency to pay debt service on the 2023A/B Bonds. Likewise, delinquencies in the payment of property taxes and the impact of bankruptcy proceedings on the legal ability of taxing agencies to collect property taxes could have an adverse effect on the Successor Agency’s ability to make timely payments on the 2023A/B Bonds. The City allocates property taxes to the Successor Agency based on one hundred percent (100%) of the tax levy, notwithstanding any delinquencies. However, the City may discontinue such practice at any time. If there is a decline in the general economy of the Project Areas, the owners of property within the Project Areas may be less able or less willing to make timely payments of property taxes, causing a delay or stoppage of Pledged Tax Revenues received by the Successor Agency from the Project Areas.

Loss of Tax Exemption

In order to maintain the exclusion from gross income for federal income tax purposes of the interest on the 2023 Series B Bonds, the Successor Agency has covenanted in the Indenture to comply with the

applicable requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”). The interest on the 2023 Series B Bonds could become includable gross income for purposes of federal income taxation retroactive to the date of issuance of the 2023 Series B Bonds as a result of acts or omissions of the Successor Agency in violation of these or other covenants in the Indenture applicable to the 2023 Series B Bonds. The 2023 Series B Bonds are not subject to redemption or any increase in interest rates should an event of taxability occur and will remain outstanding until maturity or prior redemption in accordance with the provisions contained in the Indenture. See “TAX MATTERS.”

Risk of Tax Audit

In December 1999, as a part of a larger reorganization of the Internal Revenue Service (the “**IRS**”), the IRS commenced operation of its Tax Exempt and Government Entities Division (the “**TE/GE Division**”), as the successor to its Employee Plans and Exempt Organizations division. The TE/GE Division has a subdivision that is specifically devoted to tax-exempt bond compliance. There is no assurance that if an IRS examination of the 2023 Series B Bonds was undertaken it would not adversely affect the market value of the 2023 Series B Bonds. See “TAX MATTERS.”

Secondary Market

There can be no guarantee that there will be a secondary market for the 2023A/B Bonds, or if a secondary market exists, that the 2023A/B Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

No assurance can be given that the marketability, liquidity or market price for the 2023A/B Bonds will not be affected by the introduction or enactment of any future legislation or executive order (including, without limitation, amendments to or repeal of any portions of the Tax Code), or by any state constitutional amendments, court decisions, changes in interpretation of the Tax Code, or actions of the IRS, including but not limited to the publication of proposed or final regulations, the issuance of rulings, the selection of the 2023 Series B Bonds for audit examination, or the course or result of any IRS audit or examination of the 2023 Series B Bonds or obligations that present similar tax issues as the 2023 Series B Bonds.

Senior Obligations

As discussed above, certain Project Areas have prior obligations to which tax increment from such Project Areas is committed on a basis senior to debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Senior Obligations – *Project Area-Specific Prior Obligations.*” In addition, the payment of debt service on the 2023A/B Bonds from tax increment revenues from the Project Areas is subordinate to the Successor Agency’s obligations to pay debt service on the Existing Senior Loan Agreements and the Second Lien Debt. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Senior Obligations.”

However, the Successor Agency has covenanted that, so long as Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues (as defined in the Existing Senior Loan Agreements) or Pledged Tax Revenues on a basis senior to the payment of debt service on the Third Lien Bonds, including the 2023A/B Bonds, except for obligations issued to refund any of the Existing Senior Loan Agreements or Second Lien Debt, but only if the debt service in any Bond Year does not increase as a result of such refunding. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Senior Debt.*”

Parity Obligations

As described in “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Third Lien Parity Debt*,” the Successor Agency may issue or incur additional obligations secured by a lien on Pledged Tax Revenues on a parity with its pledge of the lien on Pledged Tax Revenues in favor of the 2023A/B Bonds subject to the satisfaction of certain conditions set forth in the Indenture. The existence of and the potential for additional Third Lien Parity Debt increases the risks associated with the Successor Agency’s payment of debt service on the 2023A/B Bonds in the event of a decrease in the Successor Agency’s collection of tax revenues. The Successor Agency currently anticipates needing to finance approximately \$[] million of infrastructure in the Transbay Project Area in the next five years and approximately \$[] million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds. The amounts and time in the preceding sentence reflect current projections; no assurance can be given as to the exact timing or amount of any additional bond issuances.

2023A/B Bonds are Limited Obligations

The 2023A/B Bonds are special, limited obligations of the Successor Agency and as such are not debt of the City, the State or any of their political subdivisions other than the Successor Agency, and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable for the payment thereof. The principal of, and premium, if any, and interest on, the 2023A/B Bonds are payable solely from Pledged Tax Revenues allocated to the Successor Agency and certain other funds pledged therefor under the Indenture. The 2023A/B Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” No Owner of the 2023A/B Bonds may compel exercise of the taxing power of the State, the City or any of their political subdivisions to pay the principal of, or premium, if any, or interest due on, the 2023A/B Bonds.

Limited Recourse on Default

If the Successor Agency defaults on its obligations under the Indenture, the Trustee has the right to accelerate the 2023A/B Bonds under certain circumstances. However, in the event of a default and such acceleration, there can be no assurance that the Trustee will have sufficient moneys available for payment of the 2023A/B Bonds.

LIMITATIONS ON TAX REVENUES

The 2023A/B Bonds are secured by a pledge of Pledged Tax Revenues described in this Official Statement. The Successor Agency does not have any independent power to levy and collect property taxes; accordingly, the amount of Pledged Tax Revenues available to the Successor Agency for payment of the principal of and interest on the 2023A/B Bonds is affected by several factors, including but not limited to those discussed below. See also “CERTAIN RISK FACTORS.”

Property Tax Collection Procedure

Classifications. In California, property that is subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The secured classification includes property on which any property tax levied by a county becomes a lien on that property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against the unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax that becomes a lien on secured

property has priority over all other liens arising pursuant to State law on the secured property, regardless of the time of creation of the other liens.

Generally, *ad valorem* taxes are collected by a county (the “**Taxing Authority**”) for the benefit of the various entities (cities, school districts and special districts) that share in the *ad valorem* tax (each, a taxing entity) and redevelopment agencies eligible to receive tax increment revenues.

Collections. Secured property and unsecured property are entered on separate parts of the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The Taxing Authority has four (4) ways of collecting unsecured personal property taxes in the case of delinquency: (i) initiating a civil action against the taxpayer; (ii) filing a certificate in the office of the clerk of the court specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (iii) filing a certificate of delinquency for record in the county recorder’s office to obtain a lien on certain property of the taxpayer; and (iv) seizing and selling the personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes for the amount of taxes that are delinquent.

Delinquencies. The valuation of property is determined as of January 1 each year and equal installments of taxes levied upon secured property become delinquent after the following December 10 and April 10. Taxes on unsecured property are due March 1. Unsecured taxes enrolled by July 31, if unpaid, are delinquent August 31 and are subject to penalty; unsecured taxes added to the roll after July 31, if unpaid, are delinquent on the last day of the month succeeding the month of enrollment.

Penalty. A ten percent (10%) penalty is added to delinquent taxes that have been levied with respect to property on the secured roll. In addition, on or about June 30 of the fiscal year, property on the secured roll on which taxes are delinquent is declared to be in default by operation of law and declaration of the tax collector. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of one and one-half percent (1.5%) per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county tax collector. A ten percent (10%) penalty also applies to the delinquent taxes on property on the unsecured roll, and further, an additional penalty of one and one-half percent (1.5%) per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date.

Supplemental Assessments. California Revenue and Taxation Code Section 75.70 provides for the supplemental assessment and taxation of property as of the occurrence of a change in ownership or completion of new construction. This statute provides increased revenue to the RPTTF to the extent that supplemental assessments as a result of new construction or changes of ownership occur within the boundaries of redevelopment project areas subsequent to the January 1 lien date. To the extent such supplemental assessments occur within the Project Areas, Tax Revenues may increase.

Property Tax Administrative Costs. In 1990, the Legislature enacted Senate Bill 2557 (Statutes of 1990, Chapter 466) which allows counties to charge for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each. Subsequent legislation clarified that the provisions of SB 2557 include redevelopment agencies as a local government agency which must pay such administrative costs. In addition, Sections 34182(e) and 34183(a) of the Redevelopment Dissolution Act allow administrative costs of the county auditor-controller for the cost of administering the provisions of the Redevelopment Dissolution Act, as well as the foregoing SB 2557 amounts, to be deducted from property tax revenues before moneys are deposited into the RPTTF.

Taxation of Unitary Property

In California, certain properties are known as unitary property or operating nonunitary property. Such properties are properties of an assessee that are operated as a unit (consisting mostly of operational property owned by utility companies). Property tax revenue derived from assessed value attributable to unitary and operating nonunitary property that is assessed by the State Board of Equalization is to be allocated county-wide as follows: (i) each jurisdiction, including redevelopment project areas, will receive a percentage up to one hundred two percent (102%) of its prior year unitary and operating nonunitary revenue; (ii) if the amount of property tax revenue available for allocation is insufficient to make the allocation required by clause (i), above, the amount of revenue to be allocated to each jurisdiction will be prorated; and (iii) if county-wide revenues generated for unitary and operating nonunitary property are greater than one hundred two percent (102%) of the previous year's unitary revenues, each jurisdiction will receive a percentage share of the excess unitary revenue based on such jurisdiction's share of the county's total ad valorem tax levies for the secured roll for the prior year.

The City Controller, following guidance from the State Board of Equalization does not share any of the City-wide unitary revenue with the Successor Agency. No tax revenue derived from unitary property or operating nonunitary property is included in the projections of Pledged Tax Revenues.

Tax Limitations – Article XIII A of California Constitution

Article XIII A of the State Constitution, known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIII A limits the maximum *ad valorem* tax on real property to one percent (1%) of "full cash value," and provides that such tax will be collected by the counties and apportioned according to State statutes. Section 1(b) of Article XIII A provides that the one percent (1%) limitation does not apply to *ad valorem* taxes levied to pay interest or redemption charges on (1) indebtedness approved by the voters prior to July 1, 1978, and (2) any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition.

Section 2 of Article XIII A defines "full cash value" to mean the county assessor's valuation of real property as shown on the 1975-76 Fiscal Year tax bill, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed two percent (2%) per year, or to reflect a reduction in the consumer price index or comparable data for the taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation enacted by the State Legislature to implement Article XIII A provides that, notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except to pay debt service on indebtedness approved by the voters as described above. Such legislation further provides that each county will levy the maximum tax permitted by Article XIII A, which is \$1.00 per \$100 of assessed market value. The legislation further establishes the method for allocating the taxes collected by each county among the taxing agencies in the county.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age fifty-five (55) and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in property tax revenues.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the no more than two percent (2%) annual adjustment (2% for Fiscal Year 2022-23) are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

The Successor Agency cannot predict whether there will be any future challenges or changes to California’s present system of property tax assessment or the effect of any such challenge or change on the Successor Agency’s receipt of Tax Revenues.

Article XIII B of California Constitution

On November 6, 1979, California voters approved Proposition 4, which added Article XIII B to the California Constitution. Article XIII B has been subsequently amended several times. The principal effect of Article XIII B is to limit certain annual appropriations of the State and any local government, which includes any city, county, special district, or other political subdivision of or within the State, to the level of appropriations for the prior fiscal year, subject to certain permitted annual adjustments. Appropriations of local government subject to Article XIII B is defined to mean generally any authorization to expend the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity, exclusive of refunds of taxes. Permitted adjustments to the annual appropriations limit include adjustments for changes in the cost of living, population and services rendered by the government entity.

Effective September 30, 1980, the California Legislature added Section 33678 of the Redevelopment Law, which provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness will not be deemed the receipt by the agency of proceeds of taxes levied by or on behalf of the agency within the meaning of Article XIII B or any statutory provision enacted in implementation of Article XIII B. The constitutionality of Section 33678 has been upheld by the Second and Fourth District Courts of Appeal in two decisions: *Bell Community Redevelopment Agency v. Woosley* and *Brown v. Community Redevelopment Agency of the City of Santa Ana*.

Articles XIII C and XIII D of California Constitution

On November 5, 1996, California voters approved Proposition 218. Proposition 218 added Articles XIII C and XIII D to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. On November 2, 2010, California voters approved Proposition 26, the “Supermajority Vote to Pass New Taxes and Fees Act.” Proposition 26 amended Article XIII C of the California Constitution by adding an expansive definition for the term “tax,” which previously was not defined under the California Constitution. The 2023A/B Bonds are secured by sources of revenues that are not subject to limitation by Proposition 218 and are outside of the scope of taxes that are limited by Proposition 26.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the State Constitution and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to California’s initiative process. From time to time other initiative measures or other legislation could be adopted, further affecting the availability of tax increment revenues or the Successor Agency’s ability to expend tax increment revenue.

TAX MATTERS

2023 Series A Taxable Bonds

The interest on the 2023 Series A Taxable Bonds is not intended by the Successor Agency to be excluded from gross income for federal income tax purposes. However, in the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, interest on the 2023 Series A Taxable Bonds is exempt from California personal income taxes.

The proposed form of opinion of Bond Counsel with respect to the 2023 Series A Taxable Bonds to be delivered on the date of issuance of the 2023 Series A Taxable Bonds is set forth in APPENDIX ____.

Owners of the 2023 Series A Taxable Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Series A Taxable Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Series A Taxable Bonds, the ownership, sale or disposition of the 2023 Series A Taxable Bonds, or the amount, accrual or receipt of interest on the 2023 Series A Taxable Bonds.

2023 Series B Bonds

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2023 Series B Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Series B Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the City comply with all requirements of the Tax Code that must be satisfied subsequent to the issuance of the 2023 Series B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023 Series B Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2023 Series B Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2023 Series B Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “bond premium” for purposes of federal income taxes and State of California personal income taxes.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of the subcaption “—Federal Tax Status,” above. The original issue discount accrues over the term to maturity of the 2023 Series B Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2023 Series B Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2023 Series B Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers

of the 2023 Series B Bonds who purchase the 2023 Series B Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2023 Series B Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2023 Series B Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such 2023 Series B Bonds is sold to the public.

Under the Tax Code, bond premium is amortized on an annual basis over the term of the 2023 Series B Bond (said term being the shorter of the 2023 Series B Bond's maturity date or its call date). The amount of bond premium amortized each year reduces the adjusted basis of the owner of the 2023 Series B Bond for purposes of determining taxable gain or loss upon disposition. The amount of bond premium on a 2023 Series B Bond is amortized each year over the term to maturity of the 2023 Series B Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized bond premium is not deductible for federal income tax purposes. Owners of premium 2023 Series B Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2023 Series B Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2023 Series B Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2023 Series B Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2023 Series B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to 2023 Series B Bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2023 Series B Bonds, or as to the consequences of owning or receiving interest on the 2023 Series B Bonds, as of any future date. Prospective purchasers of the 2023 Series B Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2023 Series B Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Series B Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Series B Bonds, the ownership, sale or disposition of the 2023 Series B Bonds, or the amount, accrual or receipt of interest on the 2023 Series B Bonds.

LITIGATION

[Confirm?] There is no litigation now pending or, to the best knowledge of the Successor Agency, threatened to restrain or enjoin the execution or delivery of the 2023A/B Bonds or the Indenture or in any way questioning or affecting the validity of the foregoing or any of the proceedings for the authorization, sale, execution or delivery of the 2023A/B Bonds. In the opinion of the Successor Agency's General Counsel, there is no lawsuit or claim now pending against the Successor Agency, which if decided adversely

to the Successor Agency would materially affect the Successor Agency's finances so as to impair the ability of the Successor Agency to pay debt service on the 2023A/B Bonds as it becomes due.

A number of other lawsuits have been filed in the State that challenge the Redevelopment Dissolution Act or the application of certain of its provisions, but none of them have to date impaired the Successor Agency's ability to issue, and make payments for, the type of bonds contemplated by the offering described in this Official Statement. The Successor Agency is unable to predict the likely outcome of any remaining lawsuits or the possible impact, if any, of their outcomes on the distribution of property tax revenues or other moneys to the Successor Agency under the Redevelopment Dissolution Act or on the Successor Agency's ability to make payments of principal of and interest on the 2023A/B Bonds.

CONTINUING DISCLOSURE

The Successor Agency has covenanted for the benefit of the Owners of the 2023A/B Bonds to provide certain financial information and operating data relating to the Successor Agency by not later than six (6) months after the end of the Successor Agency's Fiscal Year (presently June 30) in each year commencing with its Annual Report for the 2022-23 fiscal year and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of events will be filed by the Successor Agency, or the Dissemination Agent, if any, on behalf of the Successor Agency, with the MSRB. The specific nature of the information to be contained in the Annual Report and the notices of events is summarized in APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

LEGAL MATTERS

Jones Hall, A Professional Law Corporation, Bond Counsel to the Successor Agency, will render an opinion with respect to the validity and enforceability of the Indenture and as to the validity of the 2023A/B Bonds. A copy of the form of such approving opinion is attached hereto as Appendix E. Certain legal matters incident to the issuance of the 2023A/B Bonds will be passed upon for the Successor Agency by its General Counsel. Alexis S. M. Chiu, Esq., is acting as Disclosure Counsel to the Successor Agency. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California.

Bond Counsel's engagement is limited to a review of the legal procedures required for the authorization, issuance and sale of the 2023A/B Bonds, the exemption of interest on the 2023 Series B Bonds from federal income taxation, and the exemption of interest on the 2023A/B Bonds from California personal income taxes. See "TAX MATTERS" herein and APPENDIX E – "FORM OF BOND COUNSEL FINAL OPINION." Bond Counsel has not undertaken any responsibility for the accuracy, completeness or fairness of the Official Statement or other offering materials relating to the 2023A/B Bonds and expresses no opinion relating thereto.

Disclosure Counsel has served as disclosure counsel to the Successor Agency for the 2023A/B Bonds and in such capacity has advised the Successor Agency with respect to applicable federal securities laws and participated with responsible Successor Agency officials and staff in conferences and meetings where information contained in this Official Statement was reviewed for accuracy, completeness and materiality. Disclosure Counsel is not responsible for independently verifying (through forensic audit or otherwise) the accuracy or completeness of the statements or information presented in this Official Statement. Rather, the Successor Agency is solely responsible for the accuracy and completeness of the statements and information contained in this Official Statement. Upon the issuance of the 2023A/B Bonds, Disclosure Counsel will deliver a letter to the Successor Agency, which advises the Successor Agency, subject to the assumptions, exclusions, qualifications and limitations set forth therein, that no facts came to

the attention of Disclosure Counsel, which caused him to believe that this Official Statement as of its date and as of the date of issuance of the 2023A/B Bonds contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect. No purchaser or holder of the 2023A/B Bonds, or other person or party other than the Successor Agency, will be entitled to or may rely on the letter from Disclosure Counsel addressed to the Successor Agency.

Fees payable to Bond Counsel, Disclosure Counsel and Underwriters' Counsel are contingent upon the sale and delivery of the 2023A/B Bonds.

MUNICIPAL ADVISOR

PFM Financial Advisors LLC has served as municipal advisor to the Successor Agency (the “**Municipal Advisor**”) and provided advice with respect to the sale of the 2023A/B Bonds. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiated instruments. The Municipal Advisor has assisted the Successor Agency in the review of this Official Statement and in other matters relating to the planning, structuring, and sale of the 2023A/B Bonds. The Municipal Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the Successor Agency to determine the accuracy or completeness of this Official Statement and assumes no responsibility for the accuracy or completeness of any of the information contained herein. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the 2023A/B Bonds.

RATINGS

[S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC business (“**S&P**”), has assigned an underlying rating to the 2023A/B Bonds of “[].” [It is anticipated that S&P will assign the Insured Bonds an insured rating of “[]” based upon the issuance of the Insurance Policies by [2023 Insurer] at the time of delivery of the 2023A/B Bonds.] Such ratings reflect only the view of such organization, and an explanation of the significance of the ratings may be obtained by contacting S&P. Such ratings are not a recommendation to buy, sell or hold the 2023A/B Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency, if, in the judgment of such agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the 2023A/B Bonds. The Successor Agency undertakes no responsibility to oppose any such downward revision, suspension or withdrawal.

FINANCIAL STATEMENTS

The audited financial statements of the Successor Agency for the Fiscal Year ended June 30, 2022, are included as part of APPENDIX A – “SUCCESSOR AGENCY’S AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022.” Such financial statements have been audited by Macias Gini & O’Connell, LLP (the “**Auditor**”), independent certified public accountants, whose report also appears in Appendix A. The Auditor was not requested to consent to the inclusion of its report in Appendix A, nor has the Auditor undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

FISCAL CONSULTANT REPORT

In connection with the issuance of the 2023A/B Bonds, the Successor Agency has engaged Urban Analytics, LLC, San Francisco, California, to prepare a Fiscal Consultant Report. See APPENDIX B – “FISCAL CONSULTANT REPORT.”

UNDERWRITING

The 2023A/B Bonds will be sold to Stifel, Nicolaus & Company, Incorporated, as representative of itself and Backstrom McCarley Berry & Co., LLC (collectively, the “**Underwriters**”), pursuant to a bond purchase contract for the 2023A/B Bonds (the “**Purchase Contract**”) between the Successor Agency and the Underwriters. The Underwriters have agreed to purchase the 2023 Series A Taxable Bonds for \$[] (which amount represents the \$[] aggregate principal amount of the 2023 Series A Taxable Bonds, [plus a[n] [net] original issue premium of \$[],]less an underwriters’ discount of \$[]) and the 2023 Series B Bonds for \$[] (which amount represents the \$[] aggregate principal amount of the 2023 Series B Bonds, [plus a[n] [net] original issue premium of \$[],] less an underwriters’ discount of \$[]).

The initial public offering prices of the 2023A/B Bonds may be changed from time to time by the Underwriters. The Purchase Contract for the 2023A/B Bonds provides that the Underwriters will purchase all (but not less than all) of the 2023A/B Bonds and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Contract including, among others, the approval of certain legal matters by counsel.

CERTAIN RELATIONSHIPS

[To be provided by Underwriters, if any]

[Remainder of Page Intentionally Left Blank.]

MISCELLANEOUS

All the summaries contained herein of the Indenture, applicable legislation, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Successor Agency for further information in connection therewith. The Successor Agency will provide, upon request, annual audited financial statements when available.

Insofar as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of such statements made will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the Bondowners or Beneficial Owners.

The execution and delivery of this Official Statement have been duly authorized by the Successor Agency Commission.

SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO

By: _____
Deputy Director of Finance and Administration

APPENDIX A

**SUCCESSOR AGENCY'S AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

APPENDIX B
FISCAL CONSULTANT REPORT

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) in connection with its issuance of \$[2023A Par] aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] (the “2023 Series A Taxable Bonds”) and \$[2023B Par] aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Project) (the “2023 Series B Bonds” and, together with the 2023 Series A Taxable Bonds, the “Bonds”). The Bonds are being issued in accordance with Sections 34177.7(a)(1)(A) and (B) of the California Health and Safety Code (the “Redevelopment Law”), the resolution of the Successor Agency adopted on July 20, 2021 (the “Resolution”), and the Indenture of Trust, dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the “Trustee”), as amended and supplemented prior to the date hereof and as further amended and supplemented by a Second Supplement to Indenture of Trust, dated as of [] 1, 2023 (as so amended and supplemented, the “Indenture”), by and between the Successor Agency and the Trustee. The Successor Agency covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Indenture described in the Official Statement (defined below), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Annual Report Date” means the date that is six months after the end of the Successor Agency’s fiscal year (currently December 31 based on the Successor Agency’s fiscal year end of June 30).

“Dissemination Agent” means the Successor Agency, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency and the Trustee a written acceptance of such designation.

“EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the internet at <http://www.emma.msrb.org>.

“Financial Obligation” means “financial obligation” as such term is defined in the Rule.

“Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the

Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Official Statement” means the final Official Statement dated [____], 2023, relating to the Bonds.

“Participating Underwriters” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Project Areas” means the Project Areas as defined in the Official Statement.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than each Annual Report Date, commencing December 31, 2023, with respect to the report for the 2022-23 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to the Annual Report Date, the Successor Agency shall provide the Annual Report to the Dissemination Agent, if other than the Successor Agency. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the financial information regarding each of the Project Areas may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date if not available by that date. If the Successor Agency’s or any of the Project Area’s Fiscal Year changes, the Successor Agency, upon becoming aware of such change, shall give notice of such change in the same manner as for a Listed Event under Section 5(c) below. The Successor Agency shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the Successor Agency and shall have no duty or obligation to review such Annual Report.

(b) If, by fifteen (15) business days prior to the Annual Report Date, the Dissemination Agent (if other than the Successor Agency) has not received a copy of the Annual Report, the Dissemination Agent shall notify the Successor Agency of such non-receipt.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the Annual Report Date, the Dissemination Agent in a timely manner shall provide to the MSRB a notice, in substantially the form attached hereto as Exhibit A.

(d) Unless the Successor Agency has done so pursuant to Section 3(a) above, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a certificate with the Successor Agency to the effect that the Annual Report has been provided pursuant to this Disclosure Certificate, stating, to the extent it can confirm such filing of the Annual Report, the date it was provided.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the Successor Agency's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the usual format utilized by the Successor Agency, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the Successor Agency for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

1. Description of any parity debt (date, amount, term, rating, insurance) issued by the Successor Agency in the fiscal year to which the Annual Report pertains and the amount of all Successor Agency debt outstanding payable with tax increment revenue from the Project Areas as of the end of the fiscal year to which the Annual Report pertains;

2. The top ten taxpayers by assessed valuation in the Project Areas for the fiscal year to which the Annual Report pertains in a form substantially similar to Table 2 of the Official Statement;

3. Assessed valuations and tax increment for the fiscal year to which the Annual Report pertains, by means of an update to the "Historical and Current Assessed Valuations and Net Available Tax Increment Revenue by Project Areas" table as shown in Table 4 of the Official Statement;

4. Estimated all-in debt service coverage for obligations of the Successor Agency for the fiscal year to which the Annual Report pertains by means of an update to the "Estimated All-In Debt Service Coverage" table shown in Table 6 and Table 7 of the Official Statement; and

5. Assessment appeals for the fiscal year to which the Annual Report pertains by means of an update to the "Assessment Appeals in the Project Areas" table shown in Table 8 of the Official Statement.

Any or all of the items above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which are available to the public on the MSRB's internet website, currently EMMA, or filed with the Securities and Exchange Commission. The Successor Agency shall clearly identify each such other document so included by reference.

The Trustee shall have no responsibility for the content of the Annual Report, or any part thereof.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposal Issue (IRS Form 5701-TEB);
6. Tender Offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the obligated person;
10. Default, event of acceleration, termination event, modifications of terms, or other similar events under the terms of a Financial Obligation of the Successor Agency, any of which reflect financial difficulties; and
11. The issuance of any private placement bonds or the entering into any bank loan of the type, in each case, that would constitute Third Lien Parity Debt as defined in the Indenture, including the related debt service schedule, to the extent this is not already disclosed on EMMA.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority; or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten (10) business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to the rights of Bondholders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving the Successor Agency or the sale of all or substantially all of the assets of the Successor Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional trustee or the change of the name of a trustee; and
8. Incurrence of a Financial Obligation of the Successor Agency, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a

Financial Obligation of the Successor Agency, any of which affect security holders.

(c) Whenever the Successor Agency obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the Successor Agency shall determine if such event would be material under applicable federal securities laws.

(d) If the Successor Agency learns of the occurrence of a Listed Event described in Section 5(a) or determines that knowledge of the occurrence of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, and if the Dissemination Agent is other than the Successor Agency, the Successor Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to file a notice of such occurrence with EMMA in a timely manner not more than ten (10) business days after the event.

(e) The Successor Agency hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the Successor Agency and, if the Dissemination Agent is other than the Successor Agency, the Dissemination Agent shall not be responsible for determining whether the Successor Agency's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The obligations of the Successor Agency, the Trustee and the Dissemination Agent under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. From time to time, the Successor Agency may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. If at any time there is not a designated Dissemination Agent, the Successor Agency shall be the Dissemination Agent. The Dissemination Agent may resign by providing sixty (60) days prior written notice to the Successor Agency.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4, 5(a) or 5(b), it may be made only in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) The undertakings herein, as proposed to be amended or waived, in the opinion of nationally recognized bond counsel, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) in the opinion of nationally recognized bond counsel, does not materially impair the interests of the holders or beneficial owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Successor Agency shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Successor Agency to comply with any provision of this Disclosure Certificate, the Trustee may (and, at the request of any Participating Underwriter or the holders of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall), after receiving indemnification satisfactory to the Trustee, or any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent and the Trustee shall be entitled to the protections and limitations from liability afforded to the Trustee in Article 6 of the Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and hold harmless the Dissemination Agent, its officers, directors, employees and agents, against any loss, expense and liabilities which the Dissemination Agent may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Trustee shall not be required to consent to any amendment which would impose any greater duties or risk of liability on the Trustee. No person shall have any right to commence any action against the Trustee seeking any remedy other than to compel specific performance of this Disclosure Certificate. The Trustee shall not be liable under any circumstances for monetary damages to any person for any breach of this Disclosure Certificate.

Section 13. Notices. Any notice or communications to be given under this Disclosure Certificate may be given as follows:

To the Successor Agency:

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Fax: (415) 749-2527
Attention: Deputy Director of Finance and
Administration

To the Participating Underwriters:

Stifel, Nicolaus & Company, Incorporated
2121 Avenue of the Stars, Suite 2150
Los Angeles, CA 90067
Fax:
Attention:

To the Trustee:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
Mail Code: SF-CA-SFCT
San Francisco, CA 94111
Fax: (415) 677-3769
Attention: Global Corporate Trust and Escrow Services

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Trustee, the Dissemination Agent, the Participating Underwriters and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: ____ __, 2023

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director of
Finance and Administration

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Names of Issues: Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] and Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Date of Issuance: _____, 2023

NOTICE IS HEREBY GIVEN that the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate dated _____, 2023, of the Successor Agency. The Successor Agency anticipates that the Annual Report will be filed by _____.

Dated: _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

APPENDIX E

FORM OF BOND COUNSEL FINAL OPINION

[Closing Date]

[To be provided by Bond Counsel]

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The information in this Appendix F concerning The Depository Trust Company, New York, New York (“DTC”) and DTC’s book-entry system has been obtained from DTC and the Successor Agency takes no responsibility for the completeness or accuracy thereof. Accordingly, the DTC Participants, the Indirect Participants and the Beneficial Owners should not rely on the information in this Appendix F with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be. The Successor Agency cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2023A/B Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the 2023A/B Bonds, or (c) notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2023A/B Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the 2023A/B Bonds. The 2023A/B Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each Series of the 2023A/B Bonds. The 2023A/B Bonds will be deposited with DTC.

DTC, the world’s largest Securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity and corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to DTC’s system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

Purchases of 2023A/B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2023A/B Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2023A/B Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of

their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2023A/B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2023A/B Bonds, except in the event that use of the book-entry system for the 2023A/B Bonds is discontinued.

To facilitate subsequent transfers, all 2023A/B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2023A/B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2023A/B Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such 2023A/B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2023A/B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2023A/B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2023A/B Bond documents. For example, Beneficial Owners of 2023A/B Bonds may wish to ascertain that the nominee holding the 2023A/B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2023A/B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Successor Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2023A/B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, and premium, if any, and interest on, the 2023A/B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Successor Agency or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Successor Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, and premium, if any, and interest on, the 2023A/B Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Successor Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2023A/B Bonds at any time by giving reasonable notice to the Successor Agency or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, 2023A/B Bond certificates are required to be printed and delivered.

The Successor Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2023A/B Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Successor Agency believes to be reliable, but the Successor Agency takes no responsibility for the accuracy thereof.

BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL DELIVERY OF 2023A/B BONDS AND WILL NOT BE RECOGNIZED BY THE TRUSTEE AS OWNERS THEREOF, AND BENEFICIAL OWNERS WILL BE PERMITTED TO EXERCISE THE RIGHTS OF OWNERS ONLY INDIRECTLY THROUGH DTC AND THE DTC PARTICIPANTS.

APPENDIX G

**CALIFORNIA DEPARTMENT OF FINANCE
DETERMINATION LETTER APPROVING THE 2023A/B BONDS**

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

CERTIFICATE OF SECRETARY REGARDING EFFECTIVENESS OF RESOLUTION

September 14, 2023

The undersigned hereby states and certifies:

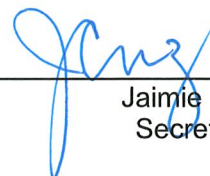
(i) that the undersigned is the duly elected or appointed, qualified and acting Secretary of the Oversight Board to the Successor Agency of the Redevelopment Agency of the City and County of San Francisco (the "Oversight Board"), and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same; and

(ii) that attached hereto is a true, correct and complete copy of Resolution No. 03-2023, entitled "Resolution Approving, Under Sections 34177.7(a)(1)(A), 34177.7(a)(1)(B), and 34177.7(f) of the California Health and Safety Code, the Issuance of New Money Tax Allocation Bonds by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, and Related Actions; Affordable Housing Obligations; Transbay Infrastructure Obligations" adopted by the Oversight Board on April 7, 2023, which resolution has not been amended, modified, supplemented, rescinded or repealed and remains in full force and effect as of the date hereof.

This certificate is executed by a duly authorized representative of the Oversight Board as of the date first written above.

OVERSIGHT BOARD TO THE SUCCESSOR
AGENCY OF THE REDEVELOPMENT
AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO

By: _____



Jaimie Cruz
Secretary

**OVERSIGHT BOARD TO THE SUCCESSOR AGENCY OF THE
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**

RESOLUTION NO. 03-2023

Adopted April 7, 2023

**APPROVING, UNDER SECTIONS 34177.7(a)(1)(A), 34177.7(a)(1)(B), AND 34177.7(f) OF
THE CALIFORNIA HEALTH AND SAFETY CODE, THE ISSUANCE OF NEW
MONEY TAX ALLOCATION BONDS BY THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO,
AND RELATED ACTIONS; AFFORDABLE HOUSING OBLIGATIONS; TRANSBAY
INFRASTRUCTURE OBLIGATIONS**

WHEREAS, Section 34177.7(a)(1)(A) of the of the California Health and Safety Code (the “Code”) provides that the Successor Agency of the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) may, subject to the approval of this Oversight Board, as the oversight board of the Successor Agency, and the California Department of Finance (the “Department of Finance”), issue bonds or incur other indebtedness to finance the affordable housing required by the following agreements (collectively referred to herein as the “Affordable Housing Obligations”): (i) the Disposition and Development Agreement for Hunters Point Shipyard Phase 1 dated as of December 2, 2003 between Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Redevelopment Agency of the City and County of San Francisco (the “Former Redevelopment Agency”), as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (ii) the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Redevelopment Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (iii) the Mission Bay North Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended; (iv) the Mission Bay South Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended; and (v) the Transbay Implementation Agreement (as defined below); and,

- WHEREAS, Section 34177.7(a)(1)(B) of the Code provides that the Successor Agency has the authority, with approval of this Oversight Board and the Department of Finance, to issue bonds or incur other indebtedness to finance the infrastructure (the “Transbay Infrastructure Obligations”) required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005 between the Former Redevelopment Agency, as succeeded by the Successor Agency, and the Transbay Joint Powers Authority, as hereafter may be amended (the “Transbay Implementation Agreement”); and,
- WHEREAS, On December 13, 2016, the Board of Supervisors of the City (the “Board of Supervisors”) adopted Resolution No. 538-16, which was signed by the Mayor on December 22, 2016, pursuant to which the Board of Supervisors consented to the use of tax increment from redevelopment project areas outside of the Candlestick Point-Hunters Shipyard Project Site that are deposited in the Redevelopment Property Tax Trust Fund established for the Successor Agency for the exclusive purpose of funding affordable housing development that the Successor Agency is required to build under the Affordable Housing Obligations; and,
- WHEREAS, Section 34177.7(f) of the Code provides that the actions authorized under the foregoing Sections of the Code are subject to the approval of this Oversight Board, as the oversight board of the Successor Agency; and,
- WHEREAS, In order to finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”) in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and the U.S. Bank National Association, as trustee; and,
- WHEREAS, In order to finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”) in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture; and,
- WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) in the original aggregate principal amount of \$127,210,000 (the “2021 Bonds”) pursuant to the Original Indenture as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the “First Supplement”), by and between the Successor Agency and U.S. Bank National Association, as trustee; and,

WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined, subject to the approval of this Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (with any changes to the designation of such bonds as may be approved by an Authorized Officer (as defined in the hereinafter defined Successor Agency Resolution) of the Successor Agency, the “2023A Bonds”); and,

WHEREAS, In order to further finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency has determined, subject to the approval of this Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (with any changes to the designation of such bonds as may be approved by an Authorized Officer of the Successor Agency, the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”); and,

WHEREAS, In order to issue the 2023 Bonds, on March 21, 2023, the Commission on Community Investment and Infrastructure (also known as the “Successor Agency Commission”) adopted Resolution No. 02-2023 (the “Successor Agency Resolution”), a copy of which is attached hereto as Exhibit A hereto and by this reference incorporated herein, authorizing the issuance of the 2023 Bonds and approving related documents and actions; and,

WHEREAS, The 2023 Bonds will be payable from Pledged Tax Revenues (as defined in the Original Indenture) on (A) parity with the 2017 Bonds and the 2021 Bonds, and (B) on a basis subordinate to the Successor Agency’s repayment obligations under its (i) \$67,955,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014B Bonds”), (ii) \$75,945,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014C Bonds” and together with the 2014B Bonds, the “2014 Bonds”), (iii) \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017D Bonds”), (iv) \$19,745,000 original aggregate principal amount of 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017E Bonds” and, together with the 2017D Bonds, the “2017D/E Bonds”), and (v) any other debt issued or incurred by the Successor Agency in the future on a parity with the 2014 Bonds and the 2017D/E Bonds; and,

WHEREAS, PFM California Advisors LLC (the “Municipal Advisor”), as municipal advisor to the Successor Agency, has prepared an analysis which is attached as Exhibit A to the Successor Agency Resolution and by this reference incorporated herein, which addresses the matters described in Section 34177.7(h) of the Code with respect to the 2023 Bonds; and,

WHEREAS, Under Sections 34177.7(f) of the Code and the provisions of Ordinance No. 215-12 adopted by the Board of Supervisors of the City and County of San Francisco on October 2, 2012, the Successor Agency’s issuance of the 2023 Bonds is subject to the approval of this Oversight Board; and,

WHEREAS, The approval of the issuance of the 2023 Bonds as authorized by the Successor Agency is an Oversight Board fiscal oversight activity that does not constitute a “project” as defined by the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and is not subject to environmental review under CEQA; and,

WHEREAS, This Oversight Board now desires to approve the issuance of the 2023A Bonds and the 2023B Bonds to finance a portion of the Affordable Housing Obligations and finance a portion of the Transbay Infrastructure Obligations, respectively, and the other actions of the Successor Agency contemplated by the Successor Agency Resolution; now therefore, be it

RESOLVED, This Oversight Board, as authorized by Section 34177.7(f) of the Code, directs the Successor Agency to undertake the proceedings relating to the issuance of bonds to finance a portion of the Affordable Housing Obligations authorized under Section 34177.7(a)(1)(A) of the Code and to finance a portion of the Transbay Infrastructure Obligations authorized under Section 34177.7(a)(1)(B) of the Code, and, as authorized by Sections 34177.7(f) of the Code, approves the issuance of the 2023A Bonds pursuant to Sections 34177.7(a)(1)(A) and 34177.7(f) of the Code and the issuance of the 2023B Bonds pursuant to Sections 34177.7(a)(1)(B) and 34177.7(f) of the Code for said purposes, the Successor Agency Resolution and the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by a Second Supplement to Indenture of Trust to be entered into by the Successor Agency and U.S. Bank Trust Company, National Association, as successor trustee (the “Second Supplement”); and, be it, further

RESOLVED, This Oversight Board makes the following determinations upon which the Successor Agency will rely in undertaking (i) the proceedings necessary for the issuance of the 2023 Bonds and (ii) the issuance of the 2023 Bonds:

- (a) The Successor Agency is authorized, as provided in Section 34177.7(f) of the Code, to recover its costs related to the issuance of the 2023 Bonds from the proceeds of the 2023 Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the 2023 Bonds.

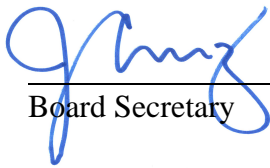
- (b) The application of proceeds of the 2023A Bonds by the Successor Agency to finance a portion of the Affordable Housing Obligations pursuant to Section 34177.7(a)(1)(A) of the Code, the application of proceeds of the 2023B Bonds by the Successor Agency to finance a portion of the Transbay Infrastructure Obligations pursuant to Section 34177.7(a)(1)(B) of the Code, and the payment by the Successor Agency of costs of issuance of the 2023 Bonds shall be implemented by the Successor Agency promptly upon sale and delivery of the 2023 Bonds, notwithstanding Section 34177.3 of the Code or any other provision of law to the contrary, without the further approval of this Oversight Board, the Department of Finance, or any other person or entity other than the Successor Agency.
- (c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) of the Code without any deductions with respect to continuing post-issuance compliance and administration costs related to the 2023 Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183 of the Code. In addition, and as provided by Section 34177.7(f) of the Code, if the Successor Agency is unable to complete the issuance of the 2023A Bonds and/or the 2023B Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the proceedings necessary for the issuance thereof from such property tax revenues pursuant to Section 34183 of the Code without reduction in its Administrative Cost Allowance; and, be it, further

RESOLVED, That this Oversight Board approves the Successor Agency's execution and delivery of the Second Supplement in the form attached as Exhibit C to the Successor Agency Resolution and by this reference incorporated herein, with such additions thereto or changes therein as are recommended or approved by an Authorized Officer of the Successor Agency, the approval of such additions or changes to be conclusively evidenced by the execution and delivery thereof by an Authorized Officer; and, be it, further

RESOLVED, That this Oversight Board approves the Successor Agency's execution and delivery of the Bond Purchase Contract, in the form attached as Exhibit D to the Successor Agency Resolution and by this reference incorporated herein, with such additions thereto or changes therein as are recommended or approved by an Authorized Officer of the Successor Agency, the approval of such additions or changes to be conclusively evidenced by the execution and delivery thereof by an Authorized Officer, pursuant to which the 2023 Bonds will be sold; and be it further

RESOLVED, That this Oversight Board authorizes all actions heretofore taken by the officers and agents of the Successor Agency with respect to the sale and issuance of the 2023 Bonds herein authorized and as described in the Successor Agency Resolution, the expenditure of the proceeds of the 2023 Bonds is hereby approved, confirmed and ratified, and the proper officers of the Successor Agency are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2023 Bonds in accordance with this Resolution and the Successor Agency Resolution and any certificate, agreement and other document described in the documents herein approved or approved in the Successor Agency Resolution.

I hereby certify that the foregoing resolution was adopted by the Oversight Board to the Successor Agency of the Redevelopment Agency of the City and County of San Francisco at its special meeting of April 7, 2023.



Board Secretary

Exhibit A: Successor Agency Resolution No. 02-2023

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE**RESOLUTION NO. 02-2023***Adopted March 21, 2023*

AUTHORIZING THE ISSUANCE OF NEW MONEY TAX ALLOCATION BONDS, SUBJECT TO OVERSIGHT BOARD AND DEPARTMENT OF FINANCE APPROVAL, AS PERMITTED IN SECTIONS 34177.7(A)(1)(A) AND 34177.7(A)(1)(B) OF THE CALIFORNIA HEALTH AND SAFETY CODE TO FINANCE (I) AFFORDABLE HOUSING OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT-TO-EXCEED \$30,000,000 AND (II) INFRASTRUCTURE OBLIGATIONS IN THE TRANSBAY REDEVELOPMENT PROJECT AREA IN AN AGGREGATE PRINCIPAL AMOUNT NOT-TO-EXCEED \$45,000,000, APPROVING AND DIRECTING THE EXECUTION OF A SECOND SUPPLEMENT TO INDENTURE OF TRUST AND BOND PURCHASE CONTRACT, AND APPROVING OTHER RELATED DOCUMENTS AND ACTIONS; AFFORDABLE HOUSING OBLIGATIONS; TRANSBAY INFRASTRUCTURE OBLIGATIONS

WHEREAS, Under California Assembly Bill No. X126 (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 No. 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 have the authority, with approval of the oversight board and the California Department of Finance (the “Department of Finance”), to issue bonds for certain purposes (Section 34177.5(a) of 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 “Board of Supervisors”) 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 and County of San Francisco (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”) 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 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 and its commission is also known as the Commission on Community Investment and Infrastructure; and,

WHEREAS, In September of 2015, the California legislature adopted Senate Bill No. 107 (Stats. 2015, ch. 325, § 9, *codified at* Section 34177.7 of the Code) (“SB 107”), further amending the Redevelopment Dissolution Law and providing that the Successor Agency has the authority, with approval of the Oversight Board and the Department of Finance, to issue bonds or incur other indebtedness for certain purposes; and,

WHEREAS, SB 107 was signed by the Governor of the State on September 22, 2015 and became effective immediately on such date; and,

WHEREAS, Section 34177.7(a)(1)(A) of the of the Code provides that the Successor Agency may, subject to the approval of the Oversight Board and the California Department of Finance, issue bonds or incur other indebtedness to finance the affordable housing required by the following agreements (collectively referred to herein as the “Affordable Housing Obligations”): (i) the Disposition and Development Agreement for Hunters Point Shipyard Phase 1 dated as of December 2, 2003, between Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Redevelopment Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (ii) the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Redevelopment Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (iii) the Mission Bay North Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a

Delaware limited liability company, as heretofore amended and as hereafter may be amended; (iv) the Mission Bay South Owner Participation Agreement entered into as of November 16, 1998, between the Former Redevelopment Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended; and (v) the Transbay Implementation Agreement (as defined below); and,

WHEREAS, Section 34177.7(a)(1)(B) of the Code provides that the Successor Agency has the authority, with approval of the Oversight Board and the Department of Finance, to issue bonds or incur other indebtedness to finance the infrastructure (the “Transbay Infrastructure Obligations”) required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005 between the Former Redevelopment Agency, as succeeded by the Successor Agency, and the Transbay Joint Powers Authority, as hereafter may be amended (the “Transbay Implementation Agreement”); and,

WHEREAS, On December 13, 2016, the Board of Supervisors adopted Resolution No. 538-16, which was signed by the Mayor on December 22, 2016, pursuant to which the Board of Supervisors consented to the use of tax increment from redevelopment project areas outside of the Candlestick Point-Hunters Shipyard Project Site that are deposited in the Redevelopment Property Tax Trust Fund established for the Successor Agency for the exclusive purpose of funding affordable housing development that the Successor Agency is required to build under the Affordable Housing Obligations; and,

WHEREAS, In order to finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”) in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and the U.S. Bank National Association, as trustee; and,

WHEREAS, In order to finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”) in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture; and,

WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) in the original aggregate principal amount of \$127,210,000 (the “2021 Bonds”) pursuant to the Original Indenture as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the “First Supplement”), by and between the Successor Agency and U.S. Bank National Association, as trustee; and,

WHEREAS, In order to further finance a portion of the Affordable Housing Obligations under the authority of Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (with any changes to the designation of such bonds as an Authorized Officer (as such term is defined herein) may approve, the “2023A Bonds”); and,

WHEREAS, In order to further finance a portion of the Transbay Infrastructure Obligations under the authority of Section 34177.7(a)(1)(B) of the Code, the Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance, to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (with any changes to the designation of such bonds as an Authorized Officer may approve, the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”); and,

WHEREAS, The 2023 Bonds will be payable from Pledged Tax Revenues (as defined in the Original Indenture) on (A) parity with the 2017 Bonds and the 2021 Bonds, and (B) on a basis subordinate to the Successor Agency’s repayment obligations under its (i) \$67,955,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014B Bonds”), (ii) \$75,945,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014C Bonds” and together with the 2014B Bonds, the “2014 Bonds”), (iii) \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017D Bonds”), (iv) \$19,745,000 original aggregate principal amount of 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017E Bonds” and, together with the 2017D Bonds, the “2017D/E Bonds”), and (v) any other debt issued or incurred by the Successor Agency on a parity with the 2014 Bonds and the 2017D/E Bonds; and,

WHEREAS, The sale of the 2023 Bonds will comply with the provisions of the Successor Agency’s debt policy (the “Debt Policy”), adopted by Resolution 32-2021 of the Successor Agency Commission on October 5, 2021, unless such compliance is waived in accordance with the Debt Policy; and,

WHEREAS, PFM California Advisors LLC (the “Municipal Advisor”), as municipal advisor to the Successor Agency, has prepared an analysis which is attached hereto as Exhibit A and by this reference incorporated herein, which addresses the matters described in Section 34177.7(h) of the Code with respect to the 2023 Bonds; and,

WHEREAS, The Successor Agency has determined, subject to the approval of the Oversight Board and the Department of Finance’s non-objection to or approval of the Oversight Board’s approval, to sell the 2023 Bonds to Stifel, Nicolaus & Company, Incorporated and Backstrom McCarley Berry & Co., LLC

(collectively, the “Underwriters”) pursuant to a Bond Purchase Contract (the “Purchase Contract”) between the Successor Agency and the Underwriters; and,

WHEREAS, The following documents and instruments have been made available to the Successor Agency and the public and are on file with the Secretary of the Successor Agency: (i) the Second Supplement to Indenture of Trust (the “Second Supplement”) between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (as successor-in-interest to U.S. Bank National Association) (the “Trustee”), supplementing and amending the Original Indenture, as supplemented and amended by the First Supplement, and providing for the issuance of the 2023 Bonds; and (ii) the Purchase Contract; and,

WHEREAS, The Successor Agency is now requesting that the Oversight Board direct the Successor Agency to undertake the proceedings necessary to issue the 2023 Bonds and to approve the issuance of the 2023 Bonds pursuant to this Resolution and the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by the Second Supplement (as so supplemented and amended, the “Indenture”); and,

WHEREAS, The Successor Agency further requests that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the proceedings necessary to issue the 2023 Bonds and the issuance of the 2023 Bonds; and,

WHEREAS, Following approval by the Oversight Board of the issuance of the 2023 Bonds by the Successor Agency and upon submission of the Oversight Board’s resolution to the Department of Finance, the Successor Agency will, with the assistance of the Municipal Advisor, bond counsel to the Successor Agency (“Bond Counsel”), disclosure counsel to the Successor Agency (“Disclosure Counsel”), and the fiscal consultant to the Successor Agency (the “Fiscal Consultant”), cause to be prepared a form of Official Statement describing the 2023 Bonds and containing material information relating to the Successor Agency and the 2023 Bonds, the preliminary form of which will be submitted to the Successor Agency’s Commission (but not the Oversight Board) for approval for distribution by the Underwriters to persons and institutions interested in purchasing the 2023 Bonds; and,

WHEREAS, The sale and issuance of the 2023 Bonds are Successor Agency fiscal activities that do not constitute a “project” as defined by the California Environmental Quality Act (“CEQA”) Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and are not subject to environmental review under CEQA; and,

WHEREAS, Section 5852.1 of the California Government Code requires that the Successor Agency obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the 2023 Bonds, good faith estimates of (a) the true interest cost of the 2023 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the 2023 Bonds, (c) the amount of proceeds of the 2023 Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds, and (d) the sum total of all debt service payments on the 2023 Bonds calculated to the final

maturity of the 2023 Bonds, plus the fees and charges paid to third parties not paid with the proceeds of the 2023 Bonds; and,

WHEREAS, In compliance with Section 5852.1 of the California Government Code, the Successor Agency Commission has obtained from the Municipal Advisor the required good faith estimates and such estimates are attached hereto as Exhibit B and by this reference incorporated herein, and such information has been disclosed and made public; now therefore, be it

RESOLVED, The Successor Agency Commission finds that:

The Successor Agency has full authority to issue the 2023A Bonds to finance a portion of the Affordable Housing Obligations under Section 34177.7(a)(1)(A) of the Code and to issue the 2023B Bonds to finance a portion of the Transbay Infrastructure Obligations under Section 34177.7(a)(1)(B) of the Code, and upon the Oversight Board's approval and the Department of Finance's non-objection to or approval of the Oversight Board's approval, all acts and proceedings required by law necessary to make the 2023 Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute the Second Supplement a valid and binding agreement for the uses and purposes therein set forth, in accordance with its terms, will have been done or taken and the execution and delivery of the Second Supplement will have been in all respects duly authorized; and, be it further

RESOLVED, Pursuant to the Redevelopment Dissolution Law, this Resolution, the Indenture, and Sections 34177.7(a)(1)(A) and 34177.7(b) of the Code, the 2023A Bonds are hereby authorized to be issued, subject to the adoption of a resolution of the Board of Supervisors approving the issuance by the Successor Agency of bonds to further finance a portion of the Affordable Housing Obligations and the Transbay Infrastructure Obligations (the "BOS Resolution"), and the approval of the Oversight Board and the Department of Finance's non-objection to or approval of the Oversight Board's approval, provided that the aggregate initial amount of the 2023A Bonds shall not exceed \$30,000,000. The 2023A Bonds shall be executed in the form set forth in and otherwise as provided in the Second Supplement. Notwithstanding the foregoing, the Successor Agency may issue the 2023A Bonds in two or more subseries at different times if the Authorized Officers (as defined below) determine it is in the best interests of the Successor Agency to do so, provided that the maximum combined principal amount of all such bonds shall not exceed \$30,000,000; and, be it further

RESOLVED, Pursuant to the Redevelopment Dissolution Law, this Resolution, the Indenture, and Sections 34177.7(a)(1)(B) and 34177.7(b) of the Code, the 2023B Bonds are hereby authorized to be issued, subject to the adoption of the BOS Resolution and the approval of the Oversight Board and the Department of Finance's non-objection to or approval of the Oversight Board's approval, provided that the aggregate initial amount of the 2023B Bonds shall not exceed \$45,000,000. The 2023B Bonds shall be executed in the form set forth in and otherwise as provided in the Second Supplement. Notwithstanding the foregoing, the Successor Agency may issue the 2023B Bonds in two or more subseries at different times if the Authorized Officers (as defined below) determine it is in the best interests of the Successor Agency to do so, provided that the maximum combined principal amount of all such bonds shall not exceed \$45,000,000; and, be it further

RESOLVED, It is the intent of the Successor Agency that interest on the 2023A Bonds be subject to all applicable federal income taxation; and, be it further

RESOLVED, The Second Supplement is hereby approved in the form attached hereto as Exhibit C and by this reference incorporated herein. The Executive Director, the Deputy Director of Finance and Administration and any of their designees (each being hereinafter referred to as an "Authorized Officer"), each acting alone, are hereby authorized and directed, subject to the Oversight Board's approval and the Department of Finance's non-objection to or approval of the Oversight Board's approval, to execute and deliver the Second Supplement in said form, with such additions thereto or changes therein as are approved by an Authorized Officer upon consultation with the Successor Agency's General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Second Supplement by an Authorized Officer. The date, manner of payment, interest rate or rates, interest payment dates, series or subseries designations, denominations, form, registration, privileges, manner of execution, place of payment, terms of redemption and other terms of the 2023 Bonds shall be as provided in the Second Supplement as finally executed; and, be it further

RESOLVED, The Successor Agency hereby approves the selection of the Underwriters and the negotiated sale of the 2023 Bonds to the Underwriters. The Purchase Contract is hereby approved in the form attached hereto as Exhibit D and by this reference incorporated herein. An Authorized Officer is hereby authorized and directed to accept the offer of the Underwriters to purchase the 2023 Bonds from the Successor Agency, provided that the following conditions are met: (1) the aggregate principal amount of the 2023A Bonds and 2023B Bonds may not exceed \$30,000,000 and \$45,000,000, respectively; (2) the Underwriters' discount for the 2023A Bonds, without regard to any original issue discount, may not exceed 0.5% of the aggregate initial amount of the 2023A Bonds; and (3) the Underwriters' discount for the 2023B Bonds, without regard to any original issue discount, may not exceed 0.5% of the aggregate initial amount of the 2023B Bonds. Subject to the adoption of the BOS Resolution and the Oversight Board's approval, and the Department of Finance's non-objection to or approval of the Oversight Board's approval, an Authorized Officer is hereby authorized and directed to execute and deliver the Purchase Contract in said form, with such additions thereto or changes therein as are recommended or approved by an Authorized Officer upon consultation with the Successor Agency's General Counsel and Bond Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Purchase Contract by an Authorized Officer; and, be it further

RESOLVED, Following approval by the Oversight Board of the issuance of the 2023 Bonds by the Successor Agency and upon submission to the Department of Finance of such approval by the Oversight Board, the Successor Agency will, with the assistance of Disclosure Counsel, Bond Counsel, the Fiscal Consultant and the Municipal Advisor, cause to be prepared a form of Official Statement describing the 2023 Bonds and containing material information relating to the Successor Agency and the 2023 Bonds, the preliminary form of which will be submitted to the Successor Agency's Commission (but not to the Oversight Board) for approval for distribution by the Underwriters to persons and institutions interested in purchasing the 2023 Bonds; and, be it further

RESOLVED, The 2023 Bonds, when executed, shall be delivered to the Trustee for authentication, and the Trustee is hereby requested and directed to authenticate the 2023 Bonds by executing the Trustee's certificate of authentication and registration appearing thereon, and to deliver the 2023 Bonds, when duly executed and authenticated, to the Underwriters in accordance with written instructions executed on behalf of the Successor Agency by an Authorized Officer, which instructions such officer is hereby authorized and directed to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the 2023 Bonds to the Underwriters upon payment of the purchase price therefor; and, be it further

RESOLVED, The Successor Agency hereby requests the Oversight Board, as authorized by Section 34177.7(f) of the Code, to direct the Successor Agency to undertake the proceedings relating to the issuance of bonds to finance a portion of the Affordable Housing Obligations authorized under Section 34177.7(a)(1)(A) of the Code and to finance a portion of the Transbay Infrastructure Obligations authorized under Section 34177.7(a)(1)(B) of the Code for said purposes, and, as authorized by Sections 34177.7(f) and 34180(b) of the Code, to approve the issuance of the 2023A Bonds and the 2023B Bonds pursuant to Section 34177.7(a)(1)(A) and Section 34177.7(a)(1)(B), respectively, of the Code, this Resolution and the Indenture; and, be it further

RESOLVED, The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the proceedings necessary for the issuance of the 2023 Bonds and the issuance of the 2023 Bonds:

- (a) The Successor Agency is authorized, as provided in Section 34177.7(f) of the Code, to recover its costs related to the issuance of the 2023 Bonds from the proceeds of the 2023 Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the 2023 Bonds.
- (b) The application of proceeds of the 2023A Bonds by the Successor Agency to finance a portion of the Affordable Housing Obligations pursuant to Section 34177.7(a)(1)(A) of the Code, the application of proceeds of the 2023B Bonds by the Successor Agency to finance a portion of the Transbay Infrastructure Obligations pursuant to Section 34177.7(a)(1)(B) of the Code, and the payment by the Successor Agency of costs of issuance of the 2023 Bonds, shall be implemented by the Successor Agency promptly upon sale and delivery of the 2023 Bonds, notwithstanding Section 34177.3 of the Code or any other provision of law to the contrary, without the further approval of the Oversight Board, the Department of Finance, or any other person or entity other than the Successor Agency.
- (c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) of the Code without any deductions with respect to continuing post-issuance compliance and administration costs related to the 2023 Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues

pursuant to Section 34183 of the Code. In addition, and as provided by Section 34177.7(f) of the Code, if the Successor Agency is unable to complete the issuance of the 2023A Bonds and/or the 2023B Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the proceedings relating to the issuance thereof from such property tax revenues pursuant to Section 34183 of the Code without reduction in its Administrative Cost Allowance; and, be it further

RESOLVED, The Successor Agency is hereby authorized and directed to file a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) of the Code, with the Department of Finance, the Administrative Officer and Auditor-Controller of the City and County of San Francisco; and, be it further

RESOLVED, The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy and/or reserve account reserve policy, or both, for the 2023A Bonds and/or the 2023B Bonds, or any portion thereof, from a municipal bond insurance company if it is determined, upon consultation with the Municipal Advisor, that such municipal bond insurance policy and/or reserve policy will reduce the true interest cost thereof; and, be it further

RESOLVED, That, subject to the preparation and approval of the Official Statement, as described above, this Commission authorizes all actions heretofore taken by the officers and agents of the Successor Agency with respect to the sale and issuance of the 2023 Bonds herein authorized, the expenditure of the proceeds of the 2023 Bonds is hereby approved, confirmed and ratified, and the proper officers of the Successor Agency are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the 2023 Bonds in accordance with this Resolution and any certificate, agreement and other document described in the documents herein approved.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of March 21, 2023.



Commission Secretary

Exhibit A: Municipal Advisor's Analysis

Exhibit B: Good Faith Estimates

Exhibit C: Form of Second Supplement to Indenture of Trust

Exhibit D: Form of Bond Purchase Contract

MEMORANDUM

To: Office of Community Investment and Infrastructure (“OCII”)

Date: February 28, 2023

From: Sarah Hollenbeck and Nick Jones, PFM California Advisors LLC
Municipal Advisor to OCII

RE: Analysis Required for Proposed OCII 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Background

Purpose of this Report. PFM California Advisors LLC is an Independent Registered Municipal Advisor registered with both the Securities & Exchange Commission and the Municipal Securities Rulemaking Board, with significant experience with tax increment financing, including post-Redevelopment Dissolution refinancing in California. The Office of Community Investment and Infrastructure (“OCII”) is the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and has requested that the firm prepare this memo in conformance with California Health and Safety Code authorizing OCII to issue new-money bonds. This memo has been prepared in connection with the proposed issuance of approximately \$26.9 million 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), with net proceeds going solely to fund affordable housing projects, and \$40.5 million 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects), with net proceeds going solely to fund transbay infrastructure projects. 2023 Series A and 2023 Series B will not refund any outstanding debt.

2023 Series A and 2023 Series B are Parity to Established and Approved Debt. The proposed bonds will be secured by tax increment revenues in a third lien position, on parity with OCII’s 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), 2017 Series B Taxable Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects), and 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), which were all reviewed and approved by the State Department of Finance (“DOF”).

Compliance with Health and Safety Code Requirements

The proposed financing meets the requirements of State law, as set forth in *Section 34177.5(h)* of the Health and Safety Code:

The successor agency to the Redevelopment Agency of the City and County of San Francisco shall make diligent efforts to ensure that the lowest long-term cost financing is obtained. The financing shall not provide for any bullets or spikes and shall not use variable rates. The agency shall make use of an independent financial advisor in developing financing proposals and shall make the work products of the financial advisor available to the department at its request. (Added by Stats. 2015, Ch. 325, Sec. 9. (SB 107) Effective September 22, 2015.)

Shall make diligent efforts to ensure that the lowest long-term cost financing is obtained. OCII as the successor agency has hired an experienced financing team of municipal advisor, underwriters, bond counsel, disclosure counsel, and fiscal consultant to develop a plan of finance for the lowest cost long-term financing that is consistent with OCII’s program goals now and in the future. The indenture allows for new parity financing to continue to fund affordable housing and transbay infrastructure. OCII seeks efficient and low-cost financing

that maximizes debt service coverage, credit quality, and future debt capacity.

The financing shall not provide for any bullets or spikes and shall not use variable rates. 2023 Series A and 2023 Series B are being structured in a manner that optimizes debt service coverage and future bonding capacity, while minimizing the cost of financing. Principal may be amortized in a manner that furthers these goals, which could include some front-loading and back-loading of principal at the beginning and end of the maturity schedule. 2023 Series A and 2023 Series B will be structured as fixed-rate debt.

The agency shall make use of an independent financial advisor in developing financing proposals and shall make the work products of the financial advisor available to the department at its request. OCII has retained PFM California Advisors LLC to serve as its municipal advisor, and the firm has conducted an RFP process to assist OCII in selecting an underwriting team for this negotiated financing. The municipal advisor has prepared this memo for OCII and DOF and can provide additional information upon DOF request. Attached is an initial bond sizing for 2023 Series A and 2023 Series B.

ATTACHMENT A – Bond Cash Flows prepared by PFM California Advisors LLC

SOURCES AND USES OF FUNDS

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

Dated Date 07/27/2023
Delivery Date 07/27/2023

<i>Sources:</i>	<i>2023A Affordable Housing (Taxable)</i>	<i>2023B Transbay</i>	<i>Total</i>
Bond Proceeds:			
Par Amount	26,865,000.00	40,490,000.00	67,355,000.00
Premium		1,893,465.70	1,893,465.70
	26,865,000.00	42,383,465.70	69,248,465.70

<i>Uses:</i>	<i>2023A Affordable Housing (Taxable)</i>	<i>2023B Transbay</i>	<i>Total</i>
Project Fund Deposits:			
Project Fund	24,000,000.00	37,000,000.00	61,000,000.00
Other Fund Deposits:			
Debt Service Reserve Fund	1,976,660.80	3,980,556.74	5,957,217.54
Delivery Date Expenses:			
Cost of Issuance	199,428.40	300,571.60	500,000.00
Underwriter's Discount	96,631.64	145,639.86	242,271.50
Insurance (1% of Debt Service)	592,232.52	955,687.44	1,547,919.96
	888,292.56	1,401,898.90	2,290,191.46
Other Uses of Funds:			
Additional Proceeds	46.64	1,010.06	1,056.70
	26,865,000.00	42,383,465.70	69,248,465.70

UNDERWRITER'S DISCOUNT

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

<i>Underwriter's Discount</i>	<i>\$/1000</i>	<i>Amount</i>
Underwriter's Counsel	0.29693	20,000.00
Expenses	0.30000	20,206.50
Average Takedown	3.00000	202,065.00
	3.59693	242,271.50

BOND SUMMARY STATISTICS

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

	2023A Affordable Housing (Taxable)	2023B Transbay	Aggregate
Dated Date	07/27/2023	07/27/2023	07/27/2023
Delivery Date	07/27/2023	07/27/2023	07/27/2023
First Coupon	08/01/2024	08/01/2024	08/01/2024
Last Maturity	08/01/2053	08/01/2053	08/01/2053
Arbitrage Yield	6.301199%	4.699988%	4.699988%
True Interest Cost (TIC)	6.126050%	4.712532%	5.193095%
Net Interest Cost (NIC)	6.138405%	4.841334%	5.261986%
All-In TIC	6.408336%	4.914415%	5.423031%
Average Coupon	6.120129%	5.000000%	5.363268%
Average Life (years)	19.681	27.206	24.204
Weighted Average Maturity (years)	19.681	27.200	27.200
Duration of Issue (years)	11.056	15.408	13.544
Par Amount	26,865,000.00	40,490,000.00	67,355,000.00
Bond Proceeds	26,865,000.00	42,383,465.70	69,248,465.70
Total Interest	32,358,252.30	55,078,744.44	87,436,996.74
Net Interest	32,454,883.94	53,330,918.60	85,785,802.54
Total Debt Service	59,223,252.30	95,568,744.44	154,791,996.74
Maximum Annual Debt Service	1,976,660.80	7,000,750.00	8,973,482.80
Average Annual Debt Service	1,973,377.53	3,184,445.39	5,157,822.92
Underwriter's Fees (per \$1000)			
Average Takedown	3.000000	3.000000	3.000000
Other Fee	0.596934	0.596934	0.596934
Total Underwriter's Discount	3.596934	3.596934	3.596934
Bid Price	99.640307	104.316685	102.451480

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Taxable Bonds	26,865,000.00	100.000	6.12012863%	19.681	28,535.95
Tax-Exempt Bonds	40,490,000.00	104.676	5.00000000%	27.206	33,364.15
	67,355,000.00			24.204	61,900.10

BOND SUMMARY STATISTICS

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

	TIC	All-In TIC	Arbitrage Yield
Par Value	67,355,000.00	67,355,000.00	40,490,000.00
+ Accrued Interest			
+ Premium (Discount)	1,893,465.70	1,893,465.70	1,893,465.70
- Underwriter's Discount	(242,271.50)	(242,271.50)	
- Cost of Issuance Expense		(500,000.00)	
- Other Amounts		(1,547,919.96)	(955,687.44)
Target Value	69,006,194.20	66,958,274.24	41,427,778.26
Target Date	07/27/2023	07/27/2023	07/27/2023
Yield	5.193095%	5.423031%	4.699988%

BOND PRICING

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable)

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>
Taxable Bonds:					
	08/01/2024	335,000	5.660%	5.660%	100.000
	08/01/2025	375,000	5.490%	5.490%	100.000
	08/01/2026	395,000	5.310%	5.310%	100.000
	08/01/2027	415,000	5.442%	5.442%	100.000
	08/01/2028	435,000	5.320%	5.320%	100.000
	08/01/2029	460,000	5.422%	5.422%	100.000
	08/01/2030	485,000	5.420%	5.420%	100.000
	08/01/2031	510,000	5.572%	5.572%	100.000
	08/01/2032	540,000	5.574%	5.574%	100.000
	08/01/2033	570,000	5.560%	5.560%	100.000
	08/01/2034	600,000	5.922%	5.922%	100.000
	08/01/2035	635,000	5.934%	5.934%	100.000
	08/01/2036	675,000	5.946%	5.946%	100.000
	08/01/2037	715,000	5.958%	5.958%	100.000
	08/01/2038	755,000	5.970%	5.970%	100.000
	08/01/2039	805,000	6.132%	6.132%	100.000
	08/01/2040	850,000	6.144%	6.144%	100.000
	08/01/2041	905,000	6.156%	6.156%	100.000
	08/01/2042	960,000	6.168%	6.168%	100.000
	08/01/2043	1,020,000	6.220%	6.220%	100.000
	08/01/2044	1,085,000	6.296%	6.296%	100.000
	08/01/2045	1,150,000	6.272%	6.272%	100.000
	08/01/2046	1,225,000	6.248%	6.248%	100.000
	08/01/2047	1,300,000	6.224%	6.224%	100.000
	08/01/2048	1,380,000	6.200%	6.200%	100.000
	08/01/2049	1,465,000	6.176%	6.176%	100.000
	08/01/2050	1,555,000	6.152%	6.152%	100.000
	08/01/2051	1,650,000	6.128%	6.128%	100.000
	08/01/2052	1,755,000	6.104%	6.104%	100.000
	08/01/2053	1,860,000	6.120%	6.120%	100.000
		26,865,000			

Dated Date	07/27/2023	
Delivery Date	07/27/2023	
First Coupon	08/01/2024	
Par Amount	26,865,000.00	
Original Issue Discount		
Production	26,865,000.00	100.000000%
Underwriter's Discount	(96,631.64)	(0.359693%)
Purchase Price	26,768,368.36	99.640307%
Accrued Interest		
Net Proceeds	26,768,368.36	

BOND PRICING

SFOCII - Third Lien Tax Allocation Bonds 2023B Transbay

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Tax-Exempt Bonds:									
	08/01/2047	4,970,000	5.000%	4.330%	105.395 C	4.626%	08/01/2033	100.000	268,131.50
	08/01/2048	5,220,000	5.000%	4.360%	105.146 C	4.650%	08/01/2033	100.000	268,621.20
	08/01/2049	5,485,000	5.000%	4.420%	104.650 C	4.689%	08/01/2033	100.000	255,052.50
	08/01/2050	5,760,000	5.000%	4.430%	104.568 C	4.700%	08/01/2033	100.000	263,116.80
	08/01/2051	6,045,000	5.000%	4.440%	104.486 C	4.710%	08/01/2033	100.000	271,178.70
	08/01/2052	6,345,000	5.000%	4.450%	104.403 C	4.720%	08/01/2033	100.000	279,370.35
	08/01/2053	6,665,000	5.000%	4.460%	104.321 C	4.729%	08/01/2033	100.000	287,994.65
40,490,000									1,893,465.70

Dated Date	07/27/2023	
Delivery Date	07/27/2023	
First Coupon	08/01/2024	
Par Amount	40,490,000.00	
Premium	1,893,465.70	
Production	42,383,465.70	104.676379%
Underwriter's Discount	(145,639.86)	(0.359693%)
Purchase Price	42,237,825.84	104.316685%
Accrued Interest		
Net Proceeds	42,237,825.84	

BOND DEBT SERVICE

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable)

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>
08/01/2024	335,000	5.660%	1,638,327.50	1,973,327.50
08/01/2025	375,000	5.490%	1,601,362.90	1,976,362.90
08/01/2026	395,000	5.310%	1,580,775.40	1,975,775.40
08/01/2027	415,000	5.442%	1,559,800.90	1,974,800.90
08/01/2028	435,000	5.320%	1,537,216.60	1,972,216.60
08/01/2029	460,000	5.422%	1,514,074.60	1,974,074.60
08/01/2030	485,000	5.420%	1,489,133.40	1,974,133.40
08/01/2031	510,000	5.572%	1,462,846.40	1,972,846.40
08/01/2032	540,000	5.574%	1,434,429.20	1,974,429.20
08/01/2033	570,000	5.560%	1,404,329.60	1,974,329.60
08/01/2034	600,000	5.922%	1,372,637.60	1,972,637.60
08/01/2035	635,000	5.934%	1,337,105.60	1,972,105.60
08/01/2036	675,000	5.946%	1,299,424.70	1,974,424.70
08/01/2037	715,000	5.958%	1,259,289.20	1,974,289.20
08/01/2038	755,000	5.970%	1,216,689.50	1,971,689.50
08/01/2039	805,000	6.132%	1,171,616.00	1,976,616.00
08/01/2040	850,000	6.144%	1,122,253.40	1,972,253.40
08/01/2041	905,000	6.156%	1,070,029.40	1,975,029.40
08/01/2042	960,000	6.168%	1,014,317.60	1,974,317.60
08/01/2043	1,020,000	6.220%	955,104.80	1,975,104.80
08/01/2044	1,085,000	6.296%	891,660.80	1,976,660.80
08/01/2045	1,150,000	6.272%	823,349.20	1,973,349.20
08/01/2046	1,225,000	6.248%	751,221.20	1,976,221.20
08/01/2047	1,300,000	6.224%	674,683.20	1,974,683.20
08/01/2048	1,380,000	6.200%	593,771.20	1,973,771.20
08/01/2049	1,465,000	6.176%	508,211.20	1,973,211.20
08/01/2050	1,555,000	6.152%	417,732.80	1,972,732.80
08/01/2051	1,650,000	6.128%	322,069.20	1,972,069.20
08/01/2052	1,755,000	6.104%	220,957.20	1,975,957.20
08/01/2053	1,860,000	6.120%	113,832.00	1,973,832.00
	26,865,000		32,358,252.30	59,223,252.30

BOND DEBT SERVICE

SFOCII - Third Lien Tax Allocation Bonds 2023B Transbay

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>
08/01/2024			2,046,994.44	2,046,994.44
08/01/2025			2,024,500.00	2,024,500.00
08/01/2026			2,024,500.00	2,024,500.00
08/01/2027			2,024,500.00	2,024,500.00
08/01/2028			2,024,500.00	2,024,500.00
08/01/2029			2,024,500.00	2,024,500.00
08/01/2030			2,024,500.00	2,024,500.00
08/01/2031			2,024,500.00	2,024,500.00
08/01/2032			2,024,500.00	2,024,500.00
08/01/2033			2,024,500.00	2,024,500.00
08/01/2034			2,024,500.00	2,024,500.00
08/01/2035			2,024,500.00	2,024,500.00
08/01/2036			2,024,500.00	2,024,500.00
08/01/2037			2,024,500.00	2,024,500.00
08/01/2038			2,024,500.00	2,024,500.00
08/01/2039			2,024,500.00	2,024,500.00
08/01/2040			2,024,500.00	2,024,500.00
08/01/2041			2,024,500.00	2,024,500.00
08/01/2042			2,024,500.00	2,024,500.00
08/01/2043			2,024,500.00	2,024,500.00
08/01/2044			2,024,500.00	2,024,500.00
08/01/2045			2,024,500.00	2,024,500.00
08/01/2046			2,024,500.00	2,024,500.00
08/01/2047	4,970,000	5.000%	2,024,500.00	6,994,500.00
08/01/2048	5,220,000	5.000%	1,776,000.00	6,996,000.00
08/01/2049	5,485,000	5.000%	1,515,000.00	7,000,000.00
08/01/2050	5,760,000	5.000%	1,240,750.00	7,000,750.00
08/01/2051	6,045,000	5.000%	952,750.00	6,997,750.00
08/01/2052	6,345,000	5.000%	650,500.00	6,995,500.00
08/01/2053	6,665,000	5.000%	333,250.00	6,998,250.00
	40,490,000		55,078,744.44	95,568,744.44

AGGREGATE DEBT SERVICE

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay

<i>Period Ending</i>	<i>2023A Affordable Housing (Taxable)</i>	<i>2023B Transbay</i>	<i>2021A Taxable</i>	<i>2017A Taxable</i>	<i>2017B</i>	<i>Subordinated Debt Service</i>	<i>Existing Loan Agreements</i>	<i>Aggregate Debt Service</i>
08/01/2023			3,544,846.66	1,024,355.00	992,500	16,199,476	32,306,689	54,067,866.66
08/01/2024	1,973,327.50	2,046,994.44	6,733,489.96	1,024,355.00	992,500	16,057,396	32,303,477	61,131,539.90
08/01/2025	1,976,362.90	2,024,500.00	14,244,300.46	4,024,355.00	992,500	8,958,500	23,564,227	55,784,745.36
08/01/2026	1,975,775.40	2,024,500.00	13,816,580.60	3,918,365.00	992,500	8,941,196	22,920,937	54,589,854.00
08/01/2027	1,974,800.90	2,024,500.00	16,629,358.26	809,375.00	992,500	8,976,430	22,896,481	54,303,445.16
08/01/2028	1,972,216.60	2,024,500.00	16,766,208.20	809,375.00	992,500	8,951,175	22,896,434	54,412,408.80
08/01/2029	1,974,074.60	2,024,500.00	16,952,275.36	809,375.00	992,500	8,951,906	22,876,471	54,581,101.96
08/01/2030	1,974,133.40	2,024,500.00	17,146,052.00	809,375.00	992,500	9,463,173	21,885,189	54,294,922.40
08/01/2031	1,972,846.40	2,024,500.00	20,798,072.50	809,375.00	992,500	4,642,452	23,858,861	55,098,606.90
08/01/2032	1,974,429.20	2,024,500.00	21,627,401.50	809,375.00	992,500	4,631,507	23,847,321	55,907,033.70
08/01/2033	1,974,329.60	2,024,500.00		809,375.00	992,500	4,633,669	23,839,711	34,274,084.60
08/01/2034	1,972,637.60	2,024,500.00		809,375.00	992,500	4,617,814	23,821,782	34,238,608.60
08/01/2035	1,972,105.60	2,024,500.00		809,375.00	992,500	4,956,975	19,304,732	30,060,187.60
08/01/2036	1,974,424.70	2,024,500.00		809,375.00	992,500	3,884,075	19,292,295	28,977,169.70
08/01/2037	1,974,289.20	2,024,500.00		809,375.00	992,500	4,064,094	13,727,503	23,592,261.20
08/01/2038	1,971,689.50	2,024,500.00		809,375.00	992,500	4,804,375	2,936,692	13,539,131.50
08/01/2039	1,976,616.00	2,024,500.00		809,375.00	992,500	4,805,063	2,921,542	13,529,596.00
08/01/2040	1,972,253.40	2,024,500.00		809,375.00	992,500	5,760,438		11,559,066.40
08/01/2041	1,975,029.40	2,024,500.00		1,349,375.00	992,500	3,258,250		9,599,654.40
08/01/2042	1,974,317.60	2,024,500.00		7,475,750.00	992,500			12,467,067.60
08/01/2043	1,975,104.80	2,024,500.00		7,498,062.50	992,500			12,490,167.30
08/01/2044	1,976,660.80	2,024,500.00		4,451,593.76	4,062,500			12,515,254.56
08/01/2045	1,973,349.20	2,024,500.00			9,024,000			13,021,849.20
08/01/2046	1,976,221.20	2,024,500.00			9,024,750			13,025,471.20
08/01/2047	1,974,683.20	6,994,500.00						8,969,183.20
08/01/2048	1,973,771.20	6,996,000.00						8,969,771.20
08/01/2049	1,973,211.20	7,000,000.00						8,973,211.20
08/01/2050	1,972,732.80	7,000,750.00						8,973,482.80
08/01/2051	1,972,069.20	6,997,750.00						8,969,819.20
08/01/2052	1,975,957.20	6,995,500.00						8,971,457.20
08/01/2053	1,973,832.00	6,998,250.00						8,972,082.00
	59,223,252.30	95,568,744.44	148,258,585.50	42,097,461.26	42,953,750	136,557,964	355,200,344	879,860,101.50

UNIVERSAL BOND SOLUTION

SFOCII - Third Lien Tax Allocation Bonds 2023A Affordable Housing (Taxable) & 2023B Transbay 2023B Transbay Bonds Solution

<i>Period Ending</i>	<i>2023B Principal</i>	<i>2023B Debt Service</i>	<i>2023A & Parity Debt Service</i>	<i>Total Adj Debt Service</i>	<i>Revenue Constraints</i>	<i>Unused Revenues</i>	<i>Debt Service Coverage</i>
08/01/2023			54,067,867	54,067,867	292,155,808	238,087,941	540.35017%
08/01/2024		2,046,994	59,084,545	61,131,540	292,155,808	231,024,268	477.91338%
08/01/2025		2,024,500	53,760,245	55,784,745	292,155,808	236,371,063	523.71989%
08/01/2026		2,024,500	52,565,354	54,589,854	292,155,808	237,565,954	535.18335%
08/01/2027		2,024,500	52,278,945	54,303,445	292,155,808	237,852,363	538.00603%
08/01/2028		2,024,500	52,387,909	54,412,409	292,155,808	237,743,399	536.92864%
08/01/2029		2,024,500	52,556,602	54,581,102	292,155,808	237,574,706	535.26916%
08/01/2030		2,024,500	52,270,422	54,294,922	292,155,808	237,860,886	538.09048%
08/01/2031		2,024,500	53,074,107	55,098,607	292,155,808	237,057,201	530.24173%
08/01/2032		2,024,500	53,882,534	55,907,034	292,155,808	236,248,774	522.57433%
08/01/2033		2,024,500	32,249,585	34,274,085	292,155,808	257,881,723	852.41024%
08/01/2034		2,024,500	32,214,109	34,238,609	292,155,808	257,917,199	853.29346%
08/01/2035		2,024,500	28,035,688	30,060,188	292,155,808	262,095,620	971.90281%
08/01/2036		2,024,500	26,952,670	28,977,170	292,155,808	263,178,638	1,008.22755%
08/01/2037		2,024,500	21,567,761	23,592,261	292,155,808	268,563,547	1,238.35441%
08/01/2038		2,024,500	11,514,632	13,539,132	292,155,808	278,616,677	2,157.86225%
08/01/2039		2,024,500	11,505,096	13,529,596	292,155,808	278,626,212	2,159.38309%
08/01/2040		2,024,500	9,534,566	11,559,066	292,155,808	280,596,742	2,527.50350%
08/01/2041		2,024,500	7,575,154	9,599,654	292,155,808	282,556,154	3,043.39923%
08/01/2042		2,024,500	10,442,568	12,467,068	292,155,808	279,688,740	2,343.42042%
08/01/2043		2,024,500	10,465,667	12,490,167	292,155,808	279,665,641	2,339.08643%
08/01/2044		2,024,500	10,490,755	12,515,255	292,155,808	279,640,553	2,334.39765%
08/01/2045		2,024,500	10,997,349	13,021,849	292,155,808	279,133,959	2,243.58156%
08/01/2046		2,024,500	11,000,971	13,025,471	292,155,808	279,130,337	2,242.95769%
08/01/2047	4,970,000	6,994,500	1,974,683	8,969,183	292,155,808	283,186,625	3,257.32903%
08/01/2048	5,220,000	6,996,000	1,973,771	8,969,771	292,155,808	283,186,037	3,257.11550%
08/01/2049	5,485,000	7,000,000	1,973,211	8,973,211	292,155,808	283,182,597	3,255.86684%
08/01/2050	5,760,000	7,000,750	1,972,733	8,973,483	292,155,808	283,182,325	3,255.76830%
08/01/2051	6,045,000	6,997,750	1,972,069	8,969,819	292,155,808	283,185,989	3,257.09807%
08/01/2052	6,345,000	6,995,500	1,975,957	8,971,457	292,155,808	283,184,351	3,256.50339%
08/01/2053	6,665,000	6,998,250	1,973,832	8,972,082	292,155,808	283,183,726	3,256.27661%
	40,490,000	95,568,744	784,291,357	879,860,102	9,056,830,048	8,176,969,947	

EXHIBIT B

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the 2023 Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the Successor Agency by PFM California Advisors LLC, as the Successor Agency's Municipal Advisor (the "Municipal Advisor"), after consultation with Stifel, Nicolaus & Company, Incorporated, an underwriter of the 2023 Bonds.

Principal Amount. The Municipal Advisor has informed the Successor Agency that, based on the Successor Agency's financing plan and current market conditions, their good faith estimate of the aggregate principal amount of the 2023 Bonds to be sold is \$67,355,000 (the "Estimated Principal Amount"), which excludes approximately \$1,893,466 of net premium estimated to be generated from current market pricing. Net premium is generated when, on a net aggregate basis for a single issuance, the prices paid for the bonds are higher than the face values of such bonds. The sum of the Estimated Principal Amount and the estimated net premium is \$69,248,466, which is equal to the estimated net proceeds of the 2023 Bonds.

True Interest Cost of the 2023 Bonds. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the true interest cost of the 2023 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2023 Bonds, is 5.19%.

Finance Charge of the 2023 Bonds. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the finance charge for the 2023 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the 2023 Bonds), is \$2,290,191.

Amount of Proceeds to be Received. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the amount of proceeds expected to be received by the Successor Agency from the sale of the 2023 Bonds, less the finance charge of the 2023 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds, is \$61,000,000.

Total Payment Amount. The Municipal Advisor has informed the Successor Agency that, assuming that the Estimated Principal Amount of the 2023 Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, their good faith estimate of the total payment amount, which means the sum total of all payments the Successor Agency will make to pay debt service on the 2023 Bonds, plus the finance charge for the 2023 Bonds, as described above, not paid with the proceeds of the 2023 Bonds, calculated to the final maturity of the 2023 Bonds, is \$154,791,997, which excludes any reserves or capitalized interest paid or funded with proceeds of the 2023 Bonds (which may offset such total payment amount).

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount of the 2023 Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the 2023 Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of 2023 Bonds sold being different from the Estimated Principal Amount, (c) the actual amortization of the 2023 Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the 2023 Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the Successor Agency's financing plan, including delays in the financing, or a combination of such factors. The actual date of sale of the 2023 Bonds and the actual principal amount of 2023 Bonds sold will be determined by the Successor Agency based on the timing of the need for proceeds of the 2023 Bonds and other factors. The actual interest rates borne by the 2023 Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the 2023 Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Successor Agency.

SECOND SUPPLEMENT TO INDENTURE OF TRUST

Dated as of [Month] 1, 2023

by and between the

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee**

Relating to

**[\$[PARA]
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
[(Social Bonds)]**

**[\$[PARA]
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)**

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SECOND SUPPLEMENT TO INDENTURE OF TRUST

This SECOND SUPPLEMENT TO INDENTURE OF TRUST (this “Second Supplement”), dated as of [Month] 1, 2023, is by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity duly created and existing under the laws of the State of California (the “Successor Agency”), as successor to the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee under the hereinafter defined Original Indenture (the “Trustee”), as successor-in-interest to U.S. Bank National Association;

WITNESSETH:

WHEREAS, prior to its dissolution, the Former Agency was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code (the “Code”) of the State (as amended, the “Law”), including the power to issue bonds and incur debt for any of its corporate purposes;

WHEREAS, a Redevelopment Plan for each of the following redevelopment project areas, subproject areas or land use zones (collectively, the “Project Areas”) of the Former Agency was adopted and, as applicable, subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of each of the Redevelopment Plans, as amended, have been duly complied with:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (formerly known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1;

WHEREAS, to finance and refinance redevelopment activities within or of benefit to the Project Areas, the Former Agency entered into various loan agreements (collectively, the “Existing Loan Agreements”), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans (collectively, the “Existing Loans”) made to the Former Agency under the Existing Loan Agreements;

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as so amended and as further amended from time to time, the “Dissolution Act”), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Existing Loan Agreements and the related documents to which the Former Agency was a party;

WHEREAS, Section 34177.5(a)(1) of the Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in Section 34177.5(a)(1) of the Code;

WHEREAS, Section 34177.5(a)(1) of the Code also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) of the Code;

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in Section 34177.5(a)(1) of the Code, issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$67,944,000 (the “2014B Bonds”) and its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$75,945,000 (the “2014C Bonds” and, together with the 2014B Bonds, the “2014 Bonds”);

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in Section 34177.5(a)(1) of the Code, issued its \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017D Bonds”) and its \$19,745,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017E Bonds” and, together with the 2017D Bonds, the “2017D/E Bonds”);

WHEREAS, the outstanding 2014 Bonds and the outstanding 2017D/E Bonds are payable from Pledged Tax Revenues on a basis subordinate to the payments under the outstanding Existing Loan Agreements;

WHEREAS, Section 34177.7(a)(1)(A) of the Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement (collectively referred to herein as the "Affordable Housing Obligations"), and Section 34177.7(a)(1)(B) of the Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the infrastructure required by the Transbay Implementation Agreement (the "Transbay Infrastructure Obligations");

WHEREAS, to provide moneys to finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2017A Bonds") in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017, by and between the Successor Agency and the Trustee (as amended from time to time, the "Original Indenture");

WHEREAS, to provide moneys to finance a portion the Transbay Infrastructure Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(B) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2017B Bonds" and, together with the 2017A Bonds, the "2017 Bonds") in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture;

WHEREAS, to provide moneys to further finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) in the original aggregate principal amount of \$127,210,000 (the "2021 Bonds") pursuant to the Original Indenture as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the "First Supplement"), by and between the Successor Agency and U.S. Bank National Association, as trustee;

WHEREAS, to provide moneys to further finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] (the "2023A Bonds") in the initial aggregate principal amount of \$[PARA] pursuant to the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement;

WHEREAS, to provide moneys to further finance a portion of the Transbay Infrastructure Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(B) of the Code, the

Successor Agency has determined to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”) in the original aggregate principal amount of \$[PARB] pursuant to the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement;

WHEREAS, the 2023 Bonds will be payable from Pledged Tax Revenues on (i) a parity with the 2017 Bonds, the 2021 Bonds and any additional Parity Debt issued in the future, and (ii) a basis subordinate to the Successor Agency’s repayment obligations under the outstanding Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds and any additional 2014 Parity Debt;

WHEREAS, to provide for the authentication and delivery of the 2023 Bonds under the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Second Supplement; and

WHEREAS, the Successor Agency has certified that all acts and proceedings required by law necessary to make the 2023 Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Second Supplement a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Second Supplement have been in all respects duly authorized; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto do hereby agree as follows:

SECTION 1. Supplement to Original Indenture. In accordance with the provisions of Section 7.01(c) of the Original Indenture, the Original Indenture, as supplemented and amended by the First Supplement, is hereby further amended by adding a supplement thereto consisting of a new article to be designated as Article XI. Such Article XI shall read in its entirety as follows:

ARTICLE XI

2023 BONDS

Section 11.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 11.01 shall, for all purposes of this Article but not for any other purposes of this Indenture, have the respective meanings specified in this Section 11.01. All terms defined in Section 1.02 and not otherwise defined in this Section 11.01 shall, when used in this Article XI, have the respective meanings given to such terms in Section 1.02.

“Article XI” means this Article XI which has been incorporated in and made a part of this Indenture pursuant to the Second Supplement, together with all amendments of and supplements to this Article XI entered into pursuant to the provisions of Section 7.01.

“Bond Year” means each twelve (12) month period extending from August 2 in one calendar year to August 1 of the succeeding calendar year, both dates inclusive; provided that

the first Bond Year with respect to the 2023 Bonds shall commence on the Closing Date and end on _____, 2024.

“Closing Date” means the date on which the 2023 Bonds are delivered by the Successor Agency to the original purchaser thereof, which date is _____, 2023.

“Interest Payment Date” means each February 1 and August 1, commencing [August 1, 2024], for so long as any of the 2023 Bonds remain Outstanding hereunder.

“Original Indenture” means the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms thereof.

“Participating Underwriter” has the meaning ascribed thereto in the 2023 Bonds Continuing Disclosure Certificate.

“Second Supplement” means the Second Supplement to Indenture of Trust, dated as of [Month] 1, 2023, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“2023 Bonds” means, collectively, the 2023A Bonds and the 2023B Bonds.

“2023 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2023 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2023 Original Purchaser” means, collectively, Stifel, Nicolaus & Company, Incorporated and Backstrom McCarley Berry & Co., LLC.

“2023A Bonds” means the \$[PARA] original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)].

“2023A Bonds Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 11.07(a).

“2023A Bonds Insurance Policy” means the insurance policy issued by the 2023A Insurer guaranteeing the scheduled payment of principal of and interest on the 2023A Bonds when due.

“2023A Bonds Project Fund” means the fund by that name established pursuant to Section 11.08(a).

“2023A Insurer” means [Assured Guaranty Municipal Corp., a New York stock insurance company]¹, or its successors and assigns, as issuer of the 2023A Bonds Insurance Policy and the 2023A Reserve Policy.

¹ NTD: To be updated as necessary.

“2023A Reserve Policy” means Municipal Bond Debt Service Reserve Policy No. _____ issued by the 2023A Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2023A Bonds as provided in such policy.

“2023A Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to Section 11.10(a).

“2023B Bonds” means the \$[PARB] original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

“2023B Bonds Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 11.07(b).

“2023B Bonds Insurance Policy” means the insurance policy issued by the 2023B Insurer guaranteeing the scheduled payment of principal of and interest on the 2023B Bonds when due.

“2023B Bonds Project Fund” means the fund by that name established pursuant to Section 11.08(b).

“2023B Insurer” means [Assured Guaranty Municipal Corp., a New York stock insurance company]², or its successors and assigns, as issuer of the 2023B Bonds Insurance Policy and the 2023B Reserve Policy.

“2023B Reserve Policy” means Municipal Bond Debt Service Reserve Policy No. _____ issued by the 2023B Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2023B Bonds as provided in such policy.

“2023B Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to Section 11.10(b).

Section 11.02. Authorization of 2023 Bonds. (a) The 2023A Bonds in the aggregate principal amount of _____ Dollars (\$[PARA]) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and interest on all Bonds that may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The 2023A Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)].”

(b) The 2023B Bonds in the aggregate principal amount of _____ Dollars (\$[PARB]) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and interest on all Bonds that may from time to time be executed and

² NTD: To be updated as necessary.

delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The 2023B Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).”

Section 11.03. Terms of 2023 Bonds. The 2023 Bonds shall be issued in fully registered form without coupons. The 2023 Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no 2021 Bond shall have more than one maturity date. The 2023 Bonds shall be dated as of the Closing Date. The 2023 Bonds shall be lettered and numbered as the Trustee shall prescribe.

The 2023A Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

Maturity Date (August 1)	<u>Amount</u>	<u>Rate</u>
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* Denotes 2023A Bonds that are Term Bonds.

The 2023B Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

Maturity Date (August 1)	<u>Amount</u>	<u>Rate</u>
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* Denotes 2023B Bonds that are Term Bonds.

Each 2023 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before [July 15, 2024], in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any 2023 Bond, interest thereon is in default, such 2023 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2023 Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of 2023 Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2023 Bonds shall be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the 2023 Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 11.04. Redemption.

(a) Optional Redemption. The 2023A Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023A Bonds maturing on or after August 1, 20__, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 20__, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The 2023B Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023B Bonds maturing on or after August 1, 20__, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 20__, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem any 2023 Bonds under this subsection (a) with a designation of the principal amount and maturities to be redeemed at least forty five (45) days prior to the date fixed for such redemption (or such later date as shall be acceptable to the Trustee in the sole determination of the Trustee), and shall transfer to the Trustee for deposit in the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

(b) Mandatory Sinking Fund Redemption. The 2023A Bonds maturing August 1, 20__ shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 20__, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption

price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

**2023A Term Bonds
Maturing August 1, 20__**

August 1

Principal Amount

(Maturity)

The 2023B Bonds maturing August 1, 20__ shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 20__, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

**2023B Term Bonds
Maturing August 1, 20__**

August 1

Principal Amount

(Maturity)

(c) Redemption Procedures. Except as provided in this Section 11.04 to the contrary, Section 2.03(c) through (g) hereof shall also apply to the redemption of the 2023 Bonds. Additionally, all references to "Section 2.03(a)" in Section 4.03(d) shall be deemed to be references to "Sections 2.03(a) and 11.04(a)".

Section 11.05. Form of 2023 Bonds. The 2023 Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the forms set forth in Exhibit H, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture, including without limitation, such variations, omissions and insertions to reflect the particular series designation thereof.

Section 11.06. Application of Proceeds of Sale of 2023 Bonds.

(a) On the Closing Date, the proceeds of sale of the 2023A Bonds, being \$_____ (calculated as the par amount of the 2023A Bonds of \$[PARA], less the discount of the 2023 Original Purchaser in the amount of \$_____, less the premium for the 2023A Bonds Insurance Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023A Insurer, and less the premium for the 2023A Reserve Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023A Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$_____ in the 2023A Bonds Costs of Issuance Fund.

(ii) The Trustee shall deposit \$_____, being the remaining amount of proceeds of the 2023A Bonds, in the 2023A Bonds Project Fund.

In addition, the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account in satisfaction of the Reserve Requirement for the 2023A Bonds.

(b) On the Closing Date, the proceeds of sale of the 2023B Bonds, being \$_____ (calculated as the par amount of the 2023B Bonds of \$[PARA], less the discount of the 2023 Original Purchaser in the amount of \$_____, less the premium for the 2023B Bonds Insurance Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023B Insurer, and less the premium for the 2023B Reserve Policy in the amount of \$_____ paid by the 2023 Original Purchaser directly to the 2023B Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$_____ in the 2023B Bonds Costs of Issuance Fund.

(ii) The Trustee shall deposit \$_____, being the remaining amount of proceeds of the 2023B Bonds, in the 2023B Bonds Project Fund.

In addition, the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account in satisfaction of the Reserve Requirement for the 2023B Bonds.

Section 11.07. 2023 Bonds Costs of Issuance Funds.

(a) There is hereby established a separate fund to be known as the "2023A Bonds Costs of Issuance Fund," which shall be held by the Trustee in trust. The moneys in the 2023A Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023A Bonds upon submission of a Written Request of

the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023A Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023A Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023A Bonds, and the 2023A Bonds Costs of Issuance Fund shall be closed.

(b) There is hereby established a separate fund to be known as the “2023B Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023B Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023B Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023B Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023B Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023B Bonds, and the 2023B Bonds Costs of Issuance Fund shall be closed.

Section 11.08. 2023 Bonds Project Funds.

(a) There shall be established a separate and segregated fund to be known as the “2023A Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023A Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023A Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023A Bonds. The Successor Agency covenants that no funds on deposit in the 2023A Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023A Bonds Project Fund.

(b) There shall be established a separate and segregated fund to be known as the “2023B Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023B Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023B Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023B Bonds. The Successor Agency covenants that no funds on deposit in the 2023B Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023B Bonds Project Fund.

(c) The Trustee shall disburse amounts at any time on deposit in the 2023A Bonds Project Fund and the 2023B Bonds Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached hereto as Exhibit I. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

(d) At such time as no amounts remain on deposit in the 2023A Bonds Project Fund, the 2023A Bonds Project Fund shall be closed. At such time as no amounts remain on deposit in the 2023B Bonds Project Fund, the 2023B Bonds Project Fund shall be closed.

Section 11.09. Security for 2023 Bonds. The 2023 Bonds shall be Parity Debt within the meaning of such term in Section 1.02 and shall be secured in the manner and to the extent set forth in Article IV.

As provided in Section 4.01, except as may otherwise be provided in Section 4.02, Section 5.17 and Section 6.06, and subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds, and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in this Indenture, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The 2023A Bonds are additionally secured by the 2023A Reserve Subaccount of the Reserve Account. The 2023B Bonds are additionally secured by the 2023B Reserve Subaccount of the Reserve Account.

Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

Without in any way limiting anything contained in Section 5.17 of this Indenture, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024 and January 2, 2025 disbursement dates, (i) all amounts required to pay debt service on the 2023 Bonds on August 1, 2024 for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient for the payment of debt service on the 2023 Bonds on February 1, 2025 and August 1, 2025 for distribution to the Successor Agency on January 2, 2025.

From and after the Closing Date with respect to the 2023 Bonds, the 2023 Bonds shall be incontestable by the Successor Agency.

Section 11.10. Reserve Subaccounts for 2023 Bonds.

(a) The Trustee shall establish a “2023A Reserve Subaccount” within the Reserve Account solely as security for the 2023A Bonds. The Reserve Requirement for the 2023A Bonds will be calculated for the 2023A Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023A Bonds shall be satisfied by the delivery of the 2023A Reserve Policy by the 2023A Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023A Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2023A Bonds.

The amounts available under the 2023A Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023A Bonds. Amounts on deposit in the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023A Bonds.

The Trustee shall comply with all documentation relating to the 2023A Reserve Policy as shall be required to maintain the 2023A Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 11.10(a).

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023A Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023A Bonds are Outstanding, amounts are not available under the 2023A Reserve Policy, other than in connection with the replenishment of a draw on the 2023A Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023A Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023A Reserve Policy in the event that any rating assigned to the 2023A Insurer is downgraded, suspended or withdrawn.

(b) The Trustee shall establish a "2023B Reserve Subaccount" within the Reserve Account solely as security for the 2023B Bonds. The Reserve Requirement for the 2023B Bonds will be calculated for the 2023B Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023B Bonds shall be satisfied by the delivery of the 2023B Reserve Policy by the 2023B Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023B Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2023B Bonds.

The amounts available under the 2023B Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023B Bonds. Amounts on deposit in the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021

Reserve Subaccount of the Reserve Account and the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023B Bonds.

The Trustee shall comply with all documentation relating to the 2023B Reserve Policy as shall be required to maintain the 2023B Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 11.10(b).

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023B Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023B Bonds are Outstanding, amounts are not available under the 2023B Reserve Policy, other than in connection with the replenishment of a draw on the 2023B Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023B Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023B Reserve Policy in the event that any rating assigned to the 2023B Insurer is downgraded, suspended or withdrawn.

Section 11.11. Claims Upon the 2023A Bonds Insurance Policy: Rights of the 2023A Insurer. So long as the 2023A Bonds Insurance Policy remains in force and effect, the following provisions of this Section 11.11 shall govern, notwithstanding anything to the contrary contained in this Indenture:³

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2023A Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2023A Insurer and to its designated agent (if any) (the “2023A Insurer’s Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2023A Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2023A Bonds Insurance Policy and give notice to the 2023A Insurer and the 2023A Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2023A Bonds and the amount required to pay principal of the 2023A Bonds, confirmed in writing to the 2023A Insurer and the 2023A Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2023A Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2023A Bonds paid by the 2023A Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2023A Bonds registered to the then current Owner of 2023A Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2023A Bond to the 2023A Insurer, registered in the name of [Assured Guaranty Municipal Corp.], in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement 2023A Bond shall have no effect

³ NTD: Sections 11.11 through 11.14 to be updated based on provisions required by selected bond insurer.

on the amount of principal or interest payable by the Successor Agency on any 2023A Bond or the subrogation rights of the 2023A Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2023A Insurer into the 2023A Bonds Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2023A Bond. The 2023A Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2023A Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2023A Bonds referred to herein as the "2023A Bonds Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2023A Bonds Insurance Policy in trust on behalf of Owners of the 2023A Bonds and shall deposit any such amount in the 2023A Bonds Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2023A Bonds in the same manner as principal and interest payments are to be made with respect to the 2023A Bonds under the sections hereof regarding payment of 2023A Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2023A Insurer (i) a sum equal to the total of all amounts paid by the 2023A Insurer under the 2023A Bonds Insurance Policy (the "2023A Insurer Advances"); and (ii) interest on such 2023A Insurer Advances from the date paid by the 2023A Insurer until payment thereof in full, payable to the 2023A Insurer at the 2023A Late Payment Rate per annum (collectively, the "2023A Insurer Reimbursement Amounts"). "2023A Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2023A Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023A Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023A Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023A Insurer shall specify. The Successor Agency hereby covenants and agrees that the 2023A Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2023A Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2023A Insurer Reimbursement Amounts (including any amounts due the 2023A Insurer pursuant to item (g)(iii) below) are paid to the 2023A Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2023A Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2023A Bonds Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2023A Bonds Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2023A Insurer.

(g) The following terms and provisions of this subsection (g) shall govern with respect to the 2023A Bonds Insurance Policy, notwithstanding anything in this Indenture to the contrary:

(i) The 2023A Insurer shall be deemed to be the sole Owner of the 2023A Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2023A Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and each 2023A Bond, each of the Owners of 2023A Bonds appoints the 2023A Insurer as its agent and attorney-in-fact with respect to the 2023A Bonds and agrees that the 2023A Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2023A Bond delegates and assigns to the 2023A Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2023A Bond with respect to the 2023A Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2023A Bond for the 2023A Insurer's benefit, and agrees to cooperate with the 2023A Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2023A Bonds shall include mandamus.

(ii) The rights granted to the 2023A Insurer under this Indenture to request, consent to or direct any action are rights granted to the 2023A Insurer in consideration of its issuance of the 2023A Bonds Insurance Policy. Any exercise by the 2023A Insurer of such rights is merely an exercise of the 2023A Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2023A Bonds and such action does not evidence any position of the 2023A Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2023A Insurer. Each obligation of the Successor Agency to the 2023A Insurer under this Indenture shall survive discharge or termination of this Indenture.

(iii) The Successor Agency shall pay or reimburse the 2023A Insurer any and all charges, fees, costs and expenses that the 2023A Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Indenture; (ii) the pursuit of any remedies under this Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2023A Insurer to

honor its obligations under the 2023A Bonds Insurance Policy. The 2023A Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account and the respective subaccounts therein to their respective Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of this Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2023A Insurer shall be subject to the prior written consent of the 2023A Insurer.

(vi) The 2023A Insurer shall be entitled to pay principal or interest on the 2023A Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such terms are defined in the 2023A Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2023A Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the 2023A Insurer has received a Notice of Nonpayment (as such term is defined in the 2023A Bonds Insurance Policy) or a claim upon the 2023A Bonds Insurance Policy.

(vii) The 2023A Insurer shall, to the extent it makes any payment of principal of or interest on the 2023A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2023A Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2023A Insurer under this Indenture shall survive discharge or termination of this Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account and the respective subaccounts therein are fully funded at their respective Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2023A Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2023A Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2023A Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2023A Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2023A Insurer.

(h) The 2023A Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2023A Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2023A Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2023A Reserve Subaccount of the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement for the 2023A Bonds and (ii) withdrawals in connection with a refunding of the 2023A Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2023A Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any Insolvency Proceeding.

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2023A Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of this Indenture.

(x) All information furnished by the Successor Agency pursuant to the 2023 Bonds Continuing Disclosure Certificate.

(xi) The 2023A Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2023A Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023A Insurer may reasonably request regarding the security for the Bonds with appropriate

officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023A Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2023A Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under this Indenture.

(i) The maturity of the 2023A Bonds shall not be accelerated without the consent of the 2023A Insurer and in the event the maturity of the 2023A Bonds is accelerated, the 2023A Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2023A Insurer's obligations under the 2023A Bonds Insurance Policy with respect to such 2023A Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2023A Insurer. No grace period shall be permitted for payment defaults.

(k) The 2023A Insurer is hereby expressly made a third party beneficiary of this Indenture.

(l) The exercise of any provision of this Indenture which permits the purchase of 2023A Bonds in lieu of redemption shall require the prior written approval of the 2023A Insurer if any 2023A Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2023A Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2023A Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2023A Bonds unless the 2023A Insurer otherwise approves.

To accomplish defeasance of the 2023A Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2023A Insurer verifying the sufficiency of the escrow established to pay the 2023A Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2023A Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2023A Bonds are no longer "Outstanding" under this Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2023A Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2023A Insurer. The 2023A Insurer shall be provided

with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2023A Bonds shall be deemed “Outstanding” under this Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2023A Insurer under the 2023A Bonds Insurance Policy shall not be deemed paid for purposes of this Indenture and the 2023A Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the 2023A Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

(p) Notices and other information to the 2023A Insurer shall be sent to the following address (or such other address as the 2023A Insurer may designate in writing): [Assured Guaranty Municipal Corp.], 1633 Broadway, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. ____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

Section 11.12. Claims Upon the 2023B Bonds Insurance Policy: Rights of the 2023B Insurer. So long as the 2023B Bonds Insurance Policy remains in force and effect, the following provisions of this Section 11.12 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2023B Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2023B Insurer and to its designated agent (if any) (the “2023B Insurer’s Fiscal Agent”) by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2023B Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2023B Bonds Insurance Policy and give notice to the 2023B Insurer and the 2023B Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2023B Bonds and the amount required to pay principal of the 2023B Bonds, confirmed in writing to the 2023B Insurer and the 2023B Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2023B Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2023B Bonds paid by the 2023B Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2023B Bonds registered to the then current Owner of 2023B Bonds, whether DTC or its nominee or

otherwise, and shall issue a replacement 2023B Bond to the 2023B Insurer, registered in the name of [Assured Guaranty Municipal Corp.], in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2023B Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2023B Bond or the subrogation rights of the 2023B Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2023B Insurer into the 2023B Bonds Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2023B Bond. The 2023B Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2023B Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2023B Bonds referred to herein as the "2023B Bonds Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2023B Bonds Insurance Policy in trust on behalf of Owners of the 2023B Bonds and shall deposit any such amount in the 2023B Bonds Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2023B Bonds in the same manner as principal and interest payments are to be made with respect to the 2023B Bonds under the sections hereof regarding payment of 2023B Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2023B Insurer (i) a sum equal to the total of all amounts paid by the 2023B Insurer under the 2023B Bonds Insurance Policy (the "2023B Insurer Advances"); and (ii) interest on such 2023B Insurer Advances from the date paid by the 2023B Insurer until payment thereof in full, payable to the 2023B Insurer at the 2023B Late Payment Rate per annum (collectively, the "2023B Insurer Reimbursement Amounts"). "2023B Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2023B Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023B Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2023B Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2023B Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2023B Insurer Reimbursement Amounts (including any amounts due the 2023B Insurer pursuant to item (g)(iii) below) are paid to the 2023B Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2023B Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2023B Bonds Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the

Trustee. Any funds remaining in the 2023B Bonds Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2023B Insurer.

(g) The following terms and provisions of this subsection (g) shall govern with respect to the 2023B Bonds Insurance Policy, notwithstanding anything in this Indenture to the contrary:

(i) The 2023B Insurer shall be deemed to be the sole Owner of the 2023B Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2023B Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and each 2023B Bond, each of the Owners of 2023B Bonds appoints the 2023B Insurer as its agent and attorney-in-fact with respect to the 2023B Bonds and agrees that the 2023B Insurer may at any time during the continuation of any Insolvency Proceeding direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any Claim, (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2023B Bond delegates and assigns to the 2023B Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2023B Bond with respect to the 2023B Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2023B Bond for the 2023B Insurer's benefit, and agrees to cooperate with the 2023B Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2023B Bonds shall include mandamus.

(ii) The rights granted to the 2023B Insurer under this Indenture to request, consent to or direct any action are rights granted to the 2023B Insurer in consideration of its issuance of the 2023B Bonds Insurance Policy. Any exercise by the 2023B Insurer of such rights is merely an exercise of the 2023B Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2023B Bonds and such action does not evidence any position of the 2023B Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2023B Insurer. Each obligation of the Successor Agency to the 2023B Insurer under this Indenture shall survive discharge or termination of this Indenture.

(iii) The Successor Agency shall pay or reimburse the 2023B Insurer any and all charges, fees, costs and expenses that the 2023B Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Indenture; (ii) the pursuit of any remedies under this Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2023B Insurer to honor its obligations under the 2023B Bonds Insurance Policy. The 2023B Insurer

reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account and the respective subaccounts therein to their respective Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of this Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2023B Insurer shall be subject to the prior written consent of the 2023B Insurer.

(vi) The 2023B Insurer shall be entitled to pay principal or interest on the 2023B Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such terms are defined in the 2023B Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2023B Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the 2023B Insurer has received a Notice of Nonpayment (as such term is defined in the 2023B Bonds Insurance Policy) or a claim upon the 2023B Bonds Insurance Policy.

(vii) The 2023B Insurer shall, to the extent it makes any payment of principal or interest on the 2023B Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2023B Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2023B Insurer under this Indenture shall survive discharge or termination of this Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account and the respective subaccounts therein are fully funded at their respective Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2023B Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2023B Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2023B Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2023B Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2023B Insurer.

(h) The 2023B Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2023B Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2023B Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2023B Reserve Subaccount of the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement for the 2023B Bonds and (ii) withdrawals in connection with a refunding of the 2023B Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2023B Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any Insolvency Proceeding.

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2023B Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of this Indenture.

(x) All information furnished by the Successor Agency pursuant to the 2023 Bonds Continuing Disclosure Certificate.

(xi) The 2023B Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2023B Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023B Insurer may reasonably request regarding the security for the Bonds with appropriate

officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023B Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2023B Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under this Indenture.

(i) The maturity of the 2023B Bonds shall not be accelerated without the consent of the 2023B Insurer and in the event the maturity of the 2023B Bonds is accelerated, the 2023B Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2023B Insurer's obligations under the 2023B Bonds Insurance Policy with respect to such 2023B Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2023B Insurer. No grace period shall be permitted for payment defaults.

(k) The 2023B Insurer is hereby expressly made a third party beneficiary of this Indenture.

(l) The exercise of any provision of this Indenture which permits the purchase of 2023B Bonds in lieu of redemption shall require the prior written approval of the 2023B Insurer if any 2023B Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) Treasuries, (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2023B Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2023B Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2023B Bonds unless the 2023B Insurer otherwise approves.

To accomplish defeasance of the 2023B Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2023B Insurer verifying the sufficiency of the escrow established to pay the 2023B Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2023B Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2023B Bonds are no longer "Outstanding" under this Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2023B Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2023B Insurer. The 2023B Insurer shall be provided

with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2023B Bonds shall be deemed "Outstanding" under this Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2023B Insurer under the 2023B Bonds Insurance Policy shall not be deemed paid for purposes of this Indenture and the 2023B Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the 2023B Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

(p) Notices and other information to the 2023B Insurer shall be sent to the following address (or such other address as the 2023B Insurer may designate in writing): [Assured Guaranty Municipal Corp.], 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. ____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 11.13. Provisions Relating to 2023A Reserve Policy. So long as the 2023A Reserve Policy remains in force and effect, the following provisions of this Section 11.13 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2023A Reserve Policy and pay all related reasonable expenses incurred by the 2023A Insurer and shall pay interest thereon from the date of payment by the 2023A Insurer at the 2023A Late Payment Rate. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023A Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023A Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023A Late Payment Rate (collectively, "2023A Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its

then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023A Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023A Policy Costs paid to the 2023A Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023A Insurer on account of principal due, the coverage under the 2023A Reserve Policy will be increased by a like amount, subject to the terms of the 2023A Reserve Policy. The obligation to pay 2023A Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2023A Reserve Subaccount of the Reserve Account shall be transferred to the Debt Service Fund for payment of debt service on 2023A Bonds before any drawing may be made on the 2023A Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023A Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023A Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023A Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023A Reserve Subaccount of the Reserve Account. Payment of 2023A Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023A Reserve Subaccount of the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023A Policy Costs in accordance with the requirements of this Indenture, the 2023A Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2023A Bonds or (ii) remedies which would adversely affect owners of the 2023A Bonds.

(c) This Indenture shall not be discharged until all 2023A Policy Costs owing to the 2023A Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023A Bonds.

(d) The Successor Agency shall include any 2023A Policy Costs then due and owing the 2023A Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023A Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023A Insurer in accordance with the terms of the 2023A Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023A Bonds.

Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023A Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023A Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2023A Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023A Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2023A Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023A Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023A Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023A Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023A Late Payment Rate from the date such amount is paid or incurred by the 2023A Insurer until the date the 2023A Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023A Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023A Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023A Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023 Bonds or this Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023A Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023A Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023A Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023A Insurer under the 2023A Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023A Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023A Insurer) of this Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023A Insurer as if set forth directly herein. No provision of this Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023A Policy Costs under this Indenture, without the prior written consent of the 2023A Insurer. The 2023A Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2023A Insurer, promptly upon request, any information regarding the 2023 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023A Insurer. The Successor Agency will permit the 2023A Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023A Insurer may reasonably request regarding the security for the 2023 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023A Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2023A Insurer shall be sent to the following address (or such other address as the 2023A Insurer may designate in writing): [Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. ____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 11.14. Provisions Relating to 2023B Reserve Policy. So long as the 2023B Reserve Policy remains in force and effect, the following provisions of this Section 11.14 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2023B Reserve Policy and pay all related reasonable expenses incurred by the 2023B Insurer and shall pay interest thereon from the date of payment by the 2023B Insurer at the 2023B Late Payment Rate. "2023B Late Payment Rate" means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023B Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023B Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023B Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023B Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be

so applied and the 2023B Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023B Late Payment Rate (collectively, "2023B Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023B Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023B Policy Costs paid to the 2023B Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023B Insurer on account of principal due, the coverage under the 2023B Reserve Policy will be increased by a like amount, subject to the terms of the 2023B Reserve Policy. The obligation to pay 2023B Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2023B Reserve Subaccount of the Reserve Account shall be transferred to the Debt Service Fund for payment of debt service on 2023B Bonds before any drawing may be made on the 2023B Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023B Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023B Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023B Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023B Reserve Subaccount of the Reserve Account. Payment of 2023B Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023B Reserve Subaccount of the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023B Policy Costs in accordance with the requirements of this Indenture, the 2023B Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2023B Bonds or (ii) remedies which would adversely affect owners of the 2023B Bonds.

(c) This Indenture shall not be discharged until all 2023B Policy Costs owing to the 2023B Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023B Bonds.

(d) The Successor Agency shall include any 2023B Policy Costs then due and owing the 2023B Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023B Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023B Insurer in accordance with the terms of the 2023B Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023B Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023B Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023B Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2023B Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023B Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023B Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2023B Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023B Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023B Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023B Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023B Late Payment Rate from the date such amount is paid or incurred by the 2023B Insurer until the date the 2023B Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023B Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023B Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023B Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023B Bonds or this Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023B Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the

Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023B Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023B Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023B Insurer under the 2023B Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023B Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023B Insurer) of this Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023B Insurer as if set forth directly herein. No provision of this Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023B Policy Costs under this Indenture, without the prior written consent of the 2023B Insurer. The 2023B Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2023B Insurer, promptly upon request, any information regarding the 2023B Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023B Insurer. The Successor Agency will permit the 2023B Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023B Insurer may reasonably request regarding the security for the 2023B Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023B Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2023B Insurer shall be sent to the following address (or such other address as the 2023B Insurer may designate in writing): [Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. ____]. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 11.15. Tax Covenants.

(a) Private Activity Bond Limitation. The Successor Agency will assure that the proceeds of the 2023B Bonds are not so used as to cause the 2023B Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

(b) Federal Guarantee Prohibition. The Successor Agency will not take any action or permit or suffer any action to be taken if the result of such action would be to cause any of the 2023B Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(c) Rebate Requirement. The Successor Agency will take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess

investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2023B Bonds.

(d) No Arbitrage. The Successor Agency will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2023B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2023B Bonds would have caused the 2023B Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

(e) Maintenance of Tax-Exemption. The Successor Agency will take all actions necessary to assure the exclusion of interest on the 2023B Bonds from the gross income of the Owners of the 2023B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2023B Bonds.

(f) Record Retention. The Successor Agency will retain its records of all accounting and monitoring it carries out with respect to the 2023B Bonds for at least 3 years after the 2023B Bonds mature or are redeemed (whichever is earlier); however, if the 2023B Bonds are redeemed and refunded, the Successor Agency will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the 2023B Bonds.

(g) Compliance with Tax Certificate. The Successor Agency will comply with the provisions of the Certificate as to Arbitrage and the Use of Proceeds Certificate with respect to the 2023B Bonds, which are incorporated herein as if fully set forth herein. The covenants of this Section 11.15 will survive payment in full or defeasance of the 2023B Bonds.

Section 11.16. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2023 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the 2023 Bonds Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2023 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2023 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order of this Section 11.16.

Section 11.17. Benefits Limited to Parties. Nothing in this Article XI, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee, the 2023A Insurer, the 2023B Insurer and the Owners of the 2023 Bonds, any right, remedy, claim under or by reason of this Article XI. Any covenants, stipulations, promises or agreements in this Article XI contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, the 2023A Insurer, the 2023B Insurer and the Owners of the 2023 Bonds.

Section 11.18. Effect of this Article XI. Except as in this Article XI is expressly provided or except to the extent inconsistent with any provision of this Article XI, the 2023 Bonds shall be deemed to be Bonds and Parity Debt under and within the meaning of Section

1.02 of this Indenture, and every term and condition contained in the other provisions of this Indenture (other than Sections 5.11, 5.12, 5.13, 5.14 and 5.15 which shall not apply to the 2023A Bonds) shall apply to the 2023 Bonds with full force and effect, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Article XI.

Section 11.19. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the 2023 Bonds and the rights and benefits provided in this Indenture.

- End of Article XI -

SECTION 2. Amendments to Original Indenture. The Original Indenture is hereby further amended by amending the last two paragraphs of Section 5.07 thereof to read in their entirety as follows:

“If any amounts then due and payable to the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and/or the 2023B Insurer under this Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and the 2023B Insurer, as applicable.

The Successor Agency will not submit to the Oversight Board and the State Department of Finance a request for the final amendment permitted for its Last and Final Recognized Obligation Payment Schedule pursuant to Section 34191.6 of the Dissolution Act without the prior written consent of the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and the 2023B Insurer, unless all amounts that could become due and payable to the 2017 Insurer, the 2021 Insurer, the 2023A Insurer and the 2023B Insurer under this Indenture would be included as a line item on the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.”

SECTION 3. Attachment of Exhibit H. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit H setting forth the form of the 2023 Bonds, which shall read substantially as set forth in Exhibit H hereto, and by this reference incorporated herein.

SECTION 4. Attachment of Exhibit I. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit I setting forth the form of disbursement request from the 2023A Bonds Project Fund and the 2023B Bonds Project Fund, which shall read substantially as set forth in Exhibit I attached hereto and by this reference incorporated herein.

SECTION 5. Original Indenture. Except as expressly set forth herein, the terms and conditions of the Original Indenture shall remain in full force and effect. Unless the context

clearly otherwise requires or unless otherwise defined in this Second Supplement, the terms defined in the recitals above have the respective meanings given those terms when used in this Second Supplement. Capitalized terms which are defined in the Original Indenture and which are not otherwise defined herein shall have the respective meanings given those terms in the Original Indenture.

SECTION 6. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Second Supplement shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Second Supplement. The Successor Agency hereby declares that it would have entered into this Second Supplement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the 2023 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Second Supplement may be held illegal, invalid or unenforceable.

SECTION 7. Execution in Counterparts. This Second Supplement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. Governing Law. This Second Supplement shall be construed and governed in accordance with the laws of the State of California.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this Second Supplement to Indenture of Trust to be signed in its name by its Executive Director, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Second Supplement to Indenture of Trust to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: _____
Thor Kaslofsky
Executive Director

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
*as Trustee***

By: _____
Authorized Officer

EXHIBIT H

(FORM OF 2023A/B BOND)

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**[SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO 2023 SERIES A TAXABLE THIRD LIEN TAX
ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
[(SOCIAL BONDS)]]**

**/
[SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
[2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)]**

INTEREST RATE:

MATURITY DATE:
August 1, _____

DATED DATE:
[Closing Date]

CUSIP:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before [July 15, 2024], in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in

each year, commencing [August 1, 2024] (each an “Interest Payment Date”), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the “Trustee”), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the “Principal Corporate Trust Office”). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner’s address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as [“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)]”]/[“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)”] (the “2023[A]/[B] Bonds”), of an aggregate principal amount of _____ Dollars (\$_____), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, or interest rates and other provisions) and all issued pursuant to the provisions of the Dissolution Act, and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the “Law”), and pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by a First Supplement to Indenture of Trust, dated as of December 1, 2021, and as further supplemented and amended by a Second Supplement to Indenture of Trust, dated as of [Month] 1, 2023, each by and between the Successor Agency and the Trustee (as so supplemented and amended, the “Indenture”). The 2023[A]/[B] Bonds are being issued in the form of registered bonds without coupons.

The 2023[A]/[B] Bonds are payable from Pledged Tax Revenues on a parity with the \$89,765,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”), the \$19,850,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”), the \$127,210,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2021 Bonds”) and the \$_____ original principal amount of [“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)]”]/[“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)”] (the “2023[A]/[B] Bonds”). Additional bonds, or other obligations may be issued on a parity with the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the 2017 Bonds, the 2021 Bonds, the 2023A Bonds

and the 2023B Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, and the rights thereunder of the registered owners of the 2023[A]/[B] Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The 2023[A]/[B] Bonds have been issued by the Successor Agency for the purpose of providing funds to finance [affordable housing in certain redevelopment project areas of the Successor Agency] [infrastructure required by the Transbay Implementation Agreement] and to pay certain expenses of the Successor Agency in issuing the 2023[A]/[B] Bonds.

The 2023[A]/[B] Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture.

There has been created, and will be maintained by, the Successor Agency the Special Fund into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Parity Debt.

The 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Bonds are also secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest on the Bonds. The 2023 Bonds are additionally secured by the 2023[A]/[B] Reserve Subaccount of the Reserve Account. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023[B]/[A] Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023[A]/[B] Bonds.

The 2023[A]/[B] Bonds are subject to optional redemption [and mandatory redemption from mandatory sinking fund payments] as provided in the Indenture.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The 2023[A]/[B] Bonds are issuable as fully registered 2023[A]/[B] Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, 2023[A]/[B] Bonds may be exchanged for a like aggregate principal amount of 2023[A]/[B] Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered 2023[A]/[B] Bond or 2023[A]/[B] Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any 2023[A]/[B] Bond during the fifteen (15) days prior to the date established for the selection of 2023[A]/[B] Bonds for redemption, or (b) any 2023[A]/[B] Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the 2023[A]/[B] Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any 2023[A]/[B] Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal or interest at the time and place and at the rate and in the currency provided herein of any 2023[A]/[B] Bond without the express written consent of the registered owner of such 2023[A]/[B] Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any 2023[A]/[B] Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The 2023[A]/[B] Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law

or any laws of the State of California, and is not in excess of the amount of 2023[A]/[B] Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Executive Director

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____Custodian _____
TEN ENT --	as tenants by the entireties	(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)
COMM PROP --	as community property	

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s)
_____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signatures Guaranteed:

Note: _____
Signature(s) must be guaranteed by an eligible
guarantor.

Note: _____
The signatures(s) on this Assignment must
correspond with the name(s) as written on the
face of the within Bond in every particular without
alteration or enlargement or any change
whatsoever.

EXHIBIT I

FORM OF PROJECT FUNDS DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

U.S. Bank Trust Company, National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, California 94111
Fax: 415-677-3768
Attention: Global Corporate Trust Services

Re: \$[PARA] Successor Agency to the Redevelopment Agency of the City and
County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects) [(Social Bonds)]; and
\$[PARB] Successor Agency to the Redevelopment Agency of the City and
County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)]

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of March 1, 2017, as supplemented and amended from time to time (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the **[chose one: [2023A Bonds Project Fund for the purpose of financing Affordable Housing Obligations pursuant to Section 11.08(a) of the Indenture] - or- [2023B Bonds Project Fund for the purpose of financing Transbay Infrastructure Obligations pursuant to Section 11.08(b) of the Indenture]**.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule, in payment of all or a portion of the costs for the purpose of aiding in financing the **[chose one: [Affordable Housing Obligations] -or- [Transbay Infrastructure Obligations]]** (the "Project Costs") described on said Schedule.

The undersigned hereby certifies that (i) the amounts listed on Schedule A constitute Project Costs, (ii) no part of the amount requested herein has been included in any other request previously filed with you; (iii) to the knowledge of the undersigned, there has not been filed with or served upon the Successor Agency any notice of any lien or attachment upon or claim (except for any preliminary notice of lien as may be filed in accordance with law) affecting the right of the person, corporation or other entity stated below to receive payment of the amount stated below, which lien has not been released or will not be released simultaneously with the payment requested hereunder; and (iv) the labor, services and/or materials covered

hereby have been performed upon or furnished and the payment requested herein is due and payable under a purchase order, contract or other authorization.

Capitalized terms used but defined herein have the meanings given to such terms in the Indenture.

Dated: _____, 20__

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

**[\$[PARA]
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

**[\$[PARB]
2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBY INFRASTRUCTURE
PROJECTS)**

BOND PURCHASE CONTRACT

[Pricing Date]

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attention: Executive Director

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative (the “Representative”) of Backstrom McCarley Berry & Co., LLC (collectively, the “Underwriters”), offers to enter into this Bond Purchase Contract (this “Purchase Contract”) with the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”). This offer is made subject to acceptance by the Successor Agency by execution of this Purchase Contract and delivery of the same to the Representative on or before 11:59 p.m. (California time) on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Successor Agency at any time prior to such acceptance. Upon the acceptance by the Successor Agency hereof, this Purchase Contract will be binding upon the Successor Agency and the Underwriters.

Capitalized terms used in this Purchase Contract and not otherwise defined herein shall have the respective meanings set forth for such terms in the Indenture (as such term is defined below) and if not otherwise defined therein, shall have the meanings given to such terms as set forth in the Official Statement (as such term is defined below).

Section 1. Purchase and Sale of the Bonds. Upon the terms and conditions and upon the basis of the representations set forth in this Purchase Contract, the Underwriters agree to purchase from the Successor Agency, and the Successor Agency agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$[PARA] principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien

Tax Allocation Bonds (Affordable Housing Projects) [(Social Bonds)] (the “2023A Bonds”) and all of the \$[PARB] principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds,” and together with the 2023A Bonds, the “Bonds”) The Bonds shall be dated their date of delivery and shall have the maturities, bear interest at the rates per annum and have the yields all as set forth on Schedule I attached hereto. The purchase price for the 2023A Bonds shall be \$_____, calculated as \$[PARA].00 (aggregate principal amount of the 2023A Bonds), less an Underwriters’ discount in the amount of \$_____. The purchase price for the 2023B Bonds shall be \$_____, calculated as \$[PARB].00 (aggregate principal amount of the 2023B Bonds), less an Underwriters’ discount in the amount of \$_____.

Section 2. Preliminary Official Statement. The Successor Agency has delivered to the Underwriters a Preliminary Official Statement, dated [POS Date], as supplemented to date (the “Preliminary Official Statement”), and will deliver to the Underwriters a final Official Statement dated the date hereof as provided in Section 5 of this Purchase Contract (as amended and supplemented from time to time pursuant to Section 6(k) of this Purchase Contract, the “Official Statement”). The Successor Agency has delivered to the Underwriters a certificate pursuant to Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”) relating to the Preliminary Official Statement, in substantially the form attached hereto as Exhibit A.

Section 3. Description of the Bonds. The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of and shall be payable as provided in the Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the “First Supplement”) and as further as supplemented and amended by the Second Supplement to Indenture of Trust, dated as of _____ 1, 2023 (the “Second Supplement”), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), as successor-in-interest to U.S. Bank National Association (as so supplemented and amended, the “Indenture”), and the Constitution and laws of the State of California, including but not limited to Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code of the State of California (as amended from time to time, the “Dissolution Act”). The Bonds shall be payable and subject to redemption as provided in the Indenture and as set forth in the Official Statement. The Bonds are legal, valid and binding limited obligations of the Successor Agency which are payable solely from and secured by a pledge of Pledged Tax Revenues and the moneys in the Special Fund, as defined and described in the Indenture, on a parity with the 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017 Series A Taxable Bonds”), the 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017 Series B Bonds” and, together with the 2017 Series A Taxable Bonds, the “2017 Bonds”) and the 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds). The 2023A Bonds are issued for the primary purpose of providing funds, together with other lawfully available moneys: (a) to finance the Affordable Housing Obligations (as such term is defined in the Indenture); (b) to pay the premium for a debt service reserve fund policy (the “2023A Reserve Policy”), to be issued by [Assured Guaranty Municipal Corp.] (the “Insurer”) to satisfy the Reserve Requirement with respect to the 2023A Bonds; (c) to pay the premium for a municipal bond insurance policy (the “2023A Policy”) to be issued by the Insurer; and (d) to pay the costs associated with the issuance of the 2023A Bonds. The 2023B Bonds are issued for the primary purpose of providing funds, together with other lawfully available moneys: (a) to finance the Transbay Infrastructure Obligations (as such term is defined in the Indenture); (b) to pay the premium for a debt service reserve fund policy (the “2023B Reserve Policy” and together with the 2023A Reserve Policy, the “Reserve Policies”), to be

issued by the Insurer to satisfy the Reserve Requirement with respect to the 2023B Bonds; (c) to pay the premium for a municipal bond insurance policy (the “2023B Policy” and together with the 2023A Policy, the “Policies”) to be issued by the Insurer; and (d) to pay the costs associated with the issuance of the 2023B Bonds. In order to finance and refinance redevelopment activities within or of benefit to the Project Areas (as defined in the Indenture), (a) the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) entered into the Existing Loan Agreements (as defined in the Indenture), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans made to the Former Agency under the Existing Loan Agreements; and (b) the Successor Agency issued the 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014 Series B Taxable Bonds”), the 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014 Series C Bonds,” and together with the 2014 Series B Taxable Bonds, the “2014 Bonds”), the 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series D Taxable Bonds”), and the 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series E Bonds” and, together with the 2017 Series D Taxable Bonds, the “2017D/E Bonds”), pursuant to an indenture of trust as supplemented and amended by a first supplement to indenture of trust (as so supplemented and amended, the “2014 Indenture”). The pledge of Pledged Tax Revenues securing the Bonds will be subordinate to the pledge thereof securing the 2014 Bonds and the 2017D/E Bonds and the pledge of Tax Revenues securing the Existing Loan Agreements.

Section 4. Public Offering. The Underwriters agree to make a bona fide public offering of all of the Bonds at not in excess of the initial public offering prices or yields set forth in Schedule I attached hereto, plus interest accrued thereon, if applicable, from the date of the Bonds. The Underwriters reserve the right to make concessions to dealers and to change such initial public offering prices or yields as the Underwriters reasonably deem necessary in connection with the marketing of the Bonds. The Underwriters also reserve the right: (a) to over-allot or effect transactions that stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market; and (b) to discontinue such stabilizing, if commenced, at any time.

Section 5. Delivery of Official Statement. The Successor Agency shall deliver to the Underwriters, as promptly as practicable but in no event later than the Closing Date (as such term is defined herein), such number of copies of the final Official Statement, as the Underwriters may reasonably request in order to comply with Rule 15c2-12(b) and the rules of the Municipal Securities Rulemaking Board (the “MSRB”).

The Successor Agency hereby authorizes the Underwriters to use the Official Statement and the information contained therein in connection with the offering and sale of the Bonds and ratifies and confirms the authorization of the use by the Underwriters prior to the date hereof of the Preliminary Official Statement, furnished to the Underwriters by the Successor Agency in connection with such offering and sale.

The Underwriters agree that from the time that the Official Statement becomes available until the earlier of: (a) the “End of the Underwriting Period,” as defined in Section 6(j) of this Purchase Contract; or (b) the time when the Official Statement is available to any person from the MSRB’s Electronic Municipal Market Access system (“EMMA”), but in no case less than 25 days following the End of the Underwriting Period, the Underwriters shall send no later than the next business day following a request for a copy thereof, by first class mail or other equally prompt means, to any

potential customer (as such term is defined in Rule 15c2-12), on request, a single copy of the Official Statement. The Underwriters agree to file as soon as reasonably practicable a copy of the Official Statement with EMMA and to take any and all actions necessary to comply with applicable Securities and Exchange Commission rules and MSRB rules governing the offering, sale and delivery of the Bonds to ultimate purchasers.

Section 6. Representations, Warranties and Covenants of the Successor Agency.

The Successor Agency represents, warrants and covenants with the Underwriters that:

(a) the Successor Agency is a public body corporate and politic, organized and existing under the laws of the State of California, including the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California (the “Redevelopment Law”) and the Dissolution Act, with full right, power and authority to execute, deliver and perform its obligations under the Indenture, the Continuing Disclosure Certificate of the Successor Agency, dated the Closing Date and substantially in the form attached to the Official Statement as Appendix [D] (the “Continuing Disclosure Certificate”) and this Purchase Contract (collectively, the “Successor Agency Agreements”), and to carry out all transactions contemplated by each of the Successor Agency Agreements, the Bonds and the Official Statement;

(b) by Resolution No. ____-2023 adopted by the Successor Agency on _____, 2023 (the “Successor Agency Bond Resolution”), the Successor Agency has taken all necessary official action to authorize and approve the execution, delivery of, and the performance by the Successor Agency of the obligations contained in, the Bonds and the Successor Agency Agreements and by Resolution No. ____-2023 adopted by the Successor Agency on _____, 2023 (the “Successor Agency POS Resolution” and together with the Successor Agency Bond Resolution, the “Successor Agency Resolutions”) has duly authorized and approved the Preliminary Official Statement, and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded; when executed and delivered, each of the Successor Agency Agreements and the Bonds will constitute a legally valid and binding obligation of the Successor Agency enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally; the Successor Agency has complied and will as of the Closing Date be in compliance in all respects with the terms of the Successor Agency Agreements; compliance with the provisions of the Successor Agency Agreements will not materially conflict with or constitute a breach of or default under any applicable constitutional provision, law, administrative regulation, court order, consent decree, judgment, decree, loan agreement, note, resolution, indenture, agreement or other instrument to which the Successor Agency is a party or may be otherwise subject; and the Successor Agency Resolutions were adopted by a majority of the members of the Board of Directors of the Successor Agency at a meeting duly called, noticed and conducted, at which a quorum was present and acting throughout and constitutes all action necessary to be taken by the Successor Agency for the execution, delivery and issuance of the Bonds and the execution, delivery and due performance of the Successor Agency Agreements;

(c) at the time of acceptance hereof by the Successor Agency, and (unless an event occurs of the nature described in Section 6(k)) at all times during the period from the date of this Purchase Contract to and including the date which is 25 days following the End of the Underwriting Period for the Bonds (as determined in accordance with Section 6(j)), the statements and information contained in the Preliminary Official Statement as of its date, and the Official

Statement as of its date (excluding the information provided by the Underwriters, under the caption [“UNDERWRITING,” information regarding the Insurer, the Policies and the Reserve Policies, and contained in Appendix F—“DTC AND THE BOOK ENTRY ONLY SYSTEM”]) are true, correct and complete in all material respects and such statements with respect to the Preliminary Official Statement as of its date do not, and with respect to the Official Statement as of its date and the Closing Date will not, omit to state any material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading;

(d) [Reserved.]

(e) to the best of its knowledge, the Successor Agency is not in violation or breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any agency or instrumentality of either of them, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Successor Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a violation or a breach of or a default under any such instrument;

(f) at the date hereof and on the Closing Date, the Successor Agency will be in compliance in all respects with the material covenants and agreements contained in the Successor Agency Agreements, the Existing Loan Agreements and the 2014 Indenture, and no event of default and no event which, with the passage of time or giving of notice, or both, would constitute an event of default thereunder shall have occurred and be continuing;

(g) other than as set forth in the Official Statement or as the Successor Agency has otherwise disclosed, in writing, to the Underwriters, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or by or before any court, governmental agency, public board or body, pending or, to the best knowledge of the Successor Agency after due investigation, threatened: (i) wherein an unfavorable decision, ruling or finding would adversely affect the existence of the Successor Agency or the title of any official of the Successor Agency to such person’s office; (ii) seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the assignment by the Successor Agency of its rights under the Indenture; (iii) in any way contesting or affecting the validity or enforceability of the Successor Agency Agreements or the Bonds; (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement; or (v) contesting the power of the Successor Agency or its authority with respect to the Bonds or the Successor Agency Agreements, nor is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the Successor Agency Agreements or the authorization, execution, delivery or performance by the Successor Agency of the Bonds or the Successor Agency Agreements;

(h) the Successor Agency will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters which the Underwriters may reasonably request in order for the Underwriters to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions; provided, however, that in no event shall the Successor Agency be required to take any action which would subject it to service of process in any jurisdiction in which it is not now subject;

(i) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the due performance by the Successor Agency of its obligations under the Successor Agency Agreements or the Bonds have been duly obtained or made, and are, and will be on the Closing Date, in full force and effect;

(j) as used in this Purchase Contract, the term “End of the Underwriting Period” for the Bonds shall mean the earlier of: (i) the Closing Date unless the Successor Agency shall have been notified in writing to the contrary by the Representative on or prior to the Closing Date; or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12, provided, however, that the Successor Agency may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Representative stating the date which is the End of the Underwriting Period;

(k) if between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs, or facts or conditions become known to the Successor Agency which, in the reasonable opinion of the Underwriters, _____ (“Underwriters’ Counsel”), the Law Offices of Alexis S. M. Chiu (“Disclosure Counsel”) or counsel to the Successor Agency, would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances, not misleading, the Successor Agency will notify the Underwriters, and if in the opinion of the Representative such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Successor Agency will forthwith prepare and furnish to the Underwriters (at the expense of the Successor Agency) a reasonable number of copies of an amendment of or supplement to the Official Statement (in the form and substance satisfactory to the Representative) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading with respect to the information of the Successor Agency. If such notification shall be subsequent to the Closing Date, the Successor Agency shall forthwith provide to the Underwriters such legal opinions, certificates, instruments and other documents as the Underwriters may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Successor Agency will furnish such information with respect to itself as the Underwriters may from time to time reasonably request;

(l) if the information contained in the Official Statement relating to the Successor Agency is amended or supplemented pursuant to Section 6(k), at the time of such supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein), will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was made, not misleading;

(m) any certificate signed by any officer of the Successor Agency authorized to deliver such certificate and delivered to the Underwriters pursuant to the Indenture or this Purchase Contract or any document contemplated thereby shall be deemed a representation and warranty by the Successor Agency to the Underwriters as to the statements made therein and that such officer shall have been duly authorized to execute the same;

(n) there is no public vote or referendum pending or proposed, the results of which could materially adversely affect the transactions contemplated by the Official Statement or the Successor Agency Agreements or the Bonds, or the validity or enforceability of the Bonds;

(o) the Successor Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Indenture;

(p) the financial statements of the Successor Agency contained in the Preliminary Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied;

(q) except as otherwise disclosed in the Preliminary Official Statement, the Successor Agency is in compliance with all of its prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 and at or prior to the Closing Date, the Successor Agency shall have duly authorized, executed and delivered the Continuing Disclosure Certificate;

(r) the Successor Agency is not subject to a court order rendered pursuant to Section 33080.8 of the Redevelopment Law prohibiting the Successor Agency from among other things, issuing, selling, offering for sale, or delivering bonds or other evidences of indebtedness;

(s) the Oversight Board of the City and County of San Francisco (the "Oversight Board") has duly adopted Resolution No. ____ on _____, 2023 (the "Oversight Board Resolution") approving the issuance of the Bonds, and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement; and

(t) no further State of California Department of Finance (the "DOF") approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Successor Agency is not aware of the DOF directing or having any basis to direct the Auditor-Controller of the City and County of San Francisco (the "City") to deduct unpaid unencumbered funds from future allocations of property tax to the Successor Agency pursuant to Section 34183 of the Dissolution Act.

Section 7. Closing. At 8:00 A.M., California time, on _____, 2023, or on such earlier or later date as may be mutually agreed upon by parties hereto (the "Closing Date"), the Successor Agency will deliver or cause to be delivered to the Representative the duly executed Bonds through the facilities of The Depository Trust Company in New York, New York, and will deliver or cause to be delivered at the offices of Jones Hall, A Professional Law Corporation ("Bond Counsel"), in San Francisco, California, or such other place as shall have been mutually agreed upon by the parties, the other documents described herein; and the Underwriters shall pay the purchase price of the Bonds as set forth in Section 1 of this Purchase Contract (less \$_____, which the Representative shall wire

directly to the Insurer as the premiums with respect to the Policies and the Reserve Policies) to the order of the Trustee in immediately available funds.

The Bonds shall be issued in fully registered form. It is anticipated that CUSIP identification numbers will be inserted on the Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Representative to accept delivery of the Bonds in accordance with the terms of this Purchase Contract.

Section 8. Termination. The Underwriters shall have the right to terminate their obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the Successor Agency of their election to do so if, after the execution hereof and prior to the Closing Date:

(a) any legislation (including any amendments thereto), resolution, rule or regulation (including any amendments thereto) shall be introduced in, considered by or be enacted by any governmental body, department or political subdivision of the State of California, or a decision by any court of competent jurisdiction within the State of California shall be rendered which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(b) the outbreak or declaration of war, institution of a police action, engagement in military hostilities by the United States, or any escalation of any existing conflict or hostilities in which the United States is involved or the occurrences or escalation of any other national emergency or calamity or crisis or any change in financial markets resulting from the foregoing, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(c) a general banking moratorium by federal, State of New York or State of California authorities, or the general suspension or material limitation of trading on any national securities exchange which in the Underwriters' reasonable opinion materially adversely affects the market price of the Bonds, is declared;

(d) the New York Stock Exchange or other national securities exchange, or any governmental authority, imposes any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or there is a material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriters which, in the reasonable opinion of the Underwriters would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(e) legislation is enacted (or resolution passed) by or introduced or pending legislation is amended in the Congress or recommended for passage by the President of the United States, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed) is issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that securities of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as

amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended, or that the execution, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement, otherwise is or would be in violation of the federal securities laws as amended and then in effect;

(f) (i) legislation (including any amendment thereto) shall have been introduced in or adopted by either House of the Congress of the United States or recommended to the Congress or otherwise endorsed for passage by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff of such committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Internal Revenue Code shall be filed in either house; (ii) a decision shall have been rendered by any federal or state court; (iii) an order, filing, ruling or regulation shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the United States; or (iv) a release or official statement shall have been issued by the President of the United States, the Treasury Department of the United States or the Internal Revenue Service, the effect of which, in any such case described in clause (i), (ii), (iii), or (iv), would be to impose, directly or indirectly, federal income taxation upon income of the general character to be derived by the Successor Agency under the federal tax laws in effect on the date hereof, in such a manner as in the reasonable judgment of the Underwriters would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the 2023B Bonds on the terms and in the manner contemplated in the Official Statement;

(g) there occurs a withdrawal, downgrading or placement on credit watch negative of any rating of the obligations of the Successor Agency (including the rating to be issued with respect to the Bonds) by a “nationally recognized statistical rating organization,” as such term is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(h) an event occurs which in the reasonable opinion of the Underwriters requires a supplement or amendment to the Official Statement and: (i) the Successor Agency refuses to prepare and furnish such supplement or amendment; or (ii) in the reasonable judgment of the Underwriters, the occurrence of such event materially and adversely affects the marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds; any change or development occurs involving a prospective change in the condition of the Successor Agency, financial or otherwise, or in the operations of the Successor Agency from those set forth in the Official Statement that makes the Bonds, in the reasonable judgment of the Underwriters, impracticable or inadvisable to offer, sell or deliver the Bonds on the terms and in the manner contemplated by the Official Statement;

(i) (i) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the New York Stock Exchange or the NASDAQ National Market; (ii) trading of any securities of the Successor Agency shall have been suspended on any exchange or in any over-the-counter market; (iii) a material disruption in securities settlement, payment or clearance

services in the United States shall have occurred; or (iv) any moratorium on commercial banking activities shall have been declared by federal or State of New York authorities; and which, singly or together with any other event specified in this clause; makes it, in the judgment of the Underwriters, impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(j) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(k) any action, suit or proceeding described in Section 6(g) of this Purchase Contract is commenced which, in the reasonable judgment of the Representative, materially adversely affects the market for the Bonds.

Section 9. Closing Conditions. The Underwriters hereby enter into this Purchase Contract in reliance upon the representations and warranties of the Successor Agency contained herein and the representations and warranties to be contained in the documents and instruments to be delivered on the Closing Date, and upon the performance by the Successor Agency and the Trustee of their respective obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the obligations of the Underwriters under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties of the Successor Agency contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Successor Agency and the Trustee made in any certificate or document furnished pursuant to the provisions hereof, to the performance by the Successor Agency and the Trustee of their respective obligations to be performed hereunder and under the Successor Agency Agreements, at or prior to the Closing Date, to the issuance, sale and delivery to the Underwriters of the Bonds, and also shall be subject to the following additional conditions:

(a) the Underwriters shall receive, within seven business days after the date hereof, copies of the Official Statement (including all information permitted to have been omitted from the Preliminary Official Statement by the Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriters), in such reasonable quantity as the Underwriters shall have requested;

(b) on the Closing Date, the representations, warranties, covenants and agreements of the Successor Agency in this Purchase Contract shall be true, complete and correct on and as of the Closing Date; and the Successor Agency Agreements shall have been duly authorized, executed and delivered by the Successor Agency, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Underwriters, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the Board of Directors of the Successor Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(c) on the Closing Date, all necessary action of the Successor Agency relating to the execution and delivery of the Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented; and

(d) at or prior to the Closing Date, the Underwriters shall have received the following additional documents, in each case satisfactory in form and substance to the Underwriters:

(i) the Successor Agency Resolutions, together with a certificate of the Secretary of the Successor Agency, dated as of the Closing Date, to the effect that such resolutions are true, correct and complete copies of the Successor Agency Resolutions duly adopted by the Successor Agency;

(ii) the Oversight Board Resolution, together with a certificate of the Secretary of the Oversight Board, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the Oversight Board Resolution duly adopted by the Oversight Board;

(iii) the Successor Agency Documents duly executed and delivered by the parties thereto;

(iv) the Preliminary Official Statement, and the Official Statement duly executed by the Successor Agency;

(v) the approving opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency, in substantially the form attached to the Official Statement as [Appendix E], together with a letter of Bond Counsel, addressed to the Representative and the Trustee to the effect that such opinion may be relied upon by the Underwriters and the Trustee to the same extent as if such opinion were addressed to them;

(vi) the supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency and the Representative, substantially to the effect that: (A) this Purchase Contract and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the Successor Agency and are valid and binding agreements of the Successor Agency, enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (C) the statements contained in the Official Statement under the captions ["THE 2023 BONDS" (other than information in the section entitled "– Designation as Social Bonds" as to which no opinion is expressed), "SECURITY AND SOURCES OF PAYMENT FOR THE 2023 BONDS—General," "—Security for the 2023 Bonds; Equal Security," "—Special Fund; Deposit of Pledged Tax Revenues," "—Existing Senior Obligations – *Existing Senior Loans and Second Lien Debt*" (excluding the information therein that is presented in tabular form), "—Existing Third Lien Parity Debt," "—Limitations on Additional Indebtedness," "—Recognized Obligation Payment Schedule" (as to the third through final paragraphs under such caption only), "—Last and Final Recognized Obligation Payment Schedule" (as to the final paragraph under such caption only), and "TAX MATTERS,"] and contained in [Appendices C and E], insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the final opinion of Bond Counsel, are accurate in all material respects;

(vii) the opinion of counsel to the Successor Agency dated the Closing Date and addressed to the Representative and Bond Counsel, to the effect that: (A) the Successor

Agency is duly organized and validly existing under the Constitution and laws of the State of California; (B) the Successor Agency Resolutions approving and authorizing the execution and delivery of the Successor Agency Agreements and the Preliminary Official Statement were duly adopted at meetings of the Successor Agency which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed; (C) no material litigation is pending, with service of process having been accomplished or, to the knowledge of the Successor Agency, threatened, concerning the validity of the Bonds, the corporate existence of the Successor Agency, or the title of the officers of the Successor Agency who will execute the Bonds as to their respective offices; (D) the execution and delivery of the Successor Agency Agreements and the Official Statement, the adoption of the Successor Agency Resolutions, the issuance of the Bonds and compliance by the Successor Agency with the provisions of the foregoing, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Successor Agency a breach or default under any agreement or other instrument to which the Successor Agency is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or under any existing law, regulation, court order or consent decree to which the Successor Agency is subject; (E) the Official Statement has been duly authorized, executed and delivered and the Bonds and the Successor Agency Agreements each have been duly authorized, executed and delivered by the Successor Agency and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Successor Agency enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought; (F) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California having jurisdiction over the Successor Agency is required for the valid authorization, execution, delivery and performance by the Successor Agency of the Successor Agency Agreements, the valid issuance of the Bonds or the adoption of the Successor Agency Resolutions which has not been obtained; (G) the information in the Official Statement under the captions ["THE SUCCESSOR AGENCY," "THE PROJECT AREAS," "PLEDGED TAX REVENUES AND DEBT SERVICE," "LIMITATIONS ON TAX REVENUES," and "LITIGATION"] is true and accurate in all material respects; provided, however, that no opinion is expressed as to any financial or statistical information contained therein;

(viii) a negative assurance letter of Disclosure Counsel addressed to the Successor Agency and the Representative, to the effect that, during the course of his engagement as Disclosure Counsel to the Successor Agency with respect to the preparation of the Official Statement and without having independently verified the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement, no facts came to his attention which caused him to believe the Preliminary Official Statement as of its date or the Official Statement as of its date and as of the Closing Date (except for any information listed below, as to which he will express no view) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect. No view will be expressed as to: (a) the information under the headings ["THE 2023 BONDS – Designation as Social Bonds" and "– Book-Entry Only System," "BOND INSURANCE," "TAX MATTERS," "MUNICIPAL ADVISORS," "RATINGS," "FINANCIAL STATEMENTS," "FISCAL CONSULTANT REPORT," "UNDERWRITING," and "CERTAIN RELATIONSHIPS,"] and in the Appendices to the Preliminary Official Statement and the Official Statement; (b) any CUSIP or other identification

numbers, other financial, accounting, engineering, economic, demographic or statistical data or forecasts, debt service schedules, numbers, charts, tables, graphs, estimates, projections, appraisals, assumptions, ratings, any management discussion and analysis or expression of opinion included or incorporated by reference in the Preliminary Official Statement, the Official Statement or the Appendices thereto, or omitted therefrom; (c) statements relating to the treatment of the Bonds or the interest, discount or premium related thereto for tax purposes under the law of any jurisdiction, statements relating to or summarizing the tax opinion of Bond Counsel and statements relating to or setting forth the initial public offering prices or yields on the Bonds; (d) any information about the book-entry system or The Depository Trust Company; and (e) any information about the Insurer, the Policies or the Reserve Policies.

(ix) the opinion of Underwriters' Counsel, dated the Closing Date and addressed to the Representative, to the effect that: (A) while Underwriters' Counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the information contained in the Official Statement and has not undertaken to verify the accuracy, completeness or fairness of, or independently verified the information contained in, the Official Statement and is therefore unable to make any representation to the Underwriters in that regard, Underwriters' Counsel has participated in conferences prior to the date of the Official Statement with representatives of the Underwriters, the Successor Agency, Bond Counsel, Disclosure Counsel, the Fiscal Consultant (as such term is defined herein), the Trustee and their respective legal counsel and others, during which conferences the contents of the Official Statement and related matters were discussed and that, based upon the information made available to Underwriters' Counsel in the course of its participation in such conferences, review of the documents referred to above, reliance on the documents, letters, certificates and the opinions of counsel described in this Purchase Contract and Underwriters' Counsel's understanding of applicable law, as a matter of fact and not opinion, no information has come to the attention of the attorneys in Underwriters' Counsel's firm rendering legal services to the Underwriters with respect to the Bonds which caused Underwriters' Counsel to believe that the Preliminary Official Statement as of its date contained, or the Official Statement as of its date contained or as of the Closing Date contains, any untrue statement of a material fact, or as of its date omitted, or as of the Closing Date omitted, to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that Underwriters' Counsel expresses no view with respect to information related to any financial, statistical, engineering, or economic or demographic data or forecasts, numbers, charts, tables, estimates, projections, appraisals or assessed valuations or any information about CUSIP numbers, the ratings on the Bonds, the book-entry system or The Depository Trust Company contained in the Official Statement, including any of the appendices thereto), and that, other than reviewing the various certificates and opinions required by Section 9(d) of the Purchase Contract regarding the Official Statement, Underwriters' Counsel has not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Official Statement as of the Closing Date; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended, are accurate in all material respects; and (C) the Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds satisfies the requirements of Rule 15c2-12;

(x) the opinion of counsel to the Trustee, dated the Closing Date and addressed to the Representative and the Successor Agency, to the effect that: (A) the Trustee has been duly incorporated as a national banking association, duly organized and validly existing and in good standing under the laws of the United States of America having the legal authority to exercise

trust powers in the State of California and having full power and authority to enter into and to perform its duties as Trustee under the Indenture; (B) the Trustee has duly authorized, executed and delivered the Second Supplement, and by all proper corporate action has authorized the acceptance of the trust of the Indenture; (C) the Indenture constitutes a legally valid and binding agreement of the Trustee, enforceable against it in accordance with its terms; (D) the Bonds have been validly authenticated, registered and delivered by the Trustee; (E) no authorization, approval, consent or other order of the State of California or any other federal or State of California governmental authority or agency having jurisdiction over the Trustee, or, to such counsel's knowledge after reasonable investigation, any other person or corporation, is required for the valid authorization, execution, delivery and performance by the Trustee of the Second Supplement; and (F) the execution and delivery of the Second Supplement, and compliance by the Trustee, with the provisions of the foregoing under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Trustee a breach or default under any agreements or other instrument to which the Trustee is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or any existing law, regulation, court order or consent decree to which the Trustee is subject;

(xi) a certificate dated the Closing Date, signed by a duly authorized official of the Successor Agency, in form and substance satisfactory to the Underwriters, to the effect that, to the best of such official's knowledge: (A) the representations and warranties of the Successor Agency contained in the Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (B) the Successor Agency has complied with the requirements of the Successor Agency Agreements required to be complied with on and as of the Closing Date with respect to the Bonds; (C) no event affecting the Successor Agency has occurred since the date of the Official Statement which should be disclosed therein in order to make the statements therein not misleading in any respect; and (D) the financial statements of the Successor Agency contained in the Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such officer has no reason to believe that such financial statements have not been prepared in accordance with generally accepted accounting principles consistently applied;

(xii) a certificate, signed by a duly authorized official of the Trustee, dated the Closing Date, satisfactory in form and substance to the Underwriters, to the effect that: (A) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriters; (B) the Trustee is duly authorized to enter into the Second Supplement and to execute and deliver the Bonds to the Underwriters pursuant to the Indenture; (C) the Bonds have been duly authenticated and delivered by the Trustee; (D) the execution and delivery of the Second Supplement and compliance with the provisions on the part of the Trustee contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation or warranty is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other

instrument, except as provided by the Indenture; and (E) to the best knowledge of the Trustee, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against it, affecting its existence, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the Bonds or the collection of revenues to be applied to pay the principal, premium, if any, and interest with respect to the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds, the Indenture or the power and authority of the Trustee to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriters;

(xiii) a certificate of Urban Analytics LLC (the “Fiscal Consultant”) to the effect that the report of the Fiscal Consultant (the “Report”) contained in the Official Statement and the information set forth under the captions [“THE PROJECT AREAS,” “PLEDGED TAX REVENUES AND DEBT SERVICE” and “CERTAIN RISK FACTORS—Concentration of Property Ownership,” “—Subordination of ERAF,” “—Reduction in Tax Base and Assessed Values” and “—Appeals to Assessed Values”] in the Official Statement do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, consenting to the use of the Report in the Preliminary and Official Statement and stating that to the best of the Fiscal Consultant’s knowledge, nothing has come to the Fiscal Consultant’s attention between the date of such Report and the Closing Date which would materially alter any of the conclusions set forth in the Report;

(xiv) a letter from S&P Global Ratings, confirming that the Bonds have the ratings set forth in the Official Statement;

(xv) the Report of Proposed Debt Issuance Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855(g) and 53583 of the Government Code of the State of California;

(xvi) the Blanket Letter of Representations of the Successor Agency to DTC, relating to the book-entry only system for the Bonds;

(xvii) evidence of the action taken by the DOF approving the Oversight Board Resolution;

(xviii) a certificate of the Auditor-Controller of the City certifying the assessed valuations of the property located within the Project Areas, and the gross tax revenues for the fiscal year ended [June 30, 2023] for the Project Areas;

(xix) a copy of the executed certificate of the Successor Agency pursuant to Section 3.05 of the Indenture;

(xx) executed copies of the Policies and the Reserve Policies;

(xxi) an opinion of counsel to the Insurer, in form and substance satisfactory to the Successor Agency and the Representative, that the Policies and the Reserve Policies have been duly authorized, executed and delivered by the Insurer and are legally valid and binding against the Insurer.

(xxii) one or more opinions or certificates of the Insurer as to the accuracy of the information in the Official Statement relating to the Insurer, the Policies and the Reserve Policies; and

(xxiii) such additional legal opinions, certificates, instruments or evidences thereof and other documents as Underwriters' Counsel or Bond Counsel may reasonably request to evidence the due authorization, execution and delivery of the Bonds and the conformity of the Indenture with the terms of the Bonds, all as summarized in the Official Statement.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract will be deemed to be in compliance with the provisions hereof if and only if they are in form and substance satisfactory to the Underwriters.

If the Successor Agency shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Contract or if the Underwriters' obligations shall be terminated for any reason permitted herein, all obligations of the Underwriters hereunder may be terminated by the Underwriters at, or at any time prior to, the Closing Date by written notice to the Successor Agency and neither the Underwriters nor the Successor Agency shall have any further obligations hereunder, except the respective obligations of the parties set forth in Section 10.

Section 10. Expenses. The Successor Agency will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Successor Agency Legal Documents (other than this Purchase Contract); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Municipal Advisors, Fiscal Consultant and any other experts or other consultants retained by the Successor Agency; (c) the costs and fees of the credit rating agency; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; (h) the fees of Digital Assurance Certification LLC, if any, for a continuing disclosure services performed at the direction of the Successor Agency; and (i) expenses (included in the expense component of the underwriter's discount) incurred by the Underwriters on behalf of the Successor Agency's employees which are incidental to implementing this Purchase Contract, including, but not limited to, meals, transportation, and lodging, of those employees and expenses incurred for the rating presentation and the investor presentation. The Underwriters will pay the expenses of the preparation of this Purchase Contract and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, and the fee and disbursements of Underwriters' Counsel, which expenses may be included in the expense component of the underwriting discount. The Underwriters are required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Successor Agency acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and

consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Successor Agency agrees to reimburse the Underwriters for such fees.

Section 11. Notices. Any notice or other communication to be given to the Successor Agency under this Purchase Contract may be given by delivering the same in writing at the Successor Agency's address set forth above, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to the Representative at _____.

Section 12. Parties in Interest. This Purchase Contract is made solely for the benefit of the Successor Agency and the Underwriters (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations and warranties of the parties hereto contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriters or the Successor Agency; or (b) delivery of and payment for the Bonds. The agreements contained in Section 10 herein shall survive any termination of this Purchase Contract.

Section 13. Severability. In the event that any provision of this Purchase Contract shall be held or deemed to be invalid, inoperative or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14. Governing Law; Venue. This Purchase Contract shall be governed and interpreted exclusively by and construed in accordance with the laws of the State of California applicable to contracts made and to be performed in the State of California. Any and all disputes or legal actions or proceedings arising out of this Purchase Contract or any document related hereto shall be filed and maintained in a court of competent jurisdiction for matters arising in the City and County of San Francisco, California. By execution of and delivery of this Purchase Contract, the parties hereto accept and consent to the aforesaid jurisdiction.

Section 15. Execution in Counterparts. This Purchase Contract may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute the Purchase Contract by signing any such counterpart.

Section 16. Entire Agreement. This Purchase Contract, together with any contemporaneous written agreements that relate to the offering of the Bonds, represents the entire agreement between the Successor Agency and the Underwriters with respect to the preparation of the Official Statement, the conduct of the offering and the purchase and sale of the Bonds.

Section 17. Fiduciary Duty. The Successor Agency acknowledges that in connection with the offering of the Bonds: (a) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Successor Agency and the Underwriters; (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as Municipal Advisors (as such term is defined in Section 15B of the Securities Exchange Act of 1934, as amended); (c) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Successor Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or is currently providing other services to the Successor Agency on other matters); (d) the Successor Agency has consulted its own legal, financial and other

advisors to the extent that they have deemed appropriate; and (e) the Underwriters may have interests that differ from those of the Successor Agency.

[SIGNATURE PAGE FOLLOWS ON NEXT PAGE]

Section 18. **Effectiveness.** This Purchase Contract shall be effective as of the date set forth above upon the acceptance hereof by authorized officer of the Successor Agency and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

Stifel, Nicolaus & Company, Incorporated,
as Representative of the Underwriters

By: _____
Authorized Representative

Accepted this ____ day of _____ 2023 at ____ p.m.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO

By: _____
Executive Director

SCHEDULE I
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS) (SOCIAL BONDS)

<i><u>Maturity Date</u></i> <i><u>(August 1)</u></i>	<i><u>Amount</u></i>	<i><u>Rate</u></i>	<i><u>Yield</u></i>	<i><u>Price</u></i>
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† Insured 2023A Bonds.

**2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBY INFRASTRUCTURE PROJECTS)**

<i><u>Maturity Date</u></i> <i><u>(August 1)</u></i>	<i><u>Amount</u></i>	<i><u>Rate</u></i>	<i><u>Yield</u></i>	<i><u>Price</u></i>
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[†] Insured 2023B Bonds.

EXHIBIT A

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

**§[PARA]
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

**§[PARB]
2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBY INFRASTRUCTURE
PROJECTS)**

**FORM OF THE CERTIFICATE
REGARDING PRELIMINARY OFFICIAL STATEMENT**

The undersigned hereby states and certifies:

1. That he is the duly appointed, qualified and acting Executive Director of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

2. That there has been delivered to _____ on behalf of itself and as representative of _____, as underwriters (the “Underwriters”) of the captioned Bonds, a Preliminary Official Statement, relative to the captioned Bonds, dated [POS Date] (including the cover page and all appendices thereto, in printed form and in electronic form, which is consistent in all material forms to the printed form, the “Preliminary Official Statement”), which the Successor Agency, deems final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12; and

3. The Successor Agency hereby approves the use and distribution by the Underwriters of the Preliminary Official Statement.

Dated: [POS Date]

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO**

By: _____
Executive Director

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the
2 San Francisco Redevelopment Agency - FY2023-2024 Budget - Bond Issuance Not to
3 Exceed \$75,000,000]

4 **Resolution approving the Fiscal Year (FY) 2023-24 Budget of the Office of Community**
5 **Investment and Infrastructure (“OCII”) operating as the Successor Agency to the San**
6 **Francisco Redevelopment Agency; and approving the Issuance by OCII of Bonds in an**
7 **aggregate principal amount not to exceed \$75,000,000 for the purpose of financing a**
8 **portion of OCII’s enforceable obligations.**

9
10 WHEREAS, The Successor Agency to the Redevelopment Agency of the City and
11 County of San Francisco, commonly known as the Office of Community Investment and
12 Infrastructure (“OCII”), is implementing enforceable obligations of the Redevelopment Agency
13 of the City and County of San Francisco (“Former Agency”) in accordance with the
14 Community Redevelopment Law, Cal. Health & Safety Code, Sections 33000 et seq., as
15 amended by the Redevelopment Dissolution Law, Cal. Health & Safety Code, Sections 34170
16 et seq. (the “Law”), and with San Francisco City and County Board of Supervisors (“Board of
17 Supervisors”) Ordinance No. 215-12 (Oct. 4, 2012); and

18 WHEREAS, OCII is a legal entity separate from the City and County of San Francisco
19 (“City”) and the Board of Supervisors approves OCII’s annual budget in accordance with Cal.
20 Health and Safety Code, Section 33606 and Ordinance No. 215-12; and

21 WHEREAS, The Law requires OCII to receive approval from the Oversight Board of the
22 City and County of San Francisco (“Oversight Board”) for its expenditures as listed in
23 Recognized Obligation Payment Schedules (“ROPS”), which covers 12-month fiscal periods;
24 on January 25, 2023, the Oversight Board approved, by Resolution No. 02-2023, the ROPS
25 for July 1, 2023, to June 30, 2024 (“ROPS 23-24”), which the California Department of

1 Finance ("DOF") approved on April 14, 2023, subject to several adjustments; the ROPS lists,
2 among other things, OCII's total outstanding debts or obligations and its expenditures for
3 fiscal year 2023-24; and

4 WHEREAS, The Law and Ordinance No. 215-12 authorize the Successor Agency
5 Commission (commonly known as the Commission on Community Investment and
6 Infrastructure) to issue bonds to carry out enforceable obligations, subject to approval of the
7 Oversight Board and DOF; and

8 WHEREAS, Consistent with the expenditures approved in the ROPS, the Successor
9 Agency Commission approved, by Resolution No. 11-2023 (April 18, 2023), its annual budget
10 for Fiscal Year ("FY") 2023-24 (the "Budget") and authorized the Executive Director to submit
11 the Budget for review and approval to the Mayor and the Board of Supervisors; and

12 WHEREAS, OCII proposes to issue bonds to finance, in FY2023-24, a portion of its
13 enforceable obligations; and

14 WHEREAS, The Budget may require OCII to enter into loans and/or to issue, or to
15 cause to be loaned and/or issued on its behalf by a public finance authority, bonds, notes, or
16 other evidence of indebtedness (such loans, bonds, notes or other evidence of indebtedness
17 being referred to as the "Bonds") in an aggregate principal amount not to exceed
18 \$129,000,000, with a maximum interest rate of 7%, which will be repaid from and secured by
19 the taxes allocated to and paid to OCII pursuant to the Law and to Section 16 of Article XVI of
20 the California Constitution; and

21 WHEREAS, On April 13, 2023, DOF approved Oversight Board Resolution No. 03-
22 2023, which authorized the issuance of an aggregate bond principal amount not to exceed
23 \$75,000,000; and
24
25

1 WHEREAS, OCII hereby requests that the Board of Supervisors grant approval for the
2 issuance of the \$75,000,000 of the Bonds; and

3 WHEREAS, In addition to the activities programmed in the Budget, OCII may have
4 opportunities to refund existing debt at lower interest rates to reduce debt service costs; and

5 WHEREAS, The Former Agency and the City entered into Tax Increment Allocation
6 Pledge Agreements for each of the Redevelopment Project Areas in Mission Bay North
7 (Board of Supervisors Resolution No. 884-98 (Oct. 30, 1998); Agency Resolution No. 188-98
8 (Sep. 17, 2998)) and Mission Bay South (Board of Supervisors Resolution No. 887-98 (Nov.
9 2, 1998); Agency Resolution No. 193-98 (Sept. 17, 2998)) (together the "Mission Bay
10 Pledges") for the purpose of irrevocably pledging net available tax increment from these areas
11 to pay for the costs of public infrastructure and affordable housing required in Mission Bay
12 North and Mission Bay South Project Areas; and

13 WHEREAS, The Former Agency, the City, and the Transbay Joint Powers Authority
14 ("TJPA") entered into the Transbay Redevelopment Project Tax Increment Allocation and
15 Sales Proceeds Pledge Agreement (Board of Supervisors Ordinance No. 99-06 (May 19,
16 2006); Agency Resolution No. 13-2005 (Jan. 25, 2005)) for the purpose of irrevocably
17 pledging net available tax increment and sales proceeds from formerly State-owned parcels in
18 the Transbay Redevelopment Project Area ("Transbay Pledge") to the TJPA to pay for the
19 costs of designing and constructing the Transbay Terminal Project; and

20 WHEREAS, The Former Agency and the City entered into a Tax Increment Allocation
21 Pledge Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard (Board of
22 Supervisors Resolution No. 349-10 (Aug. 3, 2010); Agency Resolution No. 69-2010 (June 3,
23 2010)) from the Candlestick Point area ("Zone 1") of the Bayview Hunters Point
24 Redevelopment Project Area and from the Hunters Point Shipyard Redevelopment Project
25 Area (other than the Hunters Point Hill Residential District) ("Candlestick Point-Shipyard

1 Phase 2 Pledge”) for the purpose of pledging net available tax increment to pay for the costs
2 of public infrastructure and affordable housing required in Zone 1 of the Bayview Hunters
3 Point Redevelopment Project Area and the Hunters Point Shipyard Redevelopment Project
4 Area Phase 2; and

5 WHEREAS, The total outstanding debts or obligations described in the ROPS and
6 various enforceable obligations support the allocation of property tax revenues (formerly tax
7 increment revenues) under the Mission Bay Pledges, the Transbay Pledge, and the
8 Candlestick Point-Shipyard Phase 2 Pledge; and

9 WHEREAS, The Budget includes, among other things, the use of property tax
10 revenues (formerly tax increment revenues) from various project areas of the Former Agency
11 to pay for certain enforceable obligations consistent with the authority granted under Section
12 34177.7 of the California Health and Safety Code and under Board of Supervisors Resolution
13 No. 538-16 (Dec. 22, 2016); and

14 WHEREAS, In addition to the revenues included in the Budget, OCII may receive
15 interest on bond proceeds; now, therefore, be it

16 RESOLVED, By the Board of Supervisors that it does hereby approve the Budget, as
17 shown in Attachment “A” attached hereto and incorporated as if set forth in full herein; and, be
18 it

19 FURTHER RESOLVED, The Board of Supervisors approves the issuance of the Bonds
20 by OCII in the principal amount not to exceed \$75,000,000, which will be used in FY 2023-24
21 for the purpose of financing a portion of its Budget and related costs of issuance, and the
22 application of a portion of the proceeds to reimburse OCII for amounts spent under its Budget;
23 and, be it

24 FURTHER RESOLVED, That OCII is authorized to accept and expend any interest
25 earned on bond proceeds.

Attachment A: OCII Proposed FY 2023-24 Budget



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 230671

Date Passed: July 18, 2023

Resolution approving the Fiscal Year (FY) 2023-24 Budget of the Office of Community Investment and Infrastructure ("OCII") operating as the Successor Agency to the San Francisco Redevelopment Agency; and approving the issuance by OCII of Bonds in an aggregate principal amount not to exceed \$75,000,000 for the purpose of financing a portion of OCII's enforceable obligations.

June 09, 2023 Budget and Appropriations Committee - RECOMMENDED

July 11, 2023 Board of Supervisors - CONTINUED

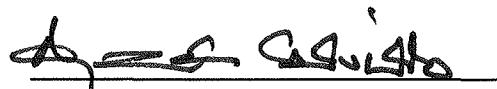
Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Safai,
Stefani and Walton
Excused: 1 - Ronen


July 18, 2023 Board of Supervisors - ADOPTED

Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Ronen, Safai,
Stefani and Walton
Noes: 1 - Preston

File No. 230671

I hereby certify that the foregoing
Resolution was ADOPTED on 7/18/2023 by
the Board of Supervisors of the City and
County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor


Date Approved



Exhibit A

Proposed FY 2023-24 Budget

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1. Background

On February 1, 2012, the State of California dissolved the San Francisco Redevelopment Agency (“SFRA”) along with all 400 redevelopment agencies in California under Cal. Health & Safety Code §§ 34170 et seq (“Dissolution Law”). Pursuant to the Dissolution Law and to Board of Supervisors (“BOS”) Ordinance 215-12, the Successor Agency to the SFRA, commonly known as the Office of Community Investment & Infrastructure (“OCII”), has assumed the remaining obligations of the SFRA.

OCII is charged with completing work required under enforceable obligations approved by the California Department of Finance (“DOF”). Those enforceable obligations are: (1) the Projects described in BOS Ordinance No. 215-12 (Oct. 4, 2012) as the Mission Bay North and South Projects, the Transbay Project, and the Hunters Point Shipyard/Candlestick Point Project; (2) management of SFRA assets, existing economic development agreements such as loans, grants, or owner participation agreements, and other real property and assets of SFRA that must be wound down under the Dissolution Law; and (3) OCII’s Retained Affordable Housing Obligations that are included in the Projects described above.

Governance

Ordinance 215-12 delegates the Board of Supervisors’ authority as Successor Agency to the Successor Agency Commission. The Commission provides financial and policy oversight and exercises land use and design approval authority for the Projects. The Commission is comprised of five members appointed by the Mayor and confirmed by the Board of Supervisors, with two of the seats held by residents of the two supervisorial districts that contain the largest amounts of the Projects, i.e. Districts 6 and 10.

Dissolution Law requires that certain actions of a successor agency are subject to the review and approval of an Oversight Board (“OB”). The OB has a fiduciary duty to the holders of enforceable obligations with the former SFRA and to the taxing entities that are entitled to an allocation of property taxes. The OB reviews and approves OCII’s expenditures and use of tax increment through the annual Recognized Obligation Payment Schedules. The OB also approves the issuance of bonds, transfers of property, and other matters related to the dissolution of SFRA. The Mayor appoints four of the seven members of the OB, subject to confirmation by the Board of Supervisors. One of those four members represents the “largest number of former redevelopment agency employees employed by the successor agency.” Cal. Health & Safety Code § 34179 (a) (11). The remaining three members are representatives of affected taxing entities: the Bay Area Rapid Transit District, the San Francisco Unified School District, and the San Francisco Community College.

Dissolution Law establishes that OCII is a separate entity from the City and County of San Francisco (“CCSF”), as was the SFRA. However, under BOS Ordinance No. 215-12, the BOS, in its capacity as the legislative body for CCSF, must still approve OCII’s annual budget (Cal

Health & Safety Code § 33606) and retains the authority to approve any modification to an enforceable obligation “that would decrease the commitment of property tax revenue for affordable housing or materially change the obligations to provide affordable housing.” Ordinance No. 215-12, § 6 (a). OCII’s budget is initially approved by the Commission and subsequently approved by the Mayor and Board of Supervisors.

2. Program Summary

OCII's primary activity is funding and facilitating delivery of affordable housing and infrastructure in the project areas of Mission Bay North and South, Transbay, and Hunters Point Shipyard/Candlestick Point. OCII's programmatic spending reflects this mission. Much of OCII staff time is spent on working closely with development partners and City agencies on land use plans and the associated permits and maps necessary to build these new communities. Additional details on OCII's staffing efforts related to that review, as well as information on FY 2023-24 programmatic goals for the delivery of public infrastructure (such as parks and open spaces), affordable housing units, and support of community benefits and workforce development can be found in the subsequent sections. Below are brief summaries OCII's three Projects, along with FY 2023-24 program highlights.

Mission Bay North and South

The project areas of Mission Bay North and Mission Bay South, together referred to as Mission Bay, were established in 1998 to create a vibrant transit-oriented and mixed-use community that will result in 6,535 residential units (29 percent of which will be affordable), 5.2 million square feet of office and biotechnology space, 560,000 square feet of retail uses, a new University of California San Francisco ("UCSF") research campus and medical center including a 550-bed hospital, 18,000-seat event center, 129-room and 300-room hotels, library, school, police headquarters, and a local police and fire department. Mission Bay contains 49 acres of open space, approximately 41 of which are owned by the City (master leased by and managed by OCII) and approximately eight of which are owned by UCSF. The master developer of the Mission Bay Project, FOCIL MB, is responsible for constructing public infrastructure and parks pursuant to two Owner Participation Agreements ("OPAs"). OCII reimburses the developer for constructed infrastructure. OCII is responsible for approving the land uses and designs of both the public and private development projects and directly funds affordable housing in Mission Bay, which is provided on specific sites contributed by FOCIL MB and identified in the OPAs. Completion of the Mission Bay Project is anticipated in six to eight years and will result in construction of more than \$900 million of new infrastructure, development of over \$8 billion in private vertical development, and creation of 31,000 permanent jobs. The Mission Bay Redevelopment Plans will expire in late 2028.

To date 6,193 residential units, 4.1 million square feet of office and biotechnology space, 540,000 square feet of retail uses, a 289-bed hospital, an 18,000-seat event center, 68 percent of the UCSF research campus and 33 acres of open space have been built. In FY 2023-24, OCII will continue to reimburse the master developer for completed infrastructure using a combination of tax allocation bond proceeds, property tax increment, and Community Facility District ("CFD") funds.

OCII will also monitor the construction and completion of 148 units of for sale affordable housing on Block 9A, continue to review designs and permits for open spaces and private commercial development, create public art in Park P2 using public art fees contributed by various developers, and explore the possible increase of residential density on the two remaining affordable housing sites in Mission Bay South.

Transbay

The Transbay Project was established in 2005 and is located primarily between Folsom and Howard Streets, east of 2nd Street, and west of Spear and Main Streets. A small portion of the Transbay Project extends south of Folsom Street along Essex Street to Harrison Street. The Transbay Project consists of two zones. Zone 1 is under the land use authority of OCII and consists of twelve blocks of land, eleven of which were formerly owned by the State. Zone 2 is under the City Planning Department's jurisdiction and includes the Salesforce Transit Center and two former State-owned parcels. OCII is responsible for funding the design and construction of two new parks, streetscape improvements on Folsom Street, selling designated formerly State-owned parcels to fund construction of the Salesforce Transit Center, forming partnerships with for-profit and non-profit developers to build housing, and directly funding affordable housing. Thirty-five percent of all new housing units in the entire Transbay Project Area will be affordable. After the entirety of all the former State-owned and OCII parcels have been fully built out, the Transbay Project will have contributed approximately 3,900 residential units, 2.5 million square feet of office, 94,000 square feet of retail, and 9 acres of open space to the neighborhood.

In Zone 1, all of the office space is complete, and 2,196 residential units have been built. In FY 23-24, 1,096 units in Zone 1 will be in the planning phase. These units consist of three projects, two of which will occupy the northern and southern ends of the former Transbay Temporary Bus Terminal site. The first is a large mixed-income residential project on Block 4, which requires amendments to the Redevelopment Plan and associated design controls to allow for maximum efficiency of the site. Second, two stand-alone affordable housing projects subsidized by OCII are proposed for Block 2. OCII has negotiated a development agreement with a development team for Block 4 and has approved agreements with two development teams for Block 2. The third project is Block 12, a future affordable housing site that will be constructed after the Caltrain rail tunnel is extended from its current terminus at the 4th and King Street station to the new Salesforce Transit Center. Since Block 12 sits atop the future rail extension's route, OCII is working with the TJPA to determine when OCII may be able to advance the Block 12 project.

In compliance with its infrastructure obligations, OCII will disburse funds, in FY 2023-24 through an existing contract with San Francisco Public Works ("SFPW") to close out payments on a major streetscape construction project on Folsom Street between Essex and Spear Streets that completed construction in FY 20-21.

OCII will also disburse funds through existing contracts with SFPW and third-party design consultants to facilitate the design and predevelopment activities associated with two future parks: the nearly 2.45-acre Under-ramp Park, which will be located underneath the Fremont off-ramp and the bus ramp to the Salesforce Transit Center, and the 1-acre Block 3 Park that will occupy the middle section of the current Temporary Bus Terminal. Pending commencement of construction of the various projects on the Temporary Terminal site, OCII has authorized interim activation of the site.

Hunters Point Shipyard and Candlestick Point

The Hunters Point Shipyard/Candlestick Point Project is composed of approximately 770 acres along the southeastern waterfront of San Francisco. The San Francisco Board of Supervisors originally adopted the Shipyard Redevelopment Plan in 1997 and adopted the Bayview Hunters Point Redevelopment Plan in 2006. In 2010, the Board of Supervisors amended both redevelopment plans, and the Redevelopment Agency approved a Disposition and Development Agreement that included the Candlestick Point portion of the Bayview Hunters Point Redevelopment Plan and Phase 2 of the Hunters Point Shipyard. The Hunters Point Shipyard will be developed by different master developers under two separate disposition and development agreements: Lennar, which is developing Hunters Point Shipyard Phase 1, and FivePoint, which is developing Hunters Point Shipyard Phase 2/Candlestick Point. Together, the entire Hunters Point Shipyard/Candlestick Point Project will generate more than 12,100 units of housing (of which approximately one-third will be affordable), 326 acres of parks, over 4.8 million square feet of commercial space, and approximately \$89 million of community benefits such as homeowner assistance, workforce development, job training, educational assistance, and contributions to South East Health Center.

In the Shipyard, OCII will focus on affordable housing, street construction and acceptance and parks management. To date, a total of 919 units have been built at Hunters Point Shipyard Phase 1 and Candlestick Point, including the first four phases of a revitalized Alice Griffith public housing development. In FY 2023-2024, OCII will begin construction on three OCII funded affordable housing buildings, Blocks 52/54 and Block 56, which total approximately 185 units. A third-party Community Developer intends to begin construction 224 units on Block 1. OCII will continue to work with Lennar to facilitate the City's acceptance of streets at Hunters Point Shipyard Phase 1.

At Candlestick Point, OCII staff will work with FivePoint and various City departments to facilitate public street acceptance surrounding the Alice Griffith neighborhood. Both Lennar and FivePoint have made significant monetary contributions in accordance with their Community Benefits Agreements. OCII will utilize this funding for contracts with community non-profits to administer scholarships, contractor assistance, and other community development programs.

Year-Over-Year Comparison and Budget Summary

As shown in Exhibit 1, the proposed FY 2023-24 budget of \$717.4 million represents an increase of \$0.1 million from the FY 2022-23 budget of \$717.3 million. Of this amount, \$444.0 million in uses is new budget authority and \$273.4 million is Prior Period Authority carried forward from FY 2022-23. Prior Period Authority is expenditure carried forward from prior fiscal years, including affordable housing loans awarded but not drawn down and multi-year construction budgets.

Changes to current year revenue sources compared to FY 2022-23 are primarily due to an increase in new bonds issued to fund an infrastructure project and affordable housing and due to a refunding bond. This increase is offset by a decrease in Fund Balance Housing that reflects the use of affordable housing bond proceeds from bonds issued in a prior year, a reduction in Property Tax due to a paydown of a loan and spend down of a federal grant, and a decrease in funding for infrastructure reimbursement requests.

Changes to current year uses compared to FY 2022-23 are primarily due to an increase in Other Debt for a refunding bond, offset by a decrease in infrastructure reimbursement requests and continued spending on affordable housing loans.

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Exhibit 1: Proposed FY 2023-24 Budget Compared to FY 2022-23 Budget, *Millions**

	FY 22-23 Budget	FY 23-24 Proposed	YOY Difference
Sources			
Property Tax Increment - TAB Debt Service	\$ 61.1	\$ 65.3	\$ 4.2
Property Tax Increment - Debt Portfolio	\$ 1.1	\$ -	\$ (1.1)
Property Tax Increment - Mission Bay	\$ 40.3	\$ 27.1	\$ (13.2)
Property Tax Increment - HPS2/CP	\$ 1.0	\$ 1.8	\$ 0.9
Property Tax Increment - State Owned TBY	\$ 36.8	\$ 33.7	\$ (3.2)
Property Tax Increment - Other	\$ 7.7	\$ 14.9	\$ 7.2
Property Tax Increment - ACA	\$ 3.9	\$ 3.5	\$ (0.4)
Subtotal Property Tax Increment	\$ 151.8	\$ 146.2	\$ (5.5)
New Bonds - Housing	\$ -	\$ 24.0	\$ 24.0
New Bonds - Infra	\$ 92.1	\$ 103.9	\$ 11.8
Subtotal New Bonds	\$ 92.1	\$ 127.9	\$ 35.8
Developer Payments	\$ 66.8	\$ 22.4	\$ (44.4)
Subtotal Developer Payments	\$ 66.8	\$ 22.4	\$ (44.4)
Rent & Lease Revenue	\$ 0.4	\$ 0.4	\$ (0.0)
Payments from Other Gov Entities	\$ 2.5	\$ 0.4	\$ (2.1)
Hotel Tax	\$ 4.5	\$ 4.7	\$ 0.2
Subtotal Other	\$ 7.4	\$ 5.5	\$ (1.9)
Fund Balance - Housing	\$ 112.8	\$ 75.6	\$ (37.2)
Fund Balance - Non-Housing	\$ 27.2	\$ 66.4	\$ 39.2
Subtotal Fund Balance	\$ 140.0	\$ 142.1	\$ 2.1
Prior Period Authority - Housing	\$ 198.0	\$ 215.6	\$ 17.6
Prior Period Authority - Non-Housing	\$ 61.3	\$ 57.8	\$ (3.4)
Subtotal Prior Period Authority	\$ 259.2	\$ 273.4	\$ 14.2
Total Sources	\$ 717.3	\$ 717.4	\$ 0.1
Uses			
Uses - Operations			
Operational Salaries and Benefits	\$ 9.8	\$ 9.9	\$ 0.2
Affordable Housing Services	\$ 0.8	\$ 1.4	\$ 0.6
Rent	\$ 1.0	\$ 0.9	\$ (0.1)
Retiree Health and Pension Costs	\$ 4.3	\$ 3.5	\$ (0.8)
Auditing & Accounting Services	\$ 0.3	\$ 0.3	\$ -
Legal Services	\$ 1.4	\$ 1.5	\$ 0.1
Planning & Infrastructure Rvw	\$ 5.0	\$ 5.0	\$ 0.0
Real Estate Development Services	\$ 0.0	\$ 0.2	\$ 0.2
Workforce Development Services	\$ 0.1	\$ 0.2	\$ 0.1
Other Professional Services	\$ 10.2	\$ 10.7	\$ 0.5
Grants to Community-Based Organizations	\$ 1.5	\$ 1.5	\$ -
Payments to Other Public Agencies	\$ 0.4	\$ 0.4	\$ -
Other Current Expenses	\$ 1.5	\$ 2.4	\$ 0.9
Subtotal Uses - Operations	\$ 36.2	\$ 37.8	\$ 1.6
Uses - Non-Operations			
Affordable Housing Loans	\$ 162.5	\$ 116.0	\$ (46.5)
Development Infrastructure	\$ 167.5	\$ 146.2	\$ (21.3)
Pass-through to TIPA	\$ 36.8	\$ 33.7	\$ (3.2)
Debt Service - OCII TAB Bonds	\$ 88.0	\$ 95.5	\$ 7.5
Public Art	\$ 1.4	\$ 1.0	\$ (0.4)
Other Debt	\$ 5.7	\$ 52.7	\$ 47.1
Subtotal Uses - Non-Operations	\$ 461.9	\$ 445.2	\$ (16.8)
Prior Period Authority - Housing	\$ 198.0	\$ 215.6	\$ 17.6
Prior Period Authority - Non-Housing	\$ 21.2	\$ 18.9	\$ (2.2)
Subtotal Prior Period Authority	\$ 219.1	\$ 234.5	\$ 15.4
Total Uses	\$ 717.3	\$ 717.4	\$ 0.1

**Dollar amounts will be slightly off due to rounding.*

As shown in Exhibit 2, in FY 2023-24 OCII proposes to expend \$532.2 million, or 74.2 percent of its budget, on direct program spending including \$331.6 million on affordable housing, \$178.5 million on infrastructure and other non-housing activities, \$20.0 million on project management and costs, and \$2.1 million on community development and workforce activities. OCII will fund these activities using primarily PPA, fund balance, and new bonds - infrastructure. Fund balance reflects funds received in a prior year that OCII is budgeting for the first time in FY 2023-24.

Exhibit 2: Proposed FY 2023-24 Budget Programmatic Summary, *Millions**

	Sources	Property Tax	Developer Payments	New Bonds - Housing	New Bonds - Infra	Rent & Lease Revenue	Fund Balance	Prior Period Authority	Other	Total	Percent
Uses											
<u>Direct Program Spending</u>											
Affordable Housing	\$	9.0	\$ 8.0	\$ 24.0	\$ -	\$ -	\$ 75.1	\$ 215.6	\$ -	\$ 331.6	46.2%
Infrastructure & Other Non-Housing	\$	2.2	\$ 8.1	\$ -	\$ 101.0	\$ -	\$ 12.9	\$ 54.3	\$ -	\$ 178.5	24.9%
Project Mgmt & Operations	\$	9.1	\$ 4.6	\$ -	\$ 0.1	\$ -	\$ 5.8	\$ -	\$ 0.4	\$ 20.0	2.8%
Comm Dev & Workforce	\$	-	\$ 1.7	\$ -	\$ -	\$ -	\$ -	\$ 0.4	\$ -	\$ 2.1	0.3%
Direct Programmatic Subtotal	\$	20.2	\$ 22.4	\$ 24.0	\$ 101.1	\$ -	\$ 93.8	\$ 270.3	\$ 0.4	\$ 532.2	74.2%
<u>Indirect Program Spending</u>											
Debt	\$	92.4	\$ -	\$ -	\$ 2.7	\$ -	\$ 48.1	\$ 3.1	\$ 4.7	\$ 151.0	21.1%
TJPA Pass-through	\$	33.7	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33.7	4.7%
Other	\$	-	\$ -	\$ -	\$ -	\$ 0.4	\$ -	\$ -	\$ -	\$ 0.4	0.1%
Indirect Programmatic SubTotal	\$	126.0	\$ -	\$ -	\$ 2.7	\$ 0.4	\$ 48.3	\$ 3.1	\$ 4.7	\$ 185.3	25.8%
Total	\$	146.2	\$ 22.4	\$ 24.0	\$ 103.9	\$ 0.4	\$ 142.1	\$ 273.4	\$ 5.1	\$ 717.4	100.0%
		20.4%	3.1%	3.3%	14.5%	0.1%	19.8%	38.1%	0.7%	100.0%	

**Dollar amounts will be slightly off due to rounding.*

In order to support the delivery of these direct programmatic activities, the Proposed FY 2023-24 Budget includes funding for indirect program expenditures, such as project management and operations, debt, and Transbay Joint Powers Authority (“TJPA”) Pass-through obligation, which is a pass-through of pledged property tax to the TJPA. Exhibit 2 shows a total of \$185.3 million budgeted to these indirect programmatic expenditures, which are primarily supported through property tax.

Exhibit 3 shows the total Proposed FY 2023-24 Budget by Project Area and Cost Center. The column headers describe Operations, Debt, and OCII’s major active projects: Hunters Point Shipyard Phase 1 and Phase 2 / Candlestick Point (“Hunters Point Shipyard / Candlestick Point”) or (“HPS/CP”), Mission Bay North (“MBN”), Mission Bay South (“MBS”), and Transbay (“TBY”). Expenditures unrelated to the major active project areas, Operations, or Debt are rolled up and shown in the Other column. Exhibit 3 integrates the proposed budget for affordable housing into the appropriate project area, according to each project’s location.

Exhibit 3: Proposed FY 2023-24 Budget by Project Area/Cost Center, *Millions**

	Operations	Debt	HPS / CP	MBN	MBS	TBY	Other	Total
Sources								
Property Tax Increment - TAB Debt Service	\$ -	\$ 65.3	\$ -	\$ -	\$ -	\$ -	\$ -	65.3
Property Tax Increment - Debt Portfolio	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Property Tax Increment - Mission Bay	\$ -	\$ 27.1	\$ -	\$ -	\$ -	\$ -	\$ -	27.1
Property Tax Increment - HPS2/CP	\$ -	\$ -	\$ 1.8	\$ -	\$ -	\$ -	\$ -	1.8
Property Tax Increment - State Owned TBY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33.7	\$ -	33.7
Property Tax Increment - Other	\$ 3.5	\$ -	\$ 0.6	\$ -	\$ -	\$ 10.8	\$ -	14.9
Property Tax Increment - ACA	\$ 3.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3.5
Subtotal Property Tax Increment	\$ 7.0	\$ 92.4	\$ 2.5	\$ -	\$ -	\$ 44.4	\$ -	146.2
New Bonds - Housing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24.0	\$ -	24.0
New Bonds - Infra	\$ -	\$ 2.9	\$ -	\$ -	\$ -	\$ 101.0	\$ -	103.9
Subtotal New Bonds	\$ -	\$ 2.9	\$ -	\$ -	\$ -	\$ 125.0	\$ -	127.9
Developer Payments	\$ -	\$ -	\$ 12.2	\$ 0.0	\$ 8.7	\$ 1.4	\$ -	22.4
Subtotal Developer Payments	\$ -	\$ -	\$ 12.2	\$ 0.0	\$ 8.7	\$ 1.4	\$ -	22.4
Rent & Lease Revenue	\$ -	\$ -	\$ 0.4	\$ -	\$ -	\$ -	\$ -	0.4
Payments from Other Gov Entities	\$ 0.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.4
Hotel Tax	\$ -	\$ 4.7	\$ -	\$ -	\$ -	\$ -	\$ -	4.7
Subtotal Other	\$ 0.4	\$ 4.7	\$ 0.4	\$ -	\$ -	\$ -	\$ -	5.5
Fund Balance - Housing	\$ -	\$ -	\$ -	\$ -	\$ 14.6	\$ 61.0	\$ -	75.6
Fund Balance - Non-Housing	\$ 2.6	\$ 48.6	\$ 0.2	\$ 2.0	\$ 7.1	\$ 5.3	\$ 0.6	66.4
Subtotal Fund Balance	\$ 2.6	\$ 48.6	\$ 0.2	\$ 2.0	\$ 21.7	\$ 66.3	\$ 0.6	142.1
Prior Period Authority - Housing	\$ -	\$ -	\$ 100.7	\$ -	\$ 67.3	\$ 47.5	\$ -	215.6
Prior Period Authority - Non-Housing	\$ -	\$ 3.1	\$ 0.4	\$ -	\$ 35.8	\$ 11.9	\$ 6.6	57.8
Subtotal - Prior Period Authority	\$ -	\$ 3.1	\$ 101.2	\$ -	\$ 103.1	\$ 59.4	\$ 6.6	273.4
Total Sources	\$ 10.0	\$ 151.7	\$ 116.5	\$ 2.1	\$ 133.5	\$ 296.6	\$ 7.1	717.4
Uses								
Uses - Operations								
Allocated Staff & Operating Expenses	\$ (10.0)	\$ 0.7	\$ 4.1	\$ 0.1	\$ 2.6	\$ 2.0	\$ 0.6	0.0
Operational Salaries and Benefits	\$ 9.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	9.9
Affordable Housing Services	\$ 1.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1.4
Rent	\$ 0.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.9
Retiree Health and Pension Costs	\$ 3.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3.5
Auditing & Accounting Services	\$ 0.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.3
Legal Services	\$ 0.3	\$ -	\$ 1.1	\$ -	\$ -	\$ 0.0	\$ -	1.5
Planning & Infrastructure Rvw	\$ 0.0	\$ -	\$ 5.0	\$ -	\$ -	\$ -	\$ -	5.0
Real Estate Development Services	\$ -	\$ -	\$ 0.2	\$ -	\$ -	\$ -	\$ -	0.2
Workforce Development Services	\$ 0.1	\$ -	\$ 0.1	\$ -	\$ -	\$ -	\$ -	0.2
Other Professional Services	\$ 1.2	\$ 2.7	\$ 1.6	\$ -	\$ 4.1	\$ 1.1	\$ -	10.7
Grants to Community-Based Organizations	\$ -	\$ -	\$ 1.5	\$ -	\$ -	\$ -	\$ -	1.5
Payments to Other Public Agencies	\$ -	\$ -	\$ 0.4	\$ -	\$ -	\$ -	\$ -	0.4
Other Current Expenses	\$ 2.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2.4
Subtotal Uses - Operations	\$ 10.0	\$ 3.4	\$ 13.9	\$ 0.1	\$ 6.6	\$ 3.1	\$ 0.6	37.8
Uses - Non-Operations								
Affordable Housing Loans	\$ -	\$ -	\$ -	\$ -	\$ 22.1	\$ 93.9	\$ -	116.0
Development Infrastructure	\$ -	\$ -	\$ 1.4	\$ 2.0	\$ 36.5	\$ 106.3	\$ -	146.2
Pass-through to TJPA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33.7	\$ -	33.7
Debt Service - OCII TAB Bonds	\$ -	\$ 95.5	\$ -	\$ -	\$ -	\$ -	\$ -	95.5
Public Art	\$ -	\$ -	\$ -	\$ -	\$ 1.0	\$ -	\$ -	1.0
Other Debt	\$ -	\$ 52.7	\$ -	\$ -	\$ -	\$ -	\$ -	52.7
Subtotal Uses - Non-Operations	\$ -	\$ 148.3	\$ 1.4	\$ 2.0	\$ 59.6	\$ 233.9	\$ -	445.2
Prior Period Authority - Housing	\$ -	\$ -	\$ 100.7	\$ -	\$ 67.3	\$ 47.5	\$ -	215.6
Prior Period Authority - Non-Housing	\$ -	\$ -	\$ 0.4	\$ -	\$ -	\$ 11.9	\$ 6.6	18.9
Subtotal Uses - Prior Period Authority	\$ -	\$ -	\$ 101.2	\$ -	\$ 67.3	\$ 59.5	\$ 6.6	234.5
Total Uses	\$ 10.0	\$ 151.7	\$ 116.5	\$ 2.1	\$ 133.5	\$ 296.6	\$ 7.1	717.4
Sources vs. Uses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

*Dollar amounts will be slightly off due to rounding.

As shown in Exhibit 3, Transbay expenditures are the largest cost center in OCII's budget, reflecting the planned expenditure on designing and constructing Under-ramp and Block 3 parks and the affordable housing loans. Debt is the second largest expenditure area, primarily reflecting planned debt service payments and the refunding of the 2016D bond.

3. Land Use and Infrastructure

OCII's Projects are developed in accordance with land uses approved through a variety of regulatory documents including Redevelopment Plans, design and zoning control documents, as well as phased development applications ("Major Phases" or "Sub Phases"). The design and construction of infrastructure, including streets, utilities, parks and open spaces must be in compliance with applicable City laws and OCII regulatory documents. OCII staff work closely with other City agencies, developers, and a variety of professional consultants to review and ultimately approve the land uses and designs. Below is a summary of the major land use reviews OCII will undertake in FY 2023-24.

FY 2023-24 Land Use Approvals and Planning

Mission Bay

Mission Bay is the most mature of OCII's Projects. The major land use approvals in Mission Bay are complete, along with the majority of the infrastructure. In FY 2020-21 Alexandria Real Estate ("ARE") received entitlements to build a 170,000 square foot office and life science building at 1450 Owens and the Golden State Warriors received entitlements to develop a hotel and residential project. In FY 2023-24, ARE will complete construction of their project. The Golden State Warriors are assessing the current development environment before moving forward with their project. In FY 2023-24, OCII will be working with the San Francisco Arts Commission to create public art in Park P2 with the public art fees paid by various developers pursuant to the Redevelopment Plan requirements. Additionally, OCII will pursue potential actions for additional housing entitlement along with additional entitlements and plan approvals for the expansion of Gladstone Institutes. Gladstone Institutes, a non-profit biomedical research organization, was Mission Bay's first biotech development and completed its 195,000 square foot building in 2004. Gladstone Institutes has approached OCII about obtaining entitlements to expand their existing building with 103,000 square feet of additional lab and research space.

Transbay

Transbay is comparable to an infill style of development, rather than a master developed project on vacant land. As such, the existing infrastructure and streetscape network of downtown primarily supports the developments in the Transbay Project. OCII will utilize an existing contract with a third-party design consultant to finalize schematic designs for Under-ramp Park. As this park will be owned by the TJPA, OCII will seek final design approvals from the TJPA Board of Directors as well as the OCII Commission and utilize an existing contract with SFPW to prepare the project for construction bidding. Predevelopment design work for the Block 3 Park will continue in FY 2023-24. OCII will utilize an existing contract with SFPW to design this park. OCII will disburse existing predevelopment loans and make new construction loans for Blocks 2E and 2W for a total of 335 units of affordable senior and family housing.

Hunters Point Shipyard/Candlestick Point

The Hunters Point Shipyard/Candlestick Point developments are comprised of two distinct projects, Hunters Point Shipyard Phase 1 and Hunters Point Shipyard Phase 2/Candlestick Point. Hunters Point Shipyard Phase 1 is composed of two areas, Hilltop and Hillside. The majority of the infrastructure for the Hilltop portion of Phase 1 is complete. In FY 2023-24, the Developer will continue the public acceptance process of the streets in Hilltop. The Developer will also continue to build out all the infrastructure in Hillside. Development at Hunters Point Shipyard Phase 2 is delayed while the U.S. Navy concludes environmental re-testing of several parcels. The schedule for development at Candlestick Point is to be determined. In FY 2023-24, OCII anticipates receiving specific proposals from FivePoint to re-start development activities in the Candlestick Point subarea.

FY 2023-24 Infrastructure and Non-Housing Completions

There are a number of infrastructure projects in active planning or construction. Two parks as well as a street segment will complete construction in Mission Bay. Exhibit 4 summarizes anticipated infrastructure project completions.

Exhibit 4: FY 2023-24 Infrastructure & Non-Housing Project Completions

	Mission Bay	Transbay	HPS/CP	Total
Parks and Open Space Projects	2	0	0	2

FY 2023-24 Infrastructure Funding

OCII anticipates expending \$178.5 million on infrastructure in FY 2023-24, using the sources shown in Exhibit 5. Of the amount shown in Exhibit 5, OCII will spend \$146.2 million on development infrastructure reimbursements and \$32.3 million on other various support services, including legal services, other professional services, planning and infrastructure review, services contracted in a prior year, and public art.

Exhibit 5: FY 2023-24 Infrastructure & Non-Housing Sources by Uses, *Millions*

	Sources	Bonds	Developer Payments	Property Tax	Fund Balance	Prior Period Authority	Total
Uses							
Development Infrastructure		\$101.0	\$0.0	\$8.0	\$35.8	\$1.4	\$146.2
Legal Services		\$0.0	\$1.2	\$0.0	\$0.0	\$0.0	\$1.2
Other Professional Services		\$0.0	\$2.5	\$0.7	\$3.5	\$0.0	\$6.6
Planning & Infrastructure Rvw		\$0.0	\$5.0	\$0.0	\$0.0	\$0.0	\$5.0
Prior Period Authority - Non-Housing		\$0.0	\$0.0	\$0.1	\$0.0	\$18.4	\$18.5
Public Art		\$0.0	\$0.0	\$0.0	\$1.0	\$0.0	\$1.0
Total		\$101.0	\$8.6	\$2.2	\$12.5	\$54.3	\$178.5

4. Housing Obligations

One of OCII's most important missions is to ensure the completion of the affordable housing obligations throughout Mission Bay North and South, Transbay, and Hunters Point Shipyard/Candlestick Point. Exhibit 6 shows OCII's total housing production obligation of 21,927 units, which represents the full build out of the Projects from inception to completion. This includes market rate units, developer funded inclusionary affordable units, and OCII funded affordable housing units. By the start of FY 2023-24, OCII anticipates that a total of 9,316 housing units will be complete and occupied across the Projects.

Exhibit 6: Total Housing Production, as of July 1, 2023

Project Status	Mission Bay North	Mission Bay South	Transbay	Hunters Point Shipyard Phase 1	Hunters Point Shipyard Phase 2 / Candlestick Point	Total	% of Total
Completed & Occupied	2,964	3,237	2,196	582	337	9,316	42%
In Construction	-	148	-	185	-	333	1.0%
In Predevelopment	-	-	1,016	628	1,263	2,907	14.7%
In Planning	-	186	-	-	1,225	1,411	6.4%
Future Development	-	-	80	33	7,847	7,960	36.3%
Total	2,964	3,571	3,292	1,428	10,672	21,927	100.0%

Of the 21,927 total housing units shown in Exhibit 6, OCII's development agreements require the agency to produce over 7,100 affordable housing units, as shown by Project Area in Exhibit 7.

Exhibit 7: OCII-Funded Retained Affordable Housing Production Obligation, by Project Area

Project Status	Mission Bay North	Mission Bay South	Transbay	Hunters Point Shipyard Phase 1	Hunters Point Shipyard Phase 2 / Candlestick Point	Total	% of Total
Completed & Occupied	698	898	721	102	333	2,752	38.7%
In Construction	-	148	-	191	-	339	4.8%
In Predevelopment	-	-	639	80	397	1,116	15.7%
In Planning	-	164	-	-	386	550	7.7%
Future Development	-	-	79	33	2,247	2,359	33.2%
Total	698	1,210	1,439	406	3,363	7,116	100.0%

Note: Affordable Unit Totals do not include Manager's Units (which are not income restricted).

FY 2023-24 Housing Completions

In FY 2023-24, OCII will complete 148 OCII-funded affordable housing units, 68 Market Rate Units, and 9 Inclusionary Affordable Units. These completions are comprised of 148 units in Mission Bay South and 77 units in Hunters Point Shipyard Phase 1. There are no completions scheduled in OCII-funded affordable, inclusionary affordable, or market rate units in Mission Bay North and Transbay.

Exhibit 8: Housing Production, FY 2023-24 Projected Completions

	Mission Bay South	Hunters Point Shipyard Phase 1	Total
<i>Project</i>	<i>Block 9A</i>	<i>Block 52</i>	
Housing Type			
OCII-Funded Affordable Units	148		148
Inclusionary Affordable Units		9	9
Market Rate Units		68	68
Total Completions	148	77	225

FY 2023-24 Housing Budget

Each fiscal year, OCII funds a significant amount of affordable housing in stand-alone projects which typically serve low or very-low income households (up to 60 percent or 50 percent area median income). The sources of funding for OCII's affordable housing include taxable housing bonds, pay-go tax increment, and developer fees such as job-housing linkage fees. OCII makes direct loans to affordable housing developers in the form of predevelopment and construction loans.

To fulfill its production obligation, OCII anticipates expending \$335.6 million in FY 2023-24, as shown in Exhibit 9. Of this amount, OCII will expend \$17.6 million on new affordable housing loans, \$215.6 million on existing loans, \$98.4 million on additional funding for existing loans, and \$1.7 million on professional services. An additional \$2.3 million is integrated into the proposed budget for Operations shown in Exhibit 2 and Exhibit 9.

Exhibit 9: OCII-Funded Affordable Housing Program, FY 2023-24 Sources by Uses, Millions

	Sources	Developer Payments	Bonds	Property Tax	Fund Balance	Prior Period Authority	Payments from Other Government Agencies	Total
Uses								
Existing Loan		\$0.0	\$0.0	\$0.0	\$0.0	\$215.6	\$0.0	\$215.6
Additional Funding for Existing Loan		\$20.5	\$8.0	\$9.0	\$61.0	\$0.0	\$0.0	\$98.4
New Loan		\$3.5	\$0.0	\$0.0	\$14.1	\$0.0	\$0.0	\$17.6
Professional Services		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.7	\$1.7
Staffing		\$0.0	\$0.0	\$1.7	\$0.6	\$0.0	\$0.0	\$2.3
Total		\$24.0	\$8.0	\$10.7	\$75.6	\$215.6	\$1.7	\$335.6

In FY 2023-24, OCII plans to fund two new loans and continue to manage eight existing loans, including adding funds to three existing loans. These loans will result in construction of housing that serves a wide variety of housing needs, including family rental units, first time homeownership units, and senior and supportive housing units. Exhibit 10 provides a breakdown of OCII-funded affordable housing loans by housing type.

Exhibit 10: OCII-Funded Affordable Housing Loans, Millions

Project	Type	Amount (\$M)	Number of Units
Existing Loans			
CP Block 10a	Predevelopment	\$1.6	156 units
CP Block 11a	Predevelopment	\$1.2	176 units
HPS Block 52/54	Predevelopment & Permanent	\$64.2	112 units
HPS Block 56	Predevelopment & Permanent	\$33.8	73 units
MBS 9	Permanent	\$12.3	141 units
MBS 9A	Permanent	\$55.0	See below
Transbay Block 2 West	Predevelopment and Permanent	\$45.3	See below
Transbay 2 East	Predevelopment	\$2.3	See below
Additional Funds for Existing Loans			
Transbay Block 2 East	Permanent	\$70.7	184 units
Transbay Block 2 West	Additional Permanent	\$19.7	151 units
MBS Block 9A	Additional Permanent	\$8.0	148 units
New Loans			
MBS Block 4E A&B	Predevelopment	\$7.0	442 units
MBS Block 12W A&B	Predevelopment	\$7.0	538 units
Transbay Block 4	Predevelopment	\$3.5	202 units
Total		\$331.6	2,323 units

5. Community and Workforce Development

OCII, as the Successor Agency to the SFRA, has a long history of promoting equal opportunity in contracts for professional design and construction services and in the workforce of contractors performing work on OCII-administered contracts. OCII adopted and continues to actively implement the Equal Opportunity Programs (“EOP”) of the prior SFRA. These programs are comprehensive and mirror ordinances enacted by the City, including nondiscrimination in contracts and benefits, health care accountability, minimum compensation, prevailing wage, local hiring, and small business contracting.

OCII’s EOP program applies to all OCII-administered contracts, including Development and Disposition Agreements, ground leases, and loan agreements, among others. OCII administers the EOP program on all stages of a project, from design through construction.

Since dissolution of the former SFRA in 2012, OCII has overseen the award of over \$5.7 billion in contracts with nearly \$1.8 billion or 31.6 percent credited to small business enterprises (“SBE”). Of this amount, \$973 million has been awarded to San Francisco-based small businesses. Minority and women-owned businesses have also participated in a significant manner with over \$942 million in contracts or nearly 16.7 percent of all awards, reflecting the ethnic and gender diversity of the region. As an economic driver, OCII’s SBE program has benefited over 1,090 local and small businesses since 2012. In FY 2023-24, OCII will continue to promote small business contracting and facilitate economic development.

In addition to small business contracting, OCII has a robust workforce development program to hire local residents. Since 2012, over 49,890 workers (of which 7,401 are San Francisco residents) have performed over 18.3 million construction hours on OCII-administered projects. Local residents performed over 3.5 million hours or 19 percent of the total, garnering \$154.7 million in wages. For FY 2023-24, OCII will continue to implement its local construction hiring program to ensure local residents have employment opportunities on OCII-administered projects.

In support of the mission to build communities through housing and infrastructure, OCII provides direct grants, funded by developers, to fund community benefits programs. In addition, OCII contracts with OEWD to support local hire efforts on OCII-administered projects. In FY 2023-24 OCII will expend a total of \$2.1 million on these Community Development and Workforce activities.

Exhibit 11: Community Development and Workforce Sources by Uses, *Millions*

	Sources	Developer Payments	Prior Period Authority	Total
Uses				
Grants to Community Based Organizations		\$1.7	\$0.4	\$2.1
Total		\$1.7	\$0.4	\$2.1

6. Other Significant Initiatives

OCII plans to implement a number of significant initiatives that are critical to supporting its core mission of providing affordable housing, building infrastructure, supporting community and workforce development, and meeting dissolution obligations.

OCII continues its dissolution obligations, including implementation of the approved Long Range Property Management Plan (“LRPMP”), and disbursing remaining funds in existing agreements.

7. Debt

OCII's debt portfolio contains pre-Dissolution bonds issued by the former San Francisco Redevelopment Agency to fund enforceable obligations of the former Agency, bonds issued by OCII to fund affordable housing obligations and public infrastructure, and refunding bonds, issued by both the former Redevelopment Agency and OCII, to reduce debt service on outstanding debt. The outstanding principal balance on OCII's bonds was \$911.3 million, as of August 31, 2022.

Of this amount, \$757.3 million is Tax Allocation Bonds (TABs) secured by property taxes generated in the redevelopment project area and \$12.5 million is Hotel Occupancy Tax Revenue Refunding Bonds secured by hotel occupancy tax revenues. This outstanding debt represents a fixed long-term liability for OCII that is reduced each year by semi-annual debt service payments of principal and interest. The annual cost of OCII's debt portfolio is demonstrated by OCII's annual debt service.

Exhibit 12: Outstanding Debt, as of August 31, 2022

Issue Name	Trustee	Final Maturity Date	Original Par	Outstanding Principal as of 8/31/2022
1998 Series C Tax Allocation Revenue Refunding Bonds (San Francisco Redevelopment Projects)	BNY	8/1/2024	\$ 12,915,026	\$ 1,072,519
1998 Series D Tax Allocation Revenue Refunding Bonds (San Francisco Redevelopment Projects)	BNY	8/1/2024	\$ 21,034,002	\$ 6,766,855
2006 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)	BNY	8/1/2036	\$ 50,731,331	\$ 20,781,443
2007 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)	BNY	8/1/2037	\$ 118,285,000	\$ 92,295,000
2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)	US Bank	8/1/2039	\$ 72,565,000	\$ 55,820,000
2014 Series A Tax Allocation Bonds (Mission Bay South Redevelopment Project)	US Bank	8/1/2043	\$ 56,245,000	\$ 49,680,000
2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	US Bank	8/1/2035	\$ 67,955,000	\$ 19,425,000
2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	US Bank	8/1/2029	\$ 75,945,000	\$ 2,795,000
2016 Series A Tax Allocation Refunding Bonds (Mission Bay North Redevelopment Project)	US Bank	8/1/2041	\$ 73,890,000	\$ 64,940,000
2016 Series B Tax Allocation Bonds (Mission Bay South Redevelopment Project)	US Bank	8/1/2043	\$ 45,000,000	\$ 39,285,000
2016 Series C Tax Allocation Refunding Bonds (Mission Bay South Redevelopment Project)	US Bank	8/1/2041	\$ 73,230,000	\$ 63,725,000
2016 Series D Subordinate Tax Allocation Bonds (Mission Bay South Redevelopment Project)	US Bank	8/2/2043	\$ 74,651,825	\$ 54,231,085
2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects)	US Bank	8/1/2044	\$ 89,765,000	\$ 24,500,000
2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)	US Bank	8/1/2046	\$ 19,850,000	\$ 19,850,000
2017 Series C Taxable Subordinate Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects)	US Bank	8/1/2043	\$ 43,400,000	\$ 31,245,000
2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	US Bank	8/1/2041	\$ 116,665,000	\$ 65,770,000
2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	US Bank	8/1/2041	\$ 19,745,000	\$ 17,645,000
2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)	US Bank	8/1/2032	\$ 127,210,000	\$ 127,210,000
Subtotal			\$ 1,159,082,184	\$ 757,036,902
Former Agency Revenue Bonds				
Hotel Occupancy Tax Revenue Refunding Bonds Series 2011		6/1/2024	\$ 43,780,000	\$ 12,540,000
Subtotal			\$ 43,780,000	\$ 12,540,000
Special Tax Bonds				
Community Facilities District No. 6 (Mission Bay South Public Improvements) Special Tax Bonds, Series 2005A Parity-South	Wells Fargo	8/1/2035	\$ 15,160,000	\$ 13,145,000
Community Facilities District No. 6 (Mission Bay South Public Improvements) Special Tax Bonds, Series 2005B Parity-South	Wells Fargo	8/1/2034	\$ 5,708,939	\$ 3,771,260
Community Facilities District No. 6 (Mission Bay South Public Improvements) Special Tax Refunding Bonds, Series 2013A Parity-South	Wells Fargo	8/1/2033	\$ 81,775,000	\$ 60,950,000
Community Facilities District No. 6 (Mission Bay South Public Improvements) Special Tax Bonds, Series 2013B Parity-South	Wells Fargo	8/1/2033	\$ 19,635,000	\$ 12,095,000
Community Facilities District No. 6 (Mission Bay South Public Improvements) Special Tax Bonds, Series 2013C Parity-South	Wells Fargo	8/1/2043	\$ 21,601,256	\$ 21,601,256
Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) Special Tax Refunding Bonds, Series 2014	BNY	8/1/2044	\$ 36,445,000	\$ 30,155,000
Subtotal			\$ 180,325,195	\$ 141,717,516
Total			\$ 1,383,187,379	\$ 911,294,418

Exhibit 13 shows OCII's credit ratings, which are credit agencies' assessment of the creditworthiness of the revenues supporting OCII's bonds.

Exhibit 13: Credit Ratings

Credit	Rating	Rating Agency	Date of Last Rating
Tax Allocation Bonds			
RPTTF Senior/Cross Collateralized	AA	Standard & Poor's	11/18/2021
RPTTF Senior/Cross Collateralized	Aa3	Moody's	6/2/2022
RPTTF Subordinate	AA-	Standard & Poor's	9/20/2022
RPTTF Third Lien/"SB 107"	A	Standard & Poor's	1/26/2022
Mission Bay North Infrastructure	A	Standard & Poor's	4/27/2022
Mission Bay South Infrastructure	A-	Standard & Poor's	4/27/2022
Mission Bay North and South Housing	A	Standard & Poor's	4/27/2022
Other			
Hotel Occupancy Tax Revenue	A1	Moody's	6/2/2022
Hotel Occupancy Tax Revenue	AA	Standard & Poor's	4/7/2022

In FY23-24, OCII anticipates expending \$151.0 million on its debt program. The largest expenditure will be for debt service on existing and new tax allocation bonds ("TABs"), which are bonds issued against property tax revenues and are OCII's primary debt instrument. OCII plans to issue two new debt issuances and one refunding debt issuance with a total principal of \$129.0 million.

The second largest expenditure will be on partially defeasing and fully refunding the tax-exempt 2016D bonds, which were issued to fund infrastructure constructed in Mission Bay. OCII's third largest expenditure will be debt service on OCII's other or non-TAB debt, including hotel bonds and cost of issuance for two planned new money bond issuance and the 2016D refunding. OCII will also monitor its tax allocation bond portfolio to determine if market conditions favor refunding additional bonds. As per OCII's debt policy, refunding bonds must achieve at least three percent net present value debt service savings. Exhibit 14 details these expenditures by sources and uses.

Exhibit 14: FY 2023-24 Debt Program, Sources by Uses, *Millions*

	Sources	Bonds	Other	Property Tax	Fund Balance	Prior Period Authority	Total
Uses							
Debt Service - OCII TAB Bonds		\$0.0	\$0.0	\$92.4	\$0.0	\$3.1	\$95.5
Other Debt		\$0.0	\$4.7	\$0.0	\$48.1	\$0.0	\$52.7
Other Professional Services		\$2.7	\$0.0	\$0.0	\$0.0	\$0.0	\$2.7
Total		\$2.7	\$4.7	\$92.4	\$48.1	\$3.1	\$151.0

California Redevelopment Dissolution Law imposes limitations on the debt OCII can issue. OCII issues debt to finance the construction of affordable housing or infrastructure required by specified agreements or to refund outstanding debt.

8. Operations Budget

In FY 2023-24, OCII will expend \$20.0 million to fund its operational costs, which is \$1.3 million or 6.9 percent more than FY 2022-23. This increase is due to the Cost of Living Adjustments and increase in work orders with city departments. The increase is offset by reductions in OCII's retiree health and pension expenditures, which are the result of strategic prior year payments made to reduce the long-term obligation to lower annual payments.

Specifically, OCII will expend \$9.9 million on salaries and benefits, which reflects labor costs for 55 Full-Time Equivalent staff, the same number of staff as FY 2022-23. OCII will expend the remaining \$6.6 million on non-labor expenses such as services from City departments, consulting services for legal and other professional services, insurance, materials and supplies, employee training, and software licensing fees. In addition to staffing and non-labor expenses, OCII will expend \$3.5 million on its retirement obligations, which are retiree health and pension.

Exhibit 15 details the sources and uses for OCII's operations. OCII will fund the majority of its operating costs with property tax and other funds, which includes developer fees. Bond proceeds will fund staff time required to issue bonds.

Exhibit 15: FY 2023-24 Operations, Sources by Uses, *Millions*

Operations	FY 2022-23 Budget (\$M)	FY 2023-24 Proposed (\$M)	Change (\$M)
Sources			
Bond Proceeds	\$0.1	\$0.1	\$0.0
Reserve Funds	\$1.0	\$0.6	(\$0.4)
Other Funds	\$6.5	\$10.2	\$3.7
Property Tax	\$11.1	\$9.1	(\$2.0)
Total	\$18.7	\$20.3	\$1.3
Uses			
Salaries and Benefits	\$9.4	\$9.9	\$0.5
Non-Labor	\$5.0	\$6.6	\$1.6
Retiree Health and Pension	\$4.3	\$3.5	(\$0.8)
Total	\$18.7	\$20.0	\$1.3

Exhibit 16 provides details on the non-labor uses in the FY 2023-24 budget.

Exhibit 16: FY 2023-24 Non-Labor Uses

Use	Amount (\$M)
Work Orders with City Departments	\$3.1
Other Current Expenses	\$1.3
Professional Services	\$0.8
Insurance	\$0.6
Software and Information Technology	\$0.6
Legal Services	\$0.2
Total	\$6.6

The operational work performed via work orders with City departments is detailed in Exhibit 17.

Exhibit 17: FY 2023-24 Operational Work Orders with City Departments, *Millions*

Department	Service	Amount (\$M)
Mayor's Office of Housing (MOH)	Affordable Housing Services	\$1.5
Office of City Administrator (ADM)	Rent, Mail, OLSE	\$0.9
Controller	Accounting and Audit Services	\$0.3
Department of Technology	IT Services	\$0.2
Office of Economic and Workforce Development	Contract Compliance Support	\$124k
City Attorney	Legal Services	\$50k
Treasurer Tax Collector	Investment Management	\$30k
Planning Department	Planning Review	\$26k
Total		\$3.1

Other items of note in the non-labor budget include:

- **Affordable Housing Services:** The proposed FY 2023-24 budget includes \$1.5 million for affordable housing services provided by the Mayor's Office of Housing and Community Development.
- **Legal Services Related to OCII's General Operations:** The proposed FY 2023-24 Operations budget includes \$0.2 million for legal services. Legal costs specific to projects are embedded into the project budgets.
- **Other Professional Services:** The proposed FY 2023-24 budget includes \$0.8 million for professional services including:
 - \$0.3 million for affordable housing professional services;
 - \$0.2 million for bond and risk management professional services;
 - \$0.1 million for professional services related to asset management;
 - \$0.1 million for general professional services; and

- \$0.1 million for public communications support, including website design.
- **Other Current Expenses:** The proposed FY 2023-24 budget includes \$1.3 million for other current expenses:
 - \$0.6 million for the vacation cash out policy in recently approved labor agreements, which accelerates an existing liability that is due upon employment separation, but does not increase the amount of the liability;
 - \$0.3 million for facilities improvements, materials and supplies, off-site records storage, and mail and reproduction;
 - \$0.4 million for recruitment, employee training, temporary salaries, and field expenses; and
 - \$0.1 million for Commission and Oversight Board meeting expenses, including audiovisual recording of Commission meetings by SFGOV TV.

9. Budgeted Positions

The proposed FY 2023-24 budget contains 55 Full Time Equivalent (“FTE”s).

Exhibit 18: FY 2023-24 Budgeted Positions

Title	Class	Prior Year FTE	Current Year FTE	YOY Difference
Executive Director	500	1	1	0
General Counsel	520	1	1	0
Deputy General Counsel	525	1	1	0
Development Svcs Manager	535	1	1	0
Housing Program Manager	540	1	1	0
HPS Sr. Project Manager	550	1	1	0
Contract Compl. Supervisor	585	1	1	0
Project Manager	590	3	3	0
Senior Development Specialist	595	4	4	0
Development Specialist	615	8	8	0
Sr. Financial Analyst	630	1	1	0
Contract Compl. Sp. II	640	2	2	0
Senior Planner	655	1	1	0
Financial Systems Accountant	670	1	1	0
Accountant III	695	1	1	0
Assistant Development Specialist	705	2	2	0
Senior Programmer Analyst - A	720	1	1	0
Associate Planner	730	2	2	0
Administrative Secretary - A	810	1	1	0
Record Specialist II - A	855	1	1	0
Senior Office Assistant - A	860	1	1	0
Staff Associate II	915	1	1	0
Staff Associate IV	921	1	1	0
Staff Associate V - A	930	1	1	0
Human Resources Manager	965	1	1	0
Asst. Project Manager	990	2	2	0
Commission Secretary	995	1	1	0
EA to Executive Director	1000	1	1	0
Senior Engineer	1010	1	1	0
Contract and Fiscal Services Manager (Z)	1015	1	1	0
Housing Construction Specialist	1025	1	1	0
Mgmt. Assistant II	1035	2	2	0
Accountant II	1035	1	1	0
Deputy Director	1060	2	2	0
Contract Compl. Sp. III	1065	1	1	0
Accountant IV	1100	1	1	0
Principal Personnel Analyst	1110	1	1	0
TOTAL		55	55	0



Gavin Newsom ■ Governor

915 L Street ■ Sacramento CA ■ 95814-3706 ■ www.dof.ca.gov

Transmitted via email

April 13, 2023

Rosa Torres, Deputy Director of Finance and Administration
City and County of San Francisco
One South Van Ness Avenue, Fifth Floor
San Francisco, CA 94103

Determination of Oversight Board Action

The City and County of San Francisco Successor Agency (Agency) notified the California Department of Finance (Finance) of its April 7, 2023 Oversight Board (OB) Resolution on April 7, 2023. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 03-2023 (Resolution), approving the issuance of tax allocation bonds by the Agency, is partially approved.

The Agency plans to issue 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (2023A Bonds) in the aggregate amount not to exceed \$30 million and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (2023B Bonds) in the aggregate amount not to exceed \$45 million. Finance's approval is based on its understanding that the 2023A and 2023B Bonds are being issued solely to finance projects permitted under HSC section 34177.7 (a) (1) and that such bonds will meet the requirements outlined in HSC section 34177.7.

However, section (c) of the Resolution states the Agency is entitled to receive its full administrative cost allowance under HSC section 34183 (a) (3) without any deductions with respect to continuing post-issuance compliance and administration costs related to the 2023 bonds. While all costs related to the issuance can be paid separately pursuant to HSC section 34177.7 (f), any administrative cost post-issuance must be placed on a subsequent Recognized Obligation Payment Schedule, subject to Finance's review, to determine if the costs should be paid out of the administrative cost allowance or whether the costs are separate enforceable obligations. To the extent this section seeks to have ongoing administrative costs of bonds be paid in addition to regular administrative costs, such action is denied.

This is our determination with respect to the OB action taken.

Rosa Torres
April 13, 2023
Page 2

Please direct inquiries to Zuber Tejani, Supervisor, or Veronica Zalvidea, Staff, at (916) 322-2985.

Sincerely,


for JENNIFER WHITAKER
Program Budget Manager

cc: Thor Kaslofsky, Executive Director, Office of Community Investment and
Infrastructure, City and County of San Francisco
James Whitaker, Property Tax Manager, San Francisco County
Anna Van Degna, Countywide Oversight Board Representative

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST 22, 2023

NEW ISSUE
BOOK-ENTRY ONLY



Underlying Rating: Standard & Poor's: "A"
Insured Rating for Insured Bonds: Standard & Poor's: "AA"
(See "RATINGS" herein)

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject however to certain qualifications described herein, under existing law, the interest on the 2023 Series B Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Series B Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, interest on the 2023A/B Bonds is exempt from California personal income taxes. Bond Counsel observes that the interest on the 2023 Series A Taxable Bonds is not intended to be excluded from federal income taxation. See "TAX MATTERS" herein.

\$24,500,000*

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)**

\$35,675,000*

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)**

Dated: Date of Delivery

Due: August 1, as shown on the inside front cover

This cover page contains information for quick reference only. It is *not* intended to be a complete summary of all factors relevant to an investment in the 2023A/B Bonds. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023 Series A Taxable Bonds") and the 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023 Series B Bonds" and, together with the 2023 Series A Taxable Bonds, the "2023A/B Bonds," and individually, each a "Series") are being issued by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") pursuant to an Indenture of Trust, dated as of March 1, 2017 (the "Original Indenture"), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the "Trustee"), as amended and supplemented prior to the date hereof, and as further amended and supplemented by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the "Second Supplement" and, the Original Indenture, as so amended and supplemented, the "Indenture"), by and between the Successor Agency and the Trustee.

Interest on the 2023A/B Bonds will be payable on February 1 and August 1 of each year, commencing February 1, 2024. Principal of the 2023A/B Bonds will be payable on the dates and in the respective principal amounts set forth on the inside cover page.

The scheduled payment of principal of and interest on the 2023 Series A Taxable Bonds maturing on August 1 of the years _____, _____ and _____ (the "2023A Insured Bonds") and the scheduled payment of principal of and interest on the 2023 Series B Bonds maturing on August 1 of the years _____, _____ and _____ (the "2023B Insured Bonds") and, together with the 2023A Insured Bonds, the "Insured Bonds", when due will be guaranteed under an insurance policy (the "Insurance Policy") to be issued concurrently with the delivery of the 2023A/B Bonds by ASSURED GUARANTY MUNICIPAL CORP. No 2023A/B Bonds other than the Insured Bonds will be insured by the Insurance Policy. See "BOND INSURANCE."



The 2023A/B Bonds of each Series will be issued in book-entry form, without coupons, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the 2023A/B Bonds. Beneficial ownership interests in the 2023A/B Bonds may initially be purchased, in denominations of \$5,000 or any integral multiple thereof, in book-entry only form as described herein. So long as Cede & Co. is the registered owner of the 2023A/B Bonds, payments of principal and interest will be made to Cede & Co., as nominee for DTC. DTC is required in turn to remit such payments to DTC Participants for subsequent disbursements to Beneficial Owners. Disbursement of such payments to DTC Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Direct Participants and Indirect Participants as more fully described herein. See APPENDIX F – "DTC AND THE BOOK-ENTRY ONLY SYSTEM."

The 2023A/B Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein.* See "THE 2023A/B BONDS – Redemption Provisions."

The 2023 Series A Taxable Bonds are being issued for the purpose of providing funds to (i) finance certain affordable housing, as described herein under "PLAN OF FINANCE," (ii) pay the premium for a municipal bond debt service reserve insurance policy from AGM to satisfy the 2023 Series A Taxable Bonds' reserve requirement, and (iii) pay costs associated with the issuance of the 2023 Series A Taxable Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023A Insured Bonds.

The 2023 Series B Bonds are being issued for the purpose of providing funds to (i) finance certain infrastructure, as described herein under "PLAN OF FINANCE," (ii) pay the premium for a municipal bond debt service reserve insurance policy from AGM to satisfy the 2023 Series B Bonds' reserve requirement, and (iii) pay costs associated with the issuance of the 2023 Series B Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023B Insured Bonds.

The 2023A/B Bonds are payable from and secured solely by Pledged Tax Revenues (defined herein) and moneys held in certain funds and accounts by the Trustee under the Indenture on parity with the outstanding 2017A/B Bonds (defined herein) and 2021A Bonds (defined herein). See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations." No funds or properties of the Successor Agency, other than the Pledged Tax Revenues and certain other amounts held under the Indenture, are pledged to secure the 2023A/B Bonds, the 2017A/B Bonds or the 2021A Bonds. Pledged Tax Revenues generally consist of tax increment revenues generated within the Project Areas remaining after the payment of the City Controller Administration Fee, the Existing Senior Loan Agreements, and the Second Lien Debt (as such terms are defined herein) and, accordingly, the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds is subordinate to payments due on such obligations as described under "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Security for the 2023A/B Bonds; Equal Security" and "– Senior Obligations." The Successor Agency has covenanted that it will not issue additional debt payable from the Pledged Tax Revenues on a basis senior to the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds, except for the purpose of refunding the Existing Senior Loan Agreements and the Second Lien Debt. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness."

The 2023A/B Bonds are limited obligations of the Successor Agency, the principal of, and premium, if any, and interest on which are payable solely from Pledged Tax Revenues and certain other amounts on deposit in the funds and accounts held under the Indenture. The 2023A/B Bonds are not a debt of the City and County of San Francisco (the "City"), the State of California (the "State") or any of their political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable therefor. The 2023A/B Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Successor Agency has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the 2023A/B Bonds. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power.

MATURITY SCHEDULES
(see inside cover)

The 2023A/B Bonds are offered when, as and if issued, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, and certain other conditions. Alexis S. M. Chiu, Esq., San Francisco, California, is acting as Disclosure Counsel to the Successor Agency. Certain legal matters will be passed on for the Successor Agency by its General Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. It is anticipated that the 2023A/B Bonds will be delivered to the Underwriters through the facilities of DTC in New York, New York on or about September 14, 2023.

STIFEL

Backstrom McCarley Berry & Co., LLC

Dated: _____, 2023

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

MATURITY SCHEDULES*

\$24,500,000*

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)**

\$ _____ * Serial Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u> \$	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.</u> <u>(Base: 79770G)†</u>
--------------------------------------	--	--------------------------------	--------------	--------------	--

\$ _____ * ____% Term Bonds due August 1, ____, Yield ____%, Price ____, CUSIP No.† 79770G ____

\$35,675,000*

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)**

\$ _____ * Serial Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount*</u> \$	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.</u> <u>(Base: 79770G)†</u>
--------------------------------------	--	--------------------------------	--------------	--------------	--

\$ _____ * ____% Term Bonds due August 1, ____, Yield ____%, Price ____, CUSIP No.† 79770G ____

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. CUSIP data are not intended to create a database and do not serve in any way as a substitute for the CGS database and are included solely for convenience. None of the Successor Agency, the Underwriters or their agents or counsel assumes any responsibility for the accuracy or correctness of the CUSIP data.

Pledged Project Areas

- Western Addition Project Area A-2
- Embarcadero-Lower Market ("Golden Gateway") Project Area
- Rincon Point - South Beach Project Area
- Transbay Project Area
- Yerba Buena Center Approved Project Area D-1
- South Of Market Project Area
- Bayview Hunters Point Project Area - Zone 2 of Project Area B
- Hunters Pt. Hill Residential Dist. (Hunters Pt. Shipyard Project Area)
- India Basin Industrial Park Project Area
- Bayview Hunters Point Project Area - Project Area A

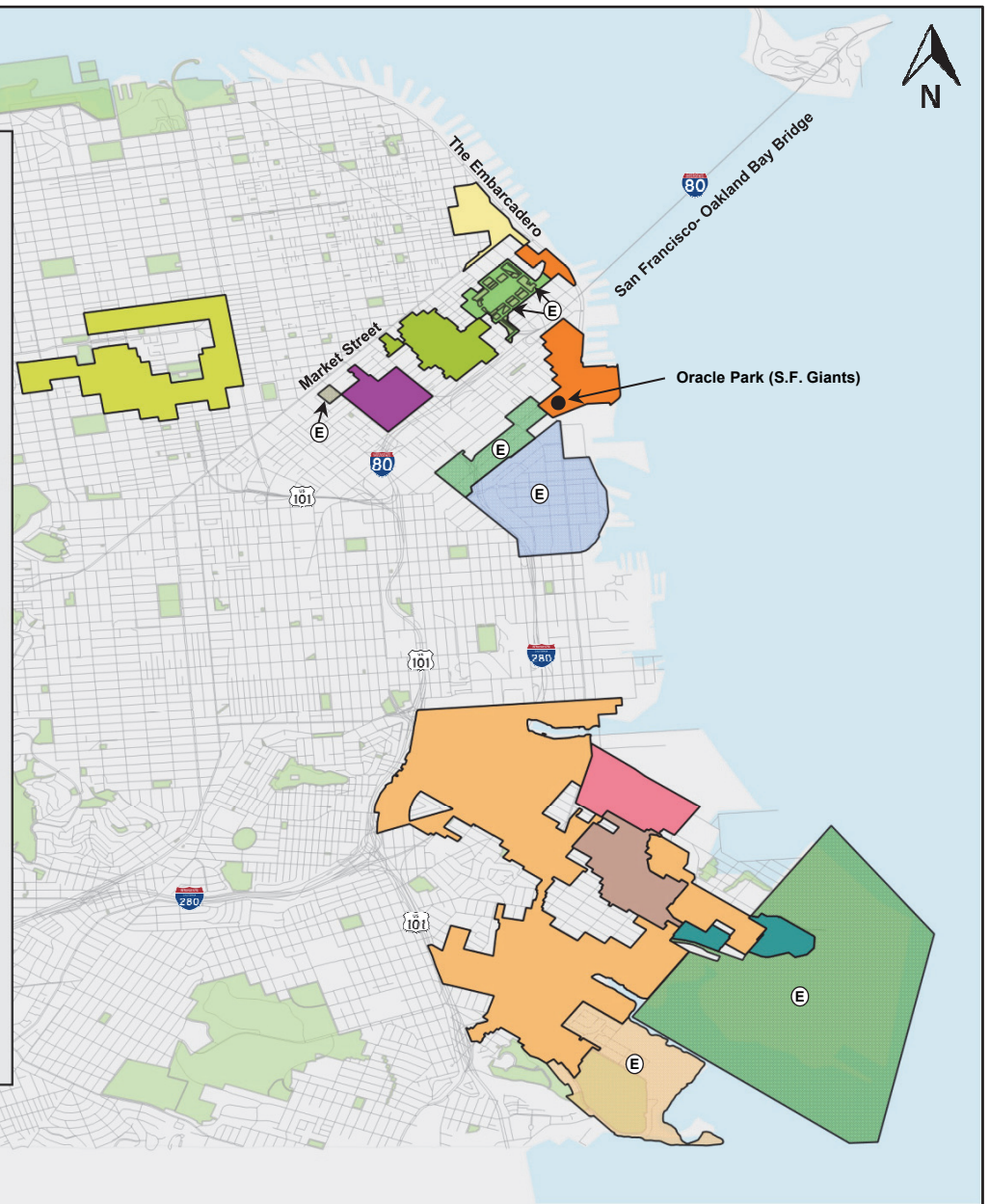
Excluded Sub-Areas

- (E) State-Owned Parcels of the Transbay Project Area
- (E) Zone 1 - Candlestick Pt. Site of the Bayview Hunters Pt. Proj. Area B

Excluded Project Areas

- (E) Mission Bay North Project Area
- (E) Mission Bay South Project Area
- (E) Federal Office Building Project Area
- (E) Hunters Pt. Shipyard Proj. Area (Other Than Hunters Pt. Hill Residential Dist.)

(E) - Represents "Excluded" Sub-Areas or "Excluded" Project Areas.



**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO**

Commission Members

Bivett Brackett, *Chair*
Alex Ludlum, *Vice Chair*
Vanessa Ross Aquino
Tamsen Drew
Dr. Carolyn Ransom-Scott

Successor Agency Staff

Thor Kaslofsky, *Executive Director*
Rosa Torres, *Deputy Director of Finance and Administration*
James Morales, *Deputy Director and General Counsel*
Vacant, *Deputy Director, Projects and Programs*

CITY AND COUNTY OF SAN FRANCISCO

London Breed, *Mayor*

David Chiu, *City Attorney*
Benjamin Rosenfield, *Controller*
José Cisneros, *Treasurer*

BOARD OF SUPERVISORS

Aaron Peskin, <i>Board President, District 3</i>	
Connie Chan, <i>District 1</i>	Myrna Melgar, <i>District 7</i>
Catherine Stefani, <i>District 2</i>	Rafael Mandelman, <i>District 8</i>
Joel Engardio, <i>District 4</i>	Hillary Ronen, <i>District 9</i>
Dean Preston, <i>District 5</i>	Shamann Walton, <i>District 10</i>
Matt Dorsey, <i>District 6</i>	Ahsha Safai, <i>District 11</i>

SPECIAL SERVICES

Bond Counsel

Jones Hall, A Professional Law Corporation
San Francisco, California

Disclosure Counsel

Alexis S. M. Chiu, Esq.
San Francisco, California

Municipal Advisor

PFM California Advisors LLC
San Francisco, California

Fiscal Consultant

Urban Analytics LLC
San Francisco, California

Trustee

U.S. Bank Trust Company, National Association
San Francisco, California

No dealer, broker, salesperson or other person has been authorized by the Successor Agency or the City to give any information or to make any representations in connection with the offer or sale of the 2023A/B Bonds other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2023A/B Bonds by any person, in any jurisdiction where such offer, solicitation or sale would be unlawful. This Official Statement is not to be construed as a contract with the purchasers of the 2023A/B Bonds.

The information set forth herein has been obtained from sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Successor Agency. Neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the Successor Agency since the date hereof. The information and expressions of opinion stated herein are subject to change without notice.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking” statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” “assumes” and analogous expressions. The achievement of certain results or other expectations contained in such forward-looking statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. No assurance is given that actual results will meet the forecasts of the Successor Agency in any way, regardless of the optimism communicated in the information, and such statements speak only as of the date of this Official Statement. The Successor Agency disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the expectations of the Successor Agency with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

All summaries of the Indenture (as defined herein) and of statutes and other documents referred to herein do not purport to be comprehensive or definitive and are qualified in their entirety by reference to each such statute and document. This Official Statement, including any amendment or supplement hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (EMMA) website.

The Successor Agency and the City maintain websites. However, the information presented therein is not a part of this Official Statement and must not be relied upon in making an investment decision with respect to the 2023A/B Bonds.

The issuance and sale of the 2023A/B Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2023A/B BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Assured Guaranty Municipal Corp. (“**AGM**”) makes no representation regarding the 2023A/B Bonds or the advisability of investing in the 2023A/B Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE” and APPENDIX G – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

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OFFICIAL STATEMENT

\$24,500,000*
**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**
**2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)**

\$35,675,000*
**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**
**2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)**

INTRODUCTION

This introduction contains only a brief summary of certain of the terms of the 2023A/B Bonds being offered, and a full review should be made of the entire Official Statement including the cover page, the table of contents and the appendices for a more complete description of the terms of the 2023A/B Bonds. All statements contained in this introduction are qualified in their entirety by reference to the entire Official Statement. References to, and summaries of provisions of, any other documents referred to herein do not purport to be complete, and such references are qualified in their entirety by reference to the complete provisions of such documents. Capitalized terms used in this Official Statement and not defined herein shall have the meanings assigned to them in APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” or, if not defined therein, then in the Indenture (defined herein).

Authority and Purpose

The purpose of this Official Statement, which includes the cover page, table of contents and appendices hereto (collectively, the “**Official Statement**”), is to provide certain information in connection with the offering by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “**Successor Agency**”) of its \$24,500,000* aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “**2023 Series A Taxable Bonds**”) and its \$35,675,000* aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “**2023 Series B Bonds**” and, together with the 2023 Series A Taxable Bonds, the “**2023A/B Bonds**” and individually, each a “**Series**”), for the purposes described herein. The 2023A/B Bonds are being issued in accordance with a resolution of the Successor Agency adopted on March 21, 2023 (the “**Resolution**”), and an Indenture of Trust, dated as of March 1, 2017 (the “**Original Indenture**”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the “**Trustee**”), as amended and supplemented by a First Supplement to Indenture of Trust dated as of December 1, 2021, and as further amended and supplemented by a Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the “**Second Supplement**” and, the Original Indenture, as so amended and supplemented, the “**Indenture**”), by and between the Successor Agency and the Trustee, and, as applicable, pursuant to authority contained in the Redevelopment Law (defined herein) and Sections 34177.7(a)(1)(A) and (B) of the Redevelopment Dissolution Act (defined herein). See “– The Successor Agency.”

The 2023 Series A Taxable Bonds are being issued for the purpose of providing funds to: (i) finance a portion of its Affordable Housing Obligations (defined herein), consisting of certain affordable housing

* Preliminary, subject to change.

as described herein under “PLAN OF FINANCE;” (ii) pay the premium for a municipal bond debt service reserve insurance policy (the “**2023A Reserve Policy**”) from Assured Guaranty Municipal Corp. (“**AGM**”) to satisfy the 2023 Series A Taxable Bonds’ reserve requirement; and (iii) pay costs associated with the issuance of the 2023 Series A Taxable Bonds, including the portion of the premium for the Insurance Policy (defined herein) allocable to the 2023A Insured Bonds (defined herein). See “– Reserve Account,” “– Bond Insurance,” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The 2023 Series B Bonds are being issued for the purpose of providing funds to: (i) finance a portion of the infrastructure required by the Transbay Redevelopment Project Implementation Agreement, dated as of January 20, 2005 (as amended from time to time, the “**Transbay Implementation Agreement**”), between the former Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”), as succeeded by the Successor Agency, and the Transbay Joint Powers Authority (“**TJPA**”), as further described herein under “PLAN OF FINANCE;” (ii) pay the premium for a municipal bond debt service reserve insurance policy (the “**2023B Reserve Policy**” and, together with the 2023A Reserve Policy, the “**Reserve Policies**,” and each, a “**Reserve Policy**”) from AGM to satisfy the 2023 Series B Bonds’ reserve requirement; and (iii) pay costs associated with the issuance of the 2023 Series B Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023B Insured Bonds (defined herein). See “– The Successor Agency,” “– Reserve Account” and “– Bond Insurance,” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The City and County of San Francisco

The City and County of San Francisco (the “**City**”) is the economic and cultural center of the San Francisco Bay Area and northern California. The corporate limits of the City encompass over 93 square miles, of which 49 square miles are land, with the balance consisting of tidelands and a portion of the San Francisco Bay. The City is located at the northern tip of the San Francisco Peninsula, bounded by the Pacific Ocean to the west, the San Francisco Bay to the east, the entrance to the San Francisco Bay and the Golden Gate Bridge to the north, and San Mateo County to the south. Silicon Valley is about 45 miles to the south, and the wine country is about 65 miles to the north. According to the U.S. Census Bureau, the population in the City in 2010 was 805,235 and in 2020 was 873,965. The California Department of Finance Demographic Research Unit estimated the City’s population at 831,703 as of January 1, 2023.

The 2023A/B Bonds are not a debt of the City and the General Fund of the City is not liable for the payment of the principal of, or premium, if any, or interest on, the 2023A/B Bonds. Neither the credit nor the taxing power of the City is pledged to the payment of the principal of, premium, if any, or interest on the 2023A/B Bonds. The 2023A/B Bonds are not secured by a legal or equitable pledge of, or charge, lien, or encumbrance upon, any of the property of the City.

The Successor Agency

As described below, the Successor Agency is the successor to the former Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”). The Former Agency was organized by the Board of Supervisors of the City (the “**Board of Supervisors**”) in 1948, to exercise the powers granted by the California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) (as amended, the “**Redevelopment Law**”).

As a result of Assembly Bill No. X1 26 (“**AB 26**”) enacted on June 29, 2011, as Chapter 5, Statutes of 2011-12 First Extraordinary Session, and the decision of the State Supreme Court in *California Redevelopment Association, et al. v. Matosantos, et al.* (the “**California Redevelopment Association Case**”), as of February 1, 2012, all redevelopment agencies in the State of California (the “**State**”), including the Former Agency, were dissolved, and successor agencies were designated as successor entities

to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies. The California legislature has amended AB 26 several times, including on June 27, 2012 by Assembly Bill No. 1484 (“**AB 1484**”), enacted as Chapter 26, Statutes of 2012, and on September 22, 2015 by Senate Bill No. 107 (“**SB 107**”), enacted as Chapter 325, Statutes of 2015.

The primary provisions enacted by AB 26 relating to the dissolution and winding down of former redevelopment agency affairs are codified in Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as amended by AB 1484 and SB 107 (as further amended from time to time, the “**Redevelopment Dissolution Act**”). See also “THE SUCCESSOR AGENCY” for further discussion of the Redevelopment Dissolution Act, the formation of the Successor Agency and the current powers, and limitations thereon, of the Successor Agency. The Redevelopment Law, and the acts amendatory thereof and supplemental thereto, including the Redevelopment Dissolution Act, is collectively referred to herein as the “**Law**.”

In amending the Redevelopment Dissolution Act, SB 107 (i) clarified the Successor Agency’s authority to issue bonds for affordable housing and certain infrastructure (California Health & Safety Code § 34177.7) in certain of its project areas, (ii) removed certain time limits that had previously applied to the issuance of debt and the collection of tax increment by former redevelopment agencies (California Health & Safety Code § 34189 (a)), and (iii) authorized the Successor Agency to secure new debt with the property tax revenues (former tax increment) from project areas that had generated tax increment upon the dissolution of the Former Agency on February 1, 2012 (Stats. 2015, ch. 325, § 27(e)). Significantly, these project areas include those with redevelopment plans that may have expired for other purposes but that continue to be a source of funds for repayment of indebtedness.

Section 34177.7(a)(1)(A) of the Redevelopment Dissolution Act authorizes the Successor Agency to issue bonds and other indebtedness to finance affordable housing required by the following agreements (collectively referred to herein as the “**Affordable Housing Obligations**”): (i) the Disposition and Development Agreement for Hunters Point Shipyard Phase 1 dated as of December 2, 2003 between Lennar/BVHP, LLC, a California limited liability company, doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (ii) the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (iii) the Mission Bay North Owner Participation Agreement entered into as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation (“**Catellus**”), as succeeded by FOCIL-MB, LLC, a Delaware limited liability company (“**FOCIL-MB**”), as heretofore amended and as hereafter may be amended; (iv) the Mission Bay South Owner Participation Agreement entered into as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus, as succeeded by FOCIL-MB, as heretofore amended and as hereafter may be amended; and (v) the Transbay Implementation Agreement.

The Successor Agency is issuing the 2023 Series A Taxable Bonds to provide funds to finance a portion of its Affordable Housing Obligations. See “PLAN OF FINANCE.”

Section 34177.7(a)(1)(B) of the Redevelopment Dissolution Act authorizes the Successor Agency to issue bonds and other indebtedness to finance infrastructure required by the Transbay Implementation Agreement. The Successor Agency is issuing the 2023 Series B Bonds to provide funds to finance a portion of such infrastructure.

The issuance of the 2023A/B Bonds was subject to the approval of the Successor Agency Commission (as defined herein), the Successor Agency's oversight board (the "**Oversight Board**") and the Department of Finance of the State of California (the "**California Department of Finance**") pursuant to the Redevelopment Dissolution Act. All such approvals have been obtained. See "THE 2023A/B BONDS – Authority for Issuance."

The Project Areas

At the time of dissolution of the Former Agency, twelve (12) project areas of the Former Agency generated tax increment for redevelopment activities (see reference to the Federal Office Building Redevelopment Project Area in "– Excluded Project Areas" below regarding its lack of tax increment). Two (2) of these project areas (Mission Bay North Project Area (defined herein) and Mission Bay South Project Area (defined herein)) and portions of three (3) other project areas: (i) the State-Owned Parcels (defined herein) in the Transbay Redevelopment Project Area; (ii) Zone 1 (Candlestick Point Sub-Area) of Project Area B of the Bayview Hunters Point Redevelopment Project Area also referred to as "**Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B**" (further described herein); and (iii) all portions of the Hunters Point Shipyard Project Area (defined herein) except the Hunters Point Hill Residential District, were, and continue to be, subject to agreements that irrevocably commit all or a portion of the property tax increment from those areas to specific purposes. Such property tax increment is not pledged as security for debt service on the 2023A/B Bonds. See "– Excluded Project Areas" below. Accordingly, and pursuant to the Indenture, only tax increment from all or a portion of ten (10) such project areas is pledged under the Indenture as security for debt service on the 2023A/B Bonds. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS." Such project areas or portion thereof consist of the redevelopment project areas (except any portion thereof included in the Excluded Project Areas defined below) described in the following redevelopment plans (as defined in the Indenture) (the "**Project Areas**"):

- Redevelopment Plan – Bayview Hunters Point Redevelopment Project Area – Zone 2 of Project Area B (the "**Bayview Hunters Point Project Area – Zone 2 of Project Area B**")
- Redevelopment Plan – Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area (the "**Embarcadero-Lower Market ("Golden Gateway") Project Area**")
- Redevelopment Plan – Hunters Point Redevelopment Project Area (the "**Bayview Hunters Point Project Area – Project Area A**")
- Redevelopment Plan – Hunters Point Shipyard Redevelopment Project Area – Hunters Point Hill Residential District (the "**Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)**") (only tax increment generated in the Hunters Point Hill Residential District is pledged under the Indenture as security for the 2023A/B Bonds)
- Redevelopment Plan – India Basin Industrial Park Redevelopment Project Area (the "**India Basin Industrial Park Project Area**")
- Redevelopment Plan – Rincon Point – South Beach Redevelopment Project Area (the "**Rincon Point – South Beach Project Area**")
- Redevelopment Plan – South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area) (the "**South of Market Project Area**")

- Redevelopment Plan – Transbay Redevelopment Project Area (the “**Transbay Project Area**”) (excluding the State-Owned Parcel Net Tax Increment (defined herein))
- Redevelopment Plan – Western Addition Redevelopment Project Area A-2 (the “**Western Addition Project Area A-2**”)
- Redevelopment Plan – Yerba Buena Center Approved Redevelopment Project Area D-1 (the “**Yerba Buena Center Approved Project Area D-1**”)

As described in this Official Statement, the 2023A/B Bonds are secured by a pledge and lien on Pledged Tax Revenues (defined herein), which generally consist of tax increment revenues generated within the Project Areas remaining after the payment of the City Controller Administration Fee, the Existing Senior Loan Agreements and the Second Lien Debt (as such terms are defined herein) and on a parity with the 2017A/B Bonds and the 2021A Bonds (defined herein). See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – General.” All or a portion of tax increment revenues from certain excluded project areas or portions of project areas described below are not pledged as security for the payment of the 2023A/B Bonds; therefore, the description of the project areas of the Former Agency set forth in this Official Statement is limited to only the Project Areas and excludes any information relating to the Excluded Project Areas (defined herein), except that information regarding the State-Owned Parcels (defined herein), located within the Transbay Project Area, is included as a portion of the tax increment revenues generated within such parcels is pledged as security for the payment of the 2023A/B Bonds. See “– Excluded Project Areas” below.

Excluded Project Areas

Tax increment revenues from the following project areas of the Former Agency are not pledged as security to pay debt service on the 2023A/B Bonds under the Indenture:

- (i) the project area known as the Mission Bay North Project Area or the Mission Bay North Redevelopment Project Area (the “**Mission Bay North Project Area**”);
- (ii) the project area known as the Mission Bay South Project Area or the Mission Bay South Redevelopment Project Area (the “**Mission Bay South Project Area**”); and
- (iii) the Federal Office Building Redevelopment Project Area (the parcels in which are owned by the Federal Government which does not pay property tax).

In addition, tax increment revenues from the following are not pledged as security to pay debt service on the 2023A/B Bonds under the Indenture:

- (x) Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B;
- (y) parcels in the Hunters Point Shipyard Redevelopment Project Area (the “**Hunters Point Shipyard Project Area**”) other than the Hunters Point Hill Residential District; and
- (z) the State-Owned Parcels (defined herein) (except that as described under “– *Excluded Tax Increment from State-Owned Parcels*,” a certain portion of tax increment revenues from the State-Owned Parcels is available to pay debt service on the 2023A/B Bonds and other debt obligations).

Collectively, the project areas listed in (i)-(iii) and the portions of project areas described in (x)-(z) above are referred to herein as “**Excluded Project Areas**.” See “PLEDGED TAX REVENUES AND DEBT SERVICE – Historical and Current Assessed Valuation and Tax Revenues” regarding negative tax increment generated by the Federal Office Building Redevelopment Project Area. See “THE PROJECT AREAS – Project Areas – *Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)*” and “– *Excluded Tax Increment from State-Owned Parcels*.” See also APPENDIX B – “FISCAL CONSULTANT REPORT.”

Excluded Tax Increment from State-Owned Parcels. Pursuant to the redevelopment plan for the Transbay Project Area, State-Owned Parcel Net Tax Increment from certain parcels within the Transbay Project Area totaling approximately 10 acres of land currently or previously owned by the State (referred to herein as the “**State-Owned Parcels**”) has been pledged to the TJPA to help pay the cost of replacing the former Transbay Terminal. “**State-Owned Parcel Net Tax Increment**” as used herein means all property and tax increment revenues attributable to the parcels transferred to the City and/or the TJPA pursuant to the Cooperative Agreement, dated as of July 11, 2003, by and among the City, the State and the TJPA, allocated to and received by the Successor Agency, but specifically excluding (i) charges for County administrative charges, fees or costs; (ii) the portion of the tax increment revenues that the Former Agency was required by law to set aside in the Former Agency’s affordable housing fund, pursuant to the Redevelopment Law (herein referred to as the former “**State-Owned Parcels Housing Set-Aside**”); (iii) a portion of the tax increment revenues equal to the percentage of such revenue required to pay all governmental entities as required under the Redevelopment Law; and (iv) the portion of tax increment revenues equal to the percentage of such revenues that the State may mandate the Successor Agency, as successor to the Former Agency, to pay from time to time in the future.

Under the Indenture, Pledged Tax Revenues exclude amounts required to be paid to the TJPA in accordance with the redevelopment plan for the Transbay Project Area (i.e. State-Owned Parcel Net Tax Increment). Therefore, State-Owned Parcel Net Tax Increment is not available for payment of debt service on the 2023A/B Bonds. State-Owned Parcel Net Tax Increment for Fiscal Year 2023-24 is approximately \$28.4 million. See Appendix B – “Fiscal Consultant Report.” The tax increment from the State-Owned Parcels in excess of the State-Owned Parcel Net Tax Increment is deposited into the RPTTF. Such excess is equal to the former State-Owned Parcels Housing Set-Aside and the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels. For Fiscal Year 2023-24, such excess totaled approximately \$22.9 million. This amount is anticipated to be available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Former Housing Fund*” and “– *Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds*.”

Tax Allocation Financing

Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described herein. See “CERTAIN RISK FACTORS.”

Prior to the enactment of AB 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance, which adopted the redevelopment plan, became the base year valuation. Assuming the taxable valuation never dropped below the base year level, the taxing agencies thereafter generally received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax

revenues allocated to a redevelopment agency were authorized to be pledged to the payment of such agency's obligations.

The Redevelopment Dissolution Act authorizes bonds, including the 2023A/B Bonds, to be secured by a pledge of, and to be payable from and further secured by, property tax revenues deposited from time to time in the Redevelopment Property Tax Trust Fund held by the auditor-controller of the City and County of San Francisco (the “**City Controller**”) with respect to the Successor Agency (the “**Redevelopment Property Tax Trust Fund**” hereinafter referred to as “**RPTTF**”), if those revenues are not otherwise obligated. Such funds are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects. **DISCUSSIONS HEREIN REGARDING TAX INCREMENT OR TAX REVENUES NOW REFER TO THOSE MONEYS DEPOSITED BY THE CITY CONTROLLER INTO THE RPTTF AND NOT OBLIGATED FOR OTHER PURPOSES.**

Security and Sources of Payment for the 2023A/B Bonds

The 2023A/B Bonds are limited obligations of the Successor Agency entitled to the benefits of the Indenture and payable from and secured by the Pledged Tax Revenues (defined herein) on a parity with the 2017A/B Bonds and the 2021A Bonds. Pledged Tax Revenues, as more fully described herein, do not include the State-Owned Parcel Net Tax Increment from the State-Owned Parcels or any tax increment revenues from, or amounts deposited in, the RPTTF attributable to the other Excluded Project Areas. The payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds is subordinate to payment of the City Controller Administration Fee and payments due on the Senior Obligations. The Successor Agency has covenanted that it will not issue additional debt payable from the Pledged Tax Revenues on a basis senior to the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds except for the purpose of refunding the Senior Obligations. The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area in the next five years and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. See “– Third Lien Parity Debt” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act,” “– Security for the 2023A/B Bonds; Equal Security,” “– Senior Obligations,” “– Parity Obligations,” and “– Limitations on Additional Indebtedness.”

The Redevelopment Dissolution Act requires the City Controller to determine the amount of property taxes that would have been allocated to the Former Agency had it not been dissolved pursuant to the operation of AB 26, using current assessed values on the last equalized roll on August 20, and to deposit such amount in the RPTTF. The Redevelopment Dissolution Act further provides that Successor Agency bonds authorized under Section 34177.7 “*may be secured by property tax revenues available in the successor agency’s Redevelopment Property Tax Trust Fund from those project areas that generated tax increment for the Redevelopment Agency of the City and County of San Francisco upon its dissolution, if the revenues are not otherwise obligated*” (Stats. 2015, ch. 325, § 27(e)). Such bonds will be secured by a pledge of, and lien on, and will be repaid from, moneys deposited from time to time in the RPTTF. Property tax revenues pledged to any bonds authorized under the Redevelopment Dissolution Act are taxes allocated to the successor agency pursuant to the provisions of the Redevelopment Law and the State Constitution which provided for the allocation of tax increment revenues under the Redevelopment Law. Section 34177.7(g) of the Redevelopment Dissolution Act provides that the Successor Agency’s bonds will be considered indebtedness incurred by the dissolved Former Agency, with the same legal effect as if such bonds had been issued prior to the effective date of AB 26 and in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date. The Successor Agency must include debt service payments for such bonds on its Recognized Obligation Payment Schedule (defined herein) in

order for such amounts to be distributed to the Successor Agency and be available to pay debt service on the 2023A/B Bonds as described below. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule.”

The Redevelopment Dissolution Act requires compliance by the Successor Agency with a procedure for preparation of a Recognized Obligation Payment Schedule in order to receive funds for payment of debt service and submission thereof to the Oversight Board and the California Department of Finance for approval. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act.” Taxes levied on the property within the Project Areas on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various properties within the Project Areas, to the extent that such taxes constitute tax revenues, will be deposited in the RPTTF for transfer by the City Controller to the Successor Agency’s Redevelopment Obligation Retirement Fund (the “**Retirement Fund**”) on January 2 and June 1 of each year (adjusted for weekends and holidays) to the extent required for payments listed in the Successor Agency’s Recognized Obligation Payment Schedule in accordance with the requirements of the Redevelopment Dissolution Act. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule.” Moneys deposited by the City Controller into the Retirement Fund representing Pledged Tax Revenues will first be deposited by the Successor Agency in the “Third Lien Special Fund” which is to be held by the Successor Agency within the Retirement Fund (the “**Special Fund**”) and will then be transferred by the Successor Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture.

The 2023A/B Bonds are limited obligations of the Successor Agency, the principal of, and interest on which are payable solely from Pledged Tax Revenues and certain other amounts on deposit in the funds and accounts held under the Indenture on a parity with the 2017A/B Bonds and the 2021A Bonds. The 2023A/B Bonds are not a debt of the City, the State or any of their political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable therefor. The 2023A/B Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Successor Agency has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the 2023A/B Bonds. None of the members of the Successor Agency Commission (defined herein), the Successor Agency, the City, or the persons executing the 2023A/B Bonds is liable personally for the 2023A/B Bonds by reason of their issuance. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act” and “PLEDGED TAX REVENUES AND DEBT SERVICE.”

Senior Obligations

The pledge of tax increment revenues from the Project Areas to pay debt service on the 2023A/B Bonds is *subordinate* to the prior pledge, or priority of payment, of such tax increment revenue to the payment of the Existing Senior Loan Agreements (defined herein) and the Second Lien Debt (defined herein) (collectively, the “**Senior Obligations**,” as further described herein). As of August 2, 2023, there was approximately \$262 million aggregate principal amount of Senior Obligations outstanding. Approximately \$10 million of such aggregate principal amount is secured by pledges of tax revenue from Mission Bay North and Mission Bay South Project Areas (collectively, the “**Mission Bay Senior Loan Agreements**”), which are Excluded Project Areas. However, in the event there is insufficient money in any reserve account established under either of the Mission Bay Senior Loan Agreements to transfer to the applicable trustee when due under such loan agreement, the Successor Agency is obligated to cause tax

increment revenue from certain of the Project Areas in the amount of such insufficiency, subject to a certain maximum amount, to be paid to the applicable trustee. The Successor Agency has covenanted that it will not issue additional debt payable from the pledged tax increment revenues from the Project Areas on a basis senior to the payment of debt service on the 2023A/B Bonds, except for the purpose of refunding the Existing Senior Loan Agreements and the Second Lien Debt. See also “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – General” and “– Existing Senior Obligations.”

Third Lien Parity Debt

In addition to the Senior Obligations described above, as of August 2, 2023, the Successor Agency had outstanding \$44,350,000 aggregate principal amount of the 2017A/B Bonds and \$126,580,000 aggregate principal amount of the 2021A Bonds, the debt service on which is payable on a parity with the payment of debt service on the 2023A/B Bonds from Pledged Tax Revenues. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations.”

The Successor Agency has the right to issue additional indebtedness payable on a parity with the 2023A/B Bonds from Pledged Tax Revenues upon the satisfaction of certain conditions set forth in the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Third Lien Parity Debt*.” The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area in the next five years and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. The amounts and time in the preceding sentence reflect current projections. No assurance can be given as to the exact timing or amount of any additional bond issuances.

Reserve Account

The Indenture establishes a “**2023A Reserve Subaccount**” within the Reserve Account for the 2023 Series A Taxable Bonds to be maintained in an amount at least equal to the Reserve Requirement (defined herein) for the 2023 Series A Taxable Bonds and a “**2023B Reserve Subaccount**” within the Reserve Account for the 2023 Series B Bonds to be maintained in an amount at least equal to the Reserve Requirement for the 2023 Series B Bonds (the 2023A Reserve Subaccount and the 2023B Reserve Subaccount, together, the “**Reserve Subaccounts**”). The Reserve Requirement for the 2023 Series A Taxable Bonds and the Reserve Requirement for the 2023 Series B Bonds will be calculated separately and without regard to the 2017A/B Bonds, the 2021A Bonds or any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds in the future (such additional bonds, loans, advances and indebtedness hereinafter referred to as “**Third Lien Parity Debt**”). AGM has committed to issue, simultaneously with the issuance of the 2023A/B Bonds, (i) the 2023A Reserve Policy for delivery to the Trustee, who will credit it to the 2023A Reserve Subaccount, for the benefit of the 2023 Series A Taxable Bonds, and (ii) the 2023B Reserve Policy for delivery to the Trustee, who will credit it to the 2023B Reserve Subaccount, for the benefit of the 2023 Series B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Special Fund; Deposit of Pledged Tax Revenues – *Reserve Account*.”

Bond Insurance

Concurrently with the issuance of the 2023A/B Bonds, Assured Guaranty Municipal Corp. (“AGM”) will issue its Municipal Bond Insurance Policy (the “**Insurance Policy**”) for the 2023 Series A Taxable Bonds maturing on August 1 of the years _____, _____ and _____ (the “**2023A Insured Bonds**”), and the 2023 Series B Bonds maturing on August 1 of the years _____, _____ and _____ (the “**2023B Insured Bonds**” and, together with the 2023A Insured Bonds, the “**Insured Bonds**”). The

Insurance Policy guarantees the scheduled payment of principal of and interest on the Insured Bonds when due as set forth in the form of the Insurance Policy in APPENDIX G – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.” *No 2023A/B Bonds other than the Insured Bonds will be insured by the Insurance Policy. See “BOND INSURANCE.”*

Certain Risk Factors

Certain events could affect the ability of the Successor Agency to pay debt service on the 2023A/B Bonds when due. See “CERTAIN RISK FACTORS” for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the 2023A/B Bonds.

Public Health Emergency

In February 2023, the State of California and the San Francisco Department of Public Health ended their respective COVID-19 public health emergencies with respect to COVID-19, which had been declared a pandemic by the World Health Organization (the “WHO”). The WHO and the U.S. Department of Health and Human Services (“HHS”) ended their respective COVID-19 public health emergency declarations in May 2023. HHS determined that COVID-19 remained a public health priority and indicated it would monitor the latest subvariants. As the City recovers from the COVID-19 pandemic, it faces certain challenges. According to the City, it experienced a net loss of 54,813 people from 2020 to 2021, and it has been reported that the office vacancy rate in the City was as high as 31.6% in the second quarter of 2023 and in June and August of 2023 two office buildings in San Francisco, outside of the Project Areas, were sold for prices 66% and over 70% less than their respective assessed values. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Projected Pledged Tax Revenues and Debt Service Coverage” and “CERTAIN RISK FACTORS – Reductions to Tax Base and Assessed Values,” “ – Appeals to Assessed Values,” “ – Public Health Emergencies” and “ – Office Vacancy in San Francisco; Impact on Property Taxes and Other Revenues.”

Continuing Disclosure

The Successor Agency has covenanted for the benefit of Owners and Beneficial Owners to provide certain financial information and operating data relating to the Successor Agency not later than six (6) months after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2023 (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of the specified events will be filed with the Municipal Securities Rulemaking Board (the “MSRB”) through the Electronic Municipal Market Access website (“EMMA”) of the MSRB. The specific nature of the information to be contained in the Annual Report and the notice of events is set forth in APPENDIX D – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriters (defined herein) in complying with S.E.C. Rule 15c2-12(b)(5).

See “CONTINUING DISCLOSURE” for additional information.

Available Information

This Official Statement contains brief descriptions of the 2023A/B Bonds, the security for the 2023A/B Bonds, the Indenture, the Successor Agency, the Former Agency, the City, the Project Areas and certain other information relevant to the issuance of the 2023A/B Bonds. All references herein to the Indenture, the Redevelopment Law, the Redevelopment Dissolution Act, the State Constitution and laws of the State are qualified in their entirety by reference to the complete text thereof and all references to the 2023A/B Bonds are further qualified by reference to the form thereof contained in the Indenture.

The Successor Agency’s audited financial statements for the period ended June 30, 2022, are included in APPENDIX A – “SUCCESSOR AGENCY’S AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022.” Urban Analytics, LLC, San Francisco, California (the “**Fiscal Consultant**”), is providing consulting services to the Successor Agency with respect to the Project Areas and their projected taxable values and anticipated tax increment revenues. The Fiscal Consultant’s report is attached hereto as APPENDIX B – “FISCAL CONSULTANT REPORT.” The proposed form of legal opinion of Bond Counsel relating to the 2023A/B Bonds is set forth in APPENDIX E – “FORM OF BOND COUNSEL FINAL OPINION.”

The information set forth herein and in the Appendices hereto has been furnished by the Successor Agency and includes information which has been obtained from other sources, which are believed to be reliable but is not guaranteed as to accuracy or completeness by the Successor Agency or the Underwriters and is not to be construed as a representation by the Underwriters. Copies of documents referred to herein and information concerning the 2023A/B Bonds are available upon written request from the Trustee, U.S. Bank Trust Company, National Association, One California Street, Suite 1000, Mail Code: SF-CA-SFCT, San Francisco, California 94111. Within the City, the Successor Agency, which is constituted as the Office of Community Investment and Infrastructure or “OCII,” may be contacted at: Office of Community Investment and Infrastructure, One South Van Ness Avenue, 5th Floor, San Francisco, California 94103; telephone: (415) 749-2465. The Successor Agency will respond to requests by any Bondowner for public information. The Successor Agency may impose a charge for copying, mailing and handling.

PLAN OF FINANCE

A portion of the net proceeds from the sale of the 2023 Series A Taxable Bonds will be used to finance the development and/or construction of affordable housing under the Affordable Housing Obligations. Said housing is expected to consist of approximately 537 units of housing in the Transbay Project Area, as further set forth in the table below. However, the Successor Agency may use proceeds of the 2023 Series A Taxable Bonds to finance other affordable housing developments under the Affordable Housing Obligations.

Projects to be Financed with Proceeds of 2023 Series A Taxable Bonds*

Name	Location	Units¹	Construction Financing Amount (\$millions)¹	Estimated Completion Date	Targeted AMI
Transbay 2W	Transbay Project Area	151	\$65	2026	Averaging 60% and below
Transbay 2E	Transbay Project Area	184	\$73	2026	Averaging 60% and below
Transbay 4	Transbay Project Area	202	To be determined	2030	Up to 100% AMI Avg 60% or below

¹ Units are estimates and subject to change. Projects include existing predevelopment loans that will be incorporated into new construction loans

Proceeds of the 2023 Series A Taxable Bonds also will be used to pay costs associated with the issuance of the 2023 Series A Taxable Bonds, including the portion of the premium for the Insurance Policy

* Preliminary, subject to change.

allocable to the 2023A Insured Bonds and the premium for the 2023A Reserve Policy. See “INTRODUCTION – Reserve Account” and “ – Bond Insurance.”

The Successor Agency expects a portion of the net proceeds of the 2023 Series B Bonds will be used to finance infrastructure, specifically, improvements in the Transbay Project Area in the form of funding the preparation of design documents for a park consisting of approximately 2.4 acres that will be located predominantly under the I-80 Fremont Street off-ramp and the design, engineering and construction of a new 1-acre park, streetscape improvements and new street extensions adjacent to the 1-acre park.* However, the Successor Agency may use proceeds of the 2023 Series B Bonds to finance other infrastructure improvements in the Transbay Project Area. Proceeds of the 2023 Series B Bonds also will be used to pay costs associated with the issuance of the 2023 Series B Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023B Insured Bonds and the premium for the 2023B Reserve Policy. See “INTRODUCTION – Reserve Account” and “ – Bond Insurance.”

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the 2023A/B Bonds are as follows:

<i>Sources:</i>	2023 Series A Taxable Bonds	2023 Series B Bonds	Total
Par Amount			
Original Issue Premium/(Discount)			
Total Sources			
 <i>Uses:</i>			
2023A Bonds Project Fund			
2023B Bonds Project Fund			
Costs of Issuance ⁽¹⁾			
Underwriters' Discount			
Total Uses			

⁽¹⁾ Costs of issuance include legal, financing and consultant fees, rating agency fees, the fees for the Reserve Policies and Insurance Policy, and other miscellaneous expenses incurred in connection with the issuance of the 2023A/B Bonds.

THE 2023A/B BONDS

Authority for Issuance

The 2023A/B Bonds were authorized for issuance pursuant to the Indenture, the Redevelopment Law and the Redevelopment Dissolution Act. See “INTRODUCTION – The Successor Agency.” Issuance of the 2023A/B Bonds and the execution of the related documents were authorized by the Successor Agency pursuant to a resolution adopted on March 21, 2023 (the “**Resolution**”), and approved by the Successor Agency’s Oversight Board pursuant to a resolution of the Oversight Board adopted on April 7, 2023 (the “**Oversight Board Resolution**”).

Written notice of the Oversight Board Resolution was provided to the California Department of Finance, as required by the Redevelopment Dissolution Act, on April 7, 2023. On April 13, 2023, which is within the time period allotted under the Redevelopment Dissolution Act for the California Department of Finance to review the Oversight Board Resolution, the California Department of Finance provided a

* Preliminary, subject to change.

letter to the Successor Agency stating that, based on the California Department of Finance’s review of the Oversight Board Resolution and application of applicable law, the California Department of Finance approved of the issuance of the 2023A/B Bonds.

Designation as Social Bonds

The Successor Agency is designating the 2023 Series A Taxable Bonds as “Social Bonds” as it has determined that the projects to be financed with the proceeds of the 2023 Series A Taxable Bonds are “Social Projects” based on the social benefits of addressing affordable housing within the City, and in accordance with the Successor Agency’s mission of funding and facilitating delivery of affordable housing and infrastructure throughout its project areas.

The projects planned to be financed with proceeds of the 2023 Series A Taxable Bonds will address the need within the City to preserve or increase affordable housing stock. See “– Use of Proceeds” below. The Successor Agency retained affordable housing obligations integrally related to the Major Approved Development Projects (defined herein) that the Successor Agency must continue to implement pursuant to the Affordable Housing Obligations, which are enforceable obligations, consistent with the Redevelopment Dissolution Act. See “THE SUCCESSOR AGENCY – Continuing Activities” below. The obligations include direct funding through loans or grants to “stand-alone,” or 100% affordable, residential developments as well as below market rate “inclusionary” housing that is required through Successor Agency development agreements with private developers in connection with market rate housing, and for which no subsidy is provided by the Successor Agency. The Successor Agency manages these affordable housing development obligations through direct oversight and underwriting along with services procured from the Mayor’s Office of Housing and Community Development (“**MOHCD**”) through a 2014 Memorandum of Understanding. In general, the Successor Agency is responsible for directly managing the affordable housing projects’ development through construction completion. The Successor Agency also procures services from the MOHCD’s staff for review and monitoring of marketing for both inclusionary and Successor Agency funded projects (including implementation of the Certificate of Preference program), and assisting with the fiscal management and disbursement of the Successor Agency’s funds pursuant to the relevant project’s financing agreements, and other ancillary tasks as needed. Upon completion of the project, defined as constructed, occupied, and conversion to permanent financing, the Successor Agency will transfer the affordable housing assets, such as land, funding agreements, ground leases, and affordability restrictions, for each completed project to the MOHCD. The MOHCD will then be responsible for all asset management responsibilities for the transferred projects. As a result of these retained affordable housing obligations, the Successor Agency is responsible for overseeing the creation of thousands of units of affordable housing related to the Major Approved Development Projects. As of July 1, 2023, a total of 9,239 housing units have been completed and occupied across the Major Approved Development Projects, with 12,688 housing units in various stages of construction, predevelopment, planning and future development. Of the 21,927 total units already completed or planned, the Successor Agency must produce over 7,109 affordable housing units. Over 60% (4,328 units) will be funded by the Successor Agency. A summary table is provided below.

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**Total Housing Production for the Successor Agency in the Major Approved Development Projects
(as of July 1, 2023)**

Project Status	Mission Bay North	Mission Bay South	Transbay	Hunters Point Shipyard Phase 1⁽¹⁾	Hunters Point Shipyard Phase 2⁽²⁾ and Candlestick Point⁽³⁾	Total
Completed & Occupied	2,964	3,237	2,196	505	337	9,239
In Construction	0	148	0	262	0	410
In Predevelopment	0	0	1,016	628	1,263	2,907
In Planning	0	186	0	0	1,225	1,411
Future Development	0	0	80	33	7,847	7,960
Total	2,964	3,571	3,292	1,428	10,672	21,927
% Complete	100%	91%	67%	35%	3%	42%

⁽¹⁾ Hunters Point Hill Residential District (Hunters Point Shipyard Project Area).

⁽²⁾ Hunters Point Shipyard Project Area, except Hunters Point Hill Residential District.

⁽³⁾ Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B.

The designation of the 2023 Series A Taxable Bonds as “Social Bonds” is intended to generally comport with The Social Bond Principles promulgated by the International Capital Market Association (“ICMA”), updated as of June 2023. As promulgated by the ICMA and most recently updated in June 2023, the “Social Bond Principles” have four core components (i.e., Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting), each of which are further described below.

The term “Social Bonds” is neither defined in nor related to provisions in the Indenture. The 2023 Series A Taxable Bonds are payable from and secured solely by Pledged Tax Revenues and moneys held in certain funds and accounts by the Trustee under the Indenture on a parity with the 2023 Series B Bonds, the 2017A/B Bonds and the 2021A Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” Owners of the 2023 Series A Taxable Bonds do not assume any specific project risk related to any of the projects funded thereby. ICMA is a European-based entity with some members from the United States. The Successor Agency assumes no obligation to ensure that the projects financed with proceeds of the 2023 Series A Taxable Bonds comply with any legal or other standards or principles that may relate to “Social Projects” or that the 2023 Series A Taxable Bonds comply with any legal or other standards or principles that may relate to “Social Bonds.” The designation of the 2023 Series A Taxable Bonds as Social Bonds does not entitle the Owners thereof to any special treatment under the Internal Revenue Code of 1986, as amended.

ICMA Mapping of Social Bond Principles to United Nations Sustainable Development Goals. By reference to the ICMA “Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals” (June 2023), the Successor Agency has determined that its Social Bonds

designation reflects the use of proceeds in a manner that is consistent with “Goal 1: No Poverty”, “Goal 10: Reduced Inequalities” and “Goal 11: Sustainable Cities and Communities” of the United Nations 17 Sustainable Development Goals (referred to as “UNSDGs” generally and “SDG 1”, “SDG 10” and “SDG 11,” specifically). According to the United Nations, the UNSDGs were adopted by the United Nations General Assembly in September 2015 as part of its 2030 Agenda for Sustainable Development. According to the United Nations, SDG 1 is focused on ending poverty in all its forms everywhere, SDG 10 is focused on reducing inequality and SDG 11 is focused on making the cities inclusive, safe, resilient and sustainable. ICMA maps SDG 1.4 to ICMA Social Bond Principles “Affordable Housing,” “Access to Essential Services,” and “Socioeconomic Advancement and Empowerment”; and maps SDG 11.1 to ICMA Social Bond Principles “Affordable Housing” and “Affordable Basic Infrastructure.”

Use of Proceeds. The Successor Agency expects to use a portion of the proceeds of the 2023 Series A Taxable Bonds to finance approximately 537 affordable housing units in the Transbay Project Area. However, the Successor Agency may use proceeds of the 2023 Series A Taxable Bonds to finance other affordable housing developments under its Affordable Housing Obligations. See “PLAN OF FINANCE” for more details. Affordable units are defined as being restricted to, and priced for, households earning up to 120% of the Area Median Income (“AMI”). The Successor Agency’s rental projects typically serve low or very-low income households (up to 50% or 60% of AMI), while affordable homeownership units are designated for first-time low to moderate income buyers earning between 80%-120% of AMI. Ground leases for such projects guarantee affordability for 100 years. Allocation of proceeds occurs through the Successor Agency’s annual budget and ROPs process, and is tracked through an accounting system.

Process for Project Evaluation and Selection. The Successor Agency maintains a documented process to determine that projects fit within the defined AMI categories listed above, and the Successor Agency’s development agreements identify the locations and total number of affordable units to be funded in each project area.

Reporting. The Successor Agency produces annual housing reports, which provide status updates for housing projects associated with the Major Approved Development Projects as well as other projects. The reports can be found at <https://sfocii.org/housing-report/overview>. The Successor Agency also provides updates through its annual budgets, which can be found at <https://sfocii.org/investor-relations-0>. The information available on such websites is not incorporated by reference into this Official Statement and should not be relied upon in making an investment in the 2023A/B Bonds.

Description of the 2023A/B Bonds

The 2023A/B Bonds will be issued in the form of fully registered bonds without coupons and in principal denominations of \$5,000 or any integral multiple thereof. No 2023A/B Bond will have more than one maturity date.

The 2023A/B Bonds will be dated, and will bear interest from, their date of delivery to the original purchasers thereof. The 2023A/B Bonds will be issued in the respective aggregate amounts, will bear interest at the respective rates and will mature, subject to redemption provisions set forth hereinafter, on the respective dates and in the amounts all as set forth on the inside cover page hereof.

Interest on the 2023A/B Bonds will be payable on February 1 and August 1 of each year, commencing February 1, 2024 (each, an “**Interest Payment Date**”). Interest on the 2023A/B Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each 2023A/B Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (i) it is authenticated after the close of business on the fifteenth (15th) calendar day of the month preceding an Interest Payment Date whether or not such fifteenth (15th) calendar day is a business day (the “**Record**

Date”) and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (ii) it is authenticated on or prior to January 15, 2024, in which event it will bear interest from the date of delivery of the 2023A/B Bonds to the original purchasers thereof, provided, however, that if at the time of authentication of a 2023A/B Bond, interest thereon is in default, such 2023A/B Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Book-Entry Only System

Each Series of 2023A/B Bonds initially will be issued as fully registered bonds without coupons for each maturity of such Series of 2023A/B Bonds. Upon initial delivery, the ownership of the 2023A/B Bonds will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as a securities depository for the 2023A/B Bonds. Individual purchases may be made in book-entry only form. Purchasers will not receive certificates representing their beneficial ownership interest in the 2023A/B Bonds so purchased. So long as DTC, or its nominee, Cede & Co., is the registered owner of the 2023A/B Bonds, payments of principal, premium, if any, and interest evidenced by the 2023A/B Bonds will be made to DTC or its nominee, Cede & Co., as registered owner of the 2023A/B Bonds and references herein and in the Indenture to the Owners or Bondowners mean Cede & Co. and do not mean the Beneficial Owners of the 2023A/B Bonds. In this Official Statement, the term “**Beneficial Owner**” means the person for whom a DTC Participant acquires an interest in the 2023A/B Bonds. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Each such payment to DTC or its nominee will be valid and effective to fully discharge all liability of the Successor Agency or the Trustee with respect to the principal of or interest on the 2023A/B Bonds to the extent of the sum or sums so paid. The Successor Agency and the Trustee cannot and do not give any assurance that DTC’s Direct Participants or Indirect Participants will distribute to Beneficial Owners (i) payments of interest, principal or premium, if any, with respect to the 2023A/B Bonds, (ii) confirmation of ownership interests in the 2023A/B Bonds, or (iii) notices sent to DTC or Cede & Co., its nominee, as registered owner of the 2023A/B Bonds, or that DTC’s Direct Participants or Indirect Participants will do so on a timely basis.

Neither the Successor Agency nor the Trustee will have any responsibility or obligation to DTC Direct Participants, Indirect Participants or Beneficial Owners with respect to the payments or the providing of notice to DTC Direct Participants, Indirect Participants or Beneficial Owners or the selection of the 2023A/B Bonds for redemption. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

In the event that either (i) DTC or a successor securities depository determines not to continue to act as a securities depository for the 2023A/B Bonds, or (ii) the Successor Agency determines to terminate DTC or a successor securities depository as such, then the Successor Agency will discontinue the book-entry system. Thereupon, DTC or the then current securities depository will furnish the Trustee with the names and addresses of the book-entry system Participants and their respective ownership interests thereof and the Trustee will issue replacement 2023A/B Bonds thereto.

Redemption Provisions*

Optional Redemption. The 2023 Series A Taxable Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023 Series A Taxable Bonds maturing on or after August 1, 20__, are subject to optional redemption at the option of the Successor Agency, prior to their respective

* Preliminary, subject to change.

maturity dates as a whole, or in part by a lot, on any date on or after August 1, 20__, by such maturity or maturities as will be directed by the Successor Agency (or in the absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption will be at a redemption price equal to 100% of the principal amount of the 2023 Series A Taxable Bonds to be redeemed, plus accrued but unpaid interest thereon to the date fixed for redemption, without premium.

The 2023 Series B Bonds maturing on or prior to August 1, 20__, are not subject to optional redemption. The 2023 Series B Bonds maturing on or after August 1, 20__, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 20__, by such maturity or maturities as will be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption will be at a redemption price equal to 100% of the principal amount of the 2023 Series B Bonds to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The 2023 Series A Taxable Bonds that are Term Bonds (the “**2023A Term Bonds**”) maturing on August 1, 20__, and August 1, 20__, are subject to mandatory sinking fund redemption in whole, or in part by lot, on August 1 in each year, commencing on August 1, 20__ and August 1, 20__, respectively, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years set forth in the following table[s]; provided, however, that (a) in lieu of mandatory sinking fund redemption thereof, such 2023A Term Bonds may be purchased by the Successor Agency as described below, and (b) if some but not all of such 2023A Term Bonds have been redeemed by optional redemption as described above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2023A Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination will be given by the Successor Agency to the Trustee).

2023 Series A Taxable Term Bonds maturing on August 1, 20__

Sinking Account Redemption Date <u>(August 1)</u>	Principal Amount <u>to be Redeemed</u>
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* Maturity

2023 Series A Taxable Term Bonds maturing on August 1, 20__

Sinking Account
Redemption Date
(August 1)

Principal Amount
to be Redeemed

* Maturity

The 2023 Series B Bonds that are Term Bonds (the “**2023B Term Bonds**” and, together with the 2023A Term Bonds, the “**2023A/B Term Bonds**”) maturing on August 1, 20__, and August 1, 20__, are subject to mandatory sinking fund redemption in whole, or in part by lot, on August 1 in each year commencing on August 1, 20__ and August 1, 20__, respectively, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table[s]; provided, however, that (a) in lieu of mandatory sinking fund redemption thereof, such 2023B Term Bonds may be purchased by the Successor Agency as described below, and (b) if some but not all of such 2023B Term Bonds have been redeemed by optional redemption as described above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2023B Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination will be given by the Successor Agency to the Trustee).

2023 Series B Term Bonds maturing on August 1, 20__

Sinking Account
Redemption Date
(August 1)

Principal Amount
to be Redeemed

* Maturity

2023 Series B Term Bonds maturing on August 1, 20__

Sinking Account
Redemption Date
(August 1)

Principal Amount
to be Redeemed

* Maturity

Purchase in Lieu of Redemption. In lieu of redemption of the 2023A/B Term Bonds pursuant to the preceding paragraph[s], the Successor Agency may purchase such 2023A/B Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges) as the Successor Agency may in its discretion determine. The par amount of any of such 2023A/B Term Bonds so purchased by the Successor Agency in any twelve-month period ending on June 1 in any year will be credited towards and will reduce the par amount of such 2023A/B Term Bonds required to be redeemed on August 1 in each year.

Selection of Bonds for Redemption. Whenever any 2023A/B Bonds or any Parity Debt (defined herein) issued pursuant to a supplement to the Indenture (such Parity Debt and 2023A/B Bonds hereinafter together referred to as, “**Bonds**”) or portions thereof are to be selected for redemption by lot, the Trustee will make such selection, in such manner as the Trustee will deem appropriate, and will notify the Successor Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee will assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed will be the Bonds that were assigned the numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 will be redeemed as will equal \$5,000 for each number assigned to it and so selected.

Notice of Redemption; Rescission. Notice of redemption will be mailed by the Trustee by first class mail no less than thirty (30) and no more than sixty (60) days prior to the redemption date (i) to any insurer of the Bonds and to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Securities Depositories and one or more Information Services designated in a Written Request of the Successor Agency filed with the Trustee; but such mailing will not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice will state the redemption date and the redemption price, will state, in the case of an optional redemption, that such redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, will designate the CUSIP number of the Bonds to be redeemed, will state the individual number of each Bond to be redeemed or will state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and will require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

The Successor Agency has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption will be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Indenture. If any redemption is rescinded or canceled in accordance with the Indenture, the Trustee will mail notice of such rescission or cancellation in the same manner and to the same recipients as the original notice of such redemption was sent, and neither the Successor Agency nor Trustee will have any liability to Owners or any other party related to or arising from such rescission of redemption.

Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption will have been duly deposited with the Trustee, such Bonds so called will be cancelled and cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest will accrue thereon from and after the redemption date specified in such notice.

Transfer and Exchange. The Bonds may be transferred or exchanged for a bond of the same tenor, maturity and principal amount at the Principal Corporate Trust Office of the Trustee by the person in whose name it is registered, provided that the Trustee will not be required to register the transfer or exchange of (i) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for selection of the Bonds for redemption, or (ii) any Bonds selected by the Trustee for redemption pursuant to the Indenture. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.” So long as Cede & Co. is the registered owner of the Bonds, transfers and exchanges of the Bonds will be subject to book-entry procedures. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Mutilated, Lost, Destroyed or Stolen Bonds. The Successor Agency and the Trustee will, under certain circumstances, replace Bonds which have been mutilated, lost, destroyed or stolen. The Successor Agency may require payment of a reasonable fee and of the expenses which may be incurred by the Successor Agency and the Trustee in connection with the issuance of a new Bond to replace a Bond which has been mutilated, lost, destroyed or stolen. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

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DEBT SERVICE SCHEDULE

Set forth below is a table showing scheduled principal, interest and total debt service for the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt (defined herein), consisting of the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds.

Bond Year ending August 1	Existing Senior Loan Agreements ⁽¹⁾	Second Lien Debt		Third Lien Debt							Total Debt Service*
		2014 Bonds ⁽²⁾	2014 Parity Debt ⁽³⁾	2017A/B Bonds and 2021A Bonds ⁽⁴⁾	2023 Series A Taxable Bonds*			2023 Series B Bonds*			
					Principal	Interest	Debt Service	Principal	Interest	Debt Service	
2024	\$32,303,476.70	\$2,824,677.00	\$13,232,718.75	\$8,750,344.95			\$2,509,606.63			\$1,649,225.52	\$61,270,050
2025	\$23,564,226.70	\$2,907,781.00	\$6,050,718.75	\$19,261,155.45			2,287,041.50			1,872,937.50	55,943,861
2026	\$22,920,937.40	\$2,897,565.00	\$6,043,631.25	\$18,727,445.60			2,286,478.50			1,872,937.50	54,748,995
2027	\$22,896,480.80	\$2,917,099.00	\$6,059,331.25	\$18,431,233.25			2,283,793.50			1,872,937.50	54,460,875
2028	\$22,896,434.20	\$2,905,793.50	\$6,045,381.25	\$18,568,083.20			2,287,957.50			1,872,937.50	54,576,587
2029	\$22,876,470.50	\$2,900,430.50	\$6,051,475.00	\$18,754,150.35			2,288,522.50			1,872,937.50	54,743,986
2030	\$21,885,189.10	\$2,450,510.00	\$7,012,662.50	\$18,947,927.00			2,285,333.00			1,872,937.50	54,454,559
2031	\$23,858,861.00	\$1,213,483.50	\$3,428,968.75	\$22,599,947.50			2,288,429.00			1,872,937.50	55,262,627
2032	\$23,847,321.30	\$1,196,731.50	\$3,434,775.00	\$23,429,276.50			2,287,054.00			1,872,937.50	56,068,096
2033	\$23,839,710.70	\$1,198,518.50	\$3,435,150.00	\$1,801,875.00			2,286,249.00			1,872,937.50	34,434,441
2034	\$23,821,782.40	\$1,187,870.50	\$3,429,943.75	\$1,801,875.00			2,285,649.00			1,872,937.50	34,400,058
2035	\$19,304,731.80	\$1,190,274.50	\$3,766,700.00	\$1,801,875.00			2,286,337.50			1,872,937.50	30,222,856
2036	\$19,292,294.60		\$3,884,075.00	\$1,801,875.00			2,286,005.00			1,872,937.50	29,137,187
2037	\$13,727,503.10		\$4,064,093.75	\$1,801,875.00			2,284,317.00			1,872,937.50	23,750,726
2038	\$2,936,691.70		\$4,804,375.00	\$1,801,875.00			2,285,939.00			1,872,937.50	13,701,818
2039	\$2,921,541.70		\$4,805,062.50	\$1,801,875.00			2,285,202.00			1,872,937.50	13,686,619
2040			\$5,760,437.50	\$1,801,875.00			2,286,771.50			1,872,937.50	11,722,022
2041			\$3,258,250.00	\$2,341,875.00			2,284,978.50			1,872,937.50	9,758,041
2042				\$8,468,250.00			709,488.50			3,447,937.50	12,625,676
2043				\$8,490,562.50						4,160,250.00	12,650,813
2044				\$8,514,093.75						4,160,825.00	12,674,919
2045				\$9,024,000.00						4,159,837.50	13,183,838
2046				\$9,024,750.00						4,157,025.00	13,181,775
2047										4,157,125.00	4,157,125
2048										4,159,612.50	4,159,613
2049										4,158,962.50	4,158,963
2050										4,159,912.50	4,159,913
2051										4,161,937.50	4,161,938
2052										4,159,512.50	4,159,513
2053										4,157,375.00	4,157,375
TOTAL	\$322,893,653.70	\$25,790,734.50	\$94,567,750.00	\$227,748,095.05			\$42,085,153.13			\$82,689,475.52	\$795,774,862

* Preliminary, subject to change.

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- (1) The Successor Agency's obligation to pay debt service on the Existing Senior Loan Agreements is senior to that of the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loan Agreements*."
- (2) Reflects debt service on the 2014 Bonds. The Successor Agency's obligation to pay debt service on the 2014 Bonds is senior to that of the 2023A/B Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loans and Second Lien Debt*."
- (3) Reflects debt service on the 2014 Parity Debt, which consists of the 2017D/E Bonds (defined herein). The Successor Agency's obligation to pay debt service on the 2014 Parity Debt is senior to that of the 2023A/B Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loans and Second Lien Debt*."
- (4) Reflects debt service on the 2017A/B Bonds and the 2021A Bonds. The Successor Agency's obligation to pay debt service on the 2017A/B Bonds and the 2021A Bonds is on a parity with that of the 2023A/B Bonds. See "INTRODUCTION – Third Lien Parity Debt" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations."

Sources: Stifel, Nicolaus & Company, Incorporated, and the Successor Agency.

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SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS

General

The 2023A/B Bonds are limited obligations of the Successor Agency entitled to the benefits of the Indenture, and are payable solely from and equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and moneys in the Special Fund and all the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account established under the Indenture. Except for the Pledged Tax Revenues and such moneys in the funds and accounts described above, no funds or properties of the Successor Agency will be pledged to, or otherwise be liable for, the payment of principal of or interest on the 2023A/B Bonds. See “– Security for the 2023A/B Bonds; Equal Security.” See also APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

“**Pledged Tax Revenues**” are defined in the Indenture as all taxes that were eligible for allocation to the Former Agency with respect to the Project Areas and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and that are deposited in the RPTTF, excluding (i) amounts payable pursuant to the Existing Senior Loan Agreements, the Second Lien Debt and any debt issued on parity with the Existing Senior Loan Agreements or Second Lien Debt, but only to the extent such amounts are pledged as security therefor, (ii) all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law, unless such payments are subordinated to payments on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any additional Third Lien Parity Debt issued as bonds pursuant to the Indenture or to the payments owed under any Parity Debt Instrument pursuant to Section 33607.5(e) of the Redevelopment Law and Section 34177.5(c) of the Redevelopment Dissolution Act, and (iii) amounts required to be paid to the TJPA in accordance with Section 5.7 of the Redevelopment Plan – Transbay Redevelopment Project Area. See “– Security for the 2023A/B Bonds; Equal Security.”

The 2023A/B Bonds are not a debt of the City, the State, or any of its political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State, nor any of its political subdivisions is liable therefor, nor in any event will the 2023A/B Bonds be payable out of any funds or properties other than those of the Successor Agency and only to the limited extent set forth in the Indenture. The 2023A/B Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. None of the members of the Successor Agency Commission, the Successor Agency, the City, or any person executing the 2023A/B Bonds is liable personally for the 2023A/B Bonds by reason of their issuance. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power.

Tax Increment Financing Generally

Under the Redevelopment Law and Section 16 of Article XVI of the State Constitution, taxes on all taxable property in a project area levied by or for the benefit of the State, any city, county, district or other public corporation (the “**Taxing Agencies**”) when collected are divided as follows:

(a) To Taxing Agencies. An amount each year equal to the amount that would have been produced by the then current tax rates applied to the assessed valuation of such property within the redevelopment project areas last equalized prior to the effective date of the ordinance approving the redevelopment plan, plus the portion of the levied taxes in excess of the foregoing amount sufficient to pay debt service on any voter-approved bonded indebtedness of the respective Taxing Agencies incurred for the acquisition or improvement of real property and approved on or after January 1, 1989, is paid into the funds of the respective Taxing Agencies; and

(b) To the Former Agency/Successor Agency. That portion of the levied taxes in excess of the amount described in paragraph (a) is deposited into a special fund of the applicable redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness incurred by, such agency to finance or refinance activities in or related to such project area.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Redevelopment Dissolution Act for permitted administrative costs of the City Controller, constitute the amounts required under the Redevelopment Dissolution Act to be deposited by the City Controller into the RPTTF. In addition, Section 34183 of the Redevelopment Dissolution Act effectively eliminates the “on or after January 1, 1989” reference from paragraph (a) above. See “– Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Property Tax Administration Fees.*”

Allocation of Taxes Pursuant to the Redevelopment Dissolution Act

Prior to the enactment of the Redevelopment Dissolution Act, the Redevelopment Law authorized the financing of redevelopment projects by permitting the pledge of tax increment revenues derived from the applicable project area to repayment of tax allocation bonds. After enactment of the Redevelopment Dissolution Act, the Redevelopment Law authorizes the financing of certain projects, including specific Successor Agency affordable housing and infrastructure projects described in Section 34177.7(a) of the California Health and Safety Code. The Redevelopment Dissolution Act requires that all property tax increment derived from all former project areas be deposited in a RPTTF for the Successor Agency held and maintained by the City Controller. **DISCUSSIONS HEREIN REGARDING TAX INCREMENT OR TAX REVENUES REFER TO THOSE MONEYS DEPOSITED BY THE CITY CONTROLLER INTO THE RPTTF AND NOT OBLIGATED FOR OTHER PURPOSES.** Pursuant to the Redevelopment Dissolution Act, the pledge of the Pledged Tax Revenues to pay the 2023A/B Bonds is made as if the 2023A/B Bonds had been issued prior to the effective date of the Redevelopment Dissolution Act, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date.

The Redevelopment Dissolution Act authorizes bonds, including the 2023A/B Bonds, to be secured by property tax revenues available in the Successor Agency’s RPTTF from the Project Areas, which generated tax increment for the Former Agency upon its dissolution if those revenues are not otherwise obligated (Stats. 2015, ch. 325, § 27(e)). The Redevelopment Dissolution Law establishes that the funds in the RPTTF are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects, less amounts deducted pursuant to Section 34183(a) of the Redevelopment Dissolution Act for permitted administrative costs of the City Controller. Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described below.

The Redevelopment Dissolution Act requires the City Controller to determine the amount of property taxes that would have been allocated to the Former Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Former Agency not been dissolved pursuant to the operation of AB 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the RPTTF for the Successor Agency established and held by the City Controller pursuant to the Redevelopment Dissolution Act. The Redevelopment Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency, such as the 2023A/B Bonds, will be considered indebtedness incurred by the Former Agency, with the same legal effect as if the bonds had been issued prior to the effective date of AB 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date so that property tax revenues (formerly tax increment revenues) are paid to the Successor Agency in such amounts and on such dates to ensure the timely payment of debt service on the bonds. Pursuant to the Redevelopment Dissolution Act, the Successor Agency has covenanted to

take all actions necessary to ensure that the 2023A/B Bonds will be included in each of the Successor Agency's Recognized Obligation Payment Schedules as prepared from time to time under the Redevelopment Dissolution Act. See "– Recognized Obligation Payment Schedule" below.

The Successor Agency tax rate calculated by the City is one percent (1.000%) for the secured roll and the unsecured roll. See APPENDIX B – "FISCAL CONSULTANT REPORT" for more information. In accordance with Section 33670(e) of the Redevelopment Law, the Successor Agency tax rate excludes taxes related to bonded indebtedness of the City approved by the voters of the City on or after January 1, 1989, and issued for the acquisition or improvement of real property. The Successor Agency receives, on an annual basis, only those tax increment revenues required by it to pay debt service or other enforceable obligations. See the tables for the Project Areas under "PLEDGED TAX REVENUES AND DEBT SERVICE – Historical and Current Assessed Valuation and Tax Revenues."

Taxes levied on the property within the Project Areas on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Areas, to the extent they constitute tax revenues, less administrative costs, as described herein, will be deposited in the RPTTF for transfer by the City Controller to the Retirement Fund established pursuant to the Redevelopment Dissolution Act on January 2 and June 1 of each year (adjusted for weekends and holidays) to the extent required for payments listed in the Successor Agency's Recognized Obligation Payment Schedule in accordance with the requirements of the Redevelopment Dissolution Act. See "– Recognized Obligation Payment Schedule" below.

Prior to the dissolution of redevelopment agencies, tax increment revenues from one project area could not be used to repay indebtedness incurred for another project area. However, the Redevelopment Dissolution Act required that county auditor-controllers establish a single RPTTF with respect to each former redevelopment agency within the respective county. Additionally, the Redevelopment Dissolution Act now requires that all revenues equivalent to the amount that would have been allocated as tax increment to the former redevelopment agency will be allocated to the RPTTF of the applicable successor agency. This requirement does not require funds derived from separate project areas of a former redevelopment agency to be separated unless they are subject to a pledge agreement requiring the commitment of a particular project area's funds to a certain project. In effect, in situations where a former redevelopment agency had established more than one redevelopment project area (such as the Former Agency), the Redevelopment Dissolution Act combines the property tax revenues derived from all project areas into a single trust fund, the RPTTF, to repay indebtedness of the former redevelopment agency or the successor agency. To the extent the documents governing outstanding bonds of a redevelopment agency or a successor agency have pledged revenues derived from a specific project area, the Redevelopment Dissolution Act states: *"It is the intent [of the Redevelopment Dissolution Act] that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge."*

Despite the provisions of the Redevelopment Dissolution Act that appear to permit the Successor Agency to use tax increment revenue that does not constitute Pledged Tax Revenues to pay debt service on the 2023A/B Bonds, the 2023A/B Bonds are secured by and payable solely from the Pledged Tax Revenues and moneys in certain funds and accounts held by the Trustee under the Indenture. Investors should assume that State-Owned Parcel Net Tax Increment from the State-Owned Parcels and tax revenues generated within the other Excluded Project Areas are not available for payment of debt service on the 2023A/B Bonds.

Teeter Plan. The City has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), as provided for in Section 4701 *et seq.* of the State Revenue and Taxation Code. Generally, under the Teeter Plan, which applies to the property tax

revenues, including tax increments, generated in the Project Areas, each participating local agency, including cities, levying property taxes in its county may receive the amount of uncollected taxes credited to its fund in the same manner as if the amount credited had been collected. In return, the county would receive and retain delinquent payments, penalties and interest, as collected, that would have been due to the local agency. However, although a local agency could receive the total levy for its property taxes without regard to actual collections, funded from a reserve established and held by the county for this purpose, the basic legal liability for property tax deficiencies at all times remains with the local agency.

The Teeter Plan remains in effect in the City unless and until the Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the City (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance joined in by resolutions adopted by two-thirds of the participating revenue districts in the City, in which event, the Board of Supervisors is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The Board of Supervisors may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in the City. There can be no assurance that the Teeter Plan will remain in effect throughout the life of the 2023A/B Bonds. In the event the Teeter Plan within the Project Areas were discontinued, the amount of the levy of property tax revenue that can be allocated to the Successor Agency would depend upon the actual collections of taxes within the Project Areas. Substantial delinquencies in the payment of property taxes could then impair the timely receipt by the Successor Agency of Pledged Tax Revenues and the payment of debt service on the 2023A/B Bonds.

As of May 15, 2023, the overall delinquency rate for Fiscal Year 2022-23 for all secured properties in the Project Areas was 1.6%. See APPENDIX B – “FISCAL CONSULTANT REPORT.”

Former Housing Fund. Prior to the Redevelopment Dissolution Act, the Redevelopment Law required generally that redevelopment agencies set aside in a low and moderate income housing fund not less than twenty percent (20%) of all tax revenues allocated to such agencies (the “**Housing Set-Aside**”). The Redevelopment Dissolution Act repealed the Housing Set-Aside, which is no longer in effect as a statutory obligation. However, the Housing Set-Aside is a contractual term in certain pledge agreements that the Successor Agency has with the City and that the California Department of Finance has finally and conclusively determined to be enforceable obligations. Accordingly, the Successor Agency previously maintained a fund for the pledged housing set-aside revenue even if the amount of revenue exceeded the amount necessary for debt service on affordable housing bonds in a particular fiscal year. In 2019, the California Department of Finance determined that the Successor Agency may take the twenty percent (20%) set-aside only to the extent it is listed in a Recognized Obligation Payment Schedule and is needed for fiscal year expenditures, such as debt service payments for outstanding housing bonds secured by a pledge of the revenues that had formerly been the Housing set-Aside. See “ – Recognized Obligation Payment Schedule.”

Under Section 34177.7(a)(1)(A) of the California Health and Safety Code, the Successor Agency is permitted to issue debt to meet its Affordable Housing Obligations.

Assembly Bill 1290; Statutory Pass-Throughs. Assembly Bill 1290 (being Chapter 942, Statutes of 1993) (“**AB 1290**”) was adopted by the California Legislature and became law on January 1, 1994 (adding, among other things, Sections 33607.5 and 33607.7 to the Redevelopment Law).

AB 1290 established, among other things, a mandatory statutory formula for sharing tax increment (“**Statutory Pass-Through Amounts**”) for project areas established, or amended in certain respects, on or after January 1, 1994, which applied to tax increment revenues net of the housing set-aside. The first twenty-five percent (25%) of net tax increment generated by the increase in assessed value after the establishment of the project areas or the effective date of the amendment is required to be paid to affected

taxing entities. In addition, beginning in the 11th year of collecting tax increment, an additional twenty-one percent (21%) of the increment generated by increases in assessed value after the 10th year must be so paid. Finally, beginning in the 31st year of collecting tax increment, an additional fourteen percent (14%) of the increment generated by increases in assessed value after the 30th year must be so paid.

There are nine taxing entities (the “**Taxing Entities**”) within the Project Areas. Four of these Taxing Entities are funds of the City and County of San Francisco: the General Fund, the Children’s Fund, the Library Fund, and the Open Space Fund. The remaining five Taxing Entities are: the San Francisco Community College District, the San Francisco Superintendent of Schools, the San Francisco Unified School District, the Bay Area Air Quality Management District, and the Bay Area Rapid Transit District (“**BART**”). In addition to the Taxing Entities, the City Controller allocates a portion of revenue to the Educational Revenue Augmentation Fund (“**ERAF**”) for distribution to the schools. The proportion of the Statutory Pass-Through Amounts received by each of these Taxing Entities and ERAF is shown in the following table.

Statutory Pass-through Shares By Taxing Entity⁽¹⁾

Taxing Entity	Pass-through Share
General Fund	0.55588206
Children’s Fund	0.04000000
Library Fund	0.02500000
Open Space Fund	0.02500000
S.F. Community College District	0.01444422
S.F. Schools Superintendent	0.00097335
S.F. Unified School District	0.07698857
Bay Area Air Quality Management District	0.00208539
BART	0.00632528
ERAF ⁽²⁾	0.25330113
Total	1.00000000

(1) The Statutory Pass-Throughs are assumed to be subordinated to debt service on the 2023A/B Bonds for purposes of the projections of the tax increment revenues from the Project Areas, including the projections of Pledged Tax Revenues, in this Official Statement. See “ –Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds.”

(2) ERAF is not itself a Taxing Entity; revenue deposited to ERAF is distributed to schools under statutory formulae with any excess distributed to the City.

Source: City Controller.

The Redevelopment Dissolution Act requires the City Controller to distribute from the RPTTF the Statutory Pass-Through Amounts required to be distributed to the Taxing Entities on each January 2 and June 1 before amounts are distributed by the City Controller from the RPTTF to the Retirement Fund, unless (i) pass-through payment obligations have previously been made subordinate to debt service payments for the bonded indebtedness of the Former Agency, as succeeded by the Successor Agency (*see discussion below relating to subordination of Statutory Pass-Through Amounts to the 2023A/B Bonds*), or (ii) (a) the Successor Agency has reported, no later than the December 1 and May 1 preceding the applicable January 2 or June 1 distribution date, that the total amount available to the Successor Agency from the RPTTF allocation to the Retirement Fund, from other funds transferred from the Former Agency, and from funds that have or will become available through asset sales and all redevelopment operations is insufficient to fund the Successor Agency’s enforceable obligations, Statutory Pass-Through Amounts, and the Successor Agency’s administrative cost allowance for the applicable period, and (b) the State Controller has concurred with the Successor Agency that there are insufficient funds for such purposes.

If the requirements stated in the above paragraph have been met, the Redevelopment Dissolution Act provides for certain modifications in the distributions otherwise calculated to be distributed on the applicable January 2 or June 1 property tax distribution date (as adjusted for weekends and holidays). To

provide for calculated shortages to be paid to the Successor Agency for enforceable obligations, the amount of the deficiency will first be deducted from the residual amount otherwise calculated to be distributed to the Taxing Entities under the Redevelopment Dissolution Act after payment of the Successor Agency's enforceable obligations, Statutory Pass-Through Amounts, and the Successor Agency's administrative cost allowance. If such residual amount is exhausted, the amount of the remaining deficiency will be deducted from amounts available for distribution to the Successor Agency for administrative costs for the applicable period in order to fund the enforceable obligations. Finally, funds required for servicing bond debt may be deducted from the amounts to be distributed as Statutory Pass-Through Amounts, in order to be paid to the Successor Agency for enforceable obligations, but only after the amounts described in the previous two sentences have been exhausted. See “– Recognized Obligation Payment Schedule” for further information regarding applicable periods and dates.

The process prescribed by the Redevelopment Dissolution Act of administering the tax revenues and the Statutory Pass-Through Amounts may affect the availability of an adequate amount of Pledged Tax Revenues for the payment of principal and interest on the 2023A/B Bonds when due. See “– Recognized Obligation Payment Schedule.” See also “PLEGDED TAX REVENUES AND DEBT SERVICE” for additional information regarding the Statutory Pass-Through Amounts applicable to the Successor Agency and the tax revenues derived from the Project Areas.

Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds. Section 34177.7(c) of the Redevelopment Dissolution Act sets forth a process pursuant to which payment of the Statutory Pass-Through Amounts may be subordinated to debt service on bonds or loans, provided that the affected taxing entity has approved the subordination. Accordingly, the Successor Agency notified the Taxing Entities of its intent to subordinate the Statutory Pass-Through Amounts to the payment of debt service on the 2023A/B Bonds and requested the Taxing Entities to approve of such subordination. All Taxing Entities have either approved such subordination or are deemed to have approved such subordination by not acting within 45 days after receipt of the Successor Agency's request. The Statutory Pass-Through Amount paid through ERAF to school districts is assumed to be subordinated with the Statutory Pass-Through Amount paid directly to school districts. See also “CERTAIN RISK FACTORS – Subordination of ERAF.” The total Statutory Pass-Through Amounts for the Taxing Entities (including ERAF) for Fiscal Year 2023-24 is estimated to be \$71.6 million.

Property Tax Administration Fees. Pursuant to Section 34183(a) of the Redevelopment Dissolution Act, the City Controller charges the Successor Agency a fee to recover property tax administration costs (the “**City Controller Administration Fee**”). Such administration fee is approximately 0.015% of tax increment and is allocated among all of the Successor Agency's project areas as determined at the discretion of the Successor Agency. For Fiscal Year 2022-23, the City Controller Administration Fee was approximately \$62,000. For Fiscal Year 2023-24, the City Controller Administration Fee is projected to be approximately \$49,000. See also “LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedure – *Property Tax Administrative Costs.*”

Security for the 2023A/B Bonds; Equal Security

Pursuant to Section 34177.7(g) of the Redevelopment Dissolution Act, and except as provided in the Indenture and subject to the deductions for the City Controller Administration Fee and the prior and senior pledge of and security interest in and lien in favor of the Existing Senior Loan Agreements and the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any Third Lien Parity Debt will be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and will also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues

and such moneys in the funds and accounts described herein, no funds or properties of the Successor Agency will be pledged to, or otherwise be liable for, the payment of principal of or interest on the 2023A/B Bonds.

Pledged Tax Revenues, as defined in the Indenture, generally consist of tax revenues from the Project Areas, which are deposited into the RPTTF from time to time after the deduction of the City Controller Administration Fee, excluding (i) amounts payable pursuant to the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, and Second Lien Debt, but only to the extent such amounts are pledged as security therefor, (ii) all Statutory Pass-Through Amounts required to be paid to Taxing Entities unless such payments are subordinated to payments on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture, as applicable, and (iii) amounts required to be paid to the TJPA in accordance with Section 5.7 of the Redevelopment Plan – Transbay Redevelopment Project Area. See “– Senior Obligations.” No tax revenues deposited into the RPTTF representing State-Owned Parcel Net Tax Increment from the State-Owned Parcels or tax revenues from the other Excluded Project Areas are pledged to, or anticipated to be available for, payment of debt service on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture.

The Successor Agency has no power to levy and collect taxes, and various factors beyond its control (e.g., any property tax limitation, legislative measure, voter initiative or provisions of additional sources of income to taxing agencies) could affect the amount of Pledged Tax Revenues available to pay the principal of and interest on the 2023A/B Bonds. See “– Tax Increment Financing Generally,” “– Recognized Obligation Payment Schedule,” “LIMITATIONS ON TAX REVENUES” and “CERTAIN RISK FACTORS.”

In consideration of the acceptance of the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture (collectively, the “**Third Lien Bonds**”) by those who will hold the same from time to time, the Indenture constitutes a contract between the Successor Agency and the Owners from time to time of the Third Lien Bonds, and the covenants and agreements set forth therein to be performed on behalf of the Successor Agency are for the equal and proportionate benefit, security and protection of all owners of the Third Lien Bonds, without preference, priority or distinction as to security or otherwise of any of the Third Lien Bonds over any of the others by reason of the number or date thereof, or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided in the Third Lien Bonds or in the Indenture.

Special Fund; Deposit of Pledged Tax Revenues

The Indenture established the Special Fund, which is held by the Successor Agency within the Retirement Fund. On each January 2, the Successor Agency will transfer all of the Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on a pro rata basis to the Special Fund and to any other special fund created with respect to any additional Third Lien Parity Debt that is not issued as bonds under the Indenture, promptly upon receipt thereof by the Successor Agency, until such time as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred in the Bond Year commencing on the immediately preceding August 2 (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to the Indenture and (ii) if applicable, with respect to any additional Third Lien Parity Debt (other than additional bonds issued pursuant to a Supplemental Indenture) for deposit into the funds and accounts that may be required pursuant to the applicable Parity Debt Instruments. If the amount of Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on January 2 will be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency will deposit the Pledged Tax Revenues received in connection with the succeeding June 1 in the Special Fund in order to make the remainder of the transfers and deposits described above. If there nonetheless remains insufficient Pledged Tax Revenues to make the transfers and

deposits required above, then the Successor Agency will transfer such Pledged Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Third Lien Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the Third Lien Debt and any Subordinate Debt (defined herein); provided, however, the Successor Agency will not be obligated to collect any such reserve. See also “–Recognized Obligation Payment Schedule.”

All Pledged Tax Revenues received by the Successor Agency with respect to any Bond Year in excess of the amount required to be deposited into the Special Fund and the other special funds mentioned in the preceding paragraph during such Bond Year will be released from the pledge, security interest and lien under the Indenture for the security of the Third Lien Bonds and any additional Third Lien Parity Debt and may be applied by the Successor Agency for any lawful purpose of the Successor Agency. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Third Lien Bonds and the payment in full of all other amounts payable under the Indenture and under any Supplemental Indenture or Parity Debt Instrument, the Successor Agency will not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in the Indenture and in any Supplemental Indenture or Parity Debt Instrument.

There has been established under the Indenture a trust fund to be known as the Debt Service Fund, which will be held by the Trustee in trust in accordance with the Indenture. The Indenture requires the Successor Agency to transfer from the Special Fund to the Trustee (i) on or before the fifth (5th) business day preceding each Interest Payment Date, the amount necessary to pay the interest becoming due and payable on the Outstanding Third Lien Bonds on such Interest Payment Date, (ii) on or before the fifth (5th) business day preceding August 1 in each year, the necessary amount to pay the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1, (iii) at any time that the amount on deposit in the Reserve Account or any subaccount therein is less than the Reserve Requirement, unless there is a reserve policy on deposit, the amount necessary to maintain the Reserve Requirement for the applicable series of Third Lien Bonds on deposit in the applicable subaccount of the Reserve Account, and (iv) on or before the business day preceding any date on which Third Lien Bonds are to be optionally redeemed, the amount required to pay the principal of and premium, if any, on the Third Lien Bonds to be redeemed on such date pursuant to the Indenture or the applicable Supplemental Indenture.

Upon receipt, the Trustee will deposit the following amounts, at the times described above, and in the following respective accounts, which are established in the Debt Service Fund, and in the following order of priority:

Interest Account. The Trustee will deposit in the Interest Account the amount which, when added to the amount contained in the Interest Account on such date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Third Lien Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Third Lien Bonds. All moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Third Lien Bonds as it becomes due and payable (including accrued interest on any Third Lien Bonds redeemed prior to maturity pursuant to the Indenture).

Principal Account. The Trustee will deposit in the Principal Account the amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on

the next August 1 on all of the Outstanding Serial Bonds and Outstanding Term Bonds. All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as it becomes due and payable.

Reserve Account. The Indenture establishes a “**2023A Reserve Subaccount**” within the Reserve Account for the 2023 Series A Taxable Bonds and a “**2023B Reserve Subaccount**” within the Reserve Account for the 2023 Series B Bonds (the 2023A Reserve Subaccount and the 2023B Reserve Subaccount, together, the “**2023A/B Reserve Subaccounts**”). The amount on deposit in the Reserve Account is required to be maintained at the “**Reserve Requirement**”, which is defined in the Indenture to mean, with respect to each series of Outstanding Third Lien Bonds, the lesser of (i) one hundred twenty-five percent (125%) of average Annual Debt Service with respect to that series of Third Lien Bonds, (ii) Maximum Annual Debt Service with respect to that series of Third Lien Bonds, or (iii) with respect to an individual series of Third Lien Bonds, ten percent (10%) of the original principal amount of such series of Third Lien Bonds (or, if such series of Third Lien Bonds has more than a *de minimis* amount of original issue discount or premium, 10% of the issue price of such series of Third Lien Bonds); subject to the limitations and conditions in the Indenture.

The Reserve Requirement for the 2023 Series A Taxable Bonds is \$_____ and the Reserve Requirement for the 2023 Series B Bonds is \$_____. Amounts on deposit in the 2023 Series A Taxable Subaccount will be available only to pay debt service on the 2023 Series A Taxable Bonds, and amounts on deposit in the 2023 Series B Subaccount will be available only to pay debt service on the 2023 Series B Bonds.

The Reserve Requirement for the 2023 Series A Taxable Bonds will be satisfied by the delivery of the 2023A Reserve Policy by AGM to the Trustee on the Closing Date and the Trustee will credit the 2023A Reserve Policy to the 2023A Reserve Subaccount. The Reserve Requirement for the 2023 Series B Bonds will be satisfied by the delivery of the 2023B Reserve Policy by AGM to the Trustee on the Closing Date and the Trustee will credit the 2023B Reserve Policy to the 2023B Reserve Subaccount. The Trustee will draw on the 2023A Reserve Policy and the 2023B Reserve Policy in accordance with their respective terms and conditions and the terms of the Indenture in order to pay debt service on the 2023 Series A Taxable Bonds and the 2023 Series B Bonds, respectively. Pursuant to the Indenture, in the event a Qualified Reserve Account Credit Instrument, such as the 2023A Reserve Policy and the 2023B Reserve Policy, is delivered at any time to meet the entirety of the Reserve Requirement with respect to one or more series of Third Lien Bonds (that is, no cash is being deposited or will remain deposited in the Reserve Account with respect to those series of Third Lien Bonds), then, notwithstanding the above definition of Reserve Requirement, the Reserve Requirement will, with respect to those series of Third Lien Bonds, be determined only at the time of the delivery of the Qualified Reserve Account Credit Instrument and will not be subject to increase or decrease at a later date.

The amounts available under the 2023A Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023 Series A Taxable Bonds. The amounts available under the 2023B Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023 Series B Bonds. The Trustee will comply with all documentation relating to the Reserve Policies, as required to maintain the Reserve Policies in full force and effect and as required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture. The Successor Agency has no obligation to replace either Reserve Policy or to fund the applicable Reserve Subaccount with cash if, at any time that any of the applicable Series of the 2023A/B Bonds are Outstanding, amounts are not available

under such Reserve Policy, other than in connection with the replenishment of a draw on such Reserve Policy. Additionally, the Successor Agency will have no obligation to replace either of the Reserve Policies or to deposit any cash in the 2023A Reserve Subaccount or 2023B Reserve Subaccount in the event that any rating assigned to AGM is downgraded, suspended or withdrawn.

See “BOND INSURANCE – Assured Guaranty Municipal Corp.” herein for more information about AGM. See Appendix C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” for further information regarding the 2023A Reserve Subaccount and the 2023B Reserve Subaccount.

In connection with the issuance of the 2017A/B Bonds, AGM issued a debt service reserve policy (the “**2017 Reserve Policy**”) to satisfy the Reserve Requirement with respect to the 2017A/B Bonds. The amounts available under the 2017 Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2017A/B Bonds. No amounts under the 2017 Reserve Policy may be used to pay debt service on the 2021A Bonds, the 2023A/B Bonds or any additional Third Lien Bonds issued in the future.

In connection with the issuance of the 2021A Bonds, AGM issued a debt service reserve policy (the “**2021 Reserve Policy**”) to satisfy the Reserve Requirement with respect to the 2021A Bonds. The amounts available under the 2021 Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2021A Bonds. No amounts under the 2021 Reserve Policy may be used to pay debt service on the 2017A/B Bonds, the 2023A/B Bond or any additional Third Lien Bonds issued in the future.

See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Existing Senior Obligations

Existing Senior Loans and Second Lien Debt. Payment of debt service on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any additional Third Lien Bonds issued in the future from tax increment revenues from the Project Areas is subordinate to the Successor Agency’s obligations to pay debt service on certain outstanding loans (the “**Existing Senior Loans**”) made to the Former Agency by the City and County of San Francisco Redevelopment Financing Authority (the “**Authority**”) pursuant to certain loan agreements between the Former Agency and the Authority to fund redevelopment activities (the “**Existing Senior Loan Agreements**”). The Authority made the Existing Senior Loans with proceeds of certain bonds issued by the Authority (the “**Authority Bonds**”), payable from loan repayments under the Existing Senior Loan Agreements.

Payment of debt service on the 2023A/B Bonds is also subordinate to the Successor Agency’s obligation to pay debt service on its 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and its 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (together the “**2014 Bonds**”) and any 2014 Parity Debt (which is defined in the Indenture as any indebtedness issued on parity with the 2014 Bonds in accordance with the indenture pursuant to which they were issued). 2014 Parity Debt includes the Successor Agency’s 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (together, the “**2017D/E Bonds**”) (the 2014 Bonds and the 2014 Parity Debt, including the 2017D/E Bonds, collectively, the “**Second Lien Debt**”).

As of August 2, 2023, Senior Obligations were outstanding in the aggregate principal amount of approximately \$262 million and are described in the following table. Such Senior Obligations consisted of

approximately \$169 million aggregate principal amount of outstanding Existing Senior Loans pursuant to Existing Senior Loan Agreements (including the Mission Bay Senior Loan Agreements with an outstanding aggregate principal amount of approximately \$10 million, which are secured by tax revenues from the Mission Bay North and Mission Bay South Project Areas, respectively, which are Excluded Project Areas and the tax revenues of which do not secure the Third Lien Bonds) and approximately \$93 million principal amount of Second Lien Bonds. In the event there is insufficient money in any reserve account established under either of the Mission Bay Senior Loan Agreements, the Successor Agency is obligated to cause aggregate tax increment revenue from certain of the Project Areas in the amount of such insufficiency to be deposited therein, subject to certain limits set forth in the Existing Senior Loan Agreements.

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

**Table of Senior Obligations
(The Project Areas)
as of August 2, 2023**

Lien	Series	Project Area	Outstanding Par Amount	Final Maturity⁽¹⁾
Senior Lien (Existing Senior Loans)	1998C	Non-Mission Bay (RP)	\$521,978	8/1/2024
	1998D	Non-Mission Bay (GG, HP, WA, YB)	\$3,295,908	8/1/2024
	2006A	Non-Mission Bay (GG)	\$18,646,381	8/1/2036
	2007A	Mission Bay North ⁽²⁾	\$9,420,000	8/1/2037
		Non-Mission Bay (BV, RP, SM, TB)	\$81,080,000	8/1/2037
	2009E	Mission Bay South ⁽³⁾	\$785,000	8/1/2025
		Non-Mission Bay (BV, RP, WA, YB)	\$55,035,000	8/1/2039
		Mission Bay⁽²⁾⁽³⁾	\$10,205,000	
		Non-Mission Bay	\$158,579,266	
		Total Senior Lien Existing Senior Loans	\$168,784,266	
Second Lien Debt	2014B	Non-Mission Bay	\$18,030,000	8/1/2035
	2014C	Non-Mission Bay	\$2,380,000	8/1/2029
	2017D	Non-Mission Bay	\$55,890,000	8/1/2041
	2017E	Non-Mission Bay	\$16,860,000	8/1/2041
		Total Second Lien Debt	\$93,160,000	
		Mission Bay⁽²⁾⁽³⁾	\$10,205,000	
		Non-Mission Bay	\$251,739,266	
		Total Senior Obligations	\$261,944,266	

Legend: BV – Bayview Hunters Point RP – Rincon Point-South Beach
GG – Golden Gateway SM – South of Market
HP – Hunters Point TB – Transbay
IB – India Basin Industrial Park WA – Western Addition
YB – Yerba Buena Center

⁽¹⁾ Final maturities of Existing Senior Loans are set forth in this table as occurring on the August 1 immediately following such maturities.

⁽²⁾ Represents loan secured by (i) tax increment revenues generated within the Mission Bay North Project Area, and (ii) the Housing Set-Aside generated within the Project Areas on a basis senior to the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds.

⁽³⁾ Represents loan secured by (i) tax increment revenues generated within the Mission Bay South Project Area, and (ii) the Housing Set-Aside generated within the Project Areas on a basis senior to the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds.

Source: Successor Agency.

Project Area-Specific Prior Obligations. Tax increment revenue from certain of the Project Areas is subject to other obligations that are senior to the payment of debt service on the 2023A/B Bonds.

South of Market Project Area. A portion of the tax increment revenue from the Original Sub-Area of the South of Market Project Area is potentially allocable to school districts under Section 33676(a) of the Redevelopment Law and the Santa Ana Section 33676 Decision described in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B, wherein this obligation is referred to as a “senior obligation.” This portion is potentially payable on a basis senior to the payment of debt service on the 2023A/B Bonds. The amount of tax revenue potentially payable to the school entities is estimated to be \$80,000 for Fiscal Year 2023-24.

Yerba Buena Center Approved Project Area D-1. In the Yerba Buena Center Approved Project Area D-1, consistent with an amendment to its redevelopment plan, a portion of the tax increment revenues (i.e., 2% of growth) from the Emporium Sub-Area is allocated to certain Taxing Entities. Distribution of this 2% occurs prior to calculation of tax increment revenue available for payment of debt service on the 2023A/B Bonds. The amount excluded from Fiscal Year 2023-24 tax increment in this manner is approximately \$404,000. See APPENDIX B – “FISCAL CONSULTANT REPORT” wherein this obligation is referred to as a “senior obligation.”

Property Tax Administration Fees. Pursuant to the Redevelopment Dissolution Act, beginning for Fiscal Year 2012-13, the City Controller charges the Successor Agency the City Controller Administration Fee to recover property tax administration costs. For Fiscal Year 2022-23, the City Controller Administration Fee was approximately \$62,000. For Fiscal Year 2023-24, it is expected to be approximately \$49,000. See “ – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Property Tax Administration Fees*” and “LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedures – *Property Tax Administrative Costs.*”

Existing Third Lien Parity Debt

Payment of debt service on the 2023A/B Bonds from Pledged Tax Revenues is on a parity with the Successor Agency’s obligations to pay debt service on the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (together, the “**2017A/B Bonds**”) and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “**2021A Bonds**”). As of August 2, 2023, the 2017A/B Bonds are outstanding in the aggregate principal amount of \$44,350,000 and the 2021A Bonds are outstanding in the aggregate principal amount of \$126,580,000. Prior to the issuance of the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds are the only Third Lien Parity Debt.

Limitations on Additional Indebtedness

Senior Debt. Under the Indenture, the Successor Agency has covenanted that so long as the Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues (as defined in the Existing Senior Loan Agreements) or Pledged Tax Revenues on a basis senior to payment of debt service on the Third Lien Bonds and any other Third Lien Parity Debt issued in the future, except for obligations issued to refund any of the Senior Obligations, so long as the debt service in any Bond Year does not increase as a result of such refunding. Further, the Successor Agency covenants that, so long as the Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues, other than Third Lien Parity Debt meeting the requirements of the Indenture and any Subordinate Debt. See also “– Senior Obligations” above. The Successor Agency has also covenanted that it will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Third Lien Bonds superior or equal to the pledge and lien created for the benefit of the Third Lien Bonds under the Indenture.

Third Lien Parity Debt. In addition to the 2023A/B Bonds, the Successor Agency may issue additional bonds (including pursuant to a Supplemental Indenture) or incur other loans, advances or indebtedness, which are secured by and payable from Pledged Tax Revenues on a parity with the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and other Third Lien Parity Debt issued in the future (“**Third**

Lien Debt”) for any purpose provided for in the Redevelopment Dissolution Act, including, but not limited to, refunding existing indebtedness of the Successor Agency in accordance with Section 34177.5(a) of the Redevelopment Dissolution Act, and funding the affordable housing obligations and the infrastructure obligations described in Section 34177.7(a)(1)(A) and (B) of the Redevelopment Dissolution Act, in such principal amount as will be determined by the Successor Agency, subject to the following specific conditions, which are all conditions precedent to the issuance and delivery of such Third Lien Parity Debt:

(a) No event of default under the Indenture or under any Parity Debt Instrument will have occurred and be continuing unless such event of default will be cured by the issuance of such Third Lien Parity Debt;

(b) Pledged Tax Revenues (after adding back amounts payable pursuant to the Existing Senior Loan Agreements, any debt issued on parity with the Existing Senior Loan Agreements and Second Lien Debt) received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Areas as evidenced in a written document from an appropriate official of the City, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, will be at least equal to one hundred twenty-five percent (125%) of Maximum Annual Debt Service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt that will be outstanding immediately following the issuance of such Third Lien Parity Debt, provided that, in the case of a refunding, in whole or in part, of the Existing Senior Loans, the Second Lien Debt or the Third Lien Debt, the requirements set forth in this section (b) do not need to be met if the debt service on the Third Lien Parity Debt in each bond year either will be less than the debt service in each bond year on the Existing Senior Loans, the Second Lien Debt, or the Third Lien Debt being refunded;

(c) In the event the Successor Agency issues additional Third Lien Bonds pursuant to a Supplemental Indenture, the Successor Agency will cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency will deliver to the Trustee a written certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Third Lien Parity Debt set forth above have been satisfied.

The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area in the next five years and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds. The amounts and time in the preceding sentence reflect current projections; no assurance can be given as to the exact timing or amount of any additional bond issuances.

Subordinate Debt. Under the Indenture “**Subordinate Debt**” is defined as loans, advances or other indebtedness issued or incurred by the Successor Agency that are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues that is expressly subordinate to the pledge of and lien upon the Pledged Tax Revenues under the Indenture for the security of the Third Lien Parity Debt. The Successor Agency may issue or incur Subordinate Debt in such principal amount as may be determined by the Successor Agency. Such Subordinate Debt may be payable from any assets or property of the Successor Agency, including Pledged Tax Revenues, on a subordinate basis to the payment of debt service on the Third Lien Bonds.

Recognized Obligation Payment Schedule

The Redevelopment Dissolution Act requires successor agencies to annually prepare and approve, and submit to the successor agency’s oversight board, the county auditor-controller, and the California

Department of Finance for approval, a Recognized Obligation Payment Schedule (the “**Recognized Obligation Payment Schedule**” hereinafter also referred to as “**ROPS**”) pursuant to which enforceable obligations (as defined in the Redevelopment Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Only those payments listed in a ROPS may be made by the successor agency from the funds specified in the ROPS. A reserve may be included on the ROPS and held by the successor agency when required by a bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bonds for the next payment due in the following half of the calendar year.

Pursuant to SB 107, commencing on February 1, 2016, successor agencies transitioned to an annual ROPS process pursuant to which successor agencies are required to submit by each February 1 their oversight board-approved ROPS for the July 1 through June 30 period to the California Department of Finance for its approval and to the successor agencies’ respective auditor-controllers. If the Successor Agency does not timely submit an Oversight Board-approved ROPS to the California Department of Finance and the City Controller, then the Successor Agency will be subject to a \$10,000 per day civil penalty for every day the ROPS is late. Additionally, if the Successor Agency does not submit a ROPS to the California Department of Finance and the City Controller within ten (10) days of the deadline, then the Successor Agency’s maximum administrative cost allowance may be reduced by up to twenty-five percent (25%). For additional information regarding procedures under the Redevelopment Dissolution Act relating to late ROPSs and implications thereof for the 2023A/B Bonds, see “CERTAIN RISK FACTORS – Recognized Obligation Payment Schedule.” Also see “– Last and Final Recognized Obligation Payment Schedule” below for a description of the Last and Final ROPS authorized by the Redevelopment Dissolution Act pursuant to SB 107.

In the Indenture, the Successor Agency covenants to comply with all of the requirements of the Law and the Redevelopment Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Redevelopment Dissolution Act to assure compliance by the Successor Agency with its covenants under the Indenture.

Further, the Successor Agency covenants to take all actions required under the Redevelopment Dissolution Act to include

- (i) scheduled debt service on the Existing Senior Loans, the Second Lien Debt and any amounts required to replenish any reserve account established under an Existing Senior Loan Agreement, the indenture pursuant to which the 2014 Bonds were issued or any instrument pursuant to which any other Second Lien Debt is issued,
- (ii) scheduled debt service on the 2017A/B Bonds, the 2021A Bonds and any Third Lien Parity Debt, which includes the 2023A/B Bonds, and any amount required under the Indenture or any Parity Debt Instrument to replenish the Reserve Account or the reserve account established under any Parity Debt Instrument, and
- (iii) amounts due to any Insurer under the Indenture or under an insurance or surety bond agreement, including the Insurance Policy and the Reserve Policies,

in each annual ROPS so as to enable the City Controller to distribute from the RPTTF to the Successor Agency’s Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay principal of, and interest on, the Third Lien Bonds coming due in the respective six-month period and to pay amounts owed to any bond insurer, as well as the other amounts set forth above.

These actions will include, without limitation, placing on the periodic ROPS for approval by the Oversight Board and California Department of Finance the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Redevelopment Dissolution Act, that are necessary to comply with the Indenture. Not later than each February 1 (or at such other time as may be required by the Redevelopment Dissolution Act) for so long as any of the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt or the Third Lien Bonds, including the 2023A/B Bonds, remain outstanding or any amounts owing to an Insurer remain unpaid, (a) the Successor Agency will place on the ROPS relating to the January 2 disbursement date all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on the immediately succeeding February 1 and August 1, and (b) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on a timely basis, the Successor Agency will place on the ROPS relating to the June 1 disbursement date amounts required to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on the next succeeding August 1. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on February 1 and August 1 of the next succeeding calendar year. Further, the Successor Agency will place any amounts required to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument and any amounts owing to any Insurer under the Indenture or under an insurance or surety bond agreement, including the Insurance Policy and the Reserve Policies, on its next Recognized Obligation Payment Schedule upon any such amounts becoming owing.

Under the Indenture, without in any way limiting any of the foregoing, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024, and January 2, 2025, disbursement dates, (i) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the 2023A/B Bonds, all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023A/B Bonds, are sufficient to pay debt service on the 2023A/B Bonds on August 1, 2024, for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023A/B Bonds, are sufficient for the payment of debt service on the 2023A/B Bonds on February 1, 2025, and August 1, 2025, for distribution to the Successor Agency on January 2, 2025. The Successor Agency previously placed on the Recognized Obligation Payment Schedule relating to the June 1, 2023, and January 2, 2024, disbursement dates, amounts sufficient to pay debt service on the 2023A/B Bonds on February 1, 2024, and August 1, 2024, for distribution to the Successor Agency on January 2, 2024.

The Successor Agency further covenants that it will, on or before May 1 and December 1 of each year, file a Notice of Insufficiency with the City Controller if the amount of Tax Revenues available to the Successor Agency from the RPTTF on the upcoming June 1 or January 2, as applicable, is insufficient to pay debt service on the Third Lien Bonds or any other Third Lien Parity Debt, to replenish the Reserve

Account or the reserve account established under any Parity Debt Instrument and to pay any Insurer any amounts owing under the Indenture or under an insurance or surety bond agreement, including the Insurance Policy or the Reserve Policies.

If any amounts then due and payable to AGM under the Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to its Oversight Board and the California Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to AGM.

The Successor Agency will not submit to its Oversight Board and the California Department of Finance a request for the final amendment permitted for its Last and Final ROPS pursuant to Section 34191.6 of the Redevelopment Dissolution Act without the prior written consent of AGM, unless all amounts that could become due and payable to AGM under the Indenture would be included as a line item on the Last and Final ROPS following approval of the requested amendment.

Last and Final Recognized Obligation Payment Schedule

SB 107 amended the Redevelopment Dissolution Act to permit a successor agency to submit a Last and Final Recognized Obligation Payment Schedule (a “**Last and Final ROPS**”). In particular, successor agencies that have received a Finding of Completion and the concurrence of the California Department of Finance as to the items that qualify for payment, among other conditions, may at their option, file a Last and Final ROPS. If approved by the California Department of Finance, the Last and Final ROPS will be binding on all parties, and the successor agency will no longer submit the ROPS to the California Department of Finance or its oversight board. The county auditor-controller will continue to allocate moneys in the successor agency’s RPTTF pursuant to Section 34183 of the Redevelopment Dissolution Act; however, the county auditor-controller will allocate such moneys in each fiscal period, after deducting the county auditor-controller’s administrative costs, in the following order of priority: (A) pass-through payments pursuant to Section 34183(a)(1) of the Redevelopment Dissolution Act; (B) scheduled debt service payments on tax allocation bonds listed and approved in the Last and Final ROPS; (C) scheduled payments on revenue bonds listed and approved in the Last and Final ROPS, but only to the extent the revenues pledged for them are insufficient to make the payments and only if the successor agency’s tax increment revenues were also pledged for the repayment of bonds; (D) scheduled payments for debts and obligations listed and approved in the Last and Final ROPS to be paid from the RPTTF; (E) payments listed and approved on the Last and Final ROPS that were authorized but unfunded in prior periods; (F) repayment of loans and deferrals to the city that created the redevelopment agency or the successor to the former redevelopment agency’s housing functions and assets that are listed and approved on the Last and Final ROPS; and (G) any moneys remaining in the RPTTF after the payments and transfers described in (A) to (F), above, will be distributed to taxing entities in accordance with Section 34183(a)(4) of the Redevelopment Dissolution Act. A Last and Final ROPS may only be amended twice, and only with approval of the California Department of Finance and the county auditor-controller.

If the successor agency reports to the county auditor-controller that the total available amounts in the RPTTF will be insufficient to fund the successor agency’s current or future fiscal year obligations, and if the county auditor-controller concurs that there are insufficient funds to pay the required obligations, the county auditor-controller may distribute funds pursuant to Section 34183(b) of the Redevelopment Dissolution Act. See “– Tax Increment Financing Generally.”

The Successor Agency does not currently intend to submit a Last and Final ROPS. The Successor Agency has covenanted in the Indenture not to submit to the Oversight Board and the California Department of Finance a request for the final amendment permitted for its Last and Final ROPS pursuant to Section 34191.6 of the Redevelopment Dissolution Act without the prior written consent of AGM, unless all

amounts that could become due and payable to AGM under the Indenture would be included as a line item on the Last and Final ROPS following approval of the requested amendment.

BOND INSURANCE

The information under this section has been prepared by AGM for inclusion in this Official Statement. Neither the Successor Agency nor the Underwriters have reviewed this information, nor do the Successor Agency or the Underwriters make any representation with respect to the accuracy or completeness thereof.

Bond Insurance Policy

Concurrently with the issuance of the 2023A/B Bonds, Assured Guaranty Municipal Corp. ("AGM") will issue the Insurance Policy. The Insurance Policy guarantees the scheduled payment of principal of and interest on the 2023A Insured Bonds and the 2023B Insured Bonds when due, as set forth in the form of the Insurance Policy included as Appendix G to this Official Statement.

The Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On July 13, 2023, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On October 21, 2022, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On March 18, 2022, Moody's announced it had upgraded AGM's insurance financial strength rating to "A1" (stable outlook) from "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Capitalization of AGM

At June 30, 2023:

- The policyholders' surplus of AGM was approximately \$2,702 million.
- The contingency reserve of AGM was approximately \$894 million.
- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately \$2,089 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AGM, and (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and net deferred ceding commission income of AGM were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (filed by AGL with the SEC on March 1, 2023);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 (filed by AGL with the SEC on May 10, 2023); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 (filed by AGL with the SEC on August 9, 2023).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the 2023A/B Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the

respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "**AGM Information**") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the 2023A/B Bonds or the advisability of investing in the 2023A/B Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE."

THE SUCCESSOR AGENCY

The Redevelopment Dissolution Act established, by operation of law, the Successor Agency with all authority, rights, powers, duties, and obligations previously vested with the Former Agency under the Redevelopment Law, as amended by the Redevelopment Dissolution Act. The Successor Agency is a separate public entity from the City, but the Board of Supervisors of the City serves as the legislative body of the Successor Agency and delegated, by Ordinance No. 215-12 adopted by the Board of Supervisors on October 2, 2012, and signed by the Mayor on October 4, 2012 ("**Ordinance No. 215-12**"), its authority under the Redevelopment Dissolution Act to the Successor Agency Commission. Within City government, the Successor Agency is titled "The Office of Community Investment and Infrastructure as the Successor to the San Francisco Redevelopment Agency." Set forth below is a discussion of the history of the Former Agency and the Successor Agency, the governance and operations of the Successor Agency and its powers under the Redevelopment Law and the Redevelopment Dissolution Act, and the limitations thereon.

The Successor Agency maintains a website at www.sfocii.org. The information presented therein is not incorporated herein by reference.

Authority and Personnel

The powers of the Successor Agency are vested in its governing board (the "**Successor Agency Commission**"), which in the City is referred to as the "**Commission on Community Investment and Infrastructure**" and which has five (5) members who are appointed by the Mayor of the City with the approval of the Board of Supervisors. Members are appointed to staggered four-year terms (provided that two (2) members had initial two-year terms). Once appointed, members serve until replaced or reappointed.

The current members of the Successor Agency Commission, together with their principal occupations, the years of their first appointment to the Commission and the expiration date of their current terms are as follows:

<u>Name</u>	<u>Occupation</u>	<u>First Appointed</u>	<u>Term Expires</u>
Vanessa Ross Aquino	Community Organizer	2023	November 3, 2024
Bivett Brackett	Small Business Owner	2019	November 3, 2024
Tamsen Drew	Attorney	2023	November 3, 2026
Alex Ludlum	Real Estate Professional	2022	November 3, 2026
Dr. Carolyn Ransom-Scott	Clergy	2018	November 3, 2024

The Successor Agency has 55 full-time equivalent positions budgeted, approximately 35 of which are filled. On April 12, 2022, the Successor Agency Commission appointed Thor Kaslofsky to serve as Executive Director. The other principal full-time staff positions are: the Deputy Director of Finance and Administration; the Deputy Director of Project and Programs, which currently is vacant; and the General Counsel and Deputy Director. Each project area in which the Successor Agency continues to implement enforceable obligations is managed by a designated project manager. There are separate staff support divisions with real estate and housing development specialists as well as planning and other technical staff. The Successor Agency has its own fiscal, legal, and administrative staff.

Effect of the Redevelopment Dissolution Act

AB 26. As a result of AB 26 and the decision of the California Supreme Court in the *California Redevelopment Association* case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Former Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies and also to satisfy “enforceable obligations” of the former redevelopment agencies all under the supervision of new oversight boards, the California Department of Finance and the State Controller.

Pursuant to Ordinance No. 215-12, the Board of Supervisors: (i) officially gave the following name to the Successor Agency: the “**Successor Agency to the Redevelopment Agency of the City and County of San Francisco**”; (ii) created the Successor Agency Commission as the policy body of the Successor Agency; (iii) delegated to the Successor Agency Commission the authority to act in place of the Former Agency’s Commission to implement the surviving redevelopment projects, the replacement housing obligations and other enforceable obligations of the Former Agency and the authority to take actions that AB 26 and AB 1484 require or allow on behalf of the Successor Agency; and (iv) established the composition and terms of the members of the Successor Agency Commission. As discussed below, many actions of the Successor Agency are subject to approval by the Oversight Board and review or approval by the California Department of Finance, including the issuance of bonds such as the 2023A/B Bonds.

AB 1484. On June 27, 2012, the Redevelopment Dissolution Act was amended by AB 1484, which clarified that successor agencies are separate public entities from the city or counties in which they operate and that a successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation.

SB 107. On September 22, 2015, the Redevelopment Dissolution Act was further amended by SB 107, which, among other things: a) clarified the authority of the Successor Agency to issue bonds for affordable housing and certain infrastructure (California Health & Safety Code § 34177.7); b) removed, for purposes of payment of enforceable obligations, certain time limits that had previously applied to the issuance of debt, the receipt of tax increment, the repayment of debt and any other matters set forth in Sections 33333.2, 33333.4, and 33333.6 of the Redevelopment Law; and c) authorized the Successor Agency to secure new debt with the property tax revenues (former tax increment) from project areas that had generated tax increment upon the dissolution of the Former Agency on February 1, 2012 (Stats. 2015,

ch. 325, § 27(e)). Significantly, these project areas include those with redevelopment plans that may have expired for other purposes but that continue to be a source of funds for repayment of indebtedness. Accordingly, the Successor Agency will continue to be allocated revenue from all former project areas until such time as all enforceable obligations have been repaid, even if such time extends beyond such project area plan's stated last day to repay indebtedness. SB 107 did not however change a redevelopment plan's limit on the amount of bonds that can be outstanding at any one time or restore or continue funding for projects whose contractual terms specified that project funding would cease once the limits in the Redevelopment Law were realized. See "– Continuing Activities" below for more information relating to Section 34177.7.

Oversight Board

The Redevelopment Dissolution Act established special provisions for the composition of a seven-member oversight board operating in a jurisdiction that is both a charter city and a county, such as the City (California Health & Safety Code § 34179(a)(10)). These provisions require that four (4) members of the oversight board be appointed by the mayor, one of whom must represent the largest number of former redevelopment agency employees employed by the Successor Agency at that time, one member appointed by the largest special district as determined by property tax share, one member appointed by the superintendent of education, and one member appointed by the chancellor of the state community colleges. The Successor Agency's Oversight Board is composed of the four (4) members appointed by the Mayor, the one (1) member appointed by the BART, the one (1) member appointed by the County Superintendent of Education, and the one (1) member appointed by the Chancellor of the California Community Colleges.

Department of Finance Finding of Completion

The Redevelopment Dissolution Act established a process for determining the liquid assets that redevelopment agencies should have shifted to their successor agencies when they were dissolved, and the amount that should be available for remittance by the successor agencies to their respective county auditor-controllers for distribution to affected taxing entities. This determination process was required to be completed through the final step (review by the California Department of Finance) by November 9, 2012, with respect to affordable housing funds and by April 1, 2013, with respect to non-housing funds. On May 23, 2013, the Successor Agency promptly remitted to the City Controller the amounts of unobligated balances relating to affordable housing funds, determined by the California Department of Finance in the amount of \$10,577,932, plus \$1,916 in interest. On May 23, 2013, the Successor Agency promptly remitted to the City Controller the amount of unobligated balances relating to all other funds determined by the California Department of Finance in the amount of \$959,147. The Successor Agency has made all payments required under AB 1484 and received its finding of completion from the California Department of Finance on May 29, 2013.

Continuing Activities

The Former Agency was organized in 1948 by the Board of Supervisors pursuant to the Redevelopment Law. The Former Agency's mission was to eliminate physical and economic blight within specific geographic areas of the City designated by the Board of Supervisors. The Former Agency had redevelopment plans for fourteen (14) redevelopment project areas of which thirteen (13) continue, including the Project Areas. The Successor Agency only has the authority to complete work related to approved enforceable obligations.

These enforceable obligations are related to the following "**Major Approved Development Projects**": (i) the Mission Bay North Project Area; (ii) the Mission Bay South Project Area; (iii) the Hunters Point Shipyard Project Area and Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B; and (iv) the Transbay Project Area. Further, the Redevelopment Dissolution Act expressly

provides (pursuant to Section 34177.7) for the issuance by the Successor Agency of bonds and any other obligations (and, pursuant to Section 34177.5, bonds and other indebtedness to refund such bonds or obligations) and specifically states that the Successor Agency “*shall have the authority, rights, and powers of the Redevelopment Agency to which it succeeded solely for the purpose of issuing bonds or incurring other indebtedness to finance...the affordable housing required by the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, the Disposition and Development Agreement for Hunters Point Shipyard Phase I, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, and the Transbay Implementation Agreement,*” which documents, respectively, relate to the Major Approved Development Projects, for which the Successor Agency “*may pledge to [any such] bonds or other indebtedness the property tax revenues available in the...Redevelopment Property Tax Trust Fund that are not otherwise obligated*”. The Mission Bay North Project Area, the Mission Bay South Project Area, parcels in the Hunters Point Shipyard Project Area (other than the Hunters Point Hill Residential District), Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B and the State-Owned Parcels in the Transbay Project Area are Excluded Project Areas. See “INTRODUCTION – Excluded Project Areas.”

In addition, the Successor Agency continues to manage the Former Agency’s assets and real property that ultimately must be disposed of, or transferred to the City, under a long range property management plan required by the Redevelopment Dissolution Act and approved by the California Department of Finance on December 7, 2015.

THE PROJECT AREAS

General

As discussed under “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS,” the 2023A/B Bonds are secured by Pledged Tax Revenues generally consisting of tax increment revenues generated within the Project Areas remaining after payment of the City Controller Administration Fee, the Existing Senior Loan Agreements and the Second Lien Debt. The Project Areas consist of the following:

- Bayview Hunters Point Project Area – Zone 2 of Project Area B*
- Bayview Hunters Point Project Area – Project Area A
- Embarcadero-Lower Market (“Golden Gateway”) Project Area
- Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)*
- India Basin Industrial Park Project Area
- Rincon Point – South Beach Project Area
- South of Market Project Area
- Transbay Project Area*
- Western Addition Project Area A-2
- Yerba Buena Center Approved Project Area D-1

* Bayview Hunters Point Project Area – Zone 2 of Project Area B excludes Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B. See “– Project Areas – Bayview Hunters Point Project Area – Zone 2 of Project Area B.” The projections of tax increment revenues available to pay debt service on the 2023A/B Bonds exclude tax increment from areas in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and the State-Owned Parcel Net Tax Increment. See “– Project Areas – Hunters Point Hill Residential District (Hunters Point Shipyard Project Area).” See also “– Project Areas – Transbay Project Area” and “INTRODUCTION – Excluded Project Areas.”

Under the Indenture, Pledged Tax Revenues exclude amounts required to be paid to the TJPA in accordance with the redevelopment plan for the Transbay Project Area (i.e. State-Owned Parcel Net Tax

Increment). Therefore, State-Owned Parcel Net Tax Increment is not available for payment of debt service on the 2023A/B Bonds. State-Owned Parcel Net Tax Increment for Fiscal Year 2023-24 is approximately \$28.4 million. See Appendix B – “Fiscal Consultant Report.” The tax increment from the State-Owned Parcels in excess of the State-Owned Parcel Net Tax Increment is deposited into the RPTTF. Such excess is equal to the former State-Owned Parcels Housing Set-Aside and the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels. For Fiscal Year 2023-24, such excess totaled approximately \$22.9 million. This amount is anticipated to be available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. See “INTRODUCTION – Excluded Project Areas,” “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Former Housing Fund*” and “– *Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds*.”

Redevelopment Plans

Under the Redevelopment Law, a city or county that activated a redevelopment agency was required to adopt, by ordinance, a redevelopment plan for each redevelopment project to be undertaken by the redevelopment agency. A redevelopment agency could only undertake those activities within a redevelopment project area specifically authorized in the adopted redevelopment plan. A redevelopment plan is a legal document, the content of which is largely prescribed in the Redevelopment Law, rather than a “plan” in the customary sense of the word. The Former Agency adopted a redevelopment plan for each of the Project Areas, each of which originally included separate time and financial limitations applicable to such Project Area. However, SB 107 provides that the time limits for receiving property tax revenues and the limitation on the amount of property tax revenues that may be received by the Former Agency and the Successor Agency as set forth in these redevelopment plans are not effective for purposes of paying the Successor Agency’s enforceable obligations, such as the 2023A/B Bonds. As a result, the projections set forth in this Official Statement and in the Fiscal Consultant’s Report attached hereto as APPENDIX B were prepared without regard to the time and financial limitations set forth in any of the redevelopment plans. Certain information regarding the redevelopment plans for these Project Areas can be found in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B.

Project Areas

A brief description of each of the Project Areas is set forth below. Additional information regarding the Project Areas can be found in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B.

Bayview Hunters Point Project Area – Zone 2 of Project Area B. The 1,081-acre Bayview Hunters Point Project Area – Zone 2 of Project Area B consists of residential, commercial, industrial, and public uses in the Bayview Hunters Point community, which is located in the southeast quadrant of San Francisco. As defined herein, this project area includes Zone 2 of the larger Bayview Hunters Point Project Area B, but excludes Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B. Tax increment revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B is not pledged to the payment of the 2023A/B Bonds and is part of what is referred to herein as the “Excluded Project Areas.”

The Bayview Hunters Point Project Area – Zone 2 of Project Area B includes the majority of the length of Bayview’s portion of the Third Street commercial corridor, which extends from Cesar Chavez Street on the north side, to Meade Street and Highway 101 on the south side. The project area also includes large portions of industrial and residential areas west of Third Street towards Bayshore Boulevard, east of Third Street, roughly between Palou Street and Jamestown Street, towards the Yosemite Slough, and a residential district near the India Basin shoreline adjacent to the Bayview Hunters Point Project Area – Project Area A.

Bayview Hunters Point Project Area – Project Area A. The Bayview Hunters Point Project Area – Project Area A is a 137-acre hilly residential tract located in Bayview Hunters Point on a site formerly occupied by temporary federal wartime housing. It is bounded by Fairfax Avenue on the north, Griffith Street on the east, Palou Avenue on the south and Mendell Street on the west. It extends five blocks on its east-west axis and ten blocks in the north-south direction. Pursuant to the redevelopment plan for this project area, over 1,760 new rental, co-op, condominium and ownership units have been constructed and 122 homes have been rehabilitated in this project area. Community improvements include major new roadways and their associated streetscape improvements, a number of neighborhood parks, community facilities and schools.

Embarcadero-Lower Market (“Golden Gateway”) Project Area. The Embarcadero-Lower Market (“Golden Gateway”) Project Area is an approximately 51-acre high density district located along the Embarcadero, largely north of Market Street and east of Battery Street. This project area is developed with approximately 1,400 housing units, an approximately 800-room hotel, approximately 3.5 million square feet of office and commercial space (including the Embarcadero Center) and twelve acres of public parks and open space, as well as the Embarcadero Station of the BART.

Hunters Point Hill Residential District (Hunters Point Shipyard Project Area). The Hunters Point Hill Residential District (Hunters Point Shipyard Project Area) is approximately 74 acres that consists of residential, retail, and community uses in the Bayview Hunters Point community located in the southeast quadrant of San Francisco. As defined herein, this project area includes the Hunters Point Residential District of the Hunters Point Shipyard Project Area, but excludes the remaining land use districts within the Hunters Point Shipyard Project Area. Tax increment revenue from the remaining land use districts within the Hunters Point Shipyard Project Area is not pledged to the payment of the 2023A/B Bonds. See also “INTRODUCTION – Excluded Project Areas.”

The Hunters Point Hill Residential District consists of two geographic areas, the “Hilltop” and the “Hillside”. The two sites are entitled for 1,428 housing units, of which approximately twenty-nine percent (29%) will be rented or sold at rents or sale prices that are below market, and up to 20,000 square feet of retail. The Hilltop consists of Block 1 and Blocks 49 through 57. Vertical developers have received major phase approvals for all private development blocks on the Hilltop. As of July 1, 2023, 505 units of housing, including 102 below-market sale and rental units, have been completed on Blocks 49, 50, 51, 53, 54, 55, 56 and 57 since Fiscal Year 2014-15. Site permits for construction have been issued on an additional 77 units of housing, of which 9 will be below-market rate sale units. The Hillside consists of Block 48, which has 404 housing units, of which 56 are below market rate sale and rental units. To date, vertical developers have received major phase approvals for all private development blocks on the Hillside.

Within the Hunters Point Hill Residential District, the Successor Agency has an enforceable obligation to build an additional 215 units of affordable housing, of which 182 below-market rate units will be located on the Hilltop and 33 below-market rate units will be located on the Hillside.

A class action lawsuit that has been filed seeks, among other relief, to enjoin development at the Hunters Point Shipyard Project Area, which could include certain land in the Hunters Point Hill Residential District. See “CERTAIN RISK FACTORS – Hazardous Substances

India Basin Industrial Park Project Area. The India Basin Industrial Park Project Area encompasses approximately 126 acres of commercial and light industrial development in Bayview Hunters Point. It is bounded by Third Street on the west, Jennings Street on the east, Arthur Avenue on the north and Hudson Avenue and Galvez Avenue on the south. This project area includes a large United States Postal Service distribution facility, several light industrial, commercial service and multimedia businesses and some retail businesses.

Rincon Point-South Beach Project Area. The Rincon Point-South Beach Project Area is an approximately 115-acre area consisting of two noncontiguous subareas located within the northeastern waterfront area of San Francisco, immediately south of the Ferry Building. The major artery through this project area is the Embarcadero Roadway, which connects the project area to the City’s financial district to the north and to the Mission Bay district to the south. Over 2,800 residential units and over one million square feet of mid- and high-rise office space have been constructed in this project area. In 2000, the approximately 43,000-seat major league baseball park for the San Francisco Giants (Oracle Park) opened in the project area on land owned by the Port of San Francisco (the “**Port**”). Public improvements completed in the project area include the 700-berth South Beach Harbor, two major waterfront parks and roadway and streetscape improvements.

South of Market Project Area. The South of Market Project Area, which is comprised of two areas: the Original Sub-Area and the Western Expansion Sub-Area, is approximately sixty-nine acres in size and located in the central city area of San Francisco. This project area is roughly bounded by Stevenson, Mission and Natoma Streets on the north, Fifth Street on the east, Harrison Street on the south and Seventh Street on the west. Its focus is the Sixth Street corridor, a mixed-use community located between Market and Harrison Streets.

Transbay Project Area. The Transbay Project Area is approximately 40 acres in size and roughly bounded by Mission Street on the north, Main Street on the east, Folsom Street on the south, and Second Street on the west. As described in “INTRODUCTION – Excluded Project Areas,” State-Owned Parcel Net Tax Increment from the State-Owned Parcels, which total approximately 10 acres of land, is not pledged as security to pay debt service on the 2023A/B Bonds, because those revenues have been previously pledged to the TJPA to help pay the cost of replacing the former Transbay Terminal. However, the former State-Owned Parcels Housing Set-Aside and the Statutory Pass-Through Amounts are available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt, including the 2023A/B Bonds. See “INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*”

The Transbay Project Area currently is composed of transportation-related infrastructure, high-rise and mid-rise commercial and residential development, and vacant public and private parcels entitled for high-rise and mid-rise commercial and residential development. The area currently includes a mix of market rate and affordable housing, new commercial buildings, one new park with another two in the predevelopment phase, and retail to serve residents and the larger community. Numerous major developments recently have been completed within the Transbay Project Area.

Western Addition Project Area A-2. The Western Addition Project Area A-2 is an approximately 277-acre area located in the northeast quadrant of San Francisco. It encompasses portions of the area bounded by Van Ness Avenue, Bush Street, Broderick Street and Grove Street. Its land uses are predominantly multi-family residential, with retail, commercial, public and institutional uses concentrated along the project area’s main commercial corridors.

Yerba Buena Center Approved Project Area D-1. The Yerba Buena Center Approved Project Area D-1 consists of an approximately 87-acre area in the central city area of San Francisco. This project area contains the Moscone Center convention center, cultural institutions of regional importance, such as the Yerba Buena Center for the Arts and the San Francisco Museum of Modern Art, as well as the Yerba Buena Gardens, recreational uses and the Children’s Creativity Museum. The project area is located in the southwest portion of San Francisco’s downtown office, hotel and retail district and is developed with high-rise and mid-rise hotels, and residential and commercial buildings. It extends from Market Street on the north to Harrison Street on the south, and from Second Street on the east to Fourth Street on the west, and includes the Emporium Sub-Area, which contains the Westfield San Francisco Centre regional shopping mall, located between Market Street and Mission Street and between Fourth Street and Fifth Street.

Assessed Valuation and Other Information Regarding the Project Areas

The assessed valuation of each of the Project Areas for the current Fiscal Year by land use category is set forth on the following Tables 1 and 2.

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Table 1
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Assessed Value by Land Use in the Project Areas, Fiscal Year 2023-24⁽¹⁾

Category by Value	Bayview Hunters Point Project Area B ⁽²⁾	Embarcadero- Lower Market ("Golden Gateway") Project Area	Bayview Hunters Point Project Area – Project Area A	Hunters Point Hill Residential District	India Basin Industrial Park Project Area	Rincon Point – South Beach Project Area	South of Market Project Area
Commercial	\$226,537,190	\$2,595,480,692	-	-	\$40,107,573	\$566,318,805	\$281,201,005
Industrial	1,834,169,183	-	-	-	105,076,556	-	143,259,284
Residential							
<i>Single-Family</i>	-	-	-	102,379,774	-	-	-
<i>Condominiums</i>	198,789,265	237,086,170	10,618,905	252,495,968	-	1,292,012,888	420,914,736
<i>Other</i>	948,860,135	86,604,724	185,161,048	8,421,159	-	390,138,579	658,203,782
Vacant	289,316,237	189	1,200,867	76,964,331	8,826,696	-	488,824,645
Other Secured ⁽³⁾	53,420,497	2,789,860	1,449,000	1,971,891	-	2,332,068	51,088,724
SBE-Assessed Utilities ⁽⁴⁾	392,040	298,757	-	-	-	935,000	-
Unsecured	258,828,626	562,771,427	206,609	909,456	40,473,036	788,759,599	40,286,561
Total	\$3,810,313,173	\$3,485,031,819	\$198,636,429	\$443,142,579	\$194,483,861	\$3,040,496,939	\$2,083,778,737
Acreage	1,361	51	137	N/A	126	115	69

Category by Value	Transbay Project Area ⁽⁵⁾	Western Addition Project Area A-2	Yerba Buena Center Approved Project Area D-1	Total Value⁽¹⁾	% of Total Value	Number of Properties Levied
Commercial	\$7,160,619,330	\$765,149,372	\$3,270,074,578	\$14,905,488,545	41.4%	635
Industrial	20,111,824	-	52,136,430	2,154,753,277	6.0%	872
Residential						
<i>Single-Family</i>	-	1,545,300	-	103,925,074	0.3%	1,887
<i>Condominiums</i>	1,885,125,283	1,603,096,063	1,946,617,558	7,846,756,836	21.8%	7,916
<i>Other</i>	1,176,412,254	1,380,424,132	535,542,665	5,369,768,478	14.9%	970
Vacant	321,626,740	5,395,079	38,955,462	1,231,110,246	3.4%	936*
Other Secured ⁽³⁾	1,138,200	24,382,533	25,547,274	164,120,047	0.5%	347
SBE-Assessed Utilities ⁽⁴⁾	-	-	16,962	1,642,759	0.0%	-
Unsecured	1,308,903,996	108,457,610	1,124,508,166	4,234,105,086	11.8%	3,222
Total	\$11,873,937,62	\$3,888,450,089	\$6,993,399,095	\$36,011,670,348	100.0%	16,785
Acreage	40	277	87	2,263		

(1) Assessed valuations are as of July 1, 2023.

(2) Amounts shown here include assessed value of Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, in the amount of \$186.6 million, approximately fifty-five percent of which is paid annually under an existing obligation to the developer with the remainder applied to the Successor Agency's Statutory Pass-Through Amounts, City Controller Administration Fee and housing and infrastructure obligations. The excluded tax increment revenue totaled \$1.0 million in Fiscal Year 2023-24, which amounts are not available to pay debt service on the 2023A/B Bonds.

(3) Includes other land use classifications and homeowner exemptions.

(4) Non-unitary property assessed by the State Board of Equalization.

(5) Amounts shown here include values for State-Owned Parcels, a portion of the tax increment from which is not available to pay debt service on the 2023A/B Bonds. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*"

* Of the 936 properties classified as vacant, 170 are located in Excluded Project Areas, of which 79 are in Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, one is in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and 90 are in the State-Owned Parcels. Any future property tax revenue from these properties will not be pledged revenue. Of the remaining 766 properties, 401 are within the Bayview Hunters Point Project Area – Zone 2 of Project Area B, 105 are within the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), 95 are within the Transbay Project Area and the remainder are distributed across the other seven Project Areas.

Sources: Assessor; Urban Analytics.

Table 2
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Commercial Land Use in the Project Areas, Fiscal Year 2023-24

Land Use	Total Value	% of Total Value	Number of Properties Levied
Office	\$11,698,505,312	32.5%	161
Hotel	1,354,961,870	3.8%	47
Retail	1,330,359,965	3.7%	282
Other	521,661,398	1.4%	145
Total Commercial	\$14,905,488,545	41.4%	635
Total, All Properties	\$36,011,670,348	100.0%	16,785

Sources: Assessor; Urban Analytics.

As shown in Table 1, commercial properties account for the largest percentage of assessed valuation, at 41.4% of total valuation in the Project Areas. Commercial land use in the Project Areas, shown in Table 2, consists largely of office properties with \$11.7 billion in assessed valuation across 161 properties representing 32.5% of the Project Areas' total valuation. Hotels total \$1.4 billion in assessed valuation over 47 properties for 3.8% of the Project Areas' total valuation, while retail use generates \$1.3 billion in assessed valuation across 282 properties representing 3.7% of the Project Areas' total valuation.

The ten largest taxpayers by assessed valuation in the Project Areas, in aggregate, in Fiscal Year 2023-24 are set forth below in Table 3. Ownership concentration for these top taxpayers is 24.5% of total assessed valuation and 26.2% of incremental assessed valuation in the Project Areas. See "CERTAIN RISK FACTORS – Concentration of Property Ownership."

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Table 3
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Top Ten Taxpayers By Assessed Valuation in the Project Areas, Fiscal Year 2023-24

Assessee Name ⁽¹⁾	Project Area	Use	Number of Parcels	Fiscal Year 2022-23 Value	Percent of Total Aggregate Value	Percent of Incremental Value
1. TRANSBAY TOWER LLC ²	Transbay	Office	1	\$1,876,176,439	5.2%	5.6%
2. BOSTON PROPERTIES	Golden Gateway	Office	5	1,641,803,816	4.6%	4.9%
3. PARK TOWER OWNER LLC ²	Transbay	Office	1	1,140,399,718	3.2%	3.4%
4. EMPORIUM MALL LLC * (2020-21, 2021-22) ³	YBC - Emporium	Commercial/ Retail	5	896,062,360	2.5%	2.7%
5. 706 MISSION STREET CO LLC	YBC - Original	Residential	133	715,643,973	2.0%	2.1%
6. UNION INVESTMENT REAL ESTATE G	Transbay	Office	1	539,098,145	1.5%	1.6%
7. MARRIOTT HOTEL * (2020-21, 2021-22)	YBC - Original	Hotel	1	522,244,045	1.5%	1.6%
8. CHINA BASIN BALLPARK CO	Rincon	Sports Facility	5	519,090,254	1.4%	1.5%
9. 181 FREMONT OFFICE LLC	Transbay	Office	1	514,905,912	1.4%	1.5%
10. PPF OFF ONE MARITIME PLAZA LP	Golden Gateway	Office	3	453,773,255	1.3%	1.4%
Totals			156	\$8,819,197,917	24.5%	26.2%

* The owner has one or more appeals pending in the years indicated.

(1) The Millennium Tower (defined herein) in the Transbay Project Area is assessed through its individual condominium owners, a number of whom have pending assessment appeals. The combined assessment for all condominiums in such building is \$668,932,373, or 1.9% of total aggregate value and 2.0% of incremental value. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

(2) The Transbay Tower and Park Tower properties are located on the State-Owned Parcels; approximately 55% of the tax increment revenue from these properties represents State-Owned Parcel Net Tax Increment and is therefore not available for debt service on the 2023A/B Bonds. See “Introduction – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*”

(3) Emporium Mall LLC, owner of the shopping center, Westfield San Francisco Centre, has announced that it had decided to surrender such shopping center to its lender. See below and “CERTAIN RISK FACTORS – Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues – *Retail Vacancy and Closures.*”

Sources: Assessor; Urban Analytics.

As set forth in Table 3, above, Emporium Mall LLC and Marriott Hotel are appealing their assessed valuations for certain Fiscal Years. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

In June 2023, Emporium Mall LLC announced that they had decided to begin the process of transferring management of the Westfield San Francisco Centre to their lender to allow the lender to appoint a receiver to operate the property going forward. The five parcels identified in Table 3, above, as being owned by Emporium Mall LLC make up the Westfield San Francisco Centre. News articles have reported that the owners cited as a reason for their decision the challenging operating conditions in downtown San Francisco, which have led to declines in sales, occupancy and foot traffic. Such mall includes 1.2 million square feet of retail space and 300,000 square feet of offices. Nordstrom, which occupies 312,000 square feet in the mall, has announced that it will close its store in the mall in August 2023 when its lease expires. After Nordstrom’s departure, the mall will be only 55% leased. In addition, Century Theaters, which is located in the mall, has permanently closed. According to news report, Century Theaters has a lease for 52,000 square feet in the mall expiring in September 2023 and H&M has a lease for 25,289 square feet that

will expire in January 2024. The Successor Agency cannot predict what impact the foregoing events will have on the mall's assessed value or the assessed values of other properties in the Project Areas. See "CERTAIN RISK FACTORS – Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues."

The assessed valuation of three residential condominium buildings in the Project Areas, when taking their individual owner's assessments as a whole, would appear among the top ten largest assesseees. These include 706 Mission, with an aggregate Fiscal Year 2023-24 valuation of \$782.3 million (2.2% and 2.3%, respectively, of the Project Areas' total and incremental assessed valuation) and 765 Market Street with an aggregate valuation of \$518.6 million (1.4% and 1.5%, respectively, of the Project Areas' total and incremental valuation); both are Four Seasons properties located in the Yerba Buena Center Approved Project Area D-1. The Millennium Tower (defined herein) condominium building in the Transbay Project Area also would appear among the top ten largest assesseees, with a Fiscal Year 2023-24 aggregate assessed valuation of \$668.9 million (1.9% and 2.0%, respectively, of the Project Areas' total and incremental assessed valuation). The Millennium Tower is not located on the State-Owned Parcels. Therefore, tax revenues from such building are included as security to pay debt service on the 2023A/B Bonds. As discussed under "PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals" below, the Millennium Tower is currently subject to assessment appeals related to the settling and tilting of the building.

The Transbay Towers property is located on the State-Owned Parcels. State-Owned Parcel Net Tax Increment is not available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt, including the 2023A/B Bonds. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*"

PLEDGED TAX REVENUES AND DEBT SERVICE

The Successor Agency has retained the Fiscal Consultant to provide projections of taxable assessed valuation and tax increment revenue from developments in the Project Areas.

Historical and Current Assessed Valuation and Tax Revenues

A summary of the projected total taxable valuation and tax increment for the Project Areas based on Fiscal Year 2023-24 roll data provided by the offices of the Assessor of the City (the "**Assessor**"), the City Controller and the State Board of Equalization is set forth in Table 4 below. Based on such roll, the total assessed valuation for Fiscal Year 2023-24 in the Project Areas, after deducting all exemptions, except the homeowner's exemption which is reimbursed by the State, is approximately \$36.0 billion. Deducting the base year valuation for the Project Areas of approximately \$2.4 billion produces an incremental assessed valuation amount of approximately \$33.6 billion. The largest contributor to incremental assessed valuation, at 32.7%, is the Transbay Project Area, followed by the Yerba Buena Center Approved Project Area D-1 at 17.7% and the Western Addition Project Area A-2 at 11.4%. Gross tax increment, calculated by applying a one percent tax rate to the incremental assessed valuation, is \$336.0 million for Fiscal Year 2023-24, prior to deductions for the Excluded Project Areas and senior obligations.

Table 4
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Tax Increment Estimates by Project Areas, Fiscal Year 2023-24

Project Area	Number of Acres	Total Assessed Valuation	Less Base Year Assessed Valuation	Incremental Valuation	% of Incremental Valuation	Gross Tax Increment
Bayview Hunters Point Project Area B ⁽¹⁾	1,361	\$3,810,313,173	\$1,165,228,645	\$2,645,084,528	7.9%	\$26,450,845
Embarcadero-Lower Market ("Golden Gateway") Project Area ⁽¹⁾	51	3,485,031,819	21,172,000	3,463,859,819	10.3%	34,638,598
Bayview Hunters Point Project Area – Project Area A	137	198,636,429	2,847,427	195,789,002	0.6%	1,957,890
Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)	NA	443,142,579	6,526,793	436,615,786	1.3%	4,366,158
India Basin Industrial Park Project Area	126	194,483,861	13,691,137	180,792,724	0.5%	1,807,927
Rincon Point - South Beach Project Area	115	3,040,496,939	18,092,701	3,022,404,238	9.0%	30,224,042
South of Market Project Area ⁽¹⁾⁽²⁾						
<i>Original Area</i>	63	1,987,439,366	108,585,675	1,878,853,691	5.6%	18,788,537
<i>Western Expansion Area</i>	6	96,339,371	9,360,179	86,979,192	0.3%	869,792
Transbay Project Area ⁽¹⁾	40	11,873,937,627	880,853,389	10,993,084,238	32.7%	109,930,842
Western Addition Project Area A-2	277	3,888,450,089	61,239,180	3,827,210,909	11.4%	38,272,109
Yerba Buena Center Approved Project Area D-1 ⁽³⁾						
<i>Original Area</i>	74	6,015,545,132	52,656,706	5,962,888,426	17.7%	59,628,884
<i>Emporium Site Area</i>	13	977,853,963	69,957,924	907,896,039	2.7%	9,078,960
Total	2,263	\$36,011,670,348	\$2,410,211,756	\$33,601,458,592	100.0%	\$336,014,586

⁽¹⁾ In the Bayview Hunters Point Project Area B, project area tax increment revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, approximately fifty-five percent of which is paid annually under an existing obligation to the developer with the remainder applied to the Successor Agency's Statutory Pass-Through Amounts, City Controller Administration Fee and housing and infrastructure obligations. The excluded tax increment revenue totaled \$1.0 million in Fiscal Year 2023-24, which is not available to pay debt service on the Second Lien Debt or the Third Lien Debt, including the 2023A/B Bonds. In the Transbay Project Area, approximately \$28.4 million of the State-Owned Parcel Not Tax Increment in Fiscal Year 2023-24 is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds. Tax increment revenue from the South of Market and Embarcadero-Lower Market ("Golden Gateway") Project Areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building Redevelopment Project Area through a fiscal merger of these project areas.

⁽²⁾ In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 and the Santa Ana Section 33676 Decision.

⁽³⁾ In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that project area's redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000.

Sources: Assessor, Successor Agency, and Urban Analytics,

The following Table 5 shows the historic and current assessed valuation for the Project Areas. Assessed valuation grew by 4.5% in Fiscal Year 2023-24, following increases of 5.3% in Fiscal Year 2022-23, 0.8% in Fiscal Year 2021-22, 13.0% in Fiscal Year 2020-21, and 13.2% in Fiscal Year 2019-20.

Fiscal Year 2023-24 assessed valuation increased by \$1.6 billion over Fiscal Year 2022-23. The Bayview Hunters Point Project Area – Zone 2 of Project Area B increased by \$404.8 million, including a gain of \$172.5 million from four properties owned by GIC San Francisco LLC located on Napoleon Street. The Yerba Buena Center Approved Project Area D-1 increased by \$320.4 million from gains posted across a number of properties as well as the removal of a \$59.2 million exemption on a parcel owned by Emporium Mall LLC. The Transbay Project Area assessed valuation increased by \$250.3 million, including an \$88.5 million valuation gain on properties owned by T8 Urban Housing Associates LLC. The Western Addition Project Area A-2 increased in valuation by \$248.4 million due in part to an \$85.3 million gain on properties

owned by Sutter Health and a \$42.0 million gain on a property owned by 830 Eddy Street LLC. The remaining six Project Areas grew by \$339.2 million for Fiscal Year 2023-24.

Net Available Tax Increment Revenue is determined by deducting from gross tax increment: the portion of tax increment attributable to Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, the State-Owned Parcel Net Tax Increment, the 2% Section 33676 Allocation, the 2% Emporium Amount, the Federal Building negative tax increment and the City Controller Administration Fee. Net Available Tax Increment Revenue as shown on Table 5 is the amount available for debt service on the Senior Obligations and Third Lien Debt, including the 2023A/B Bonds, and any subordinate obligations.

In California, a property's annual assessed value is determined as of January 1 of the year preceding the fiscal year for which taxes are billed and paid. Under Article XIII A of the State Constitution, known as Proposition 13, a property's annual assessed value is the lesser of (1) its base year value (fair market value as of the date of change in ownership or completion of new construction), factored for inflation at no more than two percent per year; or (2) its fair market value as of January 1 of the year preceding the fiscal year for which property taxes are billed and paid. If a property's fair market value falls below its factored base year value, the reduced value is enrolled on a temporary basis (for one year), and is commonly referred to as a "Proposition 8" reduction, after the 1978 initiative. However, if a property's base year value is reduced, then that reduced value carries forward for factoring purposes until the next change in ownership or completion of new construction. Assessors in California have the authority to use Proposition 8 criteria to apply reductions in valuation to classes of properties affected by any factors affecting value, including but not limited to negative economic conditions. See "LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution."

COVID-19's impact on San Francisco real property values first arose with respect to assessed valuations for Fiscal Year 2021-22, with an almost 4-times increase in the total count of Proposition 8 reductions granted compared to Fiscal Year 2020-21 (up from 2,154 to 8,305) and more than 6.5-times increase in the value of the reductions (up from \$359 million to \$2.45 billion). The two most significant factors driving these changes were values of hotels and condominiums. In response to COVID-19, the Assessor's office performed proactive reviews of commercial properties, which resulted in temporary reductions City-wide of \$1.26 billion for 31 hotel properties for Fiscal Year 2021-22 and \$1.1 billion for 19 hotel properties for Fiscal Year 2022-23. Apart from these reductions for hotels, condominiums accounted for the largest share of new reductions City-wide at over 40% of the total value of reductions in both years and over 60% of the total count—with the reductions relating to condominiums increasing by roughly 10 times and 8 times for Fiscal Years 2022-23 and 2021-22, respectively. Unlike the assessed valuation for Fiscal Year 2021-22, the Assessor's office did not do proactive Proposition 8 reductions for the Fiscal Year 2022-23 and 2023-24 assessed valuations.

Declines in values of condominiums also are reflected in recent sale prices. According to data from the San Francisco Association of Realtors, as of April 2023, the median sale price of condominiums in the downtown and South of Market area of San Francisco was less than every past April since 2014.

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Table 5
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Historical and Current Assessed Valuations and Net Available Tax Increment Revenue by Project Areas

Project Area	Fiscal Year				
	2019-20	2020-21	2021-22	2022-23	2023-24
Bayview Hunters Point Project Area B	\$ 2,646,387,244	\$ 3,094,567,609	\$ 3,180,947,910	\$ 3,405,413,544	\$ 3,810,313,173
Embarcadero-Lower Market ("Golden Gateway") Project Area	3,120,024,522	3,284,546,125	3,237,894,690	3,398,391,691	3,485,031,819
Bayview Hunters Point Project Area – Project Area A	190,503,384	174,862,380	177,908,649	188,835,268	198,636,429
Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)	563,836,534	411,032,740	406,868,722	420,834,962	443,142,579
India Basin Industrial Park Project Area	142,543,978	150,361,395	163,869,889	163,930,340	194,483,861
Rincon Point - South Beach Project Area	2,776,555,071	2,895,125,534	2,915,318,545	3,007,379,931	3,040,496,939
South of Market Project Area	1,488,673,192	1,609,348,316	1,813,776,387	1,926,958,014	2,083,778,737
Transbay Project Area	8,878,757,711	10,473,093,339	10,976,063,961	11,623,662,722	11,873,937,627
Western Addition Project Area A-2	3,162,940,016	3,904,663,267	3,594,951,724	3,640,001,418	3,888,450,089
Yerba Buena Center Approved Project Area D-1	5,735,491,031	6,443,560,076	6,232,159,683	6,672,981,623	6,993,399,095
Total Value⁽¹⁾	\$ 28,705,712,683	\$ 32,441,160,781	\$ 32,699,760,160	\$ 34,448,389,513	\$ 36,011,670,348
<i>% Change</i>	<i>13.2%</i>	<i>13.0%</i>	<i>0.8%</i>	<i>5.3%</i>	<i>4.5%</i>
Less: Base Year Assessed Value	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)
Total Incremental Value	\$ 26,295,500,927	\$ 30,030,949,025	\$ 30,289,548,404	\$ 32,038,177,757	\$ 33,601,458,592
<i>% Change</i>	<i>14.6%</i>	<i>14.2%</i>	<i>0.9%</i>	<i>5.8%</i>	<i>4.9%</i>
Gross Tax Increment⁽²⁾	\$ 262,955,009	\$ 300,309,490	\$ 302,895,484	\$ 320,381,778	\$ 336,014,586
Less: Excluded Sub-Areas Revenue⁽³⁾					
Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B ⁽³⁾	(973,310)	(1,010,489)	(996,417)	(1,023,091)	(1,043,130)
State-Owned Parcel Net Tax Increment ⁽³⁾	(18,602,921)	(23,194,947)	(25,104,488)	(26,648,847)	(28,446,762)
Less: Negative Federal Office Building Revenue⁽⁴⁾	(47,177)	(47,380)	(48,059)	(48,059)	(48,059)
Less: Senior Obligations⁽⁵⁾	(425,397)	(454,234)	(478,477)	(505,367)	(532,474)
Net Available Tax Increment Revenue	\$ 242,906,204	\$ 275,602,441	\$ 276,268,042	\$ 292,156,412	\$ 305,944,161

Note: Columns may not add due to rounding

⁽¹⁾ Assessed valuations shown are "full cash value" and exclude homeowner subventions.

⁽²⁾ Revenue numbers equal the tax rate times the increase over base year value and do not necessarily equal amounts collected.

⁽³⁾ Revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B and from the State-Owned Parcel Net Tax Increment is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Revenue from the South of Market and Embarcadero-Lower Market ("Golden Gateway") Project Areas is offset by negative revenue from the Federal Office Building Redevelopment Project Area through a fiscal merger of these project areas.

⁽⁵⁾ In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that Project Area's redevelopment plan. This (the 2% Emporium Amount) is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 of the Redevelopment Law and the Santa Ana Section 33676 Decision. The City Controller charges the City Controller Administration Fee pursuant to the Redevelopment Dissolution Act, of approximately 0.015% of tax increment. Amount does not reflect the bonds or loans (including the Existing Senior Loans and the Second Lien Debt) payable from tax increment revenues on a senior basis to the 2023A/B Bonds.

Source: Urban Analytics.

Projected Pledged Tax Revenues and Debt Service Coverage

Set forth below are tables showing net available tax increment revenues from the Project Areas on an aggregate basis, projected Pledged Tax Revenues and estimated debt service coverage for all Existing Senior Loan Agreements, Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. The below projections assume, with the exception of Table 7, approximately two percent (2%) annual growth in gross tax increment revenues beginning in Fiscal Year 2023-24 through the maturity of the 2023A/B Bonds. The projections do not take into consideration any changes in assessed valuation due to new construction, property sales, Proposition 8 reductions (other than those initiated by the Assessor for Fiscal Year 2022-23), assessment appeals or other factors. The actual growth rate in the Project Areas may differ from that which is projected.

The Successor Agency believes that the assumptions (including those in APPENDIX B – “FISCAL CONSULTANT REPORT”) upon which the projections are based are reasonable; however, some assumptions may not materialize and unanticipated events and circumstances may occur.

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Table 6
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Projected Net Available Tax Increment
(The Project Areas)
(in thousands)

Fiscal Year	Assessed Valuation ⁽¹⁾	Base Year Valuation	Incremental Valuation	Gross Tax Increment Revenues ⁽²⁾	Excluded Revenue ⁽³⁾	City Controller Admin Fee ⁽⁴⁾	Prior Obligations ⁽⁵⁾	Net Available Tax Increment Revenues
2023/24	\$36,011,670	\$2,410,212	\$33,601,459	\$336,015	\$(29,538)	\$(49)	\$(484)	\$305,944
2024/25	36,642,915	2,410,212	34,232,704	342,327	(30,113)	(50)	(509)	311,656
2025/26	37,286,785	2,410,212	34,876,573	348,766	(30,699)	(51)	(535)	317,481
2026/27	37,943,532	2,410,212	35,533,321	355,333	(31,297)	(52)	(561)	323,423
2027/28	38,613,414	2,410,212	36,203,203	362,032	(31,907)	(53)	(588)	329,484
2028/29	39,296,694	2,410,212	36,886,482	368,865	(32,529)	(54)	(615)	335,666
2029/30	39,993,640	2,410,212	37,583,428	375,834	(33,164)	(55)	(643)	341,972
2030/31	40,704,524	2,410,212	38,294,312	382,943	(33,811)	(56)	(672)	348,404
2031/32	41,429,626	2,410,212	39,019,414	390,194	(34,472)	(57)	(701)	354,965
2032/33	42,169,230	2,410,212	39,759,018	397,590	(35,145)	(58)	(731)	361,657
2033/34	42,923,626	2,410,212	40,513,414	405,134	(35,832)	(59)	(761)	368,482
2034/35	43,693,110	2,410,212	41,282,898	412,829	(36,533)	(60)	(792)	375,444
2035/36	44,477,984	2,410,212	42,067,772	420,678	(37,247)	(61)	(823)	382,546
2036/37	45,278,555	2,410,212	42,868,343	428,683	(37,926)	(62)	(855)	389,839
2037/38	46,095,138	2,410,212	43,684,926	436,849	(38,616)	(64)	(888)	397,281
2038/39	46,928,052	2,410,212	44,517,840	445,178	(39,320)	(65)	(922)	404,872
2039/40	47,777,624	2,410,212	45,367,413	453,674	(40,038)	(66)	(956)	412,614
2040/41	48,644,188	2,410,212	46,233,977	462,340	(40,770)	(67)	(990)	420,512
2041/42	49,528,084	2,410,212	47,117,872	471,179	(41,517)	(69)	(1,026)	428,567
2042/43	50,429,657	2,410,212	48,019,445	480,194	(42,279)	(70)	(1,062)	436,784
2043/44	51,349,261	2,410,212	48,939,050	489,390	(43,055)	(71)	(1,099)	445,165
2044/45	52,287,258	2,410,212	49,877,046	498,770	(43,848)	(73)	(1,137)	453,713
2045/46	53,244,015	2,410,212	50,833,803	508,338	(44,656)	(74)	(1,175)	462,433
2046/47	54,219,907	2,410,212	51,809,695	518,097	(45,480)	(75)	(1,214)	471,327
2047/48	55,215,316	2,410,212	52,805,105	528,051	(46,321)	(77)	(1,254)	480,399
2048/49	56,230,634	2,410,212	53,820,422	538,204	(47,178)	(78)	(1,295)	489,653
2049/50	57,266,258	2,410,212	54,856,047	548,560	(48,053)	(80)	(1,336)	499,091
2050/51	58,322,595	2,410,212	55,912,383	559,124	(48,945)	(81)	(1,379)	508,719
2051/52	59,400,058	2,410,212	56,989,847	569,898	(49,855)	(83)	(1,422)	518,539
2052/53	60,499,071	2,410,212	58,088,859	580,889	(50,783)	(85)	(1,466)	528,555
2053/54	61,620,064	2,410,212	59,209,852	592,099	(51,729)	(86)	(1,511)	538,772
Total	\$1,475,522,486	\$74,716,564	\$1,400,805,922	\$14,008,059	\$(1,232,659)	\$(2,039)	\$(29,401)	\$12,743,960

Note: Columns may not add due to rounding.

⁽¹⁾ Assessed valuation includes a growth factor of 2% per year. Assessed valuation for Fiscal Year 2023-24 is as of July 1, 2023, and includes the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area A, the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District, and the State-Owned Parcels. No reduction in assessed values from assessment appeals is assumed. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals” and “CERTAIN RISK FACTORS – Reduction in Tax Base and Assessed Values” and “ – Appeals to Assessed Values.”

⁽²⁾ Gross tax increment equals the tax rate times the increase over base year value and does not necessarily equal amounts collected.

⁽³⁾ In the Bayview Hunters Point Redevelopment Project Area B, revenue from the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, estimated to be \$1.0 million in Fiscal Year 2023-24, is not available to pay debt service on the Second Lien Debt or the Third Lien Debt, including the 2023A/B Bonds. In the Transbay Project Area, approximately \$28.4 million of State-Owned Parcel Net Tax Increment in Fiscal Year 2023-24 is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds. Revenue from the South of Market and Embarcadero-Lower Market (“Golden Gateway”) Project Areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building Redevelopment Project Area through a fiscal merger.

⁽⁴⁾ The City Controller charges the City Controller Administration Fee pursuant to the Redevelopment Dissolution Act, of approximately 0.015% of tax increment.

⁽⁵⁾ Consists of Project Area-specific prior obligations senior to the 2023A/B Bonds. In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that project area’s redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. The amount excluded from Fiscal Year 2023-24 in this manner is approximately \$404,000 in tax increment. In the South of Market Project Area, a portion of tax increment revenue, estimated to be \$80,000, is potentially allocable to school districts under Section 33676 and the Santa Ana Section 33676 Decision. Projections in this column do not include debt service for Existing Senior Loans or Second Lien Debt, which are payable from tax increment on a basis senior to the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – Project Area-Specific Prior Obligations.”

Source: Urban Analytics.

Table 7
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Estimated All-In Debt Service Coverage – No Growth
(The Project Areas)
(dollar amounts in thousands)

Bond Year ending August 1	Net Available Tax Increment Revenues	Less: Existing Senior Loan Agreements and Second Lien Debt⁽¹⁾	Pledged Tax Revenues	2017A/B Bonds and 2021A Bonds⁽²⁾	2023A/B Bonds^{(2)*}	Total Payments for All-In Debt Service Coverage Calculation^{(3)*}	All-In Debt Service Coverage^{(4)*}
2024	\$305,944	\$48,361	\$257,583	\$8,750	\$4,159	\$61,270	5.0x
2025	305,944	32,523	273,421	19,261	4,160	55,944	5.5x
2026	305,944	31,862	274,082	18,727	4,159	54,749	5.6x
2027	305,944	31,873	274,071	18,431	4,157	54,461	5.6x
2028	305,944	31,848	274,097	18,568	4,161	54,577	5.6x
2029	305,944	31,828	274,116	18,754	4,161	54,744	5.6x
2030	305,944	31,348	274,596	18,948	4,158	54,455	5.6x
2031	305,944	28,501	277,443	22,600	4,161	55,263	5.5x
2032	305,944	28,479	277,465	23,429	4,160	56,068	5.5x
2033	305,944	28,473	277,471	1,802	4,159	34,434	8.9x
2034	305,944	28,440	277,505	1,802	4,159	34,400	8.9x
2035	305,944	24,262	281,682	1,802	4,159	30,223	10.1x
2036	305,944	23,176	282,768	1,802	4,159	29,137	10.5x
2037	305,944	17,792	288,153	1,802	4,157	23,751	12.9x
2038	305,944	7,741	298,203	1,802	4,159	13,702	22.3x
2039	305,944	7,727	298,218	1,802	4,158	13,687	22.4x
2040	305,944	5,760	300,184	1,802	4,160	11,722	26.1x
2041	305,944	3,258	302,686	2,342	4,158	9,758	31.4x
2042	305,944		305,944	8,468	4,157	12,626	24.2x
2043	305,944		305,944	8,491	4,160	12,651	24.2x
2044	305,944		305,944	8,514	4,161	12,675	24.1x
2045	305,944		305,944	9,024	4,160	13,184	23.2x
2046	305,944		305,944	9,025	4,157	13,182	23.2x
2047	305,944		305,944	0	4,157	4,157	73.6x
2048	305,944		305,944	0	4,160	4,160	73.6x
2049	305,944		305,944	0	4,159	4,159	73.6x
2050	305,944		305,944	0	4,160	4,160	73.5x
2051	305,944		305,944	0	4,162	4,162	73.5x
2052	305,944		305,944	0	4,160	4,160	73.6x
2053	305,944		305,944	0	4,157	4,157	73.6x

*Preliminary, subject to change.

⁽¹⁾ Second Lien Debt consists of the 2014 Bonds and the 2017D/E Bonds.

⁽²⁾ Third Lien Debt.

⁽³⁾ Consists of debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Net available tax increment revenues divided by total debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

Source: Stifel, Nicolaus & Company, Incorporated, as to debt service and debt service coverage data and Urban Analytics, LLC, as to Net Available Tax Increment Revenues.

Table 8
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Estimated All-In Debt Service Coverage – 2% Growth*
(The Project Areas)
(dollar amounts in thousands)

Bond Year ending August 1	Net Available Tax Increment Revenues	Less: Existing Senior Loan Agreements and Second Lien Debt⁽¹⁾	Pledged Tax Revenues	2017A/B Bonds and 2021A Bonds⁽²⁾	2023A/B Bonds^{(2)*}	Total Payments for All-In Debt Service Coverage Calculation^{(3)*}	All-In Debt Service Coverage^{(4)*}
2024	\$305,944	\$48,361	\$257,583	\$8,750	\$4,159	\$61,270	5.0x
2025	311,656	32,523	279,133	19,261	4,160	55,944	5.6x
2026	317,481	31,862	285,619	18,727	4,159	54,749	5.8x
2027	323,423	31,873	291,550	18,431	4,157	54,461	5.9x
2028	329,484	31,848	297,636	18,568	4,161	54,577	6.0x
2029	335,666	31,828	303,838	18,754	4,161	54,744	6.1x
2030	341,972	31,348	310,624	18,948	4,158	54,455	6.3x
2031	348,404	28,501	319,903	22,600	4,161	55,263	6.3x
2032	354,965	28,479	326,486	23,429	4,160	56,068	6.3x
2033	361,657	28,473	333,184	1,802	4,159	34,434	10.5x
2034	368,482	28,440	340,042	1,802	4,159	34,400	10.7x
2035	375,444	24,262	351,182	1,802	4,159	30,223	12.4x
2036	382,546	23,176	359,370	1,802	4,159	29,137	13.1x
2037	389,839	17,792	372,047	1,802	4,157	23,751	16.4x
2038	397,281	7,741	389,540	1,802	4,159	13,702	29.0x
2039	404,872	7,727	397,145	1,802	4,158	13,687	29.6x
2040	412,614	5,760	406,854	1,802	4,160	11,722	35.2x
2041	420,512	3,258	417,254	2,342	4,158	9,758	43.1x
2042	428,567		428,567	8,468	4,157	12,626	33.9x
2043	436,784		436,784	8,491	4,160	12,651	34.5x
2044	445,165		445,165	8,514	4,161	12,675	35.1x
2045	453,713		453,713	9,024	4,160	13,184	34.4x
2046	462,433		462,433	9,025	4,157	13,182	35.1x
2047	471,327		471,327	0	4,157	4,157	113.4x
2048	480,399		480,399	0	4,160	4,160	115.5x
2049	489,653		489,653	0	4,159	4,159	117.7x
2050	499,091		499,091	0	4,160	4,160	120.0x
2051	508,719		508,719	0	4,162	4,162	122.2x
2052	518,539		518,539	0	4,160	4,160	124.7x
2053	528,555		528,555	0	4,157	4,157	127.1x

*Preliminary, subject to change.

⁽¹⁾ Second Lien Debt consists of the 2014 Bonds and the 2017D/E Bonds.

⁽²⁾ Third Lien Debt.

⁽³⁾ Consists of debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Net available tax increment revenues divided by total debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

Source: Stifel, Nicolaus & Company Incorporated, as to debt service and debt service coverage data and Urban Analytics, LLC, as to Net Available Tax Increment Revenues.

Assessment Appeals

Appeals of assessments by property owners in the Project Areas can result in future reductions in assessed valuations that can affect the amount of Tax Revenues. It has been the practice of the City Controller to not deduct appeal-related tax refunds from the Successor Agency's tax increment. Instead, these refunds are apportioned to other Taxing Entities using the normal apportionment mechanism. While this practice is expected to continue indefinitely, the City Controller may choose to alter or eliminate it.

The most common type of appeal filed is known as a Proposition 8 appeal, in which the property owner seeks a reduction in a particular year's secured assessment based on the current economic value of the property. The Assessor may also adjust valuations based on Proposition 8 criteria. In past years, assessment reductions under Proposition 8 have been generally temporary in nature and were usually restored to their previous levels, as adjusted for inflation, as economic conditions improved. The Assessor's office has not indicated how many parcels are currently subject to Proposition 8 reductions in the Project Areas.

Property owners may also appeal the Proposition 13 base assessment of a property. Although less frequently filed, such appeals, if successful, can permanently reduce the enrolled valuation of a property and consequently affect the Successor Agency's annual revenue. The annual filing period for all appeals extends from July 2 to September 15. See "CERTAIN RISK FACTORS – Appeals to Assessed Values" and "LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution."

Appeal filings in the Project Areas for the past ten (10) years as of May 24, 2023, are shown in the table below for the secured and unsecured rolls. The table compares the Assessor's valuation with the applicant's opinion of the value of a property and show the resulting valuation for resolved appeals. Appeals are considered resolved when they are withdrawn by the applicant, denied a hearing by the City's Assessment Appeals Board ("**Assessment Appeals Board**"), granted a hearing but denied an adjustment in valuation, or granted an adjustment in valuation.

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Table 9
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Assessment Appeals in the Project Areas
as of May 24, 2023

Roll Year	Status	Number of Appeals	County Valuation	Applicant Opinion of Value	Valuation After Appeal	Retention Rate*
2022-23	Resolved	121	\$601,295,756	\$362,673,194	\$599,182,066	99.6%
2022-23	Pending	104	6,769,261,379	4,201,185,127	TBD	TBD
2021-22	Resolved	192	1,886,126,957	1,297,510,728	1,878,393,849	99.6%
2021-22	Pending	74	4,566,396,545	2,770,363,102	TBD	TBD
2020-21	Resolved	189	1,618,693,604	1,063,739,545	1,610,527,675	99.5%
2020-21	Pending	44	3,340,161,600	2,032,956,105	TBD	TBD
2019-20	Resolved	66	1,533,435,296	902,484,996	1,530,511,973	99.8%
2019-20	Pending	14	920,542,478	666,884,639	TBD	TBD
2018-19	Resolved	64	2,795,062,526	2,026,538,468	2,745,373,273	98.2%
2018-19	Pending	8	654,135,086	448,354,774	TBD	TBD
2017-18	Resolved	214	2,571,608,460	1,723,558,036	2,546,485,190	99.0%
2017-18	Pending	6	356,260,361	257,087,605	TBD	TBD
2016-17	Resolved	209	1,822,114,232	865,834,954	1,794,131,367	98.5%
2016-17	Pending	1	2,808,636	500,000	TBD	TBD
2015-16	Resolved	56	2,294,449,168	1,313,463,151	2,263,373,746	98.6%
2015-16	Pending	-	-	-	-	NA
2014-15	Resolved	113	3,554,601,518	2,421,450,703	3,509,619,762	98.7%
2014-15	Pending	-	-	-	-	NA
2013-14	Resolved	172	3,703,538,935	2,205,517,104	3,697,619,615	99.8%
2013-14	Pending	-	-	-	-	NA
All Years	Resolved	1,396	\$22,380,926,452	\$14,182,770,879	\$22,175,218,516	99.1%
All Years	Pending	251	\$16,609,566,085	\$10,377,331,352	TBD	TBD

* Retention Rate is the proportion of value retained after resolution of an appeal. The rate is calculated by dividing the "Valuation After Appeal" into the "County Valuation." For withdrawn and denied appeals, the "Valuation After Appeal" is the original County Valuation.

Source: San Francisco County Assessment Appeals Board. Data as of 5/24/2023.

Additionally, in the Transbay Project Area, a residential tower at 301 Mission Street (the "**Millennium Tower**") is reported to have experienced greater settling than anticipated as well as tilting of the building. Such building has been undergoing repairs to address the settling and tilting after the settlement of multiple lawsuits related to such problems. The property consists of 419 residential condominiums and 2 commercial condominiums with a combined Fiscal Year 2023-24 assessed valuation of \$668.9 million, which represents approximately 1.9% of the aggregate assessed valuation of the properties in the Project Areas shown in Table 4. Of these condominium owners in Millennium Tower, 167 filed appeals in Fiscal Year 2016-17 on \$392.1 million in assessed valuation resulting in reductions of \$10.9 million and 169 filed appeals in Fiscal Year 2017-18 on \$374.4 million assessed valuation resulting in reductions of \$23.2 million. Fewer appeals were filed in subsequent years: 20 appeals in Fiscal Year 2018-19 resulting in \$1.6 million in reduced valuations with 4 still pending, 13 in Fiscal Year 2019-20 resulting in \$1.7 million in reduced valuations with 4 still pending, 7 in Fiscal Year 2020-21 resulting in no reductions in valuation with 2 still pending, and 8 in Fiscal Year 2021-22 resulting in \$0.5 million in reduced valuations with 4 still pending.

The potential exposure of the Successor Agency's tax increment revenue to appeals were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions may be seen by applying the overall retention rate for all years in the Project Areas to the amount of roll valuation in pending appeals for the Project Areas. Applying the retention rate of 99.1% set forth in Table 9 to the aggregate valuation subject to pending appeals in the Project Areas as of May 24, 2023, the Fiscal Consultant estimates a reduction in assessed valuation of approximately \$152.6 million or approximately \$1.5 million in gross tax increment revenues, which is 0.5% of the Project Areas' gross tax increment revenues in Fiscal Year 2023-24. As this includes properties with appeals in multiple years, it does not necessarily indicate an equivalent reduction in future revenue.

If the full amount of disputed valuations were to be granted by the Assessment Appeals Board across the Project Areas, and if the City Controller were to deduct the resulting tax refunds from the tax increment allocated to the Successor Agency, the Fiscal Consultant estimates a reduction in assessed valuation of approximately \$6.2 billion and a reduction in the gross tax increment revenue for the Project Areas of approximately \$62.3 million or 18.6% of gross tax increment in Fiscal Year 2023-24. Any such reductions in taxable values could cause a reduction in the Pledged Tax Revenues securing the 2023A/B Bonds. However, based on projected debt service coverage shown on Table 7, the Successor Agency does not expect Fiscal Year 2022-23 assessment appeals to impact its ability to pay debt service on the 2023A/B Bonds when due. See "PLEDGED TAX REVENUES AND DEBT SERVICE – Projected Pledged Tax Revenues and Debt Service Coverage."

CERTAIN RISK FACTORS

In addition to the information set forth elsewhere in this Official Statement, potential investors should consider the following matters in evaluating an investment in the 2023A/B Bonds. The following does not purport to be an exhaustive listing of risks and other considerations that may be relevant to investing in the 2023A/B Bonds. No assurance can be given that additional risk factors will not become evident at any future time. The order in which the following information is presented is not intended to reflect the relative importance of any such risks.

Recognized Obligation Payment Schedule

As described in greater detail above under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule," the Redevelopment Dissolution Act provides that only those payments listed in the ROPS may be made by the Successor Agency from the funds specified in the ROPS. Tax Revenues will not be distributed from the RPTTF by the City Controller to the Retirement Fund without a duly approved and effective ROPS obtained in sufficient time prior to the distribution date, unless a Last and Final ROPS is filed in which event no periodic filing requirements apply. In instances where a Last and Final ROPS is not filed, if the Successor Agency were to fail to submit an approved ROPS by the applicable date and the California Department of Finance does not provide a notice to the City Controller to withhold funds from distribution to Taxing Entities, amounts in the RPTTF for such period would be distributed to Taxing Entities and the availability of Pledged Tax Revenues for the Successor Agency to pay debt service on the 2023A/B Bonds could be adversely affected for such period. The Successor Agency does not currently plan to file a Last and Final ROPS. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule."

Certain Uncertainties Regarding the Redevelopment Dissolution Act

Prior to the dissolution of redevelopment agencies, tax increment revenues from one project area could not be used to repay indebtedness incurred for another project area. However, the Redevelopment Dissolution Act does not require funds derived from separate project areas of a former redevelopment

agency to be used only in the project areas from which the revenue was generated. Instead, the Redevelopment Dissolution Act requires that the county auditor-controller establish a single RPTTF with respect to each former redevelopment agency within the respective county and that the county auditor-controller deposit into the RPTTF all revenues equivalent to the amount that would have been allocated as tax increment to the former redevelopment agency. In effect, the Redevelopment Dissolution Act combines the property tax revenues derived from all project areas of a former redevelopment agency into a single trust fund, the RPTTF, to repay indebtedness of the successor agency. The only exception to this aggregation of property tax revenues is for those property tax revenues of a particular project area that have been contractually committed for certain enforceable obligations of a former redevelopment agency. To the extent the documents governing outstanding bonds of a redevelopment agency have pledged revenues derived from a specific project area, the Redevelopment Dissolution Act does not impair that pledge. Section 34175(a) of the California Health and Safety Code states, *“it is the intent... that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge.”* Accordingly, the Pledged Tax Revenues securing the 2023A/B Bonds will be used for purposes consistent with the applicable bond covenants prior to being used for any other purpose, including payment of any other indebtedness of the Former Agency now being paid by the Successor Agency (excluding Senior Obligations).

Estimates of Tax Revenues

To estimate the Pledged Tax Revenues ultimately available to pay debt service on the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds, the Successor Agency has made certain assumptions with regard to the present and future assessed valuation of taxable property in the Project Areas, future tax rates, growth in tax revenues over time, percentage of taxes collected and other senior obligations. See APPENDIX B – “FISCAL CONSULTANT REPORT.” The Successor Agency believes these assumptions to be reasonable, but there is no assurance that these assumptions will be realized. To the extent that actual assessed valuation, tax rates or percentages collected are less than the Successor Agency’s assumptions, the Pledged Tax Revenues would be less than those projected and may be insufficient to pay debt service on the 2023A/B Bonds.

Concentration of Property Ownership

The risk of reduction in assessed value as a result of factors described herein may increase where the assessed value within the Project Areas is concentrated among a relatively few number of property owners. Ownership of property in the Project Areas is significantly concentrated, with the ten largest property owners by assessed valuation accounting for 24.5% of the Fiscal Year 2023-24 assessed valuation and 26.2% of the Project Areas’ incremental assessed value. Significant reduction in the assessed values of these properties could, by itself or in combination with other factors, have a material adverse effect on the Successor Agency’s ability to pay debt service on the 2023A/B Bonds as such payments become due and payable. See “THE PROJECT AREAS – Assessed Valuation and Other Information Regarding the Project Areas – Table 1, Assessed Value by Land Use in the Project Areas” and “– Table 3, Top Ten Taxpayers by Assessed Valuation in the Project Areas” and discussion thereafter about three residential condominium buildings, each of whose constituent condominium assessments would, if taken in the aggregate, be among the top ten taxpayers for Fiscal Year 2023-24.

Subordination of ERAF

The AB 1290 Statutory Pass-Through Amounts are, or are assumed to be, subordinate to the payment of debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Assembly Bill*

1290; Statutory Pass-Throughs” and “ – Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds.” As ERAF is not an entity, but a fund, there is not a mechanism to seek affirmative approval of the subordination of monies payable to ERAF. The Successor Agency believes that the Statutory Pass-Through Amounts to be deposited in ERAF are subordinated if the Taxing Entities, to whom the amounts deposited in ERAF will be distributed, have approved, or are deemed to have approved, the subordination of the Statutory Pass-Through Amounts directly payable to them. Should a Taxing Entity or the State disagree with the Successor Agency’s position with regards to the subordination of the ERAF and determine that the Statutory Pass-Through Amounts due to ERAF cannot be subordinated, such amounts would be a senior obligation and payment thereof would have to be made prior to payment of debt service on the 2023A/B Bonds. The Statutory Pass-Through Amount for ERAF for Fiscal Year 2022-23 is approximately 25.3% of the total Statutory Pass-Through Amounts. The Successor Agency does not believe that an obligation to pay the ERAF amounts on a basis senior to the payment of debt service on the 2023A/B Bonds will have a materially adverse effect on its ability to pay debt service on the 2023A/B Bonds.

Reduction in Tax Base and Assessed Values

Pledged Tax Revenues constitute the ultimate source of payment for the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any other Third Lien Parity Debt issued in the future. Such tax revenues are determined by the amount of the incremental taxable value of property in the Project Areas, the current rate or rates at which property in the Project Areas is taxed and the percentage of taxes collected in the Project Areas. A reduction of the taxable values of property in the Project Areas could occur as a result of numerous factors beyond the Successor Agency’s control, including but not limited to, a general economic downturn, political and economic obstacles to additional development and redevelopment activities in the Project Areas, relocation out of the Project Areas by one or more major property owners or tenants, property becoming exempt from property taxes through condemnation or acquisition by certain entities such as nonprofit corporations, or the complete or partial destruction of property caused by, among other calamities, earthquake, fire, flood or other natural disaster. In addition, taxable values may be reduced pursuant to successful appeals of assessed valuations or by widespread temporary reduction in assessed valuation under Proposition 8. See also “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals” above.

Were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions, applying the overall retention rate of 99.1% set forth in Table 9 to the valuation subject to pending appeals as of May 24, 2023, the estimated reduction in prior-year assessed valuation would be approximately \$152.6 million, or approximately \$1.5 million in gross tax increment revenues in Fiscal Year 2023-24. If the full amount of such disputed valuation were to be granted by the Assessment Appeals Board across the Project Areas, and if the City Controller were to deduct the resulting tax refunds from the Successor Agency’s tax increment, the estimated reduction in prior-year assessed valuation would be approximately \$6.2 billion for the Project Areas and in gross tax increment revenues would be approximately \$62.3 million or 18% of gross tax increment in Fiscal Year 2023-24; this includes multi-year appeals and does not necessarily indicate an equivalent reduction in future revenue. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

The COVID-19 pandemic has had an adverse impact on property valuations in the Project Areas. As set forth in Table 5, the assessed valuations for Fiscal Year 2021-22 in the Embarcadero-Lower Market (“Golden Gateway”) Project Area, the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), the Western Addition Project Area A-2 and the Yerba Buena Center Approved Project Area D-1 declined from the respective assessed valuations for the previous fiscal year. However, such assessed valuations increased in Fiscal Years 2022-23 and 2023-24. While the State of California, the San Francisco Department of Public Health, the WHO and HHS have ended their respective COVID-19 public health emergency declarations, the impact of COVID-19 is ongoing and the economic effects are uncertain in many

respects. See “– Public Health Emergencies” and “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

In general, because property on the unsecured tax roll includes personal property and leasehold interests, the values of property on the unsecured roll are more likely to fluctuate and are more susceptible to reduction due to adverse economic circumstances affecting the owners of the properties. Accordingly, unsecured assessed valuation may present special risks and may be more susceptible to fluctuation from year to year than valuation reflected on the secured roll. According to the Fiscal Consultant, the unsecured roll represents approximately 11.8% of the overall assessed value in the Project Areas for Fiscal Year 2023-24.

Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a two percent (2%) increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such adjustments are computed on a calendar year basis. In projecting future Pledged Tax Revenues to be available to it to make payments with respect to the 2023A/B Bonds, the Successor Agency has assumed an annual two percent (2%) inflationary increase. The projected Pledged Tax Revenues are based on the latest actual amounts received by the Successor Agency. However, future deflation could cause decreases in property values, a reduction in tax revenues received by the Successor Agency and reduced Pledged Tax Revenues. See “– Reduction in Inflation Rate,” “PLEDGED TAX REVENUES AND DEBT SERVICE” and “LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution” herein.

In addition to the other limitations on and the required application under the Redevelopment Dissolution Act of tax revenues on deposit in the RPTTF, the State electorate or Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing tax revenues allocated to the RPTTF and available to the Successor Agency. Although the federal and State Constitutions include clauses generally prohibiting the Legislature’s impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could reduce Pledged Tax Revenues and adversely affect the source of repayment and security of the 2023A/B Bonds.

Appeals to Assessed Values

There are two basic types of assessment appeals provided for under California law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the Assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the Assessor is reduced, the valuation of the property cannot increase in subsequent years more than two percent (2%) annually unless and until another change in ownership and/or additional new construction activity occurs. The second type of appeal, commonly referred to as a Proposition 8 appeal, can result if factors occur causing a decline in the market value of the property to a level below the property’s then current taxable value (escalated base year value). Pursuant to California law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner’s property by filing a written application, in a form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board.

In the City, a property owner desiring a Proposition 8 reduction of the assessed value of such owner’s property in any one (1) year period must submit an application to the City’s Assessment Appeals Board. Applications for any tax year must be submitted, or postmarked if mailed, by September 15 of such tax year. Following a review of the application by the Assessor, the Assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Assessment

Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Assessment Appeals Board generally is required to determine the outcome of appeals within two (2) years of each appeal's filing date unless waived by the applicant. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than two percent (2%)) following the year for which the reduction application is filed. However, the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted. See "LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedure" and "PLEDGED TAX REVENUES AND DEBT SERVICE."

An appeal may result in a reduction to the Assessor's original taxable value and a tax refund to the applicant property owner. A reduction in present or future taxable values within the Project Areas, which may arise out of successful appeals by property owners, will affect the amount of present or future Pledged Tax Revenues.

Two of the ten (10) largest property taxpayers in the Project Areas and the Millennium Tower, a condominium property in the Transbay Project Area, whose constituent condominium assessments would, if taken in the aggregate, be included among the ten (10) largest property taxpayers in the Project Areas for Fiscal Year 2023-24, have pending property tax appeals. See "THE PROJECT AREAS – Assessed Valuation and Other Information Regarding the Project Areas – Table 3, Top Ten Taxpayers by Assessed Valuation," and "PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals" for a description of pending appeals and the potential impact on allocable tax revenues if the appeals are granted.

Two office buildings in San Francisco, but outside of the Project Areas, reportedly were sold in June and August 2023 for prices substantially less than their assessed values. See "– Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues – *Office Vacancy*." The Successor Agency cannot predict what effect, if any, such sales will have on assessed values, or the number of appeals of assessed values, in the Project Areas. The deadline to file appeals of the Fiscal Year 2023-24 assessed values is September 15, 2023.

Property Foreclosures

Foreclosures primarily affect assessed valuations at the point at which the property foreclosed upon is sold to a third party, with the often significantly lower sale price determining the property's new assessed value. As available foreclosure data do not track properties through to the point of sale to third parties, the actual impact on assessed valuation cannot be reasonably determined.

State Budget Issues; Changes in State Law

In general terms, the Redevelopment Dissolution Act implemented a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services, with assets transferred to schools offsetting State general fund costs (then projected savings of \$1.5 billion). Subsequently, SB 107 was enacted, making additional changes to the Redevelopment Dissolution Act.

There can be no assurance that additional legislation will not be enacted in the future to additionally implement provisions relating to the State budget or otherwise that may affect successor agencies or tax increment revenues, including Pledged Tax Revenues. There can be no assurance that the California electorate will not at some future time adopt initiatives or that the Legislature will not enact legislation that will amend the Redevelopment Law, the Redevelopment Dissolution Act or other laws or the Constitution

of the State resulting in a reduction of Pledged Tax Revenues, or that otherwise have an adverse effect on the Successor Agency's ability to pay debt service on the 2023A/B Bonds.

The Redevelopment Dissolution Act and implementation of its provisions have been and may continue to be subject to differing interpretations by different stakeholders, including the California Department of Finance, the State Controller, oversight boards, successor agencies, auditor-controllers, and others. Certain litigation is challenging some of the terms of the Redevelopment Dissolution Act and the Redevelopment Dissolution Act could be subject to further legislative or judicial review. The Successor Agency cannot predict the outcome or impact of any such litigation, interpretations or reviews on the availability of Pledged Tax Revenues to pay the 2023A/B Bonds.

Development Risks

Only a few undeveloped areas remain within the Project Areas, as the Project Areas are substantially developed. According to the Fiscal Consultant, of the 936 properties classified as vacant in Table 1, 170 are located in the Excluded Project Areas, of which 79 are in Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, 1 is in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and 90 are in the State-Owned Parcels. Any future property tax revenue from properties in the Excluded Project Areas will not be pledged revenue, except that tax increment revenues from the State-Owned Parcels in an amount equal to the former State-Owned Parcels Housing Set-Aside and the amount equal to the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels, to the extent subordinated, is anticipated to be available for payment of debt service on the Senior Obligations and the Third Lien Bonds, including the 2023A/B Bonds, as described in this Official Statement. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels*." Of the remaining 776 properties, 401 are within the Bayview Hunters Point Project Area – Zone 2 of Project Area B, 105 are within the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), 95 are within the Transbay Project Area and the remainder are distributed across the other seven Project Areas.

The developments within the Project Areas will be subject to all the risks generally associated with real estate development. Projected development within the Project Areas may be subject to unexpected delays, disruptions and changes. Real estate development operations may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development operations within the Project Areas could be adversely affected by future governmental policies, including governmental policies to restrict or control development. If projected development in the Project Areas is delayed or halted, the economy of the Project Areas could be affected. If such events lead to a decline in assessed values, they could cause a reduction in Pledged Tax Revenues. In addition, if there is a decline in the general economy of the Project Areas, the owners of property within the Project Areas may be less able or less willing to make timely payments of property taxes causing a delay or stoppage of the tax revenues received by the Successor Agency from the Project Areas. In addition, the insolvency or bankruptcy of one or more large owners of property within the Project Areas could delay or impair the receipt of tax revenues by the Successor Agency.

Natural Disasters

Real estate values can be adversely affected by a variety of natural events and conditions, including earthquakes, tsunamis, sea level rise and floods. The Successor Agency expects that one or more of these conditions may occur from time to time, and such conditions may result in delays in development or damage to property improvements. Any damage resulting from a natural disaster may entail significant repair or replacement costs, and repair or replacement may never occur. Under any of these circumstances, the value

of real estate within the Project Areas could depreciate substantially and owners of property may be less willing or able to pay property taxes.

Earthquake. The City is located in a seismically active region. Active earthquake faults underlie both the City and the surrounding Bay Area, including the San Andreas Fault, which passes about three miles to the southeast of the City's border, the Hayward Fault, which runs under Oakland, Berkeley and other cities on the east side of San Francisco Bay, about 10 miles away, and a number of other significant faults in the region. Significant seismic events include the 1989 Loma Prieta earthquake, centered about 60 miles south of the City, which registered 6.9 on the Richter scale of earthquake intensity. That earthquake caused fires, building collapses, and structural damage to buildings and highways in the City and surrounding areas. The San Francisco-Oakland Bay Bridge, the only east-west vehicle access into the City, was closed for a month for repairs, and several highways in the City were permanently closed and eventually removed. On August 24, 2014, the San Francisco Bay Area experienced a 6.0 earthquake centered near Napa along the West Napa Fault. The City did not suffer any material damage as a result of this earthquake.

In March 2015, the Working Group on California Earthquake Probabilities (a collaborative effort of the U.S. Geological Survey (U.S.G.S.), the California Geological Survey, and the Southern California Earthquake Center) reported that there is a 72% chance that one or more quakes of about magnitude 6.7 or larger will occur in the San Francisco Bay Area before the year 2045. Such earthquakes may be very destructive. In addition to the potential damage to City-owned buildings and facilities (on which the City does not generally carry earthquake insurance), due to the importance of San Francisco as a tourist destination and regional hub of commercial, retail and entertainment activity, a major earthquake anywhere in the Bay Area may cause significant temporary and possibly long-term harm to the City's economy, tax receipts, and residential and business real property values, including those located in the Project Areas.

In early 2016, the Port Commission of the City (the "**Port Commission**") commissioned an earthquake vulnerability study of the Northern Waterfront Seawall. The three-mile Seawall was constructed over 100 years ago and sits on reclaimed land, rendering it vulnerable to seismic risk. The Seawall provides flood and wave protection to downtown San Francisco, and stabilizes hundreds of acres of filled land. Preliminary findings of the study indicate that a strong earthquake may cause most of the Seawall to settle and move outward toward the Bay, which would significantly increase earthquake damage and disruption along the waterfront. The Successor Agency is unable to predict the impact, if any, on property tax revenues from the Project Areas if the Seawall were to be damaged. See "*– Climate Change and Flooding*" below.

In September 2022, Port staff delivered a report on key findings from an initial assessment of seismic hazards and vulnerabilities to the City's southern waterfront facilities. It reported that the assessment identified several key earthquake hazards and vulnerabilities at facilities that were essential to the Port's maritime business line as well as critical for the City's emergency response and recovery operations that would cost over \$300 million to mitigate. It also reported that Port staff was actively pursuing next steps to further analyze, fund and mitigate the hazards and vulnerabilities identified.

Climate Change and Flooding. It is expected that sea levels will rise given the rising temperature of the oceans and an increase in ocean volume as land ice melts and runs off into the ocean. Over the past century, sea level has risen nearly eight inches along the California coast, and substantial increases in sea level rise are projected due to climate change over the coming century. In May 2009, the California Climate Change Center released a final paper, for informational purposes only, which was funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation and the California Ocean Protection Council. The title of the paper is "The Impacts of Sea-Level Rise on the California Coast." The paper posited that increases in sea level will be a significant consequence of climate change over the next century. The paper

evaluated the population, infrastructure, and property at risk from projected sea-level rise along the Pacific Coast and along the San Francisco Bay if no action is taken to protect the coasts. The paper estimated that if the sea level were to rise 1.4 meters, a 100-year flood along the Pacific Coast would increase the vulnerable population in the City from 4,800 under then-current sea level to 6,500 (all population numbers based on 2000 census) and the replacement value of buildings and contents at risk in the City would increase from \$670 million to \$890 million (all dollar amounts in year 2000 dollars). In addition, the paper estimated that a 100-year flood along the San Francisco Bay with sea level rises of 0.5 meter, 1.0 meter or 1.4 meters, would increase the vulnerable population in the City from 190, at then-current sea level, to 600, 1,600 or 3,800, respectively, and increase the replacement value of buildings and contents at risk in the City from \$110 million, at then-current sea level, to \$370 million, \$1.4 billion or \$4.0 billion, respectively. The paper further stated that the San Francisco Bay is particularly vulnerable to impacts associated with sea-level rise due to extensive development on the margins of the Bay. A wide range of critical infrastructure along the California Coast and in communities along the San Francisco Bay, such as roads, hospitals, schools, emergency facilities, wastewater treatment plants, power plants, and wetlands is also vulnerable. Continued development in vulnerable areas will put additional assets at risk and raise protection costs.

Sea level rise can lead not only to permanent inundation of land but it can also expand the 100-year floodplain. Land composed of fill near San Francisco Bay is at risk for inundation because of low elevation and subsidence over time due to compaction from buildings and soil desiccation.

In March 2016, the City released a report entitled “Sea Level Rise Action Plan,” which identified geographic zones at risk of sea level rise and provided a framework for devising adaption strategies to confront such risks. To implement such Plan, the Mayor’s Sea Level Rise Coordinating Committee, co-chaired by the Planning Department and Office of Resilience and Capital Planning, joined the Port, the Public Utilities Commission and other public agencies in moving several initiatives forward. This included a Citywide Sea Level Rise Vulnerability and Consequences Assessment to identify and evaluate sea level rise impacts across the City and in various neighborhoods that was released in February 2020.

In March 2020, a consortium of State and local agencies, led by the Bay Area Conservation and Development Commission, released a detailed study entitled, “Adapting to Rising Tides Bay Area: Regional Sea Level Rise Vulnerability and Adaptation Study,” on how sea level rise could alter the Bay Area. The study stated that a 48-inch increase in the bay’s water level in coming decades could cause more than 100,000 Bay Area jobs to be relocated, nearly 30,000 lower-income residents to be displaced, and 68,000 acres of ecologically valuable shoreline habitat to be lost. The study further argued that without a far-sighted, nine county response, the region’s economic and transportation systems could be undermined along with the environment. Runways at San Francisco International Airport could largely be under water.

The City has already incorporated site specific adaption plans in the conditions of approval for certain large waterfront development projects, such as the Candlestick/Hunters Point Shipyard, Treasure Island, Pier 70 and Mission Rock projects. Also, the City is in the process of planning to fortify the Port’s Bay shoreline against earthquakes, flooding, and sea level rise. In November 2018, voters of the City approved Proposition A, authorizing the issuance of up to \$425 million in general obligation bonds for seismic safety and disaster response improvements along the Seawall. The City has expended \$16.2 million through Fiscal Year 2020-21 and expects short-term upgrades to cost over \$500 million and long-term upgrades to cost more than \$5 billion. In August 2020, the Port released a multi-hazard seismic and flood risk assessment of Port and City infrastructure along the Embarcadero Seawall, which is being used as a guide to inform project planning. The Port and the United States Army Corps of Engineers have also partnered to study and develop coastal flood defenses to address the flooding and sea level rise along the Port’s Bay waterfront, which will yield a recommendation to Congress as to the federal interest in funding coastal flood defenses.

Portions of the San Francisco Bay Area, including the City, are built on fill that was placed over saturated silty clay known as “**Bay Mud.**” This Bay Mud is soft and compressible, and the consolidation of the Bay Mud under the weight of the existing fill is ongoing. A report issued in March 2018 by researchers at UC Berkeley and the University of Arizona suggested that flooding risk from climate change could be exacerbated in the San Francisco Bay Area due to the sinking or settling of the ground surface, known as subsidence. The study claimed that the risk of subsidence was more significant for certain parts of the City built on fill. The Transbay Project Area has property built on Bay Mud. The Successor Agency has not conducted any investigation as to whether any property in other Project Areas is on Bay Mud.

In October 2022, the Port announced that it, in partnership with the U.S. Army Corps of Engineers and City agencies, had developed seven Waterfront Adaptation Strategies, which are different ways for the City to create a resilient, sustainable, and equitable waterfront for the next 100 years. It indicated the intent was not to choose one of the strategies, but to use the best ideas from all of them to create a plan or approach to reduce flood risks from sea level rise and extreme storms and provide an opportunity to invest in and bring public benefits to the City’s waterfront.

Projections of the effects of global climate change on the City and the Successor Agency are complex and depend on many factors that are outside the control of the City or the Successor Agency. The various scientific studies that forecast climate change and its adverse effects, including sea level rise and flooding risk, are based on assumptions contained in such studies, but actual events may vary materially. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the Successor Agency is unable to forecast when sea level rise or other adverse effects of climate change (e.g., the occurrence and frequency of 100-year storm events and king tides) will occur. In particular, the Successor Agency cannot predict the timing or precise magnitude of adverse economic effects, including, without limitation, material adverse effects on the business operations or financial condition of the Successor Agency or the Project Areas or the local economy during the term of the 2023A/B Bonds. While the effects of climate change may be mitigated by past and future investment in adaptation strategies, the Successor Agency can give no assurance about the net effects of those strategies and whether additional adaptive mitigation measures will be required. If necessary, such additional measures could require significant capital resources.

Tsunamis. Tsunamis are large waves in the ocean generated by earthquakes, coastal or submarine landslides, or volcanoes. Damaging tsunamis are not common on the California coast. Most California tsunami are associated with distant earthquakes (most likely those in Alaska or South America, and recently in Japan), not with local earthquakes. Devastating tsunamis have not occurred in historic times in the San Francisco Bay Area. The Community Safety Element states that, because of the lack of reliable information about the kind of tsunami run-ups that have occurred in the prehistoric past, there is considerable uncertainty over the extent of tsunami run-up that could occur.

It should be assumed, therefore, that an earthquake or other natural event or man-made activity may occur and may cause damage to improvements on parcels in the Project Areas of varying degrees of severity, that such damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost or because repair or replacement will not facilitate usability or because other considerations may preclude such repair or replacement. Consequently, the occurrence of any of these conditions could result in a significant decrease in the assessed value of taxable values of property in the Project Areas and could result in a significant reduction in Pledged Tax Revenues. Such reduction of Pledged Tax Revenues could have an adverse effect on the Successor Agency’s payment of debt service on the 2023A/B Bonds.

Cybersecurity

The Successor Agency, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations, and faces multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, “**Systems Technology**”).

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Successor Agency’s Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. The Successor Agency participates in the City’s cybersecurity program, which invests in multiple forms of cybersecurity and operational safeguards to protect against such events and attacks.

While the Successor Agency’s cybersecurity and operational safeguards are periodically tested, no assurance can be given by the Successor Agency that such measures will ensure against cybersecurity threats and attacks. Cybersecurity breaches could damage the Successor Agency’s Systems Technology and cause material disruption to the Successor Agency’s operations. The costs of remedying any such damage or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose the Successor Agency to material litigation and other legal risks, which could cause the Successor Agency to incur material costs related to such legal claims or proceedings.

Public Health Emergencies

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. In February 2020, the WHO announced the official name for the outbreak of COVID-19, an upper respiratory tract illness. COVID-19 spread across the globe and has had significant adverse health and financial impacts throughout the world, including the City. States of emergency declared by the Mayor of the City and the Governor of the State were ended in February 2023 and the States of emergency declared by the WHO and the President of the United States were ended in May 2023.

While COVID-19 case rates have significantly declined, vaccination rates have increased, and the national and local economies have been improving, COVID-19 is an established and ongoing health issue according to the WHO, and its duration and severity and economic effects are uncertain in many respects. The ultimate impact of COVID-19 on the Successor Agency’s operations and finances and the economy, real estate market and development within the Project Areas, is not fully known, and it may be some time before the full adverse impact of the COVID-19 outbreak is known.

Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the Successor Agency’s operations and finances and on the economy, real estate market and development within the Project Areas.

Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues

Office Vacancy. On October 19, 2022, the Chief Economist of the City Controller’s office released a memorandum (the “**Controller’s Memorandum**”) regarding the impact of remote work on commercial property and tax revenue in the City. The following summarizes certain portions of such memorandum.

According to the Controller’s Memorandum, the City has experienced the largest increase in office vacancy among major urban office markets in the United States, estimated at 24% in the 3rd quarter of 2022, from around 5% before the COVID-19 pandemic. Because of the prevalence of long-term leases in the commercial real estate industry, sudden reductions in demand often result in increases in sublease

vacancy, instead of direct vacancy. Sublease vacancy occurs when existing tenants vacate their space and seek to find sub-lessees, but continue to pay rent under the original lease. A direct vacancy occurs when the original lease has been broken, or has expired and not been renewed. In this case, the property's income declines until a new lease is signed. In San Francisco, sublease vacancies were a very high percentage (80-90%) of office vacancies during 2020 and 2021. In 2022, the sublease vacancy rate declined, while the direct vacancy rate continued to rise.

The Controller's Memorandum further reported that by mid-2022, direct vacancies accounted for most of the vacant office space in San Francisco, according to Jones Lang LaSalle IP, Inc. ("JLL"), and that JLL had developed a series of office vacancy rate forecasts for the City, through the year 2026. According to the Controller's Memorandum, JLL generally showed historically high office vacancy rates persisting throughout the forecast period and forecasted office vacancy in the City to remain between 19.5% and 25.3% by 2026, a range which would be as high as or higher than any previous peak in office vacancy dating back to the 1990s, and rents to rise again by the end of the forecast period, but at a slower rate than was seen in the 2010s. If vacancy rates remain at this elevated level, and a large share of these are direct vacancies, then the income, and market value, of office buildings in the City are likely to be negatively affected.

Since the release of the Controller's Memorandum, JLL and CBRE, Inc., have issued reports indicating the office vacancy rate in San Francisco in the second quarter of 2023 was 28.3% and 31.6%, respectively. In addition, local news outlets have reported recent sales of office buildings in downtown San Francisco at prices that were below the prices at which such properties were offered or purchased or below their assessed values. In May 2023, it was reported that a 22-story 300,000 square foot office building at 350 California Street, which previously was occupied by Union Bank and which had become vacant, sold for roughly 75% less than what it had been offered for in 2020. Such sale price was slightly less than the building's current assessed value, which was based on the building's last sale occurring around 2007. In June 2023, a 13-story office building at 550 California Street reportedly was sold by its owner, Wells Fargo Bank, for a price that was more than 70% less than its most recent assessed value and more than 70% less than the price for which it initially was offered a year earlier. The price also was less than half of what the owner paid for the building in 2005. In August 2023, an 11-story 157,000 square foot office building at 60 Spear Street that was 30% occupied, but was expected to be vacant by summer 2025, reportedly was sold for 66% less than its most recent assessed value. According to such report, 60 Spear Street was last purchased in 2014. None of such buildings is located in any of the Project Areas. However, 60 Spear Street is located next to the Transbay Project Area and the sales of such three buildings may be reflective of the current market values of certain of the office buildings in San Francisco, including those in Project Areas.

The Controller's Memorandum noted that "the prevalence of long-term leases, and the cushioning effect that Proposition 13 has provided San Francisco's property tax base, will be mitigating factors in the short term" with respect to reductions in property taxes from office buildings. However, as set forth above, in some cases where office buildings are sold, sale prices may be substantially less than current assessed values. The Successor Agency cannot predict the degree to which the sale prices of the office buildings set forth above are reflective of the value of the office buildings in the Project Areas, the impact such sale prices may have on the assessed values of office buildings in the Project Areas or whether assessed values of office buildings in the Project Areas will be lowered by the Assessor or through assessment appeals by property owners. In the City, a property owner desiring a reduction of the assessed value of such owner's property in any one (1) year period must submit an application to the City's Assessment Appeals Board by September 15 of such tax year, or if the application is mailed, it must be postmarked by such date. See "– Reductions in Tax Base and Assessed Values" and "– Appeals to Assessed Values."

Declines in Hotel Occupancy and Room Rates. On June 5, 2023, the owner of two major downtown San Francisco hotels, the 1,921-room Hilton San Francisco Union Square and the 1,024-room Parc 55 San Francisco, announced that it had ceased making payments toward a \$725 million non-recourse

loan secured by the two hotels that was scheduled to mature in November 2023. The owner's chairman and chief executive officer stated that they believed San Francisco's path to recovery remained clouded and elongated by major challenges, which included record high office vacancy, concerns over street conditions, lower return to office than peer cities and a weaker than expected citywide convention calendar through 2027 that will negatively impact business and leisure demand. He also indicated that the continued burden on the company's operating results and balance sheet was too significant to warrant continuing to subsidize and own such assets. Such hotels are not located in any of the Project Areas and thus their loan default does not have a direct impact on the assessed value of properties in the Project Areas. The Successor Agency cannot predict what, if any, indirect impact such loan default may have.

According to data posted by the City on its website, the seasonally adjusted hotel occupancy rate in June 2023 was 65.13%, down from 83.26% in June 2019 prior to the pandemic and 70.98% in June 2022 and the seasonally adjusted average daily rate in June 2023 was \$228.05, down from \$272.85 in June 2019 and \$275.58 in June 2022. The Successor Agency cannot predict what impact the decline in the hotel occupancy rate and average daily rate will have on the assessed value of properties in the Project Areas.

Retail Vacancy and Closures. Since the COVID-19 pandemic, some retail stores in San Francisco have closed, or have announced plans to close, after experiencing significant declines in foot traffic and sales. The real estate companies Cushman & Wakefield and Kidder Mathews reported in separate publications regarding the San Francisco retail industry that the overall retail vacancy rate in San Francisco in the second quarter of 2023 was recorded at 6.0% and 5.8%, respectively, up from 5.5% and 4.8%, respectively, a year ago. Cushman & Wakefield reported that the vacancy rate it cited for the second quarter of 2023, which was the same as that for the first quarter of 2023, was the highest vacancy rate in the City since 2006. It reported that downtown San Francisco continued to struggle with post-pandemic recovery: low foot traffic due to slow return of office employees and tourists, in addition to the lingering issues, such as homelessness, crime, high cost and changes in consumers' shopping habits. It also reported that the direct retail vacancy rate in the Union Square area was 13.8% in the second quarter of 2023, up from 13.5% in the first quarter of 2023, but down from 14.4% a year ago, and the overall vacancy rate, including sublease, was 16.2%, up from 15.5% the previous quarter. However, it also reported that Union Square had 920,400 visitors in the second quarter of 2023, a 7.2% increase from the previous quarter's figure of 858,300 and 5.3% higher than the year ago count of 873,800.

In June 2023, the owners of the Westfield San Francisco Centre, a shopping mall generally considered to be part of the Union Square area and located in the Yerba Buena Center Approved Project Area D-1, announced that they had decided to surrender the shopping mall to their lender. Such shopping mall, which is near the Hilton San Francisco Union Square and Parc 55 San Francisco hotels, is listed in Table 3, above, as being the fourth top taxpayer by assessed valuation in the Project Areas. The shopping mall includes 1.2 million square feet of retail space and 300,000 square feet of offices. Nordstrom, which occupies 312,000 square feet in the mall, has announced that it will close its store in the mall in August 2023 when its lease expires. After Nordstrom's departure, the mall will be only 55% leased. In addition, a movie theater that reportedly had a 52,000 square foot lease set to expire in September 2023 ceased operations in June 2023 and a lease for 25,289 square feet of retail space will expire in January 2024. See "The Project Areas – Assessed Valuation and Other Information Regarding the Project Areas." The Successor Agency cannot predict what impact the foregoing events will have on the mall's assessed value or the assessed values of other properties in the Project Areas.

Declines in Median Home Values and Sale Prices. Also posted on the City's website is information on San Francisco median home values based on data from Zillow, which includes single family residences and condominiums regardless of bedroom count. According to such data, the median home value in June 2023 was \$1,285,188, up from \$1,274,379 in May 2023, but, down from \$1,474,710 in June 2022 and \$1,379,710 in June 2021. In addition, according to Compass in its San Francisco Real Estate August 2023 Report, which provided data on house, condominium, co-op, tenancy-in-common and

townhouse sales, the 3-month rolling median house sales price in July 2023 was \$1,550,000, a decline of 16% from the same period in 2022 and the 3-month rolling median condominium price in July 2023 was \$1,150,000, down 7% from the same period in 2022. Compass's report did not define what was considered to be within the category of "house" for purpose of such report.

The market value of a property is important for property tax revenue, because a property's assessed value – the basis of its property tax liability – may not exceed its market value. If a property owner believes a property is assessed above its market value, they may request a temporary reduction in assessment from the Assessor, and/or appeal an assessment to the Assessment Appeals Board. See " – Reductions in Tax Base and Assessed Values" and "PLEGGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals," above.

Neither the City's website nor any of the reports or publications referred to above is incorporated herein by reference.

Bond Insurance Risk Factors

In the event of default of the payment of principal or interest with respect to the Insured Bonds when all or some becomes due, any owner of such Insured Bonds will have a claim under the Insurance Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Insurance Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Insured Bonds by the Successor Agency, which is recovered by the Successor Agency from the bond owner as a voidable preference under applicable bankruptcy law, is covered by the Insurance Policy. However, such payments will be made by AGM at such time and in such amounts as would have been due absent such prepayment by the Successor Agency, unless AGM chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of AGM without appropriate consent. AGM may direct, and must consent to, any remedies and AGM's consent may be required in connection with amendments to any applicable bond documents.

In the event AGM is unable to make payment of principal or interest under the Insurance Policy, as such payments become due, the Insured Bonds will be payable solely from the moneys received pursuant to the Indenture. In the event AGM becomes obligated to make payments with respect to any of the Insured Bonds, no assurance is given that such event will not adversely affect the market price of the Insured Bonds or the marketability (liquidity) of the Insured Bonds.

The long-term ratings on the Insured Bonds are dependent in part on the financial strength of AGM and its claim paying ability. AGM's financial strength and claims paying ability are predicated upon a number of factors, which could change over time. No assurance is given that the long-term ratings of AGM and of the ratings on the Insured Bonds will not be subject to downgrade and such event could adversely affect the market price of the Insured Bonds or the marketability (liquidity) of the Insured Bonds. See "RATINGS."

The obligations of AGM are general obligations of AGM and in an event of default by AGM, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the Successor Agency nor the Underwriters have made independent investigation into the claims paying ability of AGM and no assurance or representation regarding the financial strength or projected financial strength of AGM is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Successor Agency to pay principal and interest on the Insured Bonds and the claims paying ability of AGM, particularly over the life of the investment. See “INTRODUCTION – Bond Insurance” and “BOND INSURANCE” herein for further information provided by AGM and about the Insurance Policy, which includes further instructions for obtaining current financial information concerning AGM.

Reserve Policy Risk Factors

In the event of insufficient Pledged Tax Revenues to pay the scheduled principal of or interest on the 2023 Series A Taxable Bonds or the 2023 Series B Bonds when due, the Trustee will draw upon the applicable Reserve Policy for all or a portion of such payments. The obligations of AGM are unsecured contractual obligations and in an event of default by AGM, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

The long-term ratings on the 2023A/B Bonds are dependent in part on the financial strength of AGM and its claim paying ability. AGM’s financial strength and claims paying ability are predicated upon a number of factors, which could change over time. No assurance is given that the long-term ratings of AGM and of the ratings on the 2023A/B Bonds will not be subject to downgrade and such event could adversely affect the market price of the 2023A/B Bonds or the marketability (liquidity) of the 2023A/B Bonds. See “RATINGS.”

Neither the Successor Agency nor the Underwriters have made independent investigation into the claims paying ability of AGM and no assurance or representation regarding the financial strength or projected financial strength of AGM is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Successor Agency to pay principal of and interest on the 2023A/B Bonds and the claims paying ability of AGM, particularly over the life of the investment.

Hazardous Substances

An additional environmental condition that may result in the reduction in the assessed value of property would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within any of the Project Areas. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Areas be affected by a hazardous substance, could be to reduce the marketability (liquidity) and value of the property by the costs of remedying the condition.

In 1995, the United States Navy (the “Navy”) determined, and the United States Environmental Protection Agency (the “US EPA”), the State of California and the San Francisco Department of Public Health agreed, that the lands making up the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), which is part of the Project Areas, also referred to as “Parcel A” or “Shipyard Phase 1,” (which consisted of soldiers’ barracks and which was the site of accessory activities during its use as a military base) posed no threat to human health or the environment and required no further action. In 1999, the US EPA removed Parcel A from the National Priorities (Superfund) List and confirmed that the site was safe for its intended use as a residential community.

In 2004, the Navy conveyed Parcel A to the Former Agency after determinations by the Navy, the US EPA, the California Environmental Protection Agency and the San Francisco Department of Public Health that all necessary investigation and remediation of potential contamination had been completed for Parcel A, and that Parcel A was suitable for residential reuse. Thereafter, the Former Agency transferred Parcel A (with the exception of certain affordable housing sites, parks and roadway parcels retained by the Former Agency) to the master developer, who has commenced development. The master developer (or its assignees) has completed approximately 505 residential units within Parcel A-1 and broken ground on infrastructure or homesites for the remainder of its development on Parcel A, and continues to sell homes within Parcel A-1. The Successor Agency expects to use a portion of the proceeds from the sale of the 2023A/B Bonds to finance the development of affordable housing in Parcel A-1.

The Navy and its contractors have performed environmental remediation on other parcels making up the remainder of the Hunters Point Shipyard Project Area, referred to as “**Shipyard Phase 2**,” which are part of the Excluded Project Areas. Allegations of fraudulent testing have delayed the completion of such testing, and the Navy, with the oversight of federal, state and local environmental regulators, is currently implementing a review and focused retesting of previously remediated areas in Shipyard Phase 2. Under its agreement with the City and the Successor Agency, the Navy remains responsible for completing remediation activities on Shipyard Phase 2 lands prior to their transfer to the Successor Agency for use for their intended redevelopment purposes.

The allegations of fraud at Shipyard Phase 2 have resulted in litigation. A class action lawsuit¹ seeks damages against Navy contractors Tetra Tech EC, Inc. and Tetra Tech, Inc. (collectively, “**Tetra Tech**”) for, among other things, fraudulent performance of Tetra Tech’s environmental remediation work in the Hunters Point Shipyard Project Area and also names certain developers of property in the Hunters Point Shipyard Project Area as co-defendants. The case remains pending. Such lawsuit does not name the Successor Agency or the City as defendants. On August 10, 2023, the plaintiffs filed their Sixth Amended Complaint against Tetra Tech and the developers in which the plaintiffs, among other things, seek monetary damages and a preliminary injunction against development at the Hunters Point Shipyard Project Area, which could include remaining development at Parcel A, until independent verified reports can be obtained showing complete and total remediation of all alleged toxic substances. The Successor Agency cannot predict the outcome of such litigation.

In response to the allegations against Tetra Tech for its work in Shipyard Phase 2, the California Department of Public Health (“**CDPH**”) conducted a radiological survey of Parcel A at the behest of the City and federal and state representatives. CDPH performed a phased-approach radiological survey to assess the health and safety of the public and the environment at Parcel A. In its final report dated February 5, 2019, CDPH declared the first subphase of Parcel A (known as “**Parcel A-1**” or the “**Hilltop**”) to be free from radiological health and safety hazards. In its final report dated April 24, 2019, CDPH similarly declared the remainder of Parcel A (known as “**Parcel A-2**” or the “**Hillside**”) to be free from radiological health and safety hazards.

To address continued concerns and questions from the community regarding the testing conducted on Parcel A, experts from UC San Francisco and UC Berkeley conducted an impartial analysis of CDPH’s procedures for Parcel A. The report, released in December 2019, concluded that CDPH’s health and safety scan on Parcel A was appropriate as a health and safety survey. The panel of experts supported CDPH’s conclusion that no radiological health and safety hazards to the current residents of Parcel A were observed.

Lastly, at the request of community members and local representatives and out of abundance of caution, affordable housing developers’ environmental consultant collected soil samples and performed additional radiological soil testing at the Successor Agency’s three affordable housing parcels within Parcel

¹Summaries of the class action lawsuit included herein are based on publicly available information not confirmed for accuracy.

A-1 in advance of commencing construction thereon. Radiological testing results indicated no contamination and no risk to construction workers, the public or future residents.

Reduction in Inflation Rate

As described in greater detail below, Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflation rate, not to exceed a two percent (2%) increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the 2023A/B Bonds could reduce Pledged Tax Revenues. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The State Board of Equalization directed county assessors to use 1.036% as the inflation factor for purposes of preparing the 2021-22 tax roll and 2% as the inflation factor for purposes of preparing the 2022-23 tax roll and the 2023-24 tax roll. The Successor Agency is unable to predict future adjustments to the full cash value of real property within any of the Project Areas, whether an increase or a reduction. See “LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution.”

Delinquencies

The Successor Agency does not have any independent power to levy and collect property taxes. Delinquencies in the payment of property taxes could have an adverse effect on the Successor Agency’s ability to make timely debt service payments. However, the City has adopted the Teeter Plan and provides one hundred percent (100%) of tax revenues to the Successor Agency regardless of delinquencies. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Teeter Plan*.” Such plan may be discontinued at any time.

Investment Risk

As provided in the Indenture, moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account and the Redemption Account are required to be invested in Permitted Investments and moneys in the Special Fund into which Pledged Tax Revenues are initially deposited may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. All investments, including the Permitted Investments and those authorized by law from time to time for investments by municipalities, contain a certain degree of risk. Such risks include, but are not limited to, a lower rate of return than expected and loss or delayed receipt of principal. The occurrence of these events with respect to amounts held under the Indenture or the Special Fund could have a material adverse effect on the security for the 2023A/B Bonds.

Bankruptcy and Foreclosure

The payment of the property tax revenue from which Pledged Tax Revenues are derived and the ability of the City to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors’ rights (such as the Soldiers’ and Sailors’ Relief Act of 1940 discussed below) or by the laws of the State relating to judicial foreclosure.

The rights of the Owners of the 2023A/B Bonds and the enforceability of the obligation to make payments on the 2023A/B Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights under currently existing law or laws enacted in the future and may also be subject to the exercise of judicial discretion under certain circumstances. The various legal

opinions to be delivered concurrently with the delivery of the 2023A/B Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases. See APPENDIX E – "FORM OF BOND COUNSEL FINAL OPINION."

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2023A/B Bonds and the possibility of delinquent tax installments not being paid in full. Moreover, if the value of the subject property is less than the lien of property taxes, such excess could be treated as an unsecured claim by the bankruptcy court. Further, should remedies be exercised under the federal bankruptcy laws, payment of property taxes may be subordinated to bankruptcy law priorities. Thus, certain claims may have priority over property taxes in a bankruptcy proceeding even though they would not outside of a bankruptcy proceeding.

In addition, the United States Bankruptcy Code might prevent moneys on deposit in the Retirement Fund from being applied to pay principal of, or interest on, the 2023A/B Bonds, if bankruptcy proceedings were brought by or against a landowner and if the court found that any of such landowner had an interest in such moneys within the meaning of Section 541(a)(1) of the United States Bankruptcy Code.

Other laws generally affecting creditors' rights or relating to judicial foreclosure may affect the ability to enforce payment of property taxes or the timing of enforcement thereof. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax or assessment and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if a court concludes that the ability to pay such taxes or assessments is materially affected by reason of such service.

As discussed under "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Teeter Plan*," under its current policies, the City Controller distributes one hundred percent (100%) of tax increment revenues allocated to the Successor Agency without regard to delinquencies in the payment of property taxes. However, there can be no assurance that such policies will not be changed in the future.

Levy and Collection of Taxes

The Successor Agency has no independent power to levy and collect property taxes. As discussed herein, the Successor Agency only receives, on an annual basis, that amount of tax increment revenue required for it to pay debt service, enforceable obligations and administrative expenses. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Pledged Tax Revenues, and accordingly, could have an adverse impact on the ability of the Successor Agency to pay debt service on the 2023A/B Bonds. Likewise, delinquencies in the payment of property taxes and the impact of bankruptcy proceedings on the legal ability of taxing agencies to collect property taxes could have an adverse effect on the Successor Agency's ability to make timely payments on the 2023A/B Bonds. The City allocates property taxes to the Successor Agency based on one hundred percent (100%) of the tax levy, notwithstanding any delinquencies. However, the City may discontinue such practice at any time. If there is a decline in the general economy of the Project Areas, the owners of property within the Project Areas may be less able or less willing to make timely payments of property taxes, causing a delay or stoppage of Pledged Tax Revenues received by the Successor Agency from the Project Areas.

Loss of Tax Exemption

In order to maintain the exclusion from gross income for federal income tax purposes of the interest on the 2023 Series B Bonds, the Successor Agency has covenanted in the Indenture to comply with the applicable requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”). The interest on the 2023 Series B Bonds could become includable gross income for purposes of federal income taxation retroactive to the date of issuance of the 2023 Series B Bonds as a result of acts or omissions of the Successor Agency in violation of these or other covenants in the Indenture applicable to the 2023 Series B Bonds. The 2023 Series B Bonds are not subject to redemption or any increase in interest rates should an event of taxability occur and will remain outstanding until maturity or prior redemption in accordance with the provisions contained in the Indenture. See “TAX MATTERS.”

Risk of Tax Audit

In December 1999, as a part of a larger reorganization of the Internal Revenue Service (the “**IRS**”), the IRS commenced operation of its Tax Exempt and Government Entities Division (the “**TE/GE Division**”), as the successor to its Employee Plans and Exempt Organizations division. The TE/GE Division has a subdivision that is specifically devoted to tax-exempt bond compliance. There is no assurance that if an IRS examination of the 2023 Series B Bonds was undertaken it would not adversely affect the market value of the 2023 Series B Bonds. See “TAX MATTERS.”

Secondary Market

There can be no guarantee that there will be a secondary market for the 2023A/B Bonds, or if a secondary market exists, that the 2023A/B Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

No assurance can be given that the marketability, liquidity or market price for the 2023A/B Bonds will not be affected by the introduction or enactment of any future legislation or executive order (including, without limitation, amendments to or repeal of any portions of the Tax Code), or by any state constitutional amendments, court decisions, changes in interpretation of the Tax Code, or actions of the IRS, including but not limited to the publication of proposed or final regulations, the issuance of rulings, the selection of the 2023 Series B Bonds for audit examination, or the course or result of any IRS audit or examination of the 2023 Series B Bonds or obligations that present similar tax issues as the 2023 Series B Bonds.

Senior Obligations

As discussed above, certain Project Areas have prior obligations to which tax increment from such Project Areas is committed on a basis senior to debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Senior Obligations – *Project Area-Specific Prior Obligations*.” In addition, the payment of debt service on the 2023A/B Bonds from tax increment revenues from the Project Areas is subordinate to the Successor Agency’s obligations to pay debt service on the Existing Senior Loan Agreements and the Second Lien Debt. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Senior Obligations.”

However, the Successor Agency has covenanted that, so long as Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues (as defined in the Existing Senior Loan Agreements) or Pledged Tax Revenues on a basis senior to the

payment of debt service on the Third Lien Bonds, including the 2023A/B Bonds, except for obligations issued to refund any of the Existing Senior Loan Agreements or Second Lien Debt, but only if the debt service in any Bond Year does not increase as a result of such refunding. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Senior Debt*.”

Parity Obligations

As described in “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Third Lien Parity Debt*,” the Successor Agency may issue or incur additional obligations secured by a lien on Pledged Tax Revenues on a parity with its pledge of the lien on Pledged Tax Revenues in favor of the 2023A/B Bonds subject to the satisfaction of certain conditions set forth in the Indenture. The existence of and the potential for additional Third Lien Parity Debt increases the risks associated with the Successor Agency’s payment of debt service on the 2023A/B Bonds in the event of a decrease in the Successor Agency’s collection of tax revenues. The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds. The amounts and time in the preceding sentence reflect current projections; no assurance can be given as to the exact timing or amount of any additional bond issuances.

2023A/B Bonds are Limited Obligations

The 2023A/B Bonds are special, limited obligations of the Successor Agency and as such are not debt of the City, the State or any of their political subdivisions other than the Successor Agency, and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable for the payment thereof. The principal of, and premium, if any, and interest on, the 2023A/B Bonds are payable solely from Pledged Tax Revenues allocated to the Successor Agency and certain other funds pledged therefor under the Indenture. The 2023A/B Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” No Owner of the 2023A/B Bonds may compel exercise of the taxing power of the State, the City or any of their political subdivisions to pay the principal of, or premium, if any, or interest due on, the 2023A/B Bonds.

Limited Recourse on Default

If the Successor Agency defaults on its obligations under the Indenture, the Trustee has the right to accelerate the 2023A/B Bonds under certain circumstances. However, in the event of a default and such acceleration, there can be no assurance that the Trustee will have sufficient moneys available for payment of the 2023A/B Bonds.

LIMITATIONS ON TAX REVENUES

The 2023A/B Bonds are secured by a pledge of Pledged Tax Revenues described in this Official Statement. The Successor Agency does not have any independent power to levy and collect property taxes; accordingly, the amount of Pledged Tax Revenues available to the Successor Agency for payment of the principal of and interest on the 2023A/B Bonds is affected by several factors, including but not limited to those discussed below. See also “CERTAIN RISK FACTORS.”

Property Tax Collection Procedure

Classifications. In California, property that is subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The secured classification includes property on which any property tax levied by a county becomes a lien on that property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against the unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax that becomes a lien on secured property has priority over all other liens arising pursuant to State law on the secured property, regardless of the time of creation of the other liens.

Generally, *ad valorem* taxes are collected by a county (the “**Taxing Authority**”) for the benefit of the various entities (cities, school districts and special districts) that share in the *ad valorem* tax (each, a taxing entity) and redevelopment agencies eligible to receive tax increment revenues.

Collections. Secured property and unsecured property are entered on separate parts of the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The Taxing Authority has four (4) ways of collecting unsecured personal property taxes in the case of delinquency: (i) initiating a civil action against the taxpayer; (ii) filing a certificate in the office of the clerk of the court specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (iii) filing a certificate of delinquency for record in the county recorder’s office to obtain a lien on certain property of the taxpayer; and (iv) seizing and selling the personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes for the amount of taxes that are delinquent.

Delinquencies. The valuation of property is determined as of January 1 each year and equal installments of taxes levied upon secured property become delinquent after the following December 10 and April 10. Taxes on unsecured property are due March 1. Unsecured taxes enrolled by July 31, if unpaid, are delinquent August 31 and are subject to penalty; unsecured taxes added to the roll after July 31, if unpaid, are delinquent on the last day of the month succeeding the month of enrollment.

Penalty. A ten percent (10%) penalty is added to delinquent taxes that have been levied with respect to property on the secured roll. In addition, on or about June 30 of the fiscal year, property on the secured roll on which taxes are delinquent is declared to be in default by operation of law and declaration of the tax collector. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of one and one-half percent (1.5%) per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county tax collector. A ten percent (10%) penalty also applies to the delinquent taxes on property on the unsecured roll, and further, an additional penalty of one and one-half percent (1.5%) per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date.

Supplemental Assessments. California Revenue and Taxation Code Section 75.70 provides for the supplemental assessment and taxation of property as of the occurrence of a change in ownership or completion of new construction. This statute provides increased revenue to the RPTTF to the extent that supplemental assessments as a result of new construction or changes of ownership occur within the boundaries of redevelopment project areas subsequent to the January 1 lien date. To the extent such supplemental assessments occur within the Project Areas, Tax Revenues may increase.

Property Tax Administrative Costs. In 1990, the Legislature enacted Senate Bill 2557 (Statutes of 1990, Chapter 466) which allows counties to charge for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each. Subsequent legislation clarified that the provisions of SB 2557 include redevelopment agencies as

a local government agency which must pay such administrative costs. In addition, Sections 34182(e) and 34183(a) of the Redevelopment Dissolution Act allow administrative costs of the county auditor-controller for the cost of administering the provisions of the Redevelopment Dissolution Act, as well as the foregoing SB 2557 amounts, to be deducted from property tax revenues before moneys are deposited into the RPTTF.

Taxation of Unitary Property

In California, certain properties are known as unitary property or operating nonunitary property. Such properties are properties of an assessee that are operated as a unit (consisting mostly of operational property owned by utility companies). Property tax revenue derived from assessed value attributable to unitary and operating nonunitary property that is assessed by the State Board of Equalization is to be allocated county-wide as follows: (i) each jurisdiction, including redevelopment project areas, will receive a percentage up to one hundred two percent (102%) of its prior year unitary and operating nonunitary revenue; (ii) if the amount of property tax revenue available for allocation is insufficient to make the allocation required by clause (i), above, the amount of revenue to be allocated to each jurisdiction will be prorated; and (iii) if county-wide revenues generated for unitary and operating nonunitary property are greater than one hundred two percent (102%) of the previous year's unitary revenues, each jurisdiction will receive a percentage share of the excess unitary revenue based on such jurisdiction's share of the county's total ad valorem tax levies for the secured roll for the prior year.

The City Controller, following guidance from the State Board of Equalization does not share any of the City-wide unitary revenue with the Successor Agency. No tax revenue derived from unitary property or operating nonunitary property is included in the projections of Pledged Tax Revenues.

Tax Limitations – Article XIII A of California Constitution

Article XIII A of the State Constitution, known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIII A limits the maximum *ad valorem* tax on real property to one percent (1%) of "full cash value," and provides that such tax will be collected by the counties and apportioned according to State statutes. Section 1(b) of Article XIII A provides that the one percent (1%) limitation does not apply to *ad valorem* taxes levied to pay interest or redemption charges on (1) indebtedness approved by the voters prior to July 1, 1978, and (2) any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition.

Section 2 of Article XIII A defines "full cash value" to mean the county assessor's valuation of real property as shown on the 1975-76 Fiscal Year tax bill, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed two percent (2%) per year, or to reflect a reduction in the consumer price index or comparable data for the taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation enacted by the State Legislature to implement Article XIII A provides that, notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except to pay debt service on indebtedness approved by the voters as described above. Such legislation further provides that each county will levy the maximum tax permitted by Article XIII A, which is \$1.00 per \$100 of assessed market value. The legislation further establishes the method for allocating the taxes collected by each county among the taxing agencies in the county.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age fifty-

five (55) and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in property tax revenues.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the no more than two percent (2%) annual adjustment (2% for Fiscal Year 2023-24) are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

The Successor Agency cannot predict whether there will be any future challenges or changes to California’s present system of property tax assessment or the effect of any such challenge or change on the Successor Agency’s receipt of Tax Revenues.

Article XIII B of California Constitution

On November 6, 1979, California voters approved Proposition 4, which added Article XIII B to the California Constitution. Article XIII B has been subsequently amended several times. The principal effect of Article XIII B is to limit certain annual appropriations of the State and any local government, which includes any city, county, special district, or other political subdivision of or within the State, to the level of appropriations for the prior fiscal year, subject to certain permitted annual adjustments. Appropriations of local government subject to Article XIII B is defined to mean generally any authorization to expend the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity, exclusive of refunds of taxes. Permitted adjustments to the annual appropriations limit include adjustments for changes in the cost of living, population and services rendered by the government entity.

Effective September 30, 1980, the California Legislature added Section 33678 of the Redevelopment Law, which provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness will not be deemed the receipt by the agency of proceeds of taxes levied by or on behalf of the agency within the meaning of Article XIII B or any statutory provision enacted in implementation of Article XIII B. The constitutionality of Section 33678 has been upheld by the Second and Fourth District Courts of Appeal in two decisions: *Bell Community Redevelopment Agency v. Woosley* and *Brown v. Community Redevelopment Agency of the City of Santa Ana*.

Articles XIII C and XIII D of California Constitution

On November 5, 1996, California voters approved Proposition 218. Proposition 218 added Articles XIII C and XIII D to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. On November 2, 2010, California voters approved Proposition 26, the “Supermajority Vote to Pass New Taxes and Fees Act.” Proposition 26 amended Article XIII C of the California Constitution by adding an expansive definition for the term “tax,” which previously was not defined under the California Constitution. The 2023A/B Bonds are secured by sources of revenues that are not subject to limitation by Proposition 218 and are outside of the scope of taxes that are limited by Proposition 26.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the State Constitution and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to California’s initiative process. From time to time other initiative measures or other legislation could be adopted, further affecting the availability of tax increment revenues or the Successor Agency’s ability to expend tax increment revenue.

TAX MATTERS

2023 Series A Taxable Bonds

The interest on the 2023 Series A Taxable Bonds is not intended by the Successor Agency to be excluded from gross income for federal income tax purposes. However, in the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, interest on the 2023 Series A Taxable Bonds is exempt from California personal income taxes.

The proposed form of opinion of Bond Counsel with respect to the 2023 Series A Taxable Bonds to be delivered on the date of issuance of the 2023 Series A Taxable Bonds is set forth in APPENDIX E.

Owners of the 2023 Series A Taxable Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Series A Taxable Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Series A Taxable Bonds, the ownership, sale or disposition of the 2023 Series A Taxable Bonds, or the amount, accrual or receipt of interest on the 2023 Series A Taxable Bonds.

2023 Series B Bonds

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2023 Series B Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Series B Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the Successor Agency comply with all requirements of the Tax Code that must be satisfied subsequent to the issuance of the 2023 Series B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Successor Agency has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023 Series B Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2023 Series B Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2023 Series B Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “bond premium” for purposes of federal income taxes and State of California personal income taxes.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of the subcaption “—Federal Tax Status,” above. The original issue discount accrues over the term to maturity of the 2023 Series B Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2023 Series B Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2023 Series B Bond. The Tax

Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2023 Series B Bonds who purchase the 2023 Series B Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2023 Series B Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2023 Series B Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such 2023 Series B Bonds is sold to the public.

Under the Tax Code, bond premium is amortized on an annual basis over the term of the 2023 Series B Bond (said term being the shorter of the 2023 Series B Bond's maturity date or its call date). The amount of bond premium amortized each year reduces the adjusted basis of the owner of the 2023 Series B Bond for purposes of determining taxable gain or loss upon disposition. The amount of bond premium on a 2023 Series B Bond is amortized each year over the term to maturity of the 2023 Series B Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized bond premium is not deductible for federal income tax purposes. Owners of premium 2023 Series B Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2023 Series B Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2023 Series B Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2023 Series B Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2023 Series B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to 2023 Series B Bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2023 Series B Bonds, or as to the consequences of owning or receiving interest on the 2023 Series B Bonds, as of any future date. Prospective purchasers of the 2023 Series B Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2023 Series B Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Series B Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Series B Bonds, the ownership, sale or disposition of the 2023 Series B Bonds, or the amount, accrual or receipt of interest on the 2023 Series B Bonds.

LITIGATION

There is no litigation now pending or, to the best knowledge of the Successor Agency, threatened to restrain or enjoin the execution or delivery of the 2023A/B Bonds or the Indenture or in any way questioning or affecting the validity of the foregoing or any of the proceedings for the authorization, sale, execution or delivery of the 2023A/B Bonds. In the opinion of the Successor Agency's General Counsel,

there is no lawsuit or claim now pending against the Successor Agency, which if decided adversely to the Successor Agency would materially affect the Successor Agency's finances so as to impair the ability of the Successor Agency to pay debt service on the 2023A/B Bonds as it becomes due.

A number of other lawsuits have been filed in the State that challenge the Redevelopment Dissolution Act or the application of certain of its provisions, but none of them have to date impaired the Successor Agency's ability to issue, and make payments for, the type of bonds contemplated by the offering described in this Official Statement. The Successor Agency is unable to predict the likely outcome of any remaining lawsuits or the possible impact, if any, of their outcomes on the distribution of property tax revenues or other moneys to the Successor Agency under the Redevelopment Dissolution Act or on the Successor Agency's ability to make payments of principal of and interest on the 2023A/B Bonds.

CONTINUING DISCLOSURE

The Successor Agency has covenanted for the benefit of the Owners of the 2023A/B Bonds to provide certain financial information and operating data relating to the Successor Agency by not later than six (6) months after the end of the Successor Agency's Fiscal Year (presently June 30) in each year commencing with its Annual Report for the 2022-23 fiscal year and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of events will be filed by the Successor Agency, or the Dissemination Agent, if any, on behalf of the Successor Agency, with the MSRB. The specific nature of the information to be contained in the Annual Report and the notices of events is summarized in APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

LEGAL MATTERS

Jones Hall, A Professional Law Corporation, Bond Counsel to the Successor Agency, will render an opinion with respect to the validity and enforceability of the Indenture and as to the validity of the 2023A/B Bonds. A copy of the form of such approving opinion is attached hereto as Appendix E. Certain legal matters incident to the issuance of the 2023A/B Bonds will be passed upon for the Successor Agency by its General Counsel. Alexis S. M. Chiu, Esq., is acting as Disclosure Counsel to the Successor Agency. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California.

Bond Counsel's engagement is limited to a review of the legal procedures required for the authorization, issuance and sale of the 2023A/B Bonds, the exemption of interest on the 2023 Series B Bonds from federal income taxation, and the exemption of interest on the 2023A/B Bonds from California personal income taxes. See "TAX MATTERS" herein and APPENDIX E – "FORM OF BOND COUNSEL FINAL OPINION." Bond Counsel has not undertaken any responsibility for the accuracy, completeness or fairness of the Official Statement or other offering materials relating to the 2023A/B Bonds and expresses no opinion relating thereto.

Disclosure Counsel has served as disclosure counsel to the Successor Agency for the 2023A/B Bonds and in such capacity has advised the Successor Agency with respect to applicable federal securities laws and participated with responsible Successor Agency officials and staff in conferences and meetings where information contained in this Official Statement was reviewed for accuracy, completeness and materiality. Disclosure Counsel is not responsible for independently verifying (through forensic audit or otherwise) the accuracy or completeness of the statements or information presented in this Official Statement. Rather, the Successor Agency is solely responsible for the accuracy and completeness of the statements and information contained in this Official Statement. Upon the issuance of the 2023A/B Bonds, Disclosure Counsel will deliver a letter to the Successor Agency, which advises the Successor Agency,

subject to the assumptions, exclusions, qualifications and limitations set forth therein, that no facts came to the attention of Disclosure Counsel, which caused him to believe that this Official Statement as of its date and as of the date of issuance of the 2023A/B Bonds contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect. No purchaser or holder of the 2023A/B Bonds, or other person or party other than the Successor Agency, will be entitled to or may rely on the letter from Disclosure Counsel addressed to the Successor Agency.

Fees payable to Bond Counsel, Disclosure Counsel and Underwriters' Counsel are contingent upon the sale and delivery of the 2023A/B Bonds.

MUNICIPAL ADVISOR

PFM California Advisors LLC has served as municipal advisor to the Successor Agency (the "**Municipal Advisor**") and provided advice with respect to the sale of the 2023A/B Bonds. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiated instruments. The Municipal Advisor has assisted the Successor Agency in the review of this Official Statement and in other matters relating to the planning, structuring, and sale of the 2023A/B Bonds. The Municipal Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the Successor Agency to determine the accuracy or completeness of this Official Statement and assumes no responsibility for the accuracy or completeness of any of the information contained herein. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the 2023A/B Bonds.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC business ("**S&P**"), has assigned an underlying rating to the 2023A/B Bonds of "A." It is anticipated that S&P will assign the Insured Bonds an insured rating of "AA" based upon the issuance of the Insurance Policy by AGM at the time of delivery of the 2023A/B Bonds. Such ratings reflect only the view of such organization, and an explanation of the significance of the ratings may be obtained by contacting S&P. Such ratings are not a recommendation to buy, sell or hold the 2023A/B Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency, if, in the judgment of such agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the 2023A/B Bonds. The Successor Agency undertakes no responsibility to oppose any such downward revision, suspension or withdrawal.

FINANCIAL STATEMENTS

The audited financial statements of the Successor Agency for the Fiscal Year ended June 30, 2022, are included as part of APPENDIX A – "SUCCESSOR AGENCY'S AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022." Such financial statements have been audited by Macias Gini & O'Connell, LLP (the "**Auditor**"), independent certified public accountants, whose report also appears in Appendix A. The Auditor was not requested to consent to the inclusion of its report in Appendix A, nor has the Auditor undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

FISCAL CONSULTANT REPORT

In connection with the issuance of the 2023A/B Bonds, the Successor Agency has engaged Urban Analytics, LLC, San Francisco, California, to prepare a Fiscal Consultant Report. See APPENDIX B – “FISCAL CONSULTANT REPORT.”

UNDERWRITING

The 2023A/B Bonds will be sold to Stifel, Nicolaus & Company, Incorporated, as representative of itself and Backstrom McCarley Berry & Co., LLC (collectively, the “**Underwriters**”), pursuant to a bond purchase contract for the 2023A/B Bonds (the “**Purchase Contract**”) between the Successor Agency and the Underwriters. The Underwriters have agreed to purchase the 2023 Series A Taxable Bonds for \$[] (which amount represents the \$[] aggregate principal amount of the 2023 Series A Taxable Bonds, [plus a[n] [net] original issue premium of \$[],]less an underwriters’ discount of \$[]) and the 2023 Series B Bonds for \$[] (which amount represents the \$[] aggregate principal amount of the 2023 Series B Bonds, [plus a[n] [net] original issue premium of \$[],] less an underwriters’ discount of \$[]).

The initial public offering prices of the 2023A/B Bonds may be changed from time to time by the Underwriters. The Purchase Contract for the 2023A/B Bonds provides that the Underwriters will purchase all (but not less than all) of the 2023A/B Bonds and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Contract including, among others, the approval of certain legal matters by counsel.

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MISCELLANEOUS

All the summaries contained herein of the Indenture, applicable legislation, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Successor Agency for further information in connection therewith. The Successor Agency will provide, upon request, annual audited financial statements when available.

Insofar as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of such statements made will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the Bondowners or Beneficial Owners.

The execution and delivery of this Official Statement have been duly authorized by the Successor Agency Commission.

SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO

By: _____
Deputy Director of Finance and Administration

APPENDIX A

**SUCCESSOR AGENCY'S AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Annual Financial Report

For the Year Ended June 30, 2022



Certified
Public
Accountants

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

For the Year Ended June 30, 2022

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Independent Auditor's Report

Commission on Community Investment and Infrastructure
Successor Agency to the Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the fiduciary activities of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Successor Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the fiduciary activities of the Successor Agency as of June 30, 2022, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Successor Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Successor Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Successor Agency's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Successor Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the Successor Agency's proportionate share of the net pension liability, the schedule of contributions – pension plan, the schedule of changes in net other postemployment benefits (OPEB) liability and related ratios, and the schedule of contributions – OPEB plan, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2022 on our consideration of the Successor Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Successor Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Successor Agency's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Walnut Creek, California
November 10, 2022

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

The Management's Discussion and Analysis presents a narrative overview and analysis of the financial activities of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency) for fiscal year ended June 30, 2022 (fiscal year 2021-22). We encourage readers to consider the information presented here in conjunction with the Successor Agency's financial statements, which follow this section.

As per California Redevelopment Dissolution law, the Successor Agency is the successor to the former Redevelopment Agency of the City and County of San Francisco (Redevelopment Agency). The Successor Agency has assumed the financial obligations of the former Redevelopment Agency and is tasked with completing the redevelopment activities of the former Redevelopment Agency, as they existed at the time of Dissolution and as approved as final and conclusive obligations by the California Department of Finance.

Financial Highlights

The Successor Agency's net position was a deficit of \$449.9 million at the end of fiscal year 2021-22. This is a net increase of \$0.5 million compared to a deficit of \$450.4 million in the prior fiscal year. The largest portion of the Successor Agency's liabilities is long-term obligations of \$937.7 million, which is primarily composed of tax allocation bonds issued to directly fund or reimburse private developers for construction of public infrastructure, or to directly fund construction of affordable housing. As the Successor Agency pays annual debt service with revenues, the net deficit is expected to decrease over time.

The Successor Agency's additions for fiscal year 2021-22 were \$146.2 million, an increase of \$1.5 million or one percent when compared to \$144.7 million in the prior fiscal year. The increase was mainly due to increases of \$4.9 million for Property tax revenues and \$2.9 million for Grants, offset by decreases of \$1.2 million for Developer payments and \$5.4 for Investment income. The increase in Property tax revenues was primarily due to the growth of property tax generated in the project area and pledged to the Transbay Joint Powers Authority (TJPA). The increase in Grants was due to the rehabilitation of Building 101 funded by a grant from the Economic Development Administration (EDA). The decrease in Developer payments was primarily due to a slow-down in the pace of development in Hunters Point Shipyard and Transbay project areas. The decrease in Investment income was primarily due to the impact of fair value adjustments for the Successor Agency's cash and investments upon the increase in interest rates towards the end of the year.

The Successor Agency's deductions for fiscal year 2021-22 were \$145.7 million, an increase of \$11.7 million or nine percent compared to \$133.9 million in the prior fiscal year. The increase was mainly due to increases of \$6.4 million for Salaries and benefits and \$3.9 million for Distribution of pledged revenues to TJPA. The increase in Salaries and benefits was primarily due to the recording of significant noncash pension and OPEB expenses based on actuarial valuations in accordance with the Government Accounting Standards Board (GASB) Statements No. 68 and 75 for the year. The increase in Distribution of pledged revenues to the TJPA is primarily due to the growth of property tax generated in the project area and pledged to the TJPA. Although net changes in Contracted services were not significant, changes in specific project areas were material. In Mission Bay North and South, Contracted services increased by \$13.1 million, primarily driven by higher reimbursements for completed public improvements. In Hunters Point Shipyard, Contracted services increased by \$2.3 million primarily due to rehabilitation of Building 101. These increases were offset by decreases in Contracted services of \$8.0 million in Transbay, primarily due to the completion of Folsom Street in the prior fiscal year and decreased payments for Under Ramp and Block 3 parks, and decreases of \$7.2 million in Other, due to a one-time \$7.9 million payment in the prior fiscal year to the Port of San Francisco. The payment to the Port reflected use of excess bond proceeds to fund the Ferry Terminal project in Mission Bay.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Successor Agency's basic financial statements. The Successor Agency's financial statements are comprised of two components: 1) basic financial statements including Statement of Fiduciary of Net Position and the Statement of Changes in Fiduciary Net Position, and 2) notes to the basic financial statements. The financial statements are prepared on the economic resources measurement focus and the accrual basis of accounting. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. In addition to the basic financial statements and accompanying notes, this report presents certain required supplemental information concerning the Successor Agency's pension and Other Postemployment Benefits (OPEB) plans.

Budgetary Control

The former Redevelopment Agency of the City and County of San Francisco and the Successor Agency issued bonds or incurred long-term debt pledged against future tax increment to finance redevelopment projects. The Successor Agency's assets can only be used to pay enforceable obligations in existence at the time of Dissolution, including the completion of any unfinished projects that were subject to legally enforceable contractual commitments. Some of these enforceable obligations require the Successor Agency to enter into new contracts that comply with, and are ancillary to, the pre-dissolution obligations of the Former Redevelopment Agency. California Redevelopment Dissolution Law requires that the Successor Agency transfer completed public projects to the appropriate public jurisdiction for their continued maintenance and operations. The Successor Agency will transfer completed public facilities such as parks, streets, and affordable housing to an appropriate public entity such as the City and County of San Francisco (City).

Pursuant to California Redevelopment Dissolution Law, the Successor Agency is required to adopt an annual Recognized Obligation Payments Schedule (ROPS). The ROPS lists all enforceable obligations due and payable during the fiscal year. The ROPS identifies enforceable obligations to be funded with tax increment and other sources and is the basis for the City Controller's distribution of tax increment from the Redevelopment Property Tax Trust Fund. Additionally, the ROPS contains the Successor Agency's administrative budget. The ROPS is presented to and approved by the Oversight Board, whose members are appointed by the Mayor of the City and the taxing entities. Following Oversight Board approval, the ROPS is submitted and approved by the California Department of Finance. California Redevelopment Dissolution Law also requires the Successor Agency to submit a Prior Period Adjustment form to demonstrate compliance with the ROPS. The City Controller annually reviews and confirms the accuracy of the Prior Period Adjustment form to the Department of Finance by February. In February 2022, the City Controller confirmed that the Successor Agency's fiscal year 2019-20 expenditures were compliant with the ROPS. The City Controller will evaluate fiscal year 2020-21 expenditures by February 2023.

In addition to the ROPS, the Successor Agency adopts an annual budget. The budget is consistent with the ROPS and is presented to and approved by the Successor Agency's Commission, whose members are appointed by the Mayor of the City and approved by the Board of Supervisors. Following Commission approval, the budget is submitted to and approved by the San Francisco Board of Supervisors during the City's annual budget process.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Analysis of Change Net Position

The Successor Agency's total net position, which may serve as a useful indicator of the Successor Agency's financial position, was a deficit of \$449.9 million at the end of fiscal year 2021-22. Shown below is a schedule that summarizes the Successor Agency's net position held in trust:

Condensed Statement of Fiduciary Net Position
(In thousands)

Assets	June 30, 2022	June 30, 2021	\$ Change
Restricted cash and investments with trustees	\$ 375,291	\$ 291,978	\$ 83,313
Cash and investments with City Treasury	171,460	178,730	(7,270)
Net OPEB asset	3,523	-	3,523
Other assets	8,687	7,646	1,041
Capital assets	4,152	4,152	-
Total assets	563,113	482,506	80,607
Deferred outflows of resources	43,691	47,483	(3,792)
Liabilities			
Accounts and other payables	21,072	15,173	5,899
Payable to the City	4,565	3,275	1,290
Developer payable	46,844	49,457	(2,613)
Long-term obligations	937,664	875,420	62,244
Net pension and OPEB liabilities	22,028	34,370	(12,342)
Total liabilities	1,032,173	977,695	54,478
Deferred inflows of resources	24,533	2,691	21,842
Total net position held in trust	\$ (449,902)	\$ (450,397)	\$ 495

Assets

The Successor Agency's assets at June 30, 2022 were \$563.1 million, an increase of \$80.6 million or 17 percent, when compared with \$482.5 million the prior fiscal year. The increase was primarily due to the following:

- Increase in Restricted cash and investments with trustees of \$83.3 million or 29 percent, from \$292.0 million at June 30, 2021 to \$375.3 million at June 30, 2022. The balance was primarily composed of bond proceeds issued by the Successor Agency to finance public infrastructure and affordable housing and held in trust as required by the bond documents. The increase was due to the issuance of \$127.2 million of Taxable Third Lien Tax Allocation Bonds, Affordable Housing Projects Series 2021 A (2021 Series A Bonds) to finance affordable housing. The increase was partially offset by expenditure of \$36.4 million for infrastructure and affordable housing.
- Decrease in Cash and investments with City Treasury of \$7.3 million or four percent, from \$178.7 million at June 30, 2021 to \$171.5 million at June 30, 2022. The decrease was mainly due to the timing of cash receipts and disbursements.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

- Increase in Net OPEB asset of \$3.5 million or 100 percent, from \$0 at June 30, 2021 to \$3.5 million at June 30, 2022. The increase was mainly due to favorable investment returns during the measurement period.
- Increase in Other assets of \$1.0 million or 14 percent, from \$7.6 million at June 30, 2021 to \$8.7 million at June 30, 2022. Other assets are primarily comprised of receivables for developer billing, grants, interest, and housing loans. The increase was mainly due to increase of intergovernmental receivables related to the rehabilitation of Building 101, which was funded by an EDA grant.

Liabilities

The Successor Agency's liabilities at June 30, 2022 were \$1,032.2 million, an increase of \$54.5 million or six percent when compared with \$977.7 million the prior fiscal year. The increase was primarily due to the following:

- Increase in Accounts and other payable of \$5.9 million or 39 percent from \$15.2 million at June 30, 2021 to \$21.1 million at June 30, 2022. The increase was mainly due to timing of payments.
- Increase in Payable to the City of \$1.3 million or 39 percent from \$3.3 million at June 30, 2021 to \$4.6 million at June 30, 2022. The increase was mainly due to timing of payments.
- Decrease in Developer payable of \$2.6 million or five percent from \$49.5 million at June 30, 2021 to \$46.8 million at June 30, 2022. The decrease was due to catch-up payments of pledged property tax made to the Hunters Point Shipyard/Candlestick Point developer during the year. Payments of pledged property tax were held for payment until the approval by the Department of Finance.
- Increase in Long-term obligations of \$62.2 million or seven percent, from \$875.4 million at June 30, 2021 to \$937.7 million at June 30, 2022. The increase was primarily due to the issuance of \$127.2 million of 2021 Series A Bonds to finance affordable housing, offset by annual scheduled principal payments made for tax allocation bonds issued by the Successor Agency in prior fiscal years.
- Decrease in Net pension and OPEB liabilities of \$12.3 million or 36 percent, from \$34.4 million at June 30, 2021 to \$22.0 million at June 30, 2022. The decrease was primarily due to decrease of net pension liability of \$10.3 million and the decrease of net OPEB liability (to a net OPEB asset) due to favorable investment return during the measurement period.

Deferred Outflows and Inflows of Resources

The Successor Agency's deferred outflows of resources at June 30, 2022 were \$43.7 million, a decrease of \$3.8 million or eight percent when compared with \$47.5 million at June 30, 2021. The decrease was primarily due to decreases of \$2.5 million in unamortized loss on refundings, \$0.4 million in pension items, and \$0.9 million in OPEB items.

The Successor Agency's deferred inflows of resources at June 30, 2022 were \$24.5 million, an increase of \$21.8 million or 812 percent when compared with \$2.7 million at June 30, 2021. The increase was primarily due to increase of \$19.2 million in pension items and \$2.6 million in OPEB items.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

The Successor Agency's net position increased by \$0.5 million for fiscal year 2021-22. Key elements of the Successor Agency's additions and deductions are presented below:

Statement of Changes in Fiduciary Net Position
(In thousands)

	Year Ended		
	June 30, 2022	June 30, 2021	\$ Change
Additions			
Property tax revenues	\$ 133,643	\$ 128,789	\$ 4,854
Developer payments	8,999	10,213	(1,214)
Charges for services	373	937	(564)
Hotel occupancy tax	4,505	4,497	8
Investment income	(5,587)	(216)	(5,371)
Grants	3,278	393	2,885
Other	963	65	898
Total additions	146,174	144,678	1,496
Deductions			
Salaries and benefits	19,804	13,447	6,357
Administrative and operating	1,307	188	1,119
Affordable housing loan program costs	18,047	18,185	(138)
Contracted services:			
Hunters Point Shipyard / Candlestick Point	6,164	3,859	2,305
Mission Bay North and South	27,228	14,157	13,071
Transbay	1,424	9,413	(7,989)
Other	973	8,207	(7,234)
Community based programs	461	610	(149)
Distribution of pledged revenues to			
Transbay Joint Powers Authority	28,294	24,375	3,919
Depreciation	-	4	(4)
Interest on debt	41,963	41,482	481
Other	14	10	4
Total deductions	145,679	133,937	11,742
Change in net position	495	10,741	(10,246)
Net position, beginning of year	(450,397)	(461,138)	10,741
Net position, end of year	\$ (449,902)	\$ (450,397)	\$ 495

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Additions

The Successor Agency's additions to net position for the year ended June 30, 2022 were \$146.2 million, an increase of \$1.5 million or one percent when compared with \$144.7 million for the prior year. The increase was primarily due to the following:

- Increase in Property tax revenues of \$4.8 million or four percent, from \$128.8 million for the year ended June 30, 2021 to \$133.6 million for the year ended June 30, 2022. This was primarily due to the growth of property tax generated in the project area and pledged to the TJPA.
- Decrease in Developer payments of \$1.2 million or 12 percent, from \$10.2 million for the year ended June 30, 2021 to \$9.0 million for the year ended June 30, 2022. The decrease was primarily due to project completions and the impact of catch-up fees paid by developers in the prior fiscal year.
- Decrease in Charges for services of \$0.6 million or 60 percent, from \$0.9 million for the year ended June 30, 2021 to \$0.4 million for the year ended June 30, 2022. The decrease was primarily due to a development slow-down in the project areas. Slower development required fewer staff hours, reducing charges for service to developers for staff support.
- Decrease in Investment income of \$5.4 million or 2,487 percent from negative \$0.2 million for the year ended June 30, 2021 to negative \$5.6 million for the year ended June 30, 2022. The decrease was primarily due to the impact of fair value adjustments for the Successor Agency's cash and investments upon the increase in interest rates towards the end of the year.
- Increase in Grants of \$2.9 million or 734 percent, from \$0.4 million for the year ended June 30, 2021 to \$3.3 million for the year ended June 30, 2022. The increase was primarily due to project costs related to the rehabilitation of Building 101, which was funded by a grant from the EDA.
- Increase in Other of \$0.9 million or 1,382 percent, from \$0.1 million for the year ended June 30, 2021 to \$1.0 million for the year ended June 30, 2022. The increase was primarily due to the receipt of a repayment of the Mission Bay South block 3E housing project loan.

The Successor Agency's deductions to net position for the year ended June 30, 2022 were \$145.7 million, an increase of \$11.7 million or nine percent, when compared with \$133.9 million for the prior year. The decrease was primarily due to the following:

- Increase in Salaries and benefit of \$6.4 million or 47 percent, from \$13.4 million for the year ended June 30, 2021 to \$19.8 million for the year ended June 30, 2022. The increase was primarily due to the recording of significant noncash pension and OPEB expenses based on actuarial valuations in accordance with the GASB Statements No. 68 and 75 for the year, from \$4.7 million for the year ended June 30, 2021 to \$11.6 million for the year ended June 30, 2022.
- Increase in Administrative and operating of \$1.1 million or 595 percent, from \$0.2 million for the year ended June 30, 2021 to \$1.3 million for the year ended June 30, 2022. The increase was primarily due to a reduction in overhead recovery, consistent with a reduction in Charges for services, that offset administrative and operating costs in the prior year.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

- Increase in Contracted services of \$0.2 million or less than one percent from \$35.6 million for the year ended June 30, 2021 to \$35.8 million for the year ended June 30, 2022. The Successor Agency contracts with private developers to build public infrastructure such as streets, sewers, and parks in the project areas. As per development agreements signed with each developer, the developers build public infrastructure and the Successor Agency reimburses the developer for costs incurred. The decrease in contracted services was primarily due to the following:
 - Increase in Hunters Point Shipyard / Candlestick Point of \$2.3 million or 60 percent, from \$3.9 million for the year ended June 30, 2021 to \$6.2 million for the year ended June 30, 2022 primarily due to the wellness center and rehabilitation of Building 101.
 - Increase in Mission Bay North and South of \$13.1 million or 92 percent, from \$14.2 million for the year ended June 30, 2021 to \$27.2 million for the year ended June 30, 2022 primarily due to an increase in payments made to reimburse the developer for completed public improvements.
 - Decrease in Transbay of \$8.0 million or 85 percent, from \$9.4 million for the year ended June 30, 2021 to \$1.4 million for the year ended June 30, 2022 due to the completion of projects in the prior fiscal year.
 - Decrease in Other deductions of \$7.2 million or 88 percent from \$8.2 million for the year ended June 30, 2021 to \$1.0 million for the year ended June 30, 2022 due to a one-time \$7.9 million payment in the prior fiscal year to the Port of San Francisco. The payment to the Port reflected use of excess bond proceeds to fund the Ferry Terminal project in Mission Bay.
- Increase in Distribution of pledged revenues to TJPA of \$3.9 million or 16 percent, from \$24.4 million for the year ended June 30, 2021 to \$28.3 million for the year ended June 30, 2022 due to the growth of property tax generated in the project area and pledged to the TJPA. As per the Tax Increment Allocation and Sales Proceeds Pledge Agreement, tax increment generated by the formerly State-owned parcels in the Transbay Project Area is pledged to the TJPA to finance development of the Transbay Terminal Project.
- Increase in Interest on debt of \$0.5 million or one percent, from \$41.5 million for the year ended June 30, 2021 to \$42.0 million for the year ended June 30, 2022. The increase was primarily due to the issuance of \$127.2 million of 2021 Series A Bonds, offset by decrease in outstanding long-term debt balances following annual scheduled principal payments.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Capital Assets and Debt Administration

Capital Assets

The Successor Agency's capital assets remained at \$4.2 million at June 30, 2022 when compared to June 30, 2021. As of June 30, 2022, the Successor Agency's capital assets included land held for lease, furniture, and equipment. In fiscal year 2021-22 there were no purchases, sales, or transfers of capital assets.

Long-Term Debt

As of June 30, 2022, the Successor Agency had outstanding long-term debt of \$935.8 million. Of this amount, \$806.0 million was tax allocation bonds secured by property taxes generated in the redevelopment project areas and \$12.5 million was hotel occupancy tax revenue bonds secured by hotel occupancy tax revenues.

The breakdown of the long-term debt is as follows (in thousands):

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>\$ Change</u>
Long-Term Debt			
Bonds Payable			
Tax Allocation Bonds	\$ 806,046	\$ 738,897	\$ 67,149
Hotel Occupancy Tax Revenue Bonds	12,540	16,230	(3,690)
Subtotal - Bonds Payable	818,586	755,127	63,459
Accreted Interest Payable	80,746	77,636	3,110
SERAF Borrowing From the Primary Government	1,124	2,896	(1,772)
Unamortized Premiums and Discounts	35,366	37,770	(2,404)
Total Long-Term Debt	<u>\$ 935,822</u>	<u>\$ 873,429</u>	<u>\$ 62,393</u>

The Successor Agency's long-term debt increased by \$62.4 million when compared to the prior fiscal year. This increase was primarily due to the issuance of \$127.2 million of 2021 Series A Bonds to finance affordable housing, offset by annual scheduled principal payments of \$63.8 million made on tax allocation and hotel occupancy tax revenue bonds.

California Redevelopment Dissolution Law imposes limitations on the debt the Successor Agency can issue. The Successor Agency may only issue debt to refund outstanding debt, finance affordable housing, and fund public infrastructure.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Bond Ratings

The table below shows the ratings for the Successor Agency's outstanding long-term debt as of June 30, 2022:

Credit	Rating	Rating Agency
RPTTF Senior /Cross Collateralized	AA Aa3	Standard and Poor's Moody's Investors Service
RPTTF Subordinate	AA-	Standard and Poor's
RPTTF Third Lien/"SB107"	A	Standard and Poor's
Mission Bay North Infrastructure	A	Standard and Poor's
Mission Bay South Infrastructure	A-	Standard and Poor's
Mission Bay North and South Housing	A	Standard and Poor's
Hotel Occupancy Tax Revenue	AA A1	Standard and Poor's Moody's Investors Service

Request for Information

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of Successor Agency's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to The Office of Community Investment and Infrastructure, One South Van Ness Avenue 5th Floor, San Francisco, California.

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Statement of Fiduciary Net Position

June 30, 2022

(In Thousands)

	Private Purpose Trust Fund	Custodial Fund
Assets		
Unrestricted cash and investments	\$ 171,460	\$ 38,350
Restricted cash and investments with trustees	375,291	28,055
Interest and other receivables	2,286	34
Intergovernmental receivables	2,668	-
Notes and mortgages receivable, net of allowance for uncollectible amounts of \$182,314	1,471	-
Other assets	2,262	-
Net OPEB asset	3,523	-
Non-depreciable capital assets	4,152	-
Total assets	<u>563,113</u>	<u>66,439</u>
Deferred outflows of resources		
Unamortized loss on refundings	36,388	-
Pension items	5,614	-
Other Postemployment Benefits (OPEB) items	1,689	-
Total deferred outflows of resources	<u>43,691</u>	<u>-</u>
Liabilities		
Accounts payable	6,343	80
Payable to the City	4,565	-
Accrued interest payable	13,688	-
Developer payable	46,844	-
Other liabilities	1,041	-
Long-term obligations:		
Due within one year	68,655	-
Due in more than one year	869,009	-
Net pension liability	22,028	-
Total liabilities	<u>1,032,173</u>	<u>80</u>
Deferred inflows of resources		
Pension items	21,758	-
OPEB items	2,775	-
Total deferred inflows of resources	<u>24,533</u>	<u>-</u>
Net position		
Restrictd for enforceable obligations held in trust	(449,902)	-
Restrictd for community facility districts	-	66,359
Total net position	<u><u>\$ (449,902)</u></u>	<u><u>\$ 66,359</u></u>

See accompanying notes to basic financial statements.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2022
(In Thousands)

	Private Purpose Trust Fund	Custodial Fund
Additions:		
Property tax revenues	\$ 133,643	\$ -
Special tax revenues for community facility district	-	17,874
Developer payments	8,999	-
Charges for services	373	-
Hotel occupancy tax	4,505	-
Investment income	(5,587)	(957)
Grants	3,278	-
Other	963	2,879
Total additions	<u>146,174</u>	<u>19,796</u>
Deductions:		
Salaries and benefits	19,804	-
Administrative and operating	1,307	-
Affordable housing loan program costs	18,047	-
Contracted services	35,789	-
Community based programs	461	-
Distribution of pledged revenue to Transbay Joint Powers Authority	28,294	-
Interest on debt	41,963	-
Distribution for community facility district activities	-	21,007
Other	14	-
Total deductions	<u>145,679</u>	<u>21,007</u>
Change in net position	495	(1,211)
Net position, beginning of year	<u>(450,397)</u>	<u>67,570</u>
Net position, end of year	<u><u>\$ (449,902)</u></u>	<u><u>\$ 66,359</u></u>

See accompanying notes to basic financial statements.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies

(a) General

The Redevelopment Agency of the City and County of San Francisco (Agency) was a public body, corporate and politic, organized and existed under the Community Redevelopment Law of the State of California. Until June 28, 2011, the Agency had the broad authority to acquire, rehabilitate, develop, administer, and sell or lease property in a “Redevelopment Project Area.”

On June 28, 2011, Assembly Bill X1 26 (AB X1 26) was enacted. This legislation is referred to herein as the Dissolution Law. On December 29, 2011, the California Supreme Court upheld the constitutionality of AB X1 26, and all redevelopment agencies in California were dissolved by operation of law effective February 1, 2012. The legislation provides for successor agencies and oversight boards that are responsible for overseeing the dissolution process and the wind-down of redevelopment activity. On January 24, 2012, the Board of Supervisors of the City and County of San Francisco (City) elected to become the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency) and elected to retain the former Agency’s housing assets and functions, rights, powers, duties and obligations, effective February 1, 2012.

On June 27, 2012, the Dissolution Law was revised pursuant to Assembly Bill 1484 (AB 1484 or Dissolution Law), in which the State clarified that successor agencies are separate political entities and that the successor agency succeeds to the organizational status of the former redevelopment agency with the legal authority to participate in redevelopment activities only to the extent that it is required to complete the work related to an approved enforceable obligation. Therefore, the Successor Agency is a separate public entity from the City, subject to the direction of an Oversight Board. The City remains the Housing Successor Agency. The Oversight Board is comprised of seven-member representatives from local government bodies: four representatives appointed by the Mayor of the City subject to confirmation by the Board of Supervisors of the City; and one appointee each from the San Francisco Community College District, the Bay Area Rapid Transit District, and the San Francisco Unified School District.

On October 2, 2012, the City’s Board of Supervisors created the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure (Commission), as the policy body of the Successor Agency and delegated to it the authority to implement the surviving redevelopment projects, the replacement housing obligations and other enforceable obligations, and the authority to take actions that the Dissolution Law requires or allows on behalf of the Successor Agency. The Commission is comprised of five members appointed by the Mayor and confirmed by the Board of Supervisors, with two of the seats held by residents of the two supervisorial districts with the largest amounts of the Major Approved Development Projects.

In September 2015, the State passed the Senate Bill 107 (Bill). The Bill contained additional provisions and provides specificity to existing law governing the dissolution of redevelopment agencies and the wind-down of their existing activities and obligations. The Bill included specific language to the Successor Agency that facilitates the issuance of bonds or other indebtedness for the purposes of low and moderate income housing and various infrastructure in the City, by allowing the pledge of revenues available in the Redevelopment Property Tax Trust Fund (RPTTF) that are not otherwise pledged, subject to the approval of the Oversight Board. The Bill also declares that the Mission Bay North, Mission Bay South, Hunters Point Shipyard Phase 1, Candlestick Point – Hunters Point Shipyard Phase 2, and Transbay projects are finally and conclusively approved as enforceable obligations.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). The Successor Agency is allocated revenue in the amount that is necessary to pay the estimated annual payments on enforceable obligations of the former Agency until all enforceable obligations of the former Agency have been paid in full and all assets have been liquidated. Based upon the nature of the Successor Agency's custodial role, the Successor Agency is reported as a fiduciary fund (private-purpose trust fund) of the City.

The financial statements present the Successor Agency and its component units, entities for which the Successor Agency is considered to be financially accountable.

The City and County of San Francisco Redevelopment Financing Authority (Financing Authority) is a joint powers authority formed between the former Agency and the City to facilitate the long-term financing of the former Agency activities. The Commission serves as the governing board of the Financing Authority and the Financing Authority provides services entirely to the Successor Agency. A financial benefit or burden relationship exists between the Successor Agency and the Financing Authority and thus the Financing Authority is included as a blended component unit in the Successor Agency's financial statements.

In order to facilitate construction and rehabilitation in the City, seven Community Facility Districts (CFDs) were formed by the former Agency or the Successor Agency. The Successor Agency can impose its will on the CFDs but does not have financial benefit or burden from the CFDs. The assets associated with the CFDs are for the benefit of the CFDs and are not derived from the Successor Agency's provision of services to the CFDs. The CFDs are fiduciary component units of the Successor Agency. The financial activities of the CFDs are included in the Custodial Fund. Custodial funds are fiduciary funds used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds.

(b) Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP).

(c) Basis of Accounting

The financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

(d) Investments

The Successor Agency's investments are stated at fair value. Fair value has been obtained by using market quotes and reflects the values as if the Successor Agency were to liquidate the securities on that date. The Successor Agency's investments in the City's Treasurer's Pool and money market mutual funds are valued at amortized cost.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

(e) *Restricted Cash and Investments with Fiscal Agents*

Certain proceeds of the former Agency's and the Successor Agency's bonds, and resources set aside for their repayment, are classified as restricted assets on the statement of fiduciary net position because they are maintained in separate accounts and their use is limited by applicable bond covenants or for debt service payments.

(f) *Capital Assets*

Capital assets are defined as assets with an initial, individual cost of more than \$5 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Furniture and equipment are depreciated using the straight-line method over the estimated useful lives of three to twenty years.

(g) *Notes and Mortgages Receivable*

During the process of selling land to developers and issuing mortgage revenue bonds, the Successor Agency may defer receipt of land sale proceeds and mortgage revenue bond financing fees from various private developers in exchange for notes receivable, which aid the developers' financing arrangements. The Successor Agency recognizes all revenues and interest on the above-described arrangements when earned, net of any amounts deemed to be uncollectible. During the year ended June 30, 2022, the Successor Agency disbursed \$18,047 to the developers through this arrangement and recorded an allowance against the receivables as they are deemed to be uncollectible. This allowance is recorded as a deduction - affordable housing loan program costs - in the statement of changes in fiduciary net position. The Successor Agency also transferred fully-allowed receivables of \$33,686 to the City during the year. At June 30, 2022, the gross value of the notes and mortgages receivable was \$183,785 and the allowance for uncollectible amounts was \$182,314.

(h) *Accrued Vacation and Sick Leave*

It is the Successor Agency's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay are accrued when earned. For sick leave, all employees are allowed to accumulate up to 1,040 hours (130 days). For vacation, employees are allowed to accumulate up to the limit based on employees' service years as follows:

Employee Service years	Maximum number of hours
Less than 5 years	320
Between 5 to 15 years	360
More than 15 years	400

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

(i) Property Tax Revenues

Pursuant to the Dissolution Law, funds that would have been distributed to the former Agency as tax increment, hereafter referred to as property tax revenues, are deposited into the Successor Agency's RPTTF administered by the City's Controller for the benefit of holders of enforceable obligations and the taxing entities that receive pass-through payments. Any remaining funds in the RPTTF to the extent not necessary to pay enforceable obligations of the Successor Agency, plus any funds from asset sales are distributed by the City's Controller to the local agencies in the project area.

Distributions are scheduled to be made twice each year on the following cycles:

Distribution Dates	Covers Recognized Obligation Payment Schedules to be Paid
January 2	January 1 through June 30
June 1	July 1 through December 31

The amounts distributed for Recognized Obligation Payment Schedules (ROPS) are forward looking to the next six-month period.

(j) Bond Premium, Discounts, and Loss on Refundings

Premiums and discounts on debt instruments are reported as a component of long-term debt. Loss on refundings is reported as a component of deferred outflows of resources. The premiums and discounts are amortized as a component of the interest expense using the straight-line method over the remaining life of the debt instrument. The loss on refundings are amortized as a component of the interest expense using the straight-line method over the remaining life of the refunding or refunded debt, whichever is shorter.

(k) Pension and Other Postemployment Benefits (OPEB) Plans

For purposes of measuring the net pension liability and net OPEB liability, deferred outflows/inflows of resources related to pension and OPEB, and pension and OPEB expenses, information about the fiduciary net position of the Successor Agency's pension and OPEB plans and additions to/deductions from the plans' fiduciary net positions have been determined on the same basis as they are reported by the California Public Employees' Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. CalPERS plan member contributions are recognized in the period in which the contributions are due. Investments are reported at fair value.

(l) Deferred Outflows and Inflows of Resources

In addition to assets, the statement of fiduciary net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (deduction) until then. At June 30, 2022, the Successor Agency reported pension items, OPEB items, and loss on refundings as deferred outflows of resources.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of fiduciary net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (addition) until that time. At June 30, 2022, the Successor Agency reported pension items and OPEB items as deferred inflows of resources.

(m) Effects of New Pronouncements

During the year ended June 30, 2022, the Successor Agency implemented the following Governmental Accounting Standards Board (GASB) Statements:

- In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Implementation of this statement did not have an impact on the Successor Agency's financial statements for the year ended June 30, 2022.
- In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this statement are 1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and 2) to simplify accounting for interest cost incurred before the end of a construction period. Implementation of this statement did not have an impact on the Successor Agency's financial statements for the year ended June 30, 2022.
- In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Implementation of this statement did not have a significant impact on the Successor Agency's financial statements for the year ended June 30, 2022.
- In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate. Implementation of this statement did not have an impact on the Successor Agency's financial statements for the year ended June 30, 2022.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (a) practice issues that been identified during implementation and application of certain GASB Statements and (b) accounting and financial reporting for financial guarantees. The requirements related to the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statements No. 53 and No. 63 are effective upon issuance. Implementation of these requirements did not have an significant impact on the Successor Agency's financial statements for the year ended June 30, 2022.

The Successor Agency is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosure. The requirements of this statement are effective for the Successor Agency's financial statements for the year ending June 30, 2023.
- In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for the Successor Agency's financial statements for the year ending June 30, 2023.
- In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for the Successor Agency's financial statements for the year ending June 30, 2023.
- In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The requirements related to leases, public-private partnerships (PPPs), and SBITAs are effective for the Successor Agency's financial statements for the year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for the Successor Agency's financial statements for the year ending June 30, 2024.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

- In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for the Successor Agency’s financial statements for the year ending June 30, 2024.
- In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for the Successor Agency’s financial statements for the year ending June 30, 2025.

(n) Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Cash and Investments

As of June 30, 2022, the Successor Agency follows the investment policy of the former Agency, which is governed by and is in compliance with the California Government Code (Code). On August 19, 2014, the Commission adopted an investment policy for the Successor Agency to reflect the use of the City Treasurer’s Pool to manage the Successor Agency’s funds. Investment of bond proceeds is limited to those investments permitted in the bond document or provided in the Code. Investments with trustees are restricted by various bond covenants and are pledged for payment of principal, interest and specified capital improvements.

At June 30, 2022, total cash and investments are reported as follows:

	Private Purpose Trust Fund	Custodial Fund	Total
Unrestricted cash and investments	\$ 171,460	\$ 38,350	\$ 209,810
Restricted cash and investments with trustees	375,291	28,055	403,346
Total cash and investments	<u>\$ 546,751</u>	<u>\$ 66,405</u>	<u>\$ 613,156</u>

The table on the next page identifies the investment types that are authorized for the Successor Agency by the California Government Code 53601 or the Successor Agency’s investment policy, where the policy is more restrictive. This table does not address investments of debt proceeds held by fiscal agents that are governed by the provisions of debt agreements of the Successor Agency, rather than the general provisions of the California Government Code or the Successor Agency’s investment policy.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(2) Cash and Investments (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations	5 Years	None	None
Federal Agency or U.S. Government Sponsored Enterprise Obligations	5 Years	85% *	None
State of California and Local Government Agency Obligations	5 Years	20% *	5% *
Certificates of Deposit	13 months *	None	None
Negotiable Certificates of Deposits	5 Years	30%	None
Bankers' Acceptances	180 Days	40%	30%
Commercial Paper	270 Days	25%	10%
Medium-Term Notes	2 Years *	15% *	10% *
Repurchase Agreements	92 Days	None	None
Reverse Repurchase Agreements	45 Days *	Not to exceed \$75 million	None
Money Market Funds	N/A	None	None
State of California Local Agency Investment Fund (LAIF)	N/A	None	None
City Treasurer's Pool	N/A	None	None
Supranationals	5 Years	30%	None

* Represents restriction in which the Successor Agency's investment policy is more restrictive than the California Code.

Interest Rate Risk: Refers to the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity period of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit Risk: Refers to the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by the nationally recognized statistical rating organizations.

The following is a summary of cash and investments as of June 30, 2022:

	Weighted Average Maturities for Investments			Total Fair Value	Credit Rating
	Less than 3 months	3 months to 1 year	1 to 5 years		
Unrestricted cash and investments:					
Cash and investments with the City Treasury:					
Investment in the City's Treasurer's Pool	\$ -	\$ -	\$ 209,810	\$ 209,810	Not rated
Restricted cash and investments with trustees:					
U.S. Treasury Notes	-	86,074	60,878	146,952	AA+
Commercial paper	17,984	-	-	17,984	A-1
Money market mutual funds	238,410	-	-	238,410	AAAm
Total restricted cash and Investments with trustees	256,394	86,074	60,878	403,346	
Total cash and investments	\$ 256,394	\$ 86,074	\$ 270,688	\$ 613,156	

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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For the Year Ended June 30, 2022
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(2) Cash and Investments (Continued)

Custodial Credit Risk, Investments: Refers to the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The California Government Code and the Successor Agency's investment policy do not contain a legal or policy requirement that would limit the exposure to custodial credit risk for investments.

Fair Value Hierarchy

The Successor Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The inputs and techniques used for valuing securities are not necessarily an indication of risk associated with investing in those securities. The Successor Agency's investment in U.S. treasury notes and commercial paper are measured using level 2 inputs, while the Successor Agency's investment in the City's Treasurer's Pool and money market mutual funds are exempt from fair value measurement disclosures.

City's Treasurer's Pool

The Successor Agency maintains deposits and investments with the City and County of San Francisco Treasury Pool (Pool). As of June 30, 2022, the Successor Agency's deposits and investments in the Pool is \$209,810 and the total amount invested by all public agencies in the Pool is \$14.5 billion. The Successor Agency's investment in the Pool has a weighted average maturity of 569 days. The City's Treasurer Oversight Committee (Committee) has oversight responsibility for the Pool. The value of the Successor Agency's shares in the Pool, which may be withdrawn, is based on the book value of the Successor Agency's percentage participation, which is different than the fair value of the Successor Agency's percentage participation in the Pool. At June 30, 2022, the Pool consists of U.S. government and agency securities, public time deposits, negotiable certificates of deposit, commercial paper, supranationals, and money market mutual funds as authorized by State statutes and the City's investment policy. Additional information regarding deposit, investment risks (such as interest rate, credit, and concentration of credit risks), and fair value hierarchy for the City's Treasurer's Pool may be obtained by contacting the City's Controller's Office, 1 Dr. Carlton B. Goodlett Place, Room 316, San Francisco, CA 94102.

(3) Capital Assets

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 4,152	\$ -	\$ -	\$ 4,152
Capital assets being depreciated:				
Furniture and equipment	2,306	-	-	2,306
Less accumulated depreciation for:				
Furniture and equipment	(2,306)	-	-	(2,306)
Total capital assets being depreciated, net	-	-	-	-
Total capital assets, net	<u>\$ 4,152</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,152</u>

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(Dollars in thousands)

(4) Long-Term Obligations

(a) Long-Term Obligations Summary

The following is a summary of changes in long-term obligations for the year ended June 30, 2022:

	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Remaining Interest Rates</u>	<u>Balance, June 30, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2022</u>	<u>Due Within One Year</u>
Former Agency Bonds:								
Tax Allocation Revenue Bonds, San Francisco Redevelopment and Refunding Notes Series 1998C (1)	\$ 12,915	2025	5.40%	\$ 1,074	\$ -	\$ -	\$ 1,074	\$ -
Tax Allocation Revenue Bonds, San Francisco Redevelopment and Refunding Notes Series 1998D (1)	21,034	2025	5.20%	11,583	-	(1,165)	10,418	3,651
Taxable Tax Allocation Revenue Bonds, San Francisco Redevelopment Project Series 2006A (1)	50,731	2037	5.62% to 6.19%	25,468	-	(2,411)	23,057	2,276
Taxable Tax Allocation Revenue Bonds, San Francisco Redevelopment Project Series 2007A (1)	118,285	2038	5.50% to 5.75%	94,755	-	(1,195)	93,560	1,265
Tax Allocation Revenue Bonds, San Francisco Redevelopment Refunding Notes Series 2007B (1)	94,115	2023	Not Applicable	2,310	-	(2,310)	-	-
Taxable Tax Allocation Revenue Bonds, San Francisco Redevelopment Project Series 2009E (1)	72,565	2040	7.77% to 8.41%	55,820	-	-	55,820	-
Successor Agency Bonds:								
Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Projects Series 2014A (1)	56,245	2044	5.00%	51,565	-	(920)	50,645	965
Tax Allocation Refunding Bonds, San Francisco Redevelopment Projects Series 2014B (1)	67,955	2036	3.39% to 4.87%	22,820	-	(1,690)	21,130	1,705
Tax Allocation Refunding Bonds, San Francisco Redevelopment Projects Series 2014C (1)	75,945	2030	5.00%	14,935	-	(9,835)	5,100	2,305
Tax Allocation Refunding Bonds, Mission Bay North Redevelopment Projects Series 2016A (1)	73,890	2042	5.00%	68,545	-	(1,760)	66,785	1,845
Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Projects Series 2016B (1)	45,000	2044	5.00%	41,565	-	(1,115)	40,450	1,165
Tax Allocation Refunding Bonds, Mission Bay South Redevelopment Projects Series 2016C (1)	73,230	2042	5.00%	67,510	-	(1,845)	65,665	1,940

(Continued on next page)

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For the Year Ended June 30, 2022

(Dollars in thousands)

(4) Long-Term Obligations (Continued)

	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Remaining Interest Rates</u>	<u>Balance, June 30, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2022</u>	<u>Due Within One Year</u>
Former Agency Bonds:								
Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Projects Series 2016D (1)	74,652	2044	4.50% to 5.00%	64,152	-	(5,500)	58,652	4,421
Tax Allocation Revenue Bonds, Affordable Housing Projects Series 2017A (1)	89,765	2045	3.11% to 4.38%	55,045	-	(17,150)	37,895	13,395
Tax Allocation Revenue Bonds, Transbay Infrastructure Projects Series 2017B (1)	19,850	2047	5.00%	19,850	-	-	19,850	-
Tax Allocation Revenue and Refunding Bonds, Mission Bay New Money and Refunding Housing Project Series 2017C (1)	43,400	2044	3.00% to 4.38%	35,085	-	(1,850)	33,235	1,990
Tax Allocation Refunding Bonds, Redevelopment Projects Series 2017D (1)	116,665	2042	2.38% to 3.75%	89,170	-	(11,315)	77,855	12,085
Tax Allocation Refunding Bonds, Redevelopment Projects Series 2017E (1)	19,745	2042	3.00% to 5.00%	17,645	-	-	17,645	-
Tax Allocation Revenue Bonds, Affordable Housing Projects Series 2021A (1)	127,210	2033	1.01% to 2.74%	-	127,210	-	127,210	-
Agency Revenue Bonds:								
Hotel Tax Revenue Bonds, Series 2011 (2)	43,780	2025	5.00%	16,230	-	(3,690)	12,540	3,865
Subtotal Bonds Payable				755,127	127,210	(63,751)	818,586	52,873
Unamortized issuance premiums				40,433	-	(2,546)	37,887	-
Unamortized issuance discounts				(2,663)	-	142	(2,521)	-
Subtotal Bonds Payable, including unamortized premium and discounts				792,897	127,210	(66,155)	853,952	52,873
Accreted interest payable *				77,636	9,174	(6,064)	80,746	13,791
SERAF borrowing from the primary government				2,896	-	(1,772)	1,124	1,123
Accrued vacation and sick leave				1,991	868	(1,017)	1,842	868
Total long-term obligations				<u>\$ 875,420</u>	<u>\$ 137,252</u>	<u>\$ (75,008)</u>	<u>\$ 937,664</u>	<u>\$ 68,655</u>

*Amount represents interest accretion on Capital Appreciation Bonds.

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(4) Long-Term Obligations (Continued)

Debt service payments for long-term obligations are made from the following sources:

- (1) Property tax revenues from the Bayview Hunters Point, Western Addition, Rincon Point South Beach, Yerba Buena Center, India Basin, South of Market, Golden Gateway, Mission Bay South, Transbay and Mission Bay North project areas.
- (2) Hotel occupancy tax revenues from the occupancy of guest rooms in the hotels within the City.

The proceeds from the issuance of Financing Authority bonds were immediately loaned to the former Agency. Loan payments to the Financing Authority are equal to the debt service requirements of the underlying debt. The bonds are secured by property tax increment revenues. Since the loan transactions are entirely within the financial reporting entity, they have been eliminated in the financial statements.

Issuance of Successor Agency Bonds

Under the Dissolution Law, a successor agency is authorized to issue bonds to satisfy its obligations under certain enforceable obligations entered into by the former redevelopment agency prior to dissolution, subject to approval by the California Department of Finance (DOF). On December 24, 2013, the DOF released its letter approving the issuance of bonds by the Successor Agency.

On December 15, 2021, the Successor Agency issued \$127,210 of Taxable Third Lien Tax Allocation Bonds, Affordable Housing Projects Series 2021 A (2021 Series A Bonds). Bond proceeds will be used to finance the development and/or construction of affordable housing. The 2021 Series A Bonds bear fixed interest rates ranging from 1.01% to 2.74% and have a final maturity of August 1, 2032.

Events of Default and Acceleration Clause

For the Former Agency Bonds, the Successor Agency is considered to be in default if the Successor Agency fails to pay the due and punctual principal amount, redemption premium, or any installment of interest of any former agency bonds pursuant to the indenture, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise. Upon the occurrence of an event of default, the trustee may, subject to certain provisions of the indenture, pursue any available remedy at law or in equity to enforce the payment of the principal, interest and premium, if any, on the outstanding bonds, and to enforce any rights of the trustee under or with respect to the indenture.

For the Successor Agency Bonds, the Successor Agency is considered to be in default if the Successor Agency fails to pay the due and punctual principal of or interest or redemption premium on any bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise. If an event of default has occurred and is continuing, the trustee may, and if requested in writing by the owners of a majority in aggregate principal amount of the bonds then outstanding, declare the principal of the bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable.

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Notes to Basic Financial Statements

For the Year Ended June 30, 2022

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(4) Long-Term Obligations (Continued)

For the Hotel Occupancy Tax Revenue Refunding Bonds, the Successor Agency is considered to be in default if the Successor Agency fails to pay the due and punctual principal or redemption price of any bonds, or any installment of interest of any bonds when become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, or default in the redemption from any sinking account of any bonds in the amounts and at the times provided therefor. If an event of default occurs and is continuing, the Successor Agency must immediately transfer to the trustee all revenues held and the trustee must apply all revenues and any other funds then held of thereafter received by the trustee under any of the provisions of the indenture for the payment of the following order: 1) any expenses necessary in the opinion of the trustee to protect the interests of the bondholders, and 2) all installments of interest and unpaid bond obligation or redemption price of any bonds which has become due.

Pledged Revenues for Bonds

The Tax Allocation Bonds are equally and ratably secured by the pledge and lien of the property tax revenues. These revenues have been pledged until the year 2047, the final maturity date of the bonds. The total principal and interest remaining on these bonds is approximately \$1,320,078. The property tax revenues recognized during the year ended June 30, 2022 was \$133,643 as against the total scheduled debt service payment of \$96,180.

The Hotel Occupancy Tax Revenue Refunding Bonds are secured by the pledge and lien of the hotel occupancy tax revenue received by the Successor Agency from the City. These revenues have been pledged until the year 2025, the final maturity date of the bonds. The total principal and interest remaining on the Hotel Occupancy Tax Revenue Refunding Bonds is approximately \$13,824. The hotel occupancy tax revenue recognized during the year ended June 30, 2022 was \$4,505 as against the total scheduled debt service payment of \$4,502.

Supplemental Education Revenue Augmentation Funds Borrowing from the City

During the year ended June 30, 2010, the former Agency borrowed \$16,483 from the City's Low and Moderate Income Housing Fund (LMIHF) as part of the funding to make a payment of \$28,733 to the Supplemental Education Revenue Augmentation Funds (SERAF) to meet the State's Proposition 98 obligations to schools. Upon the dissolution of the former Agency, the City elected to become the Housing Successor Agency and retain the former Agency's housing assets and functions, rights, powers, duties and obligations. Interest will be accrued quarterly at an annual rate of 3% on the principal balance due to the City in accordance with HSC Section 34191.4(b)(3). During the year ended June 30, 2018, the DOF determined that since the borrowing is not considered an agreement between the former Agency and the City that created the former Agency, the Successor Agency is not authorized to accrue interest on the borrowing. The Successor Agency made payments in the amount of \$1,772 to the City during the year ended June 30, 2022, and the outstanding payable balance was \$1,124.

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(4) Long-Term Obligations (Continued)

(b) Repayment requirements

As of June 30, 2022, the debt service requirements to maturity, excluding accrued vacation and sick leave, are as follows:

June 30,	Tax Allocation Revenue Bonds		Hotel Occupancy Tax Revenue Refunding Bonds	
	Principal	Interest *	Principal	Interest
2023	\$ 49,008	\$ 45,517	\$ 3,865	\$ 627
2024	33,464	46,113	4,220	434
2025	36,896	45,784	4,455	223
2026	41,859	34,102	-	-
2027	42,547	32,850	-	-
2028-2032	232,553	143,752	-	-
2033-2037	176,415	104,268	-	-
2038-2042	127,302	47,411	-	-
2043-2047	66,002	14,235	-	-
TOTAL	\$ 806,046	\$ 514,032	\$ 12,540	\$ 1,284

* Including payment of accreted interest.

(c) Arbitrage

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the earnings from the investment of tax-exempt bond proceeds that exceed related interest expenditures on the bonds must be remitted to the federal government on every fifth anniversary of each bond issue. The Successor Agency has evaluated each bond issue subject to the arbitrage rebate requirements and does not have a rebatable arbitrage liability as of June 30, 2022.

(5) Pension Plan

(a) General Information about the Pension Plan

Plan Description – Effective February 1, 2012, upon the operation of law to dissolve the former Agency, the Successor agency assumed the former Agency's Pension Plan. All qualified permanent and probationary employees are eligible to participate in the Successor Agency's Pension Plan (Pension Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Pension Plan are established by State statute and Successor Agency resolution. CalPERS issues publicly available reports that include a full description of the Pension Plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website www.calpers.ca.gov.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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Notes to Basic Financial Statements
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(5) Pension Plan (Continued)

The State of California passed the Public Employees' Pension Reform Act (PEPRA), which became effective on January 1, 2013. PEPRA changes include the classification of active employees into two distinct classifications: classic members and new members. Classic members represent active members hired before January 1, 2013, and retain the pension plan benefits in effect. New members are active members hired on or after January 1, 2013, and are subject to PEPRA.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees, and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits and new members with five years of total service are eligible to retire at age 52 with reduced benefits. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees' Retirement Law.

The Pension Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a percentage of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	6.91%	7.25%
Required employer contribution rates	74.75%	8.64%

Contributions – The Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Pension Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Successor Agency is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2022, the Successor Agency's actuarially determined contractually required contribution was \$2,611.

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Notes to Basic Financial Statements
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(5) Pension Plan (Continued)

(b) Net Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

The Successor Agency's net pension liability is measured as the proportionate share of the net pension liability of the cost-sharing plan. The net pension liability is measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The Successor Agency's proportion of the net pension liability was actuarial determined as of the valuation date. The Successor Agency's proportionate share of the net pension liability for the Pension Plan was 0.40730% or \$22,028, an increase of 0.11063% and a decrease of \$10,251 from the prior year.

For the year ended June 30, 2022, the Successor Agency recognized pension expense of \$11,983. At June 30, 2022, the Successor Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,611	\$ -
Difference between expected and actual experience	2,470	-
Net differences between projected and actual earnings on plan investments	-	19,229
Changes in employer's proportion	533	621
Differences between the employer's contributions and the employer's proportionate share of contributions	-	1,908
Total	<u>\$ 5,614</u>	<u>\$ 21,758</u>

At June 30, 2022, the Successor Agency reported \$2,611 as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension items will be recognized as pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (4,391)
2024	(4,423)
2025	(4,627)
2026	(5,314)
Total	<u>\$ (18,755)</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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(5) Pension Plan (Continued)

Actuarial Assumptions - The total pension liability in the June 30, 2020 actuarial valuation, which was rolled forward to June 30, 2021, was determined using the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Services
Investment Rate of Return	7.15% Net of Pension Plan Investment Expenses, includes Inflation.
Post Retirement Benefit Increase	The lessor of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.
Mortality	Derived using CalPERS Membership Data for all Funds. (1)

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates includes 15 years of projected mortality improvements using 90 percent of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the 2017 CalPERS Experience Study available on the CalPERS website.

All other actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the 2017 CalPERS Experience Study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. Further details of the 2017 CalPERS Experience Study can be found on the CalPERS website under Forms and Publications.

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that the contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

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(5) Pension Plan (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound geometric returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated and adjusted to account for assumed administrative expenses.

The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The long-term expected real rate of return by asset class and the target allocation adopted by the CalPERS Board effective on July 1, 2020, are as follows:

Asset Class	New Strategic Allocation	Real Return Year 1-10 (a)	Real Return Year 11+ (b)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

(a) An expected inflation of 2.00% used for this period

(b) An expected inflation of 2.92% used for this period

On November 17, 2021, the CalPERS Board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expenses assumption support a discount rate of 6.90% (net of investment expenses but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the CalPERS Board. These new assumptions will be reflected in the accounting valuation reports for the June 30, 2022 measurement date.

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(5) Pension Plan (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the Successor Agency's proportionate share of the net pension liability of the plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the Successor Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Proportionate Share of Net Pension Liability	\$ 36,561	\$ 22,028	\$ 10,013

Pension Plan Fiduciary Net Position – Detailed information about the Pension Plan's fiduciary net position is available in the separately issued CalPERS financial report that can be found on the CalPERS website.

(6) Other Postemployment Benefits Plan

(a) General Information about the Pension Plan

Plan Description – Effective February 1, 2012, upon the operation of law to dissolve the former Agency, the Successor Agency assumed the former Agency's other postemployment benefits plan. The Successor Agency sponsors a defined benefit plan providing OPEB to employees who retire directly from the former Agency and/or the Successor Agency. The Successor Agency pays 100% of the premiums of CalPERS medical plan to eligible employees that satisfied the required services years and minimum age. The Successor Agency participates in the CalPERS California Employers' Retiree Benefit Trust Fund Program (CERBT), an agent multiple-employer OPEB plan administered by CalPERS, to fund the Successor Agency's OPEB liability. The CERBT fund financial statements are included in the CalPERS annual comprehensive financial report, which can be found on the CalPERS website www.calpers.ca.gov.

Employees Covered – The following employees were covered by the benefit terms for the OPEB Plan at June 30, 2021, the most recent information available:

Inactive employees or beneficiaries currently receiving benefits	105
Inactive employees entitled to but not yet receiving benefits	1
Active employees	43
Total	149

Contributions – The Successor Agency's OPEB funding policy is to contribute 100 percent or more of the actuarially determined contribution annually by contributing to the CERBT. For the year ended June 30, 2022, the Successor Agency's contributions totaled \$1,689. There are no employee contributions to the plan.

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Notes to Basic Financial Statements
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(6) Other Postemployment Benefits Plan (Continued)

(b) Net OPEB Liability(Asset), OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

The Successor Agency's net OPEB liability (asset) is measured as the total OPEB liability, less the OPEB plan's fiduciary net position. The net OPEB liability (asset) is measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2021.

The change in the net OPEB liability (asset) for the Successor Agency's OPEB Plan is as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2020	\$ 12,419	\$ 10,328	\$ 2,091
Changes during the measurement period			
Service cost	348	-	348
Interest on the total OPEB liability	831	-	831
Differences between expected and actual experience	(1,337)	-	(1,337)
Change in assumptions	(164)	-	(164)
Contributions from the employer	-	2,259	(2,259)
Net investment income	-	3,039	(3,039)
Administrative expenses	-	(6)	6
Benefit payments	(880)	(880)	-
Net changes during measurement period	(1,202)	4,412	(5,614)
Balance at June 30, 2021	<u>\$ 11,217</u>	<u>\$ 14,740</u>	<u>\$ (3,523)</u>

OPEB Expense – For the year ended June 30, 2022, the Successor Agency recognized OPEB expense (income) of (\$441). At June 30, 2022, the Successor Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,689	\$ -
Difference between expected and actual experience	-	(919)
Change in assumptions	-	(207)
Net differences between projected and actual earnings on plan investments	-	(1,649)
Total	<u>\$ 1,689</u>	<u>\$ (2,775)</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(6) Other Postemployment Benefits Plan (Continued)

At June 30, 2022, the Successor Agency reported \$1,689 as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction (addition) to net OPEB liability (asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB items will be recognized as OPEB expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (945)
2024	(882)
2025	(488)
2026	(460)
Total	<u>\$ (2,775)</u>

Actuarial Assumptions - A summary of the actuarial assumptions and methods used to calculate the total OPEB liability as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry age normal cost
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	2.75%; Merit based on 2017 CalPERS Experience Study
Healthcare Cost Trend Rate	Non-Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Non-Kaiser)- 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Kaiser)- 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076.
Mortality and other actuarial assumptions	Derived using CalPERS 2017 Experience Study for the period 1997 to 2015 Post-retirement mortality projected fully generational with Scale MP-2020.

Change in Assumptions – During measurement period ended June 30, 2021, the discount rate was decreased from 6.75% to 6.25%, inflation rate was reduced from 2.75% to 2.50%. and salary increases were reduced from 3.00% to 2.75%. Healthcare cost trend rates were also updated.

Discount Rate – The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that the Successor Agency's contribution will be made equal to the actuarially determined contribution. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments is applied to all periods of projected benefit payments to determine the total OPEB liability.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(6) Other Postemployment Benefits Plan (Continued)

The long-term expected rate of return for OPEB plan investments is 6.25%. Using historical returns of all the asset classes, expected compound geometric returns were calculated using a building-block approach. The long-term expected real rate of return by asset class and the target allocation are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.0%	4.82%
Fixed Income	25.0%	1.47%
REITS	8.0%	3.76%
TIPS	5.0%	1.29%
Commodities	3.0%	0.84%
Total	<u>100.0%</u>	

Sensitivity of the Net OPEB Liability (Asset) to Changes in Discount Rate – The following presents the Successor Agency’s net OPEB liability (asset) as of the measurement date, calculated using the discount rate of 6.25%, as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

Discount Rate	Current Discount Rate	Discount Rate
-1% (5.25%)	(6.25%)	+1% (7.25%)
\$ (2,377)	\$ (3,523)	\$ (4,495)

Sensitivity of the Net OPEB Liability (Asset) to Changes in Healthcare Cost Trend Rates – The following presents the Successor Agency’s net OPEB liability (asset) as of the measurement date, as well as what the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current rate:

Healthcare Cost Trend Rate -1%	Current Healthcare Cost Trend Rate	Healthcare Cost Trend Rate +1%
\$ (4,565)	\$ (3,523)	\$ (2,289)

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued CalPERS annual comprehensive financial report that can be found on the CalPERS website.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(7) Mortgage Revenue Bonds and Other Conduit Debt

In order to facilitate construction and rehabilitation in the City, various community district facility bonds and mortgage revenue bonds have been issued by the former Agency and the Successor Agency on behalf of various developers and property owners who retain full responsibility for the repayment of the debt. When these obligations are issued, they are secured by the related mortgage indebtedness and special assessment taxes, and, in the opinion of management, are not considered obligations of the Successor Agency or the City and are therefore not included in the accompanying financial statements. Debt service payments will be made by developers or property owners. At June 30, 2022, the outstanding community district facility bonds totaling \$147.2 million.

(8) Commitments and Contingent Liabilities

(a) Insurance, Claims and Litigation

The Successor Agency obtained coverage for personal injury, automobile liability, public official errors and omissions and employment practices liability with limits of \$10,000 per occurrence (\$5,000 for employment practices liability) and a \$25 deductible per occurrence. The limit for automobile liability is \$5,000 per occurrence, with a \$25 deductible. The annual aggregate limit for employment practices liability is \$5,000, with a \$25 deductible.

The Successor Agency has been named as defendant in several legal actions. In the opinion of the Successor Agency's management and legal counsel, the outcome of these actions will not have a material adverse effect on the financial position of the Successor Agency.

(b) Transbay Transit Center Agreements

In July 2003, the City, the Transbay Joint Powers Authority (TJPA), and the State of California acting through its Department of Transportation (Caltrans) entered into the Transbay Transit Terminal Cooperative Agreement (Cooperative Agreement) in which Caltrans agreed to transfer approximately 10 acres of State-owned property in and around the then-existing Transbay Terminal to the City and the TJPA to help fund the development of the Transbay Transit Center (TTC). The Cooperative Agreement requires that the TJPA sell certain State-owned parcels and use the revenues from the sales and the net tax increments to finance the TTC.

In 2008, the City and the former Agency entered into a binding agreement with the TJPA that irrevocably pledges all sales proceeds and net tax increments from the State-owned parcels to the TJPA for a period of 45 years (Transbay Redevelopment Project Tax Increment Allocation and Sales Proceeds Agreement). At the same time, the City, the TJPA and the former Agency entered into an Option Agreement, which grants options to the former Agency to acquire the State-owned parcels, arrange for development of the parcels, and distribute the net tax increments to the TJPA to use for the TTC. During the year ended June 30, 2022, the Successor Agency distributed pledged revenue in the amount of \$28,294 to the TJPA. The payment was recorded as a deduction – distribution of pledged revenue to TJPA on the statement of changes in fiduciary net position.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(8) Commitments and Contingent Liabilities (Continued)

(c) *Encumbrances*

The Successor Agency uses encumbrances to control expenditure commitments for the year. Encumbrances represent commitments related to executed contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of funds are encumbered to allocate a portion of applicable appropriations. Encumbrances still open at period end are not accounted for as expenses and liabilities. At June 30, 2022, the Successor Agency had outstanding encumbrances totaling \$10,463.

(9) Related Party Transactions

(a) *Due to the City and County of San Francisco*

At June 30, 2022, the Successor Agency has payables to the City in the amount of \$4,565 for services provided. The balance is recorded as payable to the City on the statement of net position.

(b) *Payments to the City and County of San Francisco*

A variety of City departments provide administrative services to the Successor Agency and charge amounts designed to recover costs. These charges, totaling \$12,275 for the year ended June 30, 2022, have been included in various deduction line items on the statement of changes in fiduciary net position.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Required Supplementary Information (Unaudited)
Schedule of the Successor Agency's Proportionate Share of the Net Pension Liability
June 30, 2022
Last 10 Years *
(Dollars In Thousands)

Fiscal year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Measurement period	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Proportion of net pension liability	0.25504%	0.24131%	0.26905%	0.27508%	0.28203%	0.29084%	0.29667%	0.40730%
Proportionate share of the net pension liability	\$ 15,870	\$ 16,563	\$ 23,281	\$ 27,280	\$ 27,178	\$ 29,803	\$ 32,279	\$ 22,028
Covered payroll	\$ 3,962	\$ 3,427	\$ 3,769	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430
Proportionate share of the net pension liability as a percentage of covered payroll	400.56%	483.31%	617.70%	541.06%	473.32%	466.84%	478.56%	296.47%
CalPERS Plan's fiduciary net position as a percentage of total pension liability	80.43%	78.40%	74.06%	73.31%	75.26%	75.26%	75.10%	88.29%

Notes to Schedule:

Change in benefit terms - The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2020 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change in assumptions - During measurement period 2014, the discount rate was 7.50%. During measurement period 2015, the discount rate was increased from 7.50 percent to 7.65 percent. There was no change in discount rate during measurement period 2016. During measurement period 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. During measurement period 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no change in assumptions during measurement periods 2019, 2020 and 2021.

* Fiscal year 2014-15 was the first year of implementation of GASB Statement No. 68, therefore only eight years of information are shown.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Required Supplementary Information (Unaudited)

Schedule of Contributions - Pension Plan

June 30, 2022

Last 10 Years *

(Dollars In Thousands)

Fiscal year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Contractually required contribution (actuarially determined)	\$ 591	\$ 598	\$ 828	\$ 970	\$ 1,283	\$ 1,637	\$ 2,012	\$ 2,299	\$ 2,611
Contributions in relation to the actuarially determined contributions	(591)	(598)	(828)	(970)	(1,283)	(1,637)	(2,012)	(2,299)	(2,611)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,962	\$ 3,427	\$ 3,769	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430	\$ 6,633
Contributions as a percentage of covered payroll	14.92%	17.45%	21.97%	19.24%	22.34%	25.64%	29.83%	30.94%	39.36%

Notes to Schedule:

The actuarial methods and assumptions used to determine the fiscal year 2021-22 contribution rates are as follows:

Valuation date:	6/30/2019
Actuarial Cost Method	Entry age normal cost method
Asset Valuation Method	Actuarial value of assets
Inflation	2.50%
Salary Increases	Varies by entry age and services
Payroll Growth	2.75%
Investment Rate of Return	7.00%, net of pension plan investment and administrative expenses, includes inflation.
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates includes 15 years of projected mortality improvements using 90% of Scale MP-2016 published by the Society of Actuaries.

* Fiscal year 2014-15 was the first year of implementation of GASB Statement No. 68, therefore only nine years of information are shown.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Required Supplementary Information (Unaudited)
Schedule of the Changes in the Net OPEB Liability and Related Ratios
June 30, 2022
Last 10 Years *
(Dollars In Thousands)

Fiscal Year	2017-18	2018-19	2019-20	2020-21	2021-22
Measurement period	2016-17	2017-18	2018-19	2019-20	2020-21
Total OPEB liability					
Service cost	\$ 159	\$ 164	\$ 335	\$ 344	\$ 348
Interest on the total OPEB liability	692	701	812	830	831
Changes of assumptions	-	1,572	-	(248)	(164)
Differences between expected and actual experience	-	267	-	-	(1,337)
Benefit payments	(797)	(812)	(906)	(902)	(880)
Net change in total OPEB liability	54	1,892	241	24	(1,202)
Total OPEB liability, beginning	10,208	10,262	12,154	12,395	12,419
Total OPEB liability, ending	\$ 10,262	\$ 12,154	\$ 12,395	\$ 12,419	\$ 11,217
Plan fiduciary net position					
Contributions, employer	\$ 1,097	\$ 2,145	\$ 2,967	\$ 2,901	\$ 2,259
Investment income	353	339	407	285	3,039
Benefit payments	(797)	(812)	(906)	(902)	(880)
Administrative expenses	(3)	(11)	(3)	(7)	(6)
Net change in plan fiduciary net position	650	1,661	2,465	2,277	4,412
Plan fiduciary net position, beginning	3,275	3,925	5,586	8,051	10,328
Plan fiduciary net position, ending	\$ 3,925	\$ 5,586	\$ 8,051	\$ 10,328	\$ 14,740
Plan net OPEB liability (asset)	\$ 6,337	\$ 6,568	\$ 4,344	\$ 2,091	\$ (3,523)
Plan fiduciary net position as a percentage of the total OPEB liability	38.2%	46.0%	65.0%	83.2%	131.4%
Covered-employee payroll	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430
Plan net OPEB liability (asset) as a percentage of covered-employee payroll	125.68%	114.39%	68.05%	31.00%	-47.42%

Note to schedule:

Change in assumptions - During measurement period 2018, the discount rate was decreased from 7.00% to 6.75%. Demographic assumptions were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. Healthcare cost trend rates were also updated. There was no change in assumptions during measurement period 2019. During measurement period 2020, the 2% PPACA excise tax load was removed. During measurement period 2021, the discount rate was decreased from 6.75% to 6.25%, inflation rate was reduced from 2.75% to 2.50%, and salary increases were reduced from 3.00% to 2.75%. Healthcare cost trend rates were also updated.

* Fiscal year 2017-18 was the first year of implementation of GASB Statement No. 75, therefore only five years of information is shown.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Required Supplementary Information (Unaudited)

Schedule of Contributions - OPEB Plan

June 30, 2022

Last 10 Years *

(Dollars In Thousands)

Fiscal year	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Actuarially determined contributions (ADC)	\$ 804	\$ 813	\$ 812	\$ 802	\$ 813	\$ 824
Contributions in relation to the ADC	(1,097)	(2,145)	(2,967)	(2,901)	(2,259)	(1,689)
Contribution deficiency (excess)	<u>\$ (293)</u>	<u>\$ (1,332)</u>	<u>\$ (2,155)</u>	<u>\$ (2,099)</u>	<u>\$ (1,446)</u>	<u>\$ (865)</u>
Covered-employee payroll	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430	\$ 6,633
Contributions as a percentage of covered-employee payroll	21.76%	37.36%	46.48%	43.01%	30.40%	25.46%

Notes to Schedule:

The actuarial methods and assumptions used to determine the fiscal year 2021-22 contribution rates are as follows:

Valuation date:	6/30/2021
Actuarial Cost Method	Entry age normal cost method
Asset Valuation Method	Actuarial value of assets
Inflation	2.50%
Salary Increases	2.75%; Merit based on 2017 CalPERS Experience Study for the period 1997 to 2015.
Healthcare Cost Trend Rate	Non-Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Non-Kaiser)- 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Kaiser)- 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076.
Investment Rate of Return	6.25%
Mortality	Derived using CalPERS 2017 Experience Study for the period 1997 to 2015 Post-retirement mortality projected fully generational with Scale MP-2020.

* Fiscal year 2017-18 was the first year of implementation of GASB Statement No. 75, therefore only six years of information is shown.



**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Commission on Community Investment and Infrastructure
Successor Agency to the Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the fiduciary activities of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Successor Agency's basic financial statements, and have issued our report thereon dated November 10, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Successor Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Successor Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Successor Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Successor Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Walnut Creek, California
November 10, 2022

APPENDIX B

FISCAL CONSULTANT REPORT

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**FISCAL CONSULTANT REPORT
FOR THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
AND
2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)**

AUGUST 22, 2023

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INTRODUCTION

In preparation for the issuance of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (together, the "Bonds"), the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Agency") has retained Urban Analytics as fiscal consultant (the "Consultant") to evaluate available tax revenue for the Agency's redevelopment project areas that are applicable to the Bonds and provide a Fiscal Consultant Report (the "Report").

This report includes information regarding the following project areas, subproject areas and land use districts therein, as applicable: Bayview Hunters Point Redevelopment Project, Zone 2 of Project Area B (the "Bayview Hunters Point Project Area – Zone 2 of Project Area B"); Embarcadero-Lower Market ("Golden Gateway") Approved Redevelopment Project Area E-1 (the "Embarcadero-Lower Market ('Golden Gateway') Project Area"); Bayview Hunters Point Redevelopment Project Area - Project Area A, (the "Bayview Hunters Point Project Area - Project Area A"); India Basin Industrial Park Redevelopment Project Area (the "India Basin Industrial Park Project Area"); Rincon Point-South Beach Redevelopment Project Area (the "Rincon Point-South Beach Project Area"); South of Market Redevelopment Project Area (the "South of Market Project Area"); Transbay Redevelopment Project Area (the "Transbay Project Area"); Western Addition Redevelopment Project Area A-2 (the "Western Addition Project Area A-2"); Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area (the "Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)"); and the Yerba Buena Center Approved Redevelopment Project Area D-1 (the "Yerba Buena Center Approved Project Area D-1") (together, the "Project Areas").

The Agency has three additional redevelopment project areas whose tax increment revenue is not pledged to the payment of the Bonds nor, except as noted, included in this Report: Mission Bay South Project Area, Mission Bay North Project Area and Federal Office Building Project Area (negative tax increment from the Federal Office Building Project Area is applied to tax increment from the Project Areas due to a merger of three project areas).

Tax increment revenues from three sub-areas of the Project Areas are excluded from the revenue pledged to the Bonds. These sub-areas, referred to in this Report as the "Excluded Sub-Areas", are the Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B, the tax increment from which is wholly excluded from the revenue pledged to the Bonds and is excluded from the tax increment calculations used in this Report (as described further under the *Bayview Hunters Point Area B* section of *The Redevelopment Plans*); certain parcels (the "State-Owned Parcels") within the Transbay Project Area, a portion of the tax increment from which is paid to the Transbay Joint Powers Authority (the "TJPA") for infrastructure financing and is excluded from the tax increment calculations used in this Report (as described further under the *Transbay* section of *The Redevelopment Plans*); and tax increment from that portion of the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District is wholly excluded from the revenue pledged to the Bonds and is excluded from the tax increment calculations used in this Report. These three sub-areas, together with the three redevelopment project areas noted above, are together referred to as the Excluded Project Areas.

The Report is based in part on assessed valuation information provided by the City and County of San Francisco (the "City"), on the City's assessment and apportionment practices, on base year assessed valuation for the Project Areas as reported by the City, and on information

regarding pass-through calculation methods, redevelopment plan terms and existing contractual agreements provided by Agency and City staff.

The Report provides a review of various matters affecting the Agency's receipt of tax increment in the Project Areas. The County Controller (the "Controller") tabulates and reports tax increment from the Project Areas using a fixed base year assessment.

The Report also presents projections of tax increment available to the Agency over the life of the Bonds. This projection incorporates the Agency's obligations toward other taxing jurisdictions and projects assessed valuation at a two percent growth rate.

THE ALLOCATION OF TAX INCREMENT REVENUE TO THE AGENCY

Under California redevelopment law, the Controller allocates to the Agency that portion of locally assessed secured and unsecured property tax revenue and state-assessed utility revenue collected within a project area above the project area's base year assessed valuation required to pay its annual obligations. The Controller also apportions to the Agency a share of state-assessed unitary revenue as well as revenue from supplemental assessments.

Tax revenue deriving from the base year assessed valuation is distributed to all other taxing entities within the tax rate area comprising the Project Areas. The distribution of the base year tax revenue is accomplished using the same property tax apportionment factors used to allocate property tax revenue in non-redevelopment tax rate areas.

As described further under "*Redevelopment Dissolution*", tax revenue derived from assessed valuation in a project area in excess of the base year assessed valuation is allocated annually by the Controller to the Redevelopment Property Tax Trust Fund (the "RPTTF"). This allocation of tax increment ("Tax Revenue") is the maximum that the Agency may receive in a fiscal year. The Tax Revenue is applied, in order of priority, to any administrative costs of the Controller associated with Redevelopment Dissolution and any costs associated with property tax administration, to pass-through payments, to debt service and enforceable obligations of the Agency, and to administrative costs of the Agency; funds remaining in the RPTTF are then distributed to the taxing entities. To the extent the funds in the RPTTF are insufficient to meet these obligations, the Controller will withhold Agency administrative costs; if an insufficiency remains, subordinated pass-through payments would then be deferred upon certain steps having been taken by the Agency.

Annual debt service on indebtedness of the Agency and contractual obligations are identified on a Recognized Obligation Payment Schedule (ROPS) that is approved by the Agency's Oversight Board and by the state Department of Finance. The Agency prepares a single ROPS each year, covering payments due in the subsequent fiscal year. In order to have sufficient funds available in a subsequent period, the Agency may identify on its ROPS an amount necessary to be reserved in the RPTTF to be applied to obligations shown on a subsequent ROPS. If necessary, the Agency may submit a single amendment to the annual ROPS by October 1 which, if approved, is effective for the subsequent January 1 to June 30 period. The Controller deposits funds into the RPTTF, and disburses funds from the RPTTF, twice each year, once on January 2 and again on June 1. Any amount remaining in the RPTTF after payment of administrative costs, pass-through payments and ROPS obligations is immediately distributed to other taxing entities.

While it had previously been the Controller's practice to not deduct any prior-year tax refunds paid to property owners in a project area from the Agency's tax revenue due to software

limitations, a property tax software system implemented in FY 2020-21 now allows the Controller to make such adjustments.

Unitary roll revenue is derived from utility properties including pipelines and other properties that are assessed on a countywide basis as a unit; these utility properties are distinguished from non-unitary utility properties that are assessed within their tax rate area. Property taxes on these unitary assessments are distributed to jurisdictions in the City using an allocation formula similar to the regular apportionment mechanism. While a portion of this revenue is received by the Agency, the tax increment calculations used in this report do not incorporate the amount of unitary revenue that may be apportioned to the Project Areas. The Agency has received approximately \$270,000 in unitary revenue annually in all project areas in prior years.

The State Board of Equalization separately assesses non-unitary utility properties by their location within each county. Non-unitary property assessed by the State Board in the Project Areas has an assessed valuation of \$1.6 million in FY 2023-24.

The City utilizes a device known as the Teeter Plan (Section 4701 et seq. of the California Revenue and Taxation Code) to distribute secured property tax revenue to all jurisdictions, including the Agency, without regard to delinquencies. Pursuant to this mechanism, the City maintains a reserve fund to cover delinquencies and allocate revenue based on the original secured roll, retaining all delinquent tax payments and penalties. Consequently, the Agency is not affected by delinquent tax payments. However, the Board of Supervisors may discontinue the Teeter Plan prior to the commencement of any fiscal year. There can be no assurance that the Teeter Plan will remain in effect throughout the life of the Bonds. The overall delinquency rate for the 2022-23 fiscal year for all secured properties in the Project Areas was 1.6% as of May 15, 2023.

The Controller charges the Agency an administrative fee as permitted under Redevelopment Dissolution Law; this fee is estimated to be 0.015% of tax increment.

The Controller deducts from the Project Areas' tax increment approximately \$48,000 in negative tax increment from one of the Excluded Project Areas due to a fiscal merger. The South of Market and Embarcadero-Lower Market ('Golden Gateway') project areas are components of the Project Areas and are fiscally merged with the Federal Office Building project area (one of the Excluded Project Areas). The Controller's office aggregates tax increment from all three areas when calculating tax increment. The Federal Office Building project area consists of tax-exempt secured property with an annual assessed valuation of zero and no unsecured property. The project area has a base year assessed valuation of \$4.8 million associated with unsecured assessments on the property at the time the project area was created. As this base year valuation is greater than the current assessed valuation the project area generates negative incremental assessed valuation. The resulting negative tax increment from the Federal Office Building of approximately \$48,000 in FY 2023-24 is included in the tax increment calculations by the Controller because of the fiscal merger, and is applied to the Agency's tax increment in the Project Areas even though the Federal Office Building is an Excluded Project Area. This negative tax increment is included in the calculations of available tax increment revenue used in this Report.

Tax increment calculations made in this Report use revenue from the secured, unsecured and non-unitary utility rolls. Supplemental roll revenues, derived from new construction and sales added to the rolls after the January 1st lien date, are subject to substantial annual variance and are not included in tax increment calculations used in the Report.

Assessed valuations are as of July 1, 2023 and include the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and the State-Owned Parcels.

HOUSING FUND

California redevelopment law formerly required that agencies maintain a low- and moderate-income housing fund, into which at least 20% of gross tax increment revenues was required to be deposited annually. Under the Dissolution Act that requirement is no longer in effect; all gross tax increment revenues are deposited into the RPTTF.

THE REDEVELOPMENT PLANS

The Project Areas consist of ten redevelopment project areas established through separate redevelopment plans. Key information pertaining to each constituent project area (and any excluded sub-areas) is shown in Table 1. Additional information regarding land usage in the Project Areas is shown in Table 2 and Table 3.

Table 1
Redevelopment Plans Comprising the Project Areas

Project Area	Date of Adoption	Ordinance Number
Bayview Hunters Point Project Area – Zone 2 of Project Area B ⁽¹⁾	06/01/06	113-06
Embarcadero-Lower Market (“Golden Gateway”)	05/25/59	301-59
Bayview Hunters Point Project Area - Project Area A	01/20/69	25-69
Hunters Point Hill Residential District ⁽²⁾	07/14/97	285-97
India Basin Industrial Park	01/20/69	26-69
Rincon Point-South Beach	01/05/81	14-81
South of Market:		
<i>Original Area</i>	06/11/90	234-90
<i>Western Expansion Area</i>	12/16/05	276-05
Transbay	06/21/05	124-05
Western Addition Project Area A-2	10/13/64	273-64
Yerba Buena Center:		
<i>Original Area</i>	04/25/66	98-66
<i>Emporium Site Area</i>	10/13/00	236-00

(1) The redevelopment plan for the Bayview Hunters Point Redevelopment Project Area was amended on August 3, 2010. This amendment, among other things, divided the Bayview Hunters Point Redevelopment Project Area, Project Area B, into two sub-areas: Zone 1, which is the same as the Candlestick Site and is one of the Excluded Sub-Areas, and Zone 2.

(2) The redevelopment plan of Hunters Point Shipyard was amended on August 3, 2010.

Source: The Agency

Table 2
Land Use in the Project Areas, FY 2023-24

Category by Value	Bayview Hunters Point Project Area B	Golden Gateway Project Area	Bayview Hunters Point Project Area A	Hunters Point Shipyard Project Area Hill District	India Basin Industrial Park Project Area	Rincon Point - South Beach Project Area	South of Market Project Area
Commercial	226,537,190	2,595,480,692	-	-	40,107,573	566,318,805	281,201,005
Industrial	1,834,169,183	-	-	-	105,076,556	-	143,259,284
<i>Residential</i>							
Single-Family	-	-	-	102,379,774	-	-	-
Condominiums	198,789,265	237,086,170	10,618,905	252,495,968	-	1,292,012,888	420,914,736
Apartments	948,860,135	86,604,724	185,161,048	8,421,159	-	390,138,579	658,203,782
Vacant	289,316,237	189	1,200,867	76,964,331	8,826,696	-	488,824,645
Other Secured ¹	53,420,497	2,789,860	1,449,000	1,971,891	-	2,332,068	51,088,724
SBE-Assessed Utilities ²	392,040	298,757	-	-	-	935,000	-
Unsecured	258,828,626	562,771,427	206,609	909,456	40,473,036	788,759,599	40,286,561
Total ³	3,810,313,173	3,485,031,819	198,636,429	443,142,579	194,483,861	3,040,496,939	2,083,778,737
Acreage	1,361	51	137	NA	126	115	69

Category by Value	Transbay Project Area	Western Addition Project Area A-2	Yerba Buena Center Project Area D-1	Total Value	% of Total Value	Number of Properties Levied
Commercial	7,160,619,330	765,149,372	3,270,074,578	14,905,488,545	41.4%	635
Industrial	20,111,824	-	52,136,430	2,154,753,277	6.0%	872
<i>Residential</i>						
Single-Family	-	1,545,300	-	103,925,074	0.3%	1,887
Condominiums	1,885,125,283	1,603,096,063	1,946,617,558	7,846,756,836	21.8%	7,916
Apartments	1,176,412,254	1,380,424,132	535,542,665	5,369,768,478	14.9%	970
Vacant	321,626,740	5,395,079	38,955,462	1,231,110,246	3.4%	936 *
Other Secured ¹	1,138,200	24,382,533	25,547,274	164,120,047	0.5%	347
SBE-Assessed Utilities ²	-	-	16,962	1,642,759	0.0%	-
Unsecured	1,308,903,996	108,457,610	1,124,508,166	4,234,105,086	11.8%	3,222
Total ³	11,873,937,627	3,888,450,089	6,993,399,095	36,011,670,348	100.0%	16,785
Acreage	40	277	87	2,263		

(1) Includes other land use classifications and homeowner exemptions.

(2) Non-unitary property assessed by the State Board of Equalization.

(3) Assessed valuations are as of July 1, 2023 and include the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area A and the State-Owned Parcels in the Transbay Project Area; revenue from these Excluded Sub-Areas is deducted from the tax increment calculations used in this Report.

* Of the 936 properties classified as vacant, 170 are located in sub-areas of the Project Areas within the Excluded Project Areas, of which 79 are in Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, 1 is in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and 90 are in the State-Owned Parcels. Any future property tax revenue from these properties will not be pledged revenue. Of the remaining 766 properties, 401 are within the Bayview Hunters Point Project Area - Zone 2 of Project Area B, 105 are within the Hunters Point Hill Residential District of the Hunters Point Shipyard Project Area, 95 are within the Transbay Project Area and the remainder are distributed across the other seven project areas.

Source: San Francisco County Assessor; Urban Analytics

Table 3
Commercial Land Use in the Project Areas, FY 2023-24

Land Use	Total Value	% of Total Value	Number of Properties Levied
Office	11,698,505,312	32.5%	161
Hotel	1,354,961,870	3.8%	47
Retail	1,330,359,965	3.7%	282
Other	521,661,398	1.4%	145
Total Commercial	14,905,488,545	41.4%	635
Total, All Properties	36,011,670,348	100.0%	16,785

Source: San Francisco County Assessor; Urban Analytics

As shown in Table 2, commercial properties account for the largest percentage of assessed valuation, at 41.4% of total valuation in the Project Areas. Commercial land use in the Project Areas, shown in Table 3, is comprised largely of office properties with \$11.7 billion in assessed valuation across 161 properties representing 32.5% of the Project Areas' total valuation. Hotels total \$1.4 billion in assessed valuation over 47 properties for 3.8% of the Project Areas' total valuation, while retail use generates \$1.3 billion in assessed valuation across 282 properties representing 3.7% of the Project Areas' total valuation.

Prior to the passage of SB107 in September 2015, the Agency could not receive tax revenue to repay debt beyond the limits set in the redevelopment plans, except in those areas amended under Sections 33333.7 and 33333.8. Under Section 34189 of the Health and Safety Code, these limits no longer apply to the repayment of enforceable obligations such as the Bonds.

Bayview Hunters Point Area B: The Bayview Hunters Point Redevelopment Project Area was adopted by Ordinance 113-06 on June 1, 2006 as an amendment to the Hunters Point Redevelopment Plan. Area B of the Bayview Hunters Point Redevelopment Project Area is exclusive of the Area A portion of the Bayview Hunters Point Redevelopment Plan, originally known as the Hunters Point Redevelopment Project Area. Tax increment revenue from the Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B, as defined in the Disposition and Development Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard, is not available for debt service on the Bonds; it is treated as an Excluded Sub-Area in this Report. The Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B area has \$186.6 million in FY 2023-24 assessed valuation; approximately fifty-five percent is paid annually under an existing obligation to the developer with the remainder applied to the Agency's pass-through, property tax administration fee and housing and infrastructure obligations; this excluded tax increment revenue totaled \$1.0 million in FY 2023-24. The Agency had \$11.9 million in principal outstanding on Existing Loan Agreements secured by tax increment from Area B of the Bayview Hunters Point Redevelopment Project Area Project Area as of August 1, 2022.

Embarcadero-Lower Market ("Golden Gateway"): The Embarcadero-Lower Market ("Golden Gateway") Approved Redevelopment Project Area E-1 was adopted by Ordinance 301-59 on May 25, 1959. The Project Area extends from the foot of Market Street north approximately six blocks to Broadway, and includes the four Embarcadero Center office buildings, the Hyatt Hotel on Market Street, the Golden Gateway Commons and the Alcoa office building.

The Embarcadero-Lower Market (“Golden Gateway”) Approved Redevelopment Project Area E-1 was merged for fiscal purposes with the South of Market Redevelopment Project Area on November 20, 1995. The redevelopment plan for the Federal Office Building Project Area, one of the Excluded Project Areas, was adopted on October 14, 1997 and was simultaneously fiscally merged with the South of Market and Embarcadero-Lower Market (“Golden Gateway”) project areas; negative tax increment from the Federal Office Building Project Area of approximately \$48,000 is deducted from increment in the South of Market and Embarcadero-Lower Market (“Golden Gateway”) project areas due to this merger.

The Agency had \$20.7 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022 and an additional \$0.35 million in principal outstanding on Existing Loan Agreements that is secured by a pledge of tax increment from both this project area and the South of Market Redevelopment Project Area as of August 1, 2022.

Bayview Hunters Point Project Area - Project Area A: The Bayview Hunters Point Project Area - Project Area A, adopted by Ordinance 25-69 on January 20, 1969, is comprised of a residential community located in the southeast portion of the City on a site formerly occupied by temporary federal wartime housing. The Agency had \$263,625 in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Hunters Point Hill Residential District: The Hunters Point Shipyard Redevelopment Project Area, adopted by Ordinance 285-97 on July 14, 1997, is comprised of several land use districts, including the Hunters Point Hill Residential District, on and adjacent to the former Hunters Point Shipyard in the southeast portion of the City. Certain portions of the Hunters Point Shipyard Redevelopment Project Area other than the Hunters Point Hill Residential District are subject to Disposition and Development Agreements pursuant to which tax increment from such portions are pledged for the purpose of financing certain infrastructure; revenue from this Excluded Sub-Area is not pledged as security for the Bonds. Tax increment from the Hunters Point Hill Residential District is pledged for such purpose and is available to pay debt service on the Bonds, a portion of which may be applied to infrastructure in that portion of the Hunters Point Shipyard Redevelopment Project Area other than the Hunters Point Hill Residential District.

India Basin: The India Basin Industrial Park Redevelopment Project Area, adopted by Ordinance 26-69 on January 20, 1969, is an industrial area located at Third Street and Evans. The project area includes a large United States Postal Service distribution facility that is exempt from property taxes, several light industrial, commercial service and multimedia businesses and some retail businesses; no residential uses are allowed in the project area. The Agency had no principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Rincon Point-South Beach: The Rincon Point-South Beach Redevelopment Project Area, adopted January 5, 1981 by Ordinance 14-81, includes two areas along the waterfront south of the Bay Bridge. The South Beach portion of the project area includes the Giants ballpark. The Agency had \$70.9 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

South of Market: The South of Market Redevelopment Project Area includes two sub-areas. The original sub-area is roughly bounded by Fifth and Seventh Streets between Harrison Street and Mission Street and is largely residential. The Western Expansion sub-area includes mainly commercial and industrial properties in the blocks bounded by Harrison Street, Seventh Street,

Folsom Street and Columbia Square. The original sub-area was adopted June 11, 1990 and the Western Expansion sub-area of the South of Market project area was adopted on December 16, 2005.

The Agency had \$5.4 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022 and \$0.35 million in principal outstanding on Existing Loan Agreements secured by tax increment from both this project area and the Embarcadero-Lower Market (“Golden Gateway”) Approved Redevelopment Project Area E-1 as of August 1, 2022.

The South of Market Redevelopment Project Area was merged for fiscal purposes with the Embarcadero-Lower Market (Golden Gateway) Approved Redevelopment Project Area E-1 on November 20, 1995. The redevelopment plan for the Federal Office Building Project Area, one of the Excluded Project Areas, was adopted on October 14, 1997 and was simultaneously fiscally merged with the South of Market and Embarcadero-Lower Market (“Golden Gateway”) project areas; as noted under *Embarcadero-Lower Market (“Golden Gateway”)*, above, approximately \$48,000 in negative tax increment from the Federal Office Building Project Area is deducted from these two project areas due to the merger.

Transbay: The Transbay Redevelopment Project Area includes the area around the Transbay Terminal roughly bounded by Mission Street, Main Street, Folsom Street and Second Street, with a portion extending to Harrison Street. The project area was adopted on June 21, 2005.

The redevelopment plan requires that tax increment from certain parcels, designated as the State Parcels and including land previously occupied by the Transbay Terminal and related freeway ramps, less the amount required to meet the Agency’s pass-through payment obligations, property tax administration fees and housing and infrastructure obligations, be paid to the Transbay Joint Powers Authority (TJPA) for construction costs associated with the new Transbay Terminal. Approximately fifty-five percent of the revenue from the State Parcels is paid annually to the TJPA under the redevelopment plan, with the remainder applied to the Agency’s pass-through, property tax administration fee and housing and infrastructure obligations. These parcels include the Transbay Tower office building at 415 Mission Street, with an FY 2023-24 assessed valuation of \$1.9 billion, and the Park Tower office building at 250 Howard Street, with an FY 2023-24 assessed valuation of \$1.1 billion; the TJPA has issued bonds secured by a portion of the tax increment from these parcels. The total FY 2023-24 assessed valuation from the State Parcels is \$5.1 billion and the estimated tax increment allocable to the TJPA from these parcels is \$28.4 million in FY 2023-24. The Agency retains the remainder of the tax increment from these parcels for payment of required County administration fees, pass-through payments and housing and infrastructure obligations. The Agency had \$4.2 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Western Addition A-2: The Western Addition Redevelopment Project Area A-2 was established October 13, 1964. It encompasses portions of the area bounded by Van Ness Avenue, Bush Street, Broderick Street and Grove Street. A large hospital facility owned by Sutter Health is located in the project area with a taxable valuation of \$111.9 million in FY 2023-24 and exemptions of \$2.7 billion. The Agency had \$32.0 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Yerba Buena Center: The redevelopment plan for the Yerba Buena Center Redevelopment Project Area D-1 was adopted on April 25, 1966 and encompasses the area around the Convention

Center. An amendment to the plan on October 13, 2000 added the Emporium Site area to the project area, now the location of a shopping center on Market Street.

The redevelopment plan for the Emporium Site sub-area specifies that tax revenue deriving from a fixed 2% growth rate applied to the sub-area's base year assessed valuation is distributed to taxing entities and not to the Agency; this is deducted from tax increment prior to calculating the revenue available for debt service. The Agency had \$20.53 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Tax Increment Caps

Of the ten areas that comprise the Project Areas, seven were established prior to the statutory changes brought about by AB1290 in 1994. These pre-1994 project areas initially had separate tax increment caps (limitations on the amount of tax increment the Agency could receive from the project area during the redevelopment plan's duration); with Redevelopment Dissolution these limits no longer apply to the Agency's ability to repay enforceable obligations such as the Bonds.

Statutory Pass-through Payments

In 1994, all new redevelopment plans - and all existing plans amending certain fiscal terms or adding territory - became subject to a statutorily-defined set of pass-through requirements and plan limitations generally known as AB1290 requirements. This legislation replaced a system of negotiated pass-through agreements with a specific pass-through formula applied to all taxing jurisdictions. The Transbay Project Area, Bayview Hunters Point Area B Project Area, the Western Addition portion of the South of Market Project Area and the Emporium Site Area of the Yerba Buena Center Project Area were formed after the passage of AB1290 and have been subject to statutory pass-throughs since their formation. The remaining Project Areas as well as the Original Area of the Yerba Buena Center Project Area and the Original Area of the South of Market Project Area became subject to statutory pass-throughs when certain fiscal limits in their redevelopment plans were amended. There are no negotiated pass-through agreements in the Project Areas.

Under the AB1290 mechanism, pass-through payments are made to all jurisdictions receiving a portion of the basic one percent levy, except jurisdictions having pre-existing contractual pass-through agreements. The pass-through payments are made in three periods, or tiers, each beginning in a different year - years one, eleven, and thirty-one - and extending through the plan's remaining duration. The payments received by each jurisdiction are based on a specified percentage of the growth in assessed valuation over a base (the assessed valuation in the year prior to the beginning of a period), multiplied by the property tax apportionment factor for the jurisdiction. The City is entitled to pass-through payments from the first tier only. In the case of those project areas formed after 1994, the first year of pass-throughs is the first year in which tax increment is collected in the project area; in the case of project areas formed prior to 1994 and subsequently amended the base year is the year in which the earliest amended fiscal limit is reached and the first year is the subsequent year.

Although Redevelopment Dissolution removed the distinction between tax increment committed to a low- and moderate-income housing fund and tax increment available for other purposes, statutory pass-through payments are calculated based on the 80% of tax increment formerly available for infrastructure financing and not from the 20% of tax increment formerly required to fund housing.

The initial statutory payments are a percentage of the tax increment received by the Agency. For payments under tiers two and three, payments derive from future base levels of assessed valuation. Under redevelopment law, the initial base year for the tier two payments was set in the tenth year in which the Agency received tax increment payments or, for the older amended plans, the tenth year after the earliest amended fiscal limit is reached.

The payments are limited to fixed percentages of those increases (25% of tier one increases, 21% of tier two increases and 14% of tier three increases; all percentages are calculated on tax increment after the deposits to the housing fund formerly required by the Community Redevelopment Law). In those project areas where initial year for statutory passthroughs was established after the project area's base year was set, the Agency continues to receive its full share of tax revenue from assessed valuation above the project area base year assessed valuations (with certain exceptions, noted below) and below the assessed valuation in the initial year for statutory passthrough payments. It also receives its share of the tax increment remaining after payment of the statutory pass-throughs.

There are nine taxing entities within the Project Areas. Four of these are entities of the City and County of San Francisco: the General Fund, the Children's Fund, the Library Fund, and the Open Space Fund. The remaining five taxing entities are: the San Francisco Community College District, the San Francisco Superintendent of Schools, the San Francisco Unified School District, the Bay Area Air Quality Management District, and the Bay Area Rapid Transit District. In addition to the taxing entities, the Controller allocates a portion of revenue to the Educational Revenue Augmentation Fund (ERAF) for distribution to schools. As discussed further under *ERAF Legislation*, ERAF was established by the State in FY 1992-93 to receive a portion of property tax revenue shifted from cities, counties and special districts for subsequent allocation to schools. The proportion of pass-through payments received by each of these taxing entities and ERAF and is shown in Table 4. The total amount of pass-through payments in FY 2023-24 is estimated to be \$71.6 million.

Table 4
Pass-through Shares By Taxing Entity

Taxing Entity	Pass-through Share
General Fund	0.55588206
Children's Fund	0.04000000
Library Fund	0.02500000
Open Space Fund	0.02500000
S.F. Community College District	0.01444422
S.F. Schools Superintendent	0.00097335
S.F. Unified School District	0.07698857
Bay Area Air Quality Management District	0.00208539
BART	0.00632528
ERAF *	0.25330113
Total	1.00000000

* The Educational Revenue Augmentation Fund (ERAF) is not itself a taxing entity; revenue deposited to ERAF is distributed to schools under statutory formulae with any excess distributed to the City and County.

Source: Office of the Controller

An appellate court decision in the Second Appellate District in southern California may affect the proportionate distribution of statutory pass-through payments to school districts and other taxing entities. The decision held that the school districts' share, for pass-through payment

calculation purposes, should take into account the amount the school districts receive from the ERAF fund. The decision was appealed to the California Supreme Court but the petition for review was denied. The City is not within the legal jurisdiction of the Second Appellate District. However, if the Agency's proportionate distribution of statutory pass-through payments to the school district and other taxing entities is challenged in court, the court may decide to follow the Second Appellate Court decision and require the Controller to pay a higher amount to the school districts in statutory pass-through payments, and a correspondingly lower amount to the ERAF fund. The total amount of statutory pass-through payments would not change.

Under redevelopment law, the Agency is permitted to subordinate its statutory pass-through payments to the payment of debt service after notification of the taxing entities of its intention to do so, and after demonstrating to those entities that it has sufficient tax increment to meet its pass-through obligation after debt service payments. After a 45-day period, and in the absence of any disapproval by a taxing entity based on substantial evidence that the Agency will not be able to pay its pass-through obligation and the debt service payments, the subordination request is deemed approved. The Agency notified the taxing entities of its intent to subordinate the statutory pass-through payments to debt service on the Bonds. The 45-day period expired on June 22, 2023. All of the pass-through payments are assumed to have been subordinated to debt service on the Bonds. Pass-through payments paid through ERAF to the schools are subordinated with the pass-through payments paid directly to the schools.

Senior Obligations

The redevelopment plan for the Emporium Site Area of the Yerba Buena Center Project Area specifies that tax revenue deriving from a fixed 2% growth rate applied to the Emporium Site Area's base year assessed valuation is distributed to taxing entities and not to the Agency; this is deducted from tax increment prior to calculating the revenue available for debt service. The amount excluded from FY 2023-24 tax increment in this manner is approximately \$404,000.

The Original Area of the South of Market Project Area was adopted at a time when redevelopment law included language in Section 33676 allowing taxing entities to claim their share of inflationary growth in base year assessed valuation from real property, rather than have that share paid to redevelopment agencies as tax increment. Those entities not claiming their share did not receive the annual payment. As described further below under *Santa Ana Section 33676 Decision*, a 2002 court decision in Santa Ana found that school districts and community college districts that, between January 1, 1985 and December 31, 1993, had not proactively elected to receive those payments were entitled to receive them regardless. The Original Area portion of the South of Market Redevelopment Project Area is the only project area established by the Agency during that period and so is the only one subject to Section 33676 payments under the Santa Ana decision. The amount of tax revenue payable to the school entities is estimated to be \$80,000 for FY 2023-24.

The Controller charges the Agency an administrative fee related to Redevelopment Dissolution which is senior to the Bonds. This amount is estimated to be 0.015% of tax increment.

As noted under *The Redevelopment Plans* above, the Agency has Existing Loan Agreements with the City and County of San Francisco Redevelopment Financing Authority for debt service payments on existing bonds that are senior to the Bonds, as well as outstanding bonds issued by the Agency that are senior to the Bonds.

Excluded Sub-Areas

The Agency has three sub-areas within the Project Areas whose tax increment revenue is designated for specific uses. The assessed valuation of both sub-areas is included with the assessed valuation for their respective project areas as reported by the Controller and is included in the assessed valuations used in this report. The excluded revenue from these sub-areas, consisting of the one percent tax levy less approximately 20% for passthrough payments and 20% for the housing set-aside, is deducted from gross tax increment when calculating the amount of revenue available for debt service on the Bonds.

In the Bayview Hunters Point Area B Project Area, tax revenue from the Zone 1 - Candlestick Site portion of the project area, as defined in the Disposition and Development Agreement for Candlestick Point, is not available to pay debt service on the Bonds. This area includes an estimated \$186.6 million in assessed valuation in FY 2023-24, or approximately \$1.0 million in excluded revenue paid to the developer and approximately \$823,000 in revenue to the RPTTF for passthrough payment and housing and infrastructure obligations. The \$1.0 million in excluded revenue from the Zone 1 - Candlestick Site is treated as Excluded Sub-Areas Revenue in this report.

The redevelopment plan for the Transbay Terminal Project Area requires that tax increment from certain parcels designated as the State Parcels (generally those parcels comprising the former Transbay Terminal site and connecting freeway ramps), less the amount required to meet the Agency's pass-through payment obligations, County administration fees and infrastructure and housing obligations, be paid to the TJPA for construction costs associated with the new Transbay Terminal. The assessed valuation from these State Parcels was \$5.1 billion in FY 2023-24, approximately 43% of the \$11.9 billion assessed valuation of the Transbay Terminal Project Area. This \$5.1 billion in assessed valuation generates approximately \$51.3 million in tax increment, from which approximately \$28.4 million in excluded revenue is expected to be paid to the TJPA and \$22.9 million in tax increment is expected to be applied to passthrough payments, county administration fees and infrastructure and housing obligations. The \$28.4 million in excluded revenue from the State Parcels is treated as Excluded Sub-Areas Revenue in this report; the TJPA has issued bonds secured by the revenue from the State Parcels that is required to be paid to the TJPA.

The portion of the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District, an Excluded Sub-Area, is subject to an agreement that commits all of the tax increment from that portion of the project area to specific purposes and is not pledged as security for debt service on the Bonds. This excluded portion of the Hunters Point Shipyard Project Area is currently comprised of a single publicly-owned parcel and generates no tax increment revenue.

LEGISLATION AND COURT ACTIONS

Redevelopment Dissolution

The state's redevelopment program was fundamentally changed as part of the 2011-12 budget package. Legislation dissolving redevelopment agencies and replacing them with successor agencies, AB1x26, took effect June 29, 2011, with the dissolution of all redevelopment agencies in the state effective as of February 1, 2012. Additional clarifying legislation, AB1484 and SB 107, became effective on June 28, 2012 and September 22, 2015, respectively. ABx1 26, AB1482 and SB107 are jointly referred to here as Redevelopment Dissolution Law.

The legislation created successor agencies to pay off existing debt of the former redevelopment agencies and to wind down the former agency's operations. Successor agencies are governed by seven-member oversight boards representing the taxing entities that share in the property tax revenues of an agency (the city, county, schools, community college districts and special districts) as well as an employee representative of the former redevelopment agency. Successor agencies are subject to a number of proscriptions intended to limit the scope of their actions, including incurring new debt (as noted below, subsequent legislation added the ability to refund existing debt).

The dissolution bill did not change the constitutional basis for the collection of property tax increment revenue in California contained in Article 16, Section 16. Property tax increment revenue continues to be calculated and allocated to a special fund for all project areas within an account of the successor agency (now termed the Redevelopment Property Tax Trust Fund, or RPTTF).

The dissolution bill did substantially change the mechanism used to distribute tax increment revenue to the successor agencies. Successor agencies are now required to create a schedule of payments (Recognized Obligation Payment Schedule, or ROPS) which serves as the basis for the distribution of property tax increment revenue to the successor agencies. The obligations appearing on the ROPS are limited to items deemed to be "enforceable" under the legislation. These include debt service and contractual obligations entered into prior to June 29, 2011; it explicitly excludes contracts and agreements between the former redevelopment agency and its sponsoring city or county except those that were entered into prior to January 1, 2011 for purposes of securing debt obligations and those established in the first two years of an agency's existence.

The ROPS is prepared once each year and covers obligations coming due in the subsequent fiscal year. Agencies that have received a finding of completion from the California Department of Finance may file a Last and Final ROPS listing all enforceable obligations, which, if accepted by the California Department of Finance, will serve as the basis for all future distributions by the Controller (the Agency has not filed a Last and Final ROPS).

The distribution of funds from the RPTTF is limited to the obligations listed on the ROPS for each period. Distributions of RPTTF property tax increment revenue for each fiscal year are made twice each calendar year, on January 2 and June 1, with the January distribution applied to obligations due in the following January-June period and the June distribution applied to obligations due in the following July-December period.

Pass-through payments are calculated and paid by the Controller rather than by the Agency. The dissolution bill established a hierarchy of payments to be made from the RPTTF in each period, a mechanism informally referred to as "the waterfall".

The first payment from the RPTTF is made to the Controller to recover the cost of administering the Redevelopment Dissolution Law; this payment is not subordinated to the Agency's outstanding bonds or other debt obligations. The second tier of payments is pass-through payments to taxing entities, which may be subordinated to the Agency's outstanding bonds. The third payment tier is to the successor agency for the obligations on the ROPS for the payment period. A hierarchy of payments within the ROPS obligations is specified in the law, with debt service on tax allocation bonds first, revenue bonds second, and all other obligations third. The fourth payment is an administrative cost allowance for the successor agency, specified in the legislation as the greater of \$250,000 or three percent of the property tax revenue allocated to

the successor agency. The fifth and final payment is a distribution of all remaining property tax increment revenue in the RPTTF to the local taxing entities. No funds are retained in the RPTTF.

In the event that there are insufficient funds available in the RPTTF to meet the successor agency's obligations for a given period, the legislation requires the Controller to, first, reduce or eliminate the residual payments to taxing entities; second, reduce or eliminate the administrative cost allowance to the successor agency; and third, deduct from any subordinated pass-through payments the debt service obligations to which they were made subordinate. If there is still an insufficiency, the legislation permits, but does not require, a loan to be made from the county treasury to the successor agency.

There is a complex system of oversight and approvals in the Redevelopment Dissolution Law. The oversight boards are charged with approving ROPS of the successor agency, which are then submitted to the state Department of Finance for review. The Department of Finance can reject some or all of the obligations on the ROPS, which then returns to the successor agency and the oversight board for revision. Since the Controller cannot make a payment to the successor agency without an approved ROPS, this approval process is a critical element in the process. Additional oversight is provided by the Office of the State Controller, charged with overseeing the actions of the county auditor-controllers.

On September 22, 2015, as part of the Proposed Budget for FY 2015-16, the Governor signed legislation that established an annual (rather than biannual) ROPS process (beginning in FY 2016-17), as well as establishing (beginning in FY 2018-19) a single county oversight board for all successor agencies in a county (counties with more than 40 successor agencies may have five oversight boards). The legislation also amends Section 34189 of the Health and Safety Code to include language stating that the payment of enforceable obligations is not subject to the temporal limits and tax increment caps in redevelopment plans. Additionally, the legislation establishes a "Last and Final" ROPS process that would, for qualifying agencies, establish a schedule of enforceable obligations covering the duration of those obligations and turn the final ROPS over to the Controller to serve as the basis of all subsequent RPTTF distributions.

Prior to the passage of the Redevelopment Dissolution Law, a minimum of twenty percent of the tax increment revenue received by the Agency was required to be set aside and utilized to increase, improve and preserve the community's supply of very low-, low- and moderate-income housing (the "Low and Moderate Income Housing Fund" or "Housing Fund"). Although the Redevelopment Dissolution Law eliminated this requirement, the Agency has affordable housing obligations through the Disposition and Development Agreement for Hunters Point Shipyard Phase 1, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, and the Transbay Implementation Agreement. The Transbay Implementation Agreement also obligates the Agency to finance certain infrastructure in the Transbay Project Area.

Also prior to the passage of the Redevelopment Dissolution Law, the allocation of tax increment revenue to redevelopment agencies was dependent on each agency demonstrating that it required the tax increment revenue to repay its indebtedness through an annual Statement of Indebtedness filed by all agencies with their county controller. As described above, redevelopment agencies are now required to list all obligations payable from tax increment revenue on a Recognized Obligation Payment Schedule and may only receive the amount of tax increment revenue required to meet those listed obligations. The Agency had regularly filed the previously-required Statement of Indebtedness to claim the amount of tax increment revenue required to meet its obligations. Since passage of the Redevelopment Dissolution Law it has filed

the required ROPS showing its obligations, including debt service on the Bonds, and expects to continue to do so in a timely manner.

The Controller charges an administration fee to recover property tax administration costs from the Agency authorized under the Redevelopment Dissolution Law. Under the Dissolution Act, the fee is calculated on an Agency-wide basis based on the added cost burden imposed on that office by the Dissolution Act and is deducted from the total amount of tax increment for all project areas deposited in the RPTTF. The allocation of the fee among project areas is at the discretion of Agency staff. The administration fee reported as deducted from total Agency tax increment for FY 2022-23 was approximately 0.015% of tax increment, or \$62,000 of revenue in the Project Areas.

Tax increment revenue calculations made in this Report use revenue from the secured, unsecured and utility rolls.

AB 1290

In 1994, all new redevelopment plans - and all existing plans amending certain fiscal terms or adding territory - became subject to a new set of pass-through requirements and plan limitations generally known as AB1290 requirements. Among the most significant changes was the replacement of a system of negotiated pass-through agreements with a specific pass-through formula applied to all taxing jurisdictions. The law also required existing plans to conform to certain time limits. The Agency brought its existing redevelopment plans into conformance with AB1290 through Ordinance 750, adopted November 29, 1994.

The Project Areas are subject to AB1290 pass-through payments, as described under *Statutory Pass-through Payments*, above.

ERAF Legislation

AB1389, effective with the 2008-09 fiscal year, required all agencies to 1) make a payment to the Educational Revenue Augmentation Fund (ERAF) fund for 2008-09 by May 10, 2009; 2) to have obtained the concurrence of the county auditor with the amount of pass-through payments for the 2003-04 through 2007-08 years as set forth in a report of the county auditor submitted on or before February 1, 2009; and 3) obtain the concurrence of the county auditor with the amount of the 2008-09 pass-through payments.

With respect to the pass-through payment requirements, redevelopment agencies failing to obtain concurrence of their county auditor were subject to significant penalties, including a prohibition on the issuance of new debt. The Agency obtained the concurrence of the Controller with the amounts of pass-through payments for the 2003-04 through 2007-08 period and the 2008-09 fiscal year and is not subject to penalties.

A Superior Court decision (*CRA vs. Genest*) on April 30, 2009 found the 2008-09 payment to the ERAF fund to be unconstitutional and invalidated the Health and Safety code section requiring the payment. On September 28, 2009 the state Attorney General's office notified the court that the state would not pursue an appeal of that ruling. Consequently, the May 10, 2009 ERAF payment was not required. However, state budget legislation (ABX4-26) for 2009 required redevelopment agencies to make a contribution to the Supplemental Educational Revenue Augmentation Fund (SERAF) for the 2009-10 and 2010-11 fiscal years.

The Agency funded its FY 2009-10 and FY 2010-11 SERAF obligations using available funds and by borrowing from the Housing Fund, as permitted under redevelopment law. The law requires agencies to repay by June 30, 2015 any amounts borrowed from its housing fund to meet the FY 2009-10 SERAF obligation and by June 30, 2016 for the FY 2010-11 SERAF obligation. The law also established a penalty of a 5% increase in the required contribution to the housing fund for those agencies not reimbursing their housing fund by those dates. The Redevelopment Dissolution Law subsequently established an annual limit on the amount of all redevelopment loan repayments, including those for SERAF-related housing fund borrowings. With the elimination of the 20 percent housing set-aside by the Dissolution Law and the annual limit on loan repayments also imposed by the Dissolution Law, it is not clear how or if the original 5% penalty requiring increased contributions to the Housing Fund could be implemented. The Agency reports that the outstanding balance for the SERAF-related Housing Fund borrowing was paid off in January 2023.

Santa Ana Section 33676 Decision

For plans adopted between January 1, 1985 and December 31, 1993, all affected taxing entities could elect to receive a payment equal to the increase in tax increment revenue attributable to inflationary adjustments under Proposition 13. Under a 1993 Attorney General's opinion these payments are not considered tax increment and, where they occur, are deducted from redevelopment agency revenue prior to apportionment to the agency. The payments, established under language previously included in Section 33676, are sometimes referred to as 2% or 33676 payments and are generally distributed directly to taxing entities by the county controller.

A 2002 court decision involving Santa Ana Unified School District regarding statutory payments made to taxing entities under the pre-1994 Section 33676 found that school districts and community college districts that had failed to elect to receive payments under that section were entitled to collect them. As discussed under *Senior Obligations* above, the redevelopment plan for the Original Area of the South of Market Project Area is the sole plan adopted during the applicable time period and is subject to the Santa Ana decision.

Orange County Reassessment Decision

A court case regarding the proper method of reassessing properties once they received a temporary reduction in valuation (a Proposition 8 adjustment) was resolved on appeal in favor of the County of Orange. In that case, the assessor was found to have properly returned a property to its statutory base valuation adjusted for inflation once the Proposition 8 adjustment terminated, rather than apply only the Proposition 13 inflation limit to the reduced Proposition 8 valuation once terminated. The assessment practice that was validated by the court is one used in San Francisco and most other counties in the state.

TAX RATES

The tax rate applicable to redevelopment incremental assessed valuation includes the basic one percent levy. In addition, redevelopment agencies receive tax revenue from debt service override levies except those that are imposed to repay indebtedness approved by voters on or after January 1, 1989. As there are no pre-1989 override levies imposed in the Project Areas, Agency does not receive any such override levies.

The Agency has no power to levy a property tax itself, has no control over the override levy, and may not receive tax revenue from any levy for voter-approved indebtedness incurred after January 1, 1989. The projections incorporated into this Report assume a one percent tax rate.

PROPOSITION 13 INFLATION ADJUSTMENT

Under Section 51 of the Revenue and Taxation Code the annual increase in assessed valuation for real property is limited to the lesser of two percent or the October-to-October change in the California Consumer Price Index (CCPI) preceding the January 1 lien date. The figure is reported annually by the State Board of Equalization in early December and are shown in Table 5 below. This factor, referred to at times in this Report as the Proposition 13 inflation factor, is applied to land and improvements where the property has not been sold or, in the case of improvements, newly constructed. Properties whose valuations have been reduced under Proposition 8 continue to receive an inflationary adjustment under Proposition 13 on the reduced valuation.

Table 5
Proposition 13 Inflation Adjustments

FY	Proposition 13 Inflation Factor
2016-17	1.525%
2017-18	2.000%
2018-19	2.000%
2019-20	2.000%
2020-21	2.000%
2021-22	1.036%
2022-23	2.000%
2023-24	2.000%

ASSESSMENT APPEALS

Appeals of assessments by property owners in the Project Areas can result in future reductions in assessed valuations that affect the Agency.

The most common type of appeal filed is known as a Proposition 8 appeal, in which the property owner seeks a reduction in a particular year's secured assessment based on the current economic value of the property (the assessor may also adjust valuations based on Proposition 8 criteria). In past years, assessment reductions under Proposition 8 have been generally temporary in nature and were usually restored to their previous levels, as adjusted for inflation, as economic conditions improved. The San Francisco county assessor's office has not indicated how many parcels are currently subject to Proposition 8 reductions in the Project Areas.

Property owners may also appeal the Proposition 13 base assessment of a property. Although less frequently filed, such appeals, if successful, can permanently reduce the enrolled valuation of a property and consequently affect the Agency's annual revenue. The annual filing period for all appeals extends from July 2 to September 15.

In the Transbay Project Area, a residential tower at 301 Mission Street (the "Millennium Towers") is reported to have experienced greater settling than anticipated as well as tilting of the building. The property consists of 419 residential condominiums and 2 commercial condominiums with a combined FY 2023-24 assessed valuation of \$668.9 million, which represents approximately 1.9% of the aggregate assessed valuation of the properties in the Project Areas shown in Table

8. Of these condominium owners, 167 filed appeals in FY 2016-17 on \$392.1 million in assessed valuation resulting in reductions of \$10.9 million and 169 filed appeals in FY 2017-18 on \$374.4 million assessed valuation resulting in reductions of \$23.2 million. Fewer appeals were filed in subsequent years: 20 appeals in FY 2018-19 resulting in \$1.6 million in reduced valuations with 4 still pending, 13 in FY 2019-20 resulting in \$1.7 million in reduced valuations with 4 still pending, 7 in FY 2020-21 resulting in no reductions in valuation with 2 still pending and 8 in FY 2021-22 resulting in \$0.5 million in reduced valuations with 4 still pending.

Appeal filings for the past ten years are shown in Table 6 for the secured and unsecured rolls as of May 24, 2023. The tables compare the county assessor's valuation with the applicant's opinion of the value of a property, and show the resulting valuation for resolved appeals. Appeals are considered resolved when they are withdrawn by the applicant, denied a hearing by the board of assessment appeals, granted a hearing but denied an adjustment in valuation, or granted an adjustment in valuation.

Table 6
Assessment Appeals in the Project Areas
As Of May 24, 2023

Roll Year	Status	Number of Appeals	County Valuation	Applicant Opinion of Value	Valuation After Appeal	Retention Rate *
2022-23	Resolved	121	601,295,756	362,673,194	599,182,066	99.6%
2022-23	Pending	104	6,769,261,379	4,201,185,127	TBD	TBD
2021-22	Resolved	192	1,886,126,957	1,297,510,728	1,878,393,849	99.6%
2021-22	Pending	74	4,566,396,545	2,770,363,102	TBD	TBD
2020-21	Resolved	189	1,618,693,604	1,063,739,545	1,610,527,675	99.5%
2020-21	Pending	44	3,340,161,600	2,032,956,105	TBD	TBD
2019-20	Resolved	66	1,533,435,296	902,484,996	1,530,511,973	99.8%
2019-20	Pending	14	920,542,478	666,884,639	TBD	TBD
2018-19	Resolved	64	2,795,062,526	2,026,538,468	2,745,373,273	98.2%
2018-19	Pending	8	654,135,086	448,354,774	TBD	TBD
2017-18	Resolved	214	2,571,608,460	1,723,558,036	2,546,485,190	99.0%
2017-18	Pending	6	356,260,361	257,087,605	TBD	TBD
2016-17	Resolved	209	1,822,114,232	865,834,954	1,794,131,367	98.5%
2016-17	Pending	1	2,808,636	500,000	TBD	TBD
2015-16	Resolved	56	2,294,449,168	1,313,463,151	2,263,373,746	98.6%
2015-16	Pending	-	-	-	-	NA
2014-15	Resolved	113	3,554,601,518	2,421,450,703	3,509,619,762	98.7%
2014-15	Pending	-	-	-	-	NA
2013-14	Resolved	172	3,703,538,935	2,205,517,104	3,697,619,615	99.8%
2013-14	Pending	-	-	-	-	NA
All Years	Resolved	1,396	22,380,926,452	14,182,770,879	22,175,218,516	99.1%
All Years	Pending	251	16,609,566,085	10,377,331,352	TBD	TBD

* Retention Rate is the proportion of value retained after resolution of an appeal. The rate is calculated by dividing the 'Valuation After Appeal' into the 'County Valuation'. For withdrawn and denied appeals, the 'Valuation After Appeal' is the original County valuation.

Source: San Francisco County Assessment Appeals Board. Data as of 5/24/2023.

An indicator of the potential exposure of Agency tax increment revenue to appeals – were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions – may be seen by applying the overall retention rate for all years in the Project Areas

to the amount of roll valuation in pending appeals for the Project Areas. Applying the retention rate of 99.1% to the valuation subject to pending appeals as of May 24, 2023, the estimated reduction in prior-year assessed valuation would be approximately \$152.6 million, or approximately \$1.5 million (0.5%) of the Project Areas' FY 2023-24 gross tax increment revenue. As this includes properties with appeals in multiple years it does not necessarily indicate an equivalent reduction in future revenue.

If the full amount of disputed valuation were to be granted by the assessment appeals board across the Project Areas, and if the Controller's office were to deduct the resulting tax refunds from Agency tax increment, the estimated reduction in prior-year assessed valuation would be \$6.2 billion and FY 2023-24 gross tax increment revenue for the Project Areas could be reduced by approximately \$62.3 million (18.6%); this also includes multi-year appeals and does not necessarily indicate an equivalent reduction in future revenue.

ASSESSED VALUATION AND TAX INCREMENT

Based on assessment roll data provided by the offices of the San Francisco Assessor, the Controller, and State Board of Equalization, the total assessed valuation for FY 2023-24 in the Project Areas, after deducting all exemptions except the homeowner's exemption which is reimbursed by the state, is \$36.0 billion (see Table 7). Deducting the \$2.4 billion base year valuation for the Project Areas produces an incremental assessed valuation amount of \$33.6 billion. The largest contributor to incremental assessed valuation, at 32.7%, is the Transbay Project Area, followed by Yerba Buena Center - Original Area at 17.7% and Western Addition at 11.4%. Gross tax increment, calculated by applying a one percent tax rate to the incremental assessed valuation, is \$336.0 million for FY 2023-24, prior to deductions for the Excluded Sub-Areas and senior obligations.

Table 8 presents historical and current valuation and tax revenue for the Project Areas. Assessed valuation grew by 4.5% in FY 2023-24, following increases of 5.3% in FY 2022-23, 0.8% in FY 2021-22, 13.0% in FY 2020-21, and 13.2% in FY 2019-20.

FY 2023-24 assessed valuation increased by \$1.6 billion over FY 2022-23. The Bayview Hunters Point Project Area B increased by \$404.8 million, including a gain of \$172.5 million from four properties owned by GIC San Francisco LLC located on Napoleon Street. The Yerba Buena Center Project Area D-1 increased by \$320.4 million from gains posted across a number of properties as well as the removal of a \$59.2 million exemption on a parcel owned by Emporium Mall LLC.

Transbay Project Area assessed valuation increased by \$250.3 million, including an \$88.5 million valuation gain on properties owned by T8 Urban Housing Associates LLC. The Western Addition Project Area A-2 increased in valuation by \$248.4 million due in part to an \$85.3 million gain on properties owned by Sutter Health and a \$42.0 million gain on a property owned by 830 Eddy Street LLC. The remaining six project areas grew by \$339.2 million for FY 2023-24.

Net Available Tax Increment Revenue is determined by deducting from gross tax increment: the Excluded Sub-Areas (but only the portion of tax increment payable to the Transbay Joint Powers Authority under the redevelopment plan for the Transbay Project Area and the tax increment from the Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B); the payments to school districts under Section 33676 in the Original Area of the South of Market Project Area; the revenue derived from a 2% inflation factor applied to the base year valuation in the Emporium Site Area of the Yerba Buena Center Project Area; the negative tax increment from

the Federal Office Building project area; and the fee charged by the Controller for the administration of property taxes under the Dissolution Law. Net Available Tax Increment Revenue as shown on Table 8 is the amount available for debt service on the Agency's Senior Loan Agreements and other bonds issued by the Agency that are payable on a senior basis to the Bonds, the Bonds and any subordinate obligations.

TEN LARGEST ASSESSEES

The ten largest assesseees in the Project Areas are shown in Table 9 for FY 2023-24. The table includes the assessed valuations for each of the top ten property owners, the valuation for all other owners, and the total valuation for the Project Areas (valuations exclude homeowner's exemptions). The percentage of total valuation accounted for by each owner is calculated by dividing the owner's valuation into the total valuation for the Project Areas. An additional calculation showing the ten largest property owners as a percentage of incremental assessed valuation is also included.

Ownership concentration for the top ten largest assesseees is 24.5% of total assessed valuation and 26.2% of incremental assessed valuation in the Project Areas. The assessed valuation of three residential condominium buildings in the Project Areas, when taking their individual owner's assessments as a whole, would appear among the top ten largest assesseees. These include 706 Mission, with an aggregate FY 2023-24 valuation of \$782.3 million (2.2% and 2.3%, respectively, of the Project Areas' total and incremental assessed valuation) and 765 Market Street with an aggregate valuation of \$518.6 million (1.4% and 1.5%, respectively, of the Project Areas' total and incremental valuation); both are Four Seasons properties in the Yerba Buena Center Project Area D-1. The Millennium Towers condominium building in the Transbay Project Area would also appear among the top ten largest assesseees, with an FY 2023-24 aggregate assessed valuation of \$668.9 million (1.9% and 2.0%, respectively, of the Project Areas' total and incremental assessed valuation). As discussed under "*Assessment Appeals*", above, certain condominiums in the Millennium Towers are currently subject to assessment appeals related to the settling of the building.

The Transbay Towers property is located on the State Parcels. That portion of tax increment that is allocable to infrastructure (approximately 55% after the housing obligation of 20%, the pass-through payments of 25% during the first tier of payments and the County administration fee of 0.015%) is obligated to the Transbay Joint Powers Authority.

TAX INCREMENT PROJECTION

Allocable tax increment is projected over the duration of the plans in the Project Areas, as shown in Table 10. As described previously under "The Allocation of Tax Increment Revenue to the Agency", the Agency does not claim all Net Available Tax Increment Revenue in any given year; rather, it claims sufficient revenue to meet its debt service payments and other obligations identified on the ROPS; Net Available Tax Increment Revenue is also applied to pass-through obligations and project and administrative expenses as described previously under "*The Allocation of Tax Increment Revenue to the Agency*".

The projection uses a growth rate of 2.00% for real property in FY 2024-25 and later, holding secured personal property and unsecured valuations constant. The projection does not take into consideration any changes in assessed valuation due to new construction, property sales, Proposition 8 reductions, assessment appeals or other factors. The actual growth rate may be

less than the projected rate in the Project Areas. The tax rate used in the analysis for both the secured and unsecured roll is the one percent levy; the Agency does not receive revenue from any pre-1989 levies.

LIMITATIONS OF REPORT

The calculation of assessed valuations and tax increment shown in this Report are based on information believed to be complete, current and reliable at the time of this Report. Projections of tax increment are based on reasonable assumptions and may not reflect actual future revenue received by the Agency. Information regarding the practices and methods used by the City in assessing and allocating property tax revenue has been obtained from City staff and analysis of City records, while information concerning the Project Areas, their constituent redevelopment plans, their amendments and the pass-through obligations has been obtained through discussions with Agency staff and through review of the plan documents made available to the Consultant.

While the Consultant has made reasonable efforts to verify the accuracy of the figures and information presented in this Report and presumes that the information relied upon is correct, the Consultant makes no warranty as to its accuracy.

Table 7
Tax Increment Estimate by Project Area, FY 2023-24

Project Area	Number of Acres	Total Valuation	Less Base Year Valuation	Incremental Valuation	% of Incremental Valuation	Gross Tax Increment
Bayview Hunters Point–Zone 2 of Project Area B	1,361	3,810,313,173	1,165,228,645	2,645,084,528	7.9%	26,450,845
Embarcadero-Lower Market (“Golden Gateway”)	51	3,485,031,819	21,172,000	3,463,859,819	10.3%	34,638,598
Bayview Hunters Point Project Area A	137	198,636,429	2,847,427	195,789,002	0.6%	1,957,890
Hunters Point Hill Residential District	NA	443,142,579	6,526,793	436,615,786	1.3%	4,366,158
India Basin Industrial Park	126	194,483,861	13,691,137	180,792,724	0.5%	1,807,927
Rincon Point - South Beach	115	3,040,496,939	18,092,701	3,022,404,238	9.0%	30,224,042
South of Market						
<i>Original Area</i>	63	1,987,439,366	108,585,675	1,878,853,691	5.6%	18,788,537
<i>Western Expansion Area</i>	6	96,339,371	9,360,179	86,979,192	0.3%	869,792
Transbay	40	11,873,937,627	880,853,389	10,993,084,238	32.7%	109,930,842
Western Addition Project Area A-2	277	3,888,450,089	61,239,180	3,827,210,909	11.4%	38,272,109
Yerba Buena Center Project Area D-1						
<i>Original Area</i>	74	6,015,545,132	52,656,706	5,962,888,426	17.7%	59,628,884
<i>Emporium Site Area</i>	13	977,853,963	69,957,924	907,896,039	2.7%	9,078,960
Total	2,263	36,011,670,348	2,410,211,756	33,601,458,592	100.0%	336,014,586

Source: County Assessor; Successor Agency; Urban Analytics

Table 8
Historical Assessed Valuations and Net Available Tax Revenues by Project Area

Project Area	Fiscal Years				
	2019-20	2020-21	2021-22	2022-23	2023-24
Bayview Hunters Point Project Area B	\$ 2,646,387,244	\$ 3,094,567,609	\$ 3,180,947,910	\$ 3,405,413,544	\$ 3,810,313,173
Golden Gateway Project Area	3,120,024,522	3,284,546,125	3,237,894,690	3,398,391,691	3,485,031,819
Hunters Point Project Area	190,503,384	174,862,380	177,908,649	188,835,268	198,636,429
Hunters Point Shipyard Project Area Hill District	563,836,534	411,032,740	406,868,722	420,834,962	443,142,579
India Basin Industrial Park Project Area	142,543,978	150,361,395	163,869,889	163,930,340	194,483,861
Rincon Point - South Beach Project Area	2,776,555,071	2,895,125,534	2,915,318,545	3,007,379,931	3,040,496,939
South of Market Project Area	1,488,673,192	1,609,348,316	1,813,776,387	1,926,958,014	2,083,778,737
Transbay Project Area	8,878,757,711	10,473,093,339	10,976,063,961	11,623,662,722	11,873,937,627
Western Addition Project Area A-2	3,162,940,016	3,904,663,267	3,594,951,724	3,640,001,418	3,888,450,089
Yerba Buena Center Project Area D-1	5,735,491,031	6,443,560,076	6,232,159,683	6,672,981,623	6,993,399,095
Total Value	\$ 28,705,712,683	\$ 32,441,160,781	\$ 32,699,760,160	\$ 34,448,389,513	\$ 36,011,670,348
% Change	13.2%	13.0%	0.8%	5.3%	4.5%
Less: Base Year Assessed Value	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)
Total Incremental Value	\$ 26,295,500,927	\$ 30,030,949,025	\$ 30,289,548,404	\$ 32,038,177,757	\$ 33,601,458,592
% Change	14.6%	14.2%	0.9%	5.8%	4.9%
Gross Tax Increment	\$ 262,955,009	\$ 300,309,490	\$ 302,895,484	\$ 320,381,778	\$ 336,014,586
Less: Excluded Sub-Areas Revenue (3)					
Candlestick Site (Zone 1)	(973,310)	(1,010,489)	(996,417)	(1,023,091)	(1,043,130)
State-Owned Parcels	(18,602,921)	(23,194,947)	(25,104,488)	(26,648,847)	(28,446,762)
Less: Negative Federal Office Building Revenue	(47,177)	(47,380)	(48,059)	(48,059)	(48,059)
Less: Senior Obligations (4)	(425,397)	(454,234)	(478,477)	(505,367)	(532,474)
Net Available Tax Increment Revenue	\$ 242,906,204	\$ 275,602,441	\$ 276,268,042	\$ 292,156,412	\$ 305,944,161

(1) Assessed valuations shown are "full cash value" and exclude homeowner subventions.

(2) Revenue numbers equal the tax rate times the increase over base year value and do not necessarily equal amounts collected.

(3) Revenue from the Candlestick Site (Zone 1) portion of the Bayview Hunters Point Area B Project Area and from the State-Owned Parcels portion of the Transbay Terminal Project Area is not available to pay debt service on the Bonds.

(4) Revenue from the South of Market and Golden Gateway project areas is offset by negative revenue from the Federal Office Building project area through a fiscal merger of these project areas.

(5) In the Yerba Buena Center Project Area, a portion of the base-year value increases each year pursuant to that project area's redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 and a court decision. The Controller charges a property tax administration fee, per the Dissolution Law, of approximately 0.015% of tax increment. Does not include bonds or loans payable from tax increment revenues senior to the Bonds.

Source: City and County of San Francisco; Urban Analytics.

Table 9
Ten Largest Property Owners By Valuation in the Project Areas, FY 2023-24

Assessee Name ¹	Project Area	Use	Number of Parcels	Fiscal Year 2022-23 Value	Percent of Total Aggregate Value	Percent of Incremental Value
TRANSBAY TOWER LLC ²	Transbay	Office	1	1,876,176,439	5.2%	5.6%
BOSTON PROPERTIES	Golden Gateway	Office	5	1,641,803,816	4.6%	4.9%
PARK TOWER OWNER LLC ²	Transbay	Office	1	1,140,399,718	3.2%	3.4%
EMPORIUM MALL LLC * (2020-21, 2021-22)	YBC - Emporium	Commercial/Retail	5	896,062,360	2.5%	2.7%
706 MISSION STREET CO LLC	YBC - Original	Residential	133	715,643,973	2.0%	2.1%
UNION INVESTMENT REAL ESTATE G	Transbay	Office	1	539,098,145	1.5%	1.6%
MARRIOTT HOTEL * (2020-21, 2021-22)	YBC - Original	Hotel	1	522,244,045	1.5%	1.6%
CHINA BASIN BALLPARK CO	Rincon	Sports Facility	5	519,090,254	1.4%	1.5%
181 FREMONT OFFICE LLC	Transbay	Office	1	514,905,912	1.4%	1.5%
PPF OFF ONE MARITIME PLAZA LP	Golden Gateway	Office	3	453,773,255	1.3%	1.4%
Totals			156	8,819,197,917	24.5%	26.2%

* The owner has one or more appeals pending in the years indicated.

(1) The Millennium Towers in the Transbay Project Area is assessed through its individual condominium owners, a number of whom have pending assessment appeals. The combined assessment for all condominiums in the building is \$668,932,373, or 1.9% of total aggregate value and 2.0% of incremental value. See "Assessment Appeals".

(2) The Transbay Tower and Park Tower properties are located on the State Parcels; approximately 55% of the tax increment revenue from these properties is obligated to the Transbay Joint Powers Authority to fund infrastructure and is therefore not available for debt service on the Bonds.

Source: County Assessor; Urban Analytics.

Table 10
Projection of Net Available Tax Increment Revenues for the Project Areas (X \$1,000)

	Assessed Valuation ¹	Base Year Valuation	Incremental Valuation	Gross Tax Increment Revenues ²	Excluded Revenue ³	County Admin Charge ⁴	Senior Obligations ⁵	Net Available Revenue
2023/24	36,011,670	2,410,212	33,601,459	336,015	(29,538)	(49)	(484)	305,944
2024/25	36,642,915	2,410,212	34,232,704	342,327	(30,113)	(50)	(509)	311,656
2025/26	37,286,785	2,410,212	34,876,573	348,766	(30,699)	(51)	(535)	317,481
2026/27	37,943,532	2,410,212	35,533,321	355,333	(31,297)	(52)	(561)	323,423
2027/28	38,613,414	2,410,212	36,203,203	362,032	(31,907)	(53)	(588)	329,484
2028/29	39,296,694	2,410,212	36,886,482	368,865	(32,529)	(54)	(615)	335,666
2029/30	39,993,640	2,410,212	37,583,428	375,834	(33,164)	(55)	(643)	341,972
2030/31	40,704,524	2,410,212	38,294,312	382,943	(33,811)	(56)	(672)	348,404
2031/32	41,429,626	2,410,212	39,019,414	390,194	(34,472)	(57)	(701)	354,965
2032/33	42,169,230	2,410,212	39,759,018	397,590	(35,145)	(58)	(731)	361,657
2033/34	42,923,626	2,410,212	40,513,414	405,134	(35,832)	(59)	(761)	368,482
2034/35	43,693,110	2,410,212	41,282,898	412,829	(36,533)	(60)	(792)	375,444
2035/36	44,477,984	2,410,212	42,067,772	420,678	(37,247)	(61)	(823)	382,546
2036/37	45,278,555	2,410,212	42,868,343	428,683	(37,926)	(62)	(855)	389,839
2037/38	46,095,138	2,410,212	43,684,926	436,849	(38,616)	(64)	(888)	397,281
2038/39	46,928,052	2,410,212	44,517,840	445,178	(39,320)	(65)	(922)	404,872
2039/40	47,777,624	2,410,212	45,367,413	453,674	(40,038)	(66)	(956)	412,614
2040/41	48,644,188	2,410,212	46,233,977	462,340	(40,770)	(67)	(990)	420,512
2041/42	49,528,084	2,410,212	47,117,872	471,179	(41,517)	(69)	(1,026)	428,567
2042/43	50,429,657	2,410,212	48,019,445	480,194	(42,279)	(70)	(1,062)	436,784
2043/44	51,349,261	2,410,212	48,939,050	489,390	(43,055)	(71)	(1,099)	445,165
2044/45	52,287,258	2,410,212	49,877,046	498,770	(43,848)	(73)	(1,137)	453,713
2045/46	53,244,015	2,410,212	50,833,803	508,338	(44,656)	(74)	(1,175)	462,433
2046/47	54,219,907	2,410,212	51,809,695	518,097	(45,480)	(75)	(1,214)	471,327
2047/48	55,215,316	2,410,212	52,805,105	528,051	(46,321)	(77)	(1,254)	480,399
2048/49	56,230,634	2,410,212	53,820,422	538,204	(47,178)	(78)	(1,295)	489,653
2049/50	57,266,258	2,410,212	54,856,047	548,560	(48,053)	(80)	(1,336)	499,091
2050/51	58,322,595	2,410,212	55,912,383	559,124	(48,945)	(81)	(1,379)	508,719
2051/52	59,400,058	2,410,212	56,989,847	569,898	(49,855)	(83)	(1,422)	518,539
2052/53	60,499,071	2,410,212	58,088,859	580,889	(50,783)	(85)	(1,466)	528,555
2053/54	61,620,064	2,410,212	59,209,852	592,099	(51,729)	(86)	(1,511)	538,772
Total	1,475,522,486	74,716,564	1,400,805,922	14,008,059	(1,232,659)	(2,039)	(29,401)	12,743,960

(1) FY 2023-24 assessed valuations are as of July 1, 2023.

(2) Gross tax increment equals the tax rate times the increase over base year value and does not necessarily equal amounts collected.

(3) In the Bayview Hunters Point Area B Project Area revenue from the Candlestick Site (Zone 1) portion of the Project Area, estimated to be \$1.0 million in FY 2023-24, is not available to pay debt service on the Bonds. In the Transbay Terminal Project Area, revenue estimated to be \$28.4 million in FY 2023-24 from the State-Owned Parcels is not available to pay debt service on the Bonds. Revenue from the South of Market and Golden Gateway project areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building project area through a fiscal merger of these project areas.

(4) The Controller charges a property tax administration fee, per the Dissolution Law, of approximately 0.015% of tax increment.

(5) In the Yerba Buena Center Project Area, a portion of the base-year value increases each year pursuant to that project area's redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 and a court decision. Does not include bonds or loans payable from tax increment revenues senior to the Bonds.

Source: Urban Analytics

Table 11
Projection of Net Available Tax Increment Revenues By Redevelopment Project Area (X \$1,000)

Fiscal Year	Bayview Hunters Point Project Area B	Golden Gateway Project Area	Bayview Hunters Point Project Area A	Hunters Point Shipyard Project Area Hill District	India Basin Industrial Park Project Area	Rincon Point - South Beach Project Area	South of Market Project Area	Transbay Project Area	Western Addition Project Area A- 2	Yerba Buena Center Project Area D-1	Total Net Available Tax Increment Revenues
2023/24	\$ 25,404	\$ 34,585	\$ 1,958	\$ 4,366	\$ 1,808	\$ 30,220	\$ 19,575	\$ 81,468	\$ 38,267	\$ 68,294	\$ 305,944
2024/25	26,092	35,169	1,997	4,454	1,838	30,664	19,980	83,025	39,001	69,435	311,656
2025/26	26,794	35,764	2,038	4,544	1,870	31,117	20,393	84,612	39,751	70,598	317,481
2026/27	27,510	36,371	2,079	4,636	1,902	31,580	20,814	86,232	40,516	71,784	323,423
2027/28	28,240	36,990	2,121	4,730	1,934	32,052	21,244	87,884	41,295	72,994	329,484
2028/29	28,985	37,621	2,164	4,826	1,968	32,533	21,682	89,569	42,091	74,228	335,666
2029/30	29,745	38,265	2,208	4,923	2,002	33,023	22,129	91,288	42,902	75,487	341,972
2030/31	30,519	38,922	2,252	5,023	2,036	33,524	22,585	93,041	43,730	76,771	348,404
2031/32	31,310	39,592	2,298	5,125	2,072	34,034	23,050	94,829	44,574	78,081	354,965
2032/33	32,116	40,276	2,344	5,228	2,108	34,555	23,524	96,653	45,435	79,417	361,657
2033/34	32,938	40,973	2,392	5,334	2,144	35,086	24,008	98,514	46,313	80,780	368,482
2034/35	33,777	41,684	2,440	5,442	2,182	35,628	24,501	100,411	47,209	82,170	375,444
2035/36	34,633	42,409	2,489	5,552	2,220	36,181	25,005	102,347	48,123	83,588	382,546
2036/37	35,505	43,149	2,540	5,664	2,259	36,745	25,518	104,371	49,055	85,034	389,839
2037/38	36,398	43,903	2,591	5,778	2,299	37,320	26,042	106,436	50,005	86,509	397,281
2038/39	37,308	44,673	2,643	5,895	2,339	37,906	26,576	108,543	50,975	88,014	404,872
2039/40	38,236	45,458	2,697	6,014	2,381	38,504	27,121	110,691	51,964	89,548	412,614
2040/41	39,183	46,259	2,751	6,135	2,423	39,114	27,676	112,883	52,973	91,114	420,512
2041/42	40,149	47,076	2,807	6,259	2,466	39,737	28,243	115,119	54,002	92,710	428,567
2042/43	41,134	47,909	2,863	6,385	2,510	40,372	28,821	117,399	55,051	94,339	436,784
2043/44	42,139	48,759	2,921	6,514	2,555	41,019	29,411	119,725	56,122	96,000	445,165
2044/45	43,164	49,626	2,980	6,646	2,600	41,680	30,013	122,097	57,214	97,694	453,713
2045/46	44,209	50,510	3,040	6,780	2,647	42,353	30,626	124,518	58,328	99,423	462,433
2046/47	45,276	51,411	3,102	6,916	2,694	43,040	31,252	126,986	59,464	101,186	471,327
2047/48	46,363	52,331	3,164	7,056	2,743	43,741	31,890	129,504	60,623	102,984	480,399
2048/49	47,472	53,270	3,228	7,198	2,792	44,456	32,541	132,073	61,805	104,818	489,653
2049/50	48,604	54,227	3,293	7,343	2,843	45,185	33,205	134,692	63,010	106,688	499,091
2050/51	49,758	55,203	3,359	7,491	2,894	45,929	33,883	137,365	64,240	108,597	508,719
2051/52	50,935	56,198	3,427	7,642	2,947	46,688	34,574	140,091	65,495	110,543	518,539
2052/53	52,136	57,214	3,496	7,796	3,000	47,462	35,278	142,871	66,774	112,528	528,555
2053/54	53,360	58,250	3,566	7,953	3,055	48,251	35,997	145,707	68,079	114,553	538,772
Totals	\$1,179,392	\$1,404,046	\$ 83,250	\$ 185,648	\$ 73,530	\$1,189,699	\$ 837,159	\$3,420,944	\$1,604,385	\$2,765,908	\$ 12,743,960

Source: Urban Analytics

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency to the Redevelopment Agency for the City and County of San Francisco (the “Successor Agency”) and U.S. Bank National Association, as trustee, as amended by that certain First Supplement to Indenture of Trust dated as of December 1, 2021, and as amended by that certain Second Supplement to Indenture of Trust dated as of September 1, 2023, by and between the Successor Agency and U.S. Bank National Association, as trustee (as so supplemented and as further supplemented from time to time, the “Indenture”) relating to the 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and the 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects). Such summary is not intended to be definitive, and reference is made to the actual Indenture (copies of which may be obtained from the Trustee) for the complete terms thereof.

Definitions

Except as otherwise defined in this summary, the terms previously defined in this Official Statement have the respective meanings previously given. In addition, the following terms have the following meanings when used in this summary:

“Affordable Housing Obligations” means the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any other Parity Debt in such Bond Year, and (b) the principal amount of the Outstanding Bonds (including the aggregate principal amount of the Term Bonds required to be redeemed pursuant to a Supplemental Indenture) and any other Parity Debt payable by their terms in such Bond Year. For purposes of such calculation, the amount of interest on any Bonds or other Parity Debt that is payable from the proceeds of such Bonds or Parity Debt that is set aside solely for such purpose shall not be included in the calculation of Annual Debt Service, and there also shall be excluded payments with respect to the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any Parity Debt to the extent that amounts due with respect to the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or such Parity Debt are prepaid or otherwise discharged in accordance with the Indenture or the relevant Parity Debt Instrument or to the extent the proceeds thereof are then deposited in an escrow fund from which amounts may not be released to the Successor Agency unless the amount of Pledged Tax Revenues available for debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt for the most recent Fiscal Year (as evidenced in a written document from an appropriate official of the City and County), at least equals one hundred twenty-five percent (125%) of the amount of Maximum Annual Debt Service which would result if any such moneys on deposit in such escrow fund were to be released and deposited in the project fund established in connection with such Parity Debt.

“Authority” means the City and County of San Francisco Redevelopment Financing Authority.

“Bonds” means the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt issued as bonds pursuant to a Supplemental Indenture.

“Bond Counsel” means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

“Bond Year” means each twelve (12) month period extending from August 2 in one calendar year to August 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year with respect to the Bonds shall commence on the Closing Date and end on August 1, 2017; provided further that the first Bond Year with respect to the 2021 Bonds shall commence on the Closing Date and end on August 1, 2022; and provided further that the first Bond Year with respect to the 2023 Bonds shall commence on the Closing Date and end on August 2, 2024.

“Business Day” means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, or any other city or cities where the Principal Corporate Trust Office of the Trustee is located are required or authorized by law to close or a day on which the Federal Reserve System is closed.

“Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement” means the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended in accordance with the Law.

“City” and **“City and County”** means the City and County of San Francisco, a chartered city and municipal corporation organized and existing under the Constitution and laws of the State.

“Closing Date” means the date on which a series of Bonds is delivered by the Successor Agency to the original purchaser thereof. The Closing Date with respect to the 2017 Bonds is March 29, 2017. The Closing Date with respect to the 2021 Bonds is December 15, 2021. The Closing Date with respect to the 2023 Bonds is _____, 2023.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced in the Indenture) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2017 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance and surety bond premiums, if any, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, administrative costs of the Successor Agency and the City and County incurred in connection with the issuance of the Bonds, expenses of the underwriters of the Bonds, the fees and expenses of counsel to the underwriters of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

“Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to the Indenture.

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to the Indenture.

“Defeasance Obligations” means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency’s investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency’s investment policies then in effect), but only to the extent the same are acquired at Fair Market Value if required by the Code:

- (a) Cash;
- (b) Federal Securities, including direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;
- (c) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form;
- (d) Pre-refunded municipal bonds rated “Aaa” by Moody’s and “AAA” by S&P, provided that, if the issue is rated only by S&P (i.e., there is no Moody’s rating), then the pre-refunded municipal bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals; and
- (e) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; and (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development.

“Department of Finance” means the Department of Finance of the State of California.

“Dissolution Act” means California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011, as it has before been amended and as it may thereafter be amended.

“Event of Default” means any of the events described in the Indenture.

“Existing Loan Agreements” means the loan agreements listed in the Indenture that remain outstanding at any time.

“Existing Loans” means the loans made by the Authority to the Successor Agency pursuant to the Existing Loan Agreements.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Successor Agency and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

“Federal Securities” means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America.

“First Supplement” means the First Supplement to Indenture of Trust, dated as of December 1, 2021, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“Fiscal Year” means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

“Former Agency” means the now dissolved Redevelopment Agency of the City and County of San Francisco.

“Hunters Point Shipyard Phase 1 Disposition and Development Agreement” means the Disposition and Development Agreement Hunters Point Shipyard Phase 1 dated as of December 2, 2003 between Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended in accordance with the Law.

“Indenture” means the Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions of the Indenture.

“Independent Accountant” means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

(a) is in fact independent and not under domination of the Successor Agency or the City and County;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(c) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

“Independent Redevelopment Consultant” means any consultant or firm of such consultants appointed by the Successor Agency (who may be an underwriter of bonds of the Successor Agency or the City and County), and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Pledged Tax Revenues or otherwise with respect to the financing of Redevelopment Projects;

(b) is in fact independent and not under domination of the Successor Agency or the City and County;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(d) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

“Insurer” means the 2017 Insurer, the 2021 Insurer, the 2023 Insurer, and, as applicable, the provider of a municipal bond or financial guaranty insurance policy with respect to Parity Debt.

“Interest Account” means the account by that name established and held by the Trustee pursuant to the Indenture.

“Interest Payment Date” means each February 1 and August 1, commencing August 1, 2017 with respect to the 2017 Bonds, commencing on August 1, 2021 with respect to the 2021 Bonds, commencing February 1, 2024 with respect to the 2023 Bonds, for so long as any of the Bonds remain Outstanding under the Indenture.

“Law” means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto (including the Dissolution Act).

“Maximum Annual Debt Service” means, as of the date of calculation, the largest amount for the current or any future Bond Year payable on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt in such Bond Year and, in the case of Section 3.05, shall also mean the largest amount for the current or any future Bond Year (as such term is defined herein) payable on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt.

“Mission Bay North Owner Participation Agreement” means Mission Bay North Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

“Mission Bay South Owner Participation Agreement” means the Mission Bay South Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

“Moody’s” means Moody’s Investors Service and its successors.

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of the Indenture) all Bonds except:

- (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;
- (b) Bonds paid or deemed to have been paid within the meaning of the Indenture; and
- (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant to the Indenture.

“Oversight Board” means the Oversight Board of the Successor Agency established pursuant to the Section 34179 of the Dissolution Act.

“Owner” or **“Bondowner”** means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

“Parity Debt” means any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2017 Bonds, the 2021 Bonds, and the 2023 Bonds pursuant to the Indenture.

“Parity Debt Instrument” means resolution, indenture of trust, supplemental indenture of trust, loan agreement, trust agreement or other instrument authorizing the issuance of any Parity Debt.

“Participating Underwriter” has the meaning ascribed thereto in the Continuing Disclosure Certificate.

“Permitted Investments” means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency’s investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency’s investment policies then in effect), but only to the extent the same are acquired at Fair Market Value if required by the Code:

- (a) Federal Securities;
- (b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii)

certificates of beneficial ownership of the Farmers Home Administration; (iii) Federal Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of Ginnie Mae (formerly known as the Government National Mortgage Association); (vii) guaranteed Title XI financings of the U.S. Maritime Administration; and (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of Fannie Mae; (iv) senior debt obligations of Sallie Mae (formerly known as the Student Loan Marketing Association); (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm, and a rating by Moody's of Aaa, Aa1 or Aa2 (such funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory or other management services);

(e) Certificates of deposit (including those of the Trustee, its parent and its affiliates) secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks;

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates), but only to the extent that the amount being invested in such certificates of deposit, savings accounts, deposit accounts or money market deposits are fully insured by FDIC, including BIF and SAIF;

(g) Investment agreements, including guaranteed investment contracts, forward purchase agreements, reserve fund put agreements and collateralized investment agreements with an entity rated "Aa" or better by Moodys' and "AA" or better by S&P, or unconditionally guaranteed by an entity rated "Aa" or better by Moodys' and "AA" or better by S&P;

(h) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1+" or better by S&P;

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies;

(j) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime-1” or “A3” or better by Moody’s, and “A-1+” by S&P;

(k) The Local Agency Investment Fund that is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided that for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee; and

(j) With respect to any funds deposited in the 2021 Project Fund and the 2023 Project Fund and any other project fund established pursuant to a Supplemental Indenture with respect to any Parity Debt issued as bonds in the future thereunder, any obligations or investments in which the Treasurer of the City and County of San Francisco may legally invest the Successor Agency’s funds.

“Pledged Tax Revenues” means all taxes that were eligible for allocation to the Former Agency with respect to the Project Areas and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and that are deposited in the RPTTF, excluding (i) amounts payable pursuant to the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt, but only to the extent such amounts are pledged as security therefor, (ii) all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless such payments are subordinated to payments on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any additional Bonds or to the payments owed under any Parity Debt Instrument pursuant to Section 33607.5(e) of the Law and 34177.5(c) of the Dissolution Act, and (iii) amounts required to be paid to the Transbay Joint Powers Authority in accordance with Section 5.7 of the Redevelopment Plan - Transbay Redevelopment Project Area.

“Project Areas” means the following redevelopment project areas, subproject areas or land use zones (collectively, the “Project Areas”) of the Former Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (formerly known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and

- Yerba Buena Center Approved Redevelopment Project Area D-1;

“Qualified Reserve Account Credit Instrument” means (i) the 2017 Reserve Policy and (ii) an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) S&P or Moody’s have assigned a long-term credit rating to such bank or insurance company of “A” (without regard to modifier) or higher; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit, insurance policy or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to the Indenture.

“Second Supplement” means the Second Supplement to Indenture of Trust, dated as of September 1, 2023, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“Recognized Obligation Payment Schedule” means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the California Health and Safety Code.

“Redemption Account” means the account by that name established and held by the Trustee pursuant to the Indenture.

“Redevelopment Obligation Retirement Fund” means the fund by that name established pursuant to California Health and Safety Code Section 34170.5(b) and administered by the Successor Agency.

“Redevelopment Plan - Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B” means the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area, as such redevelopment plan relates to Zone 2 of Project Area B, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 1, 2006, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area” means the Redevelopment Plan for the Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County on May 25, 1959, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Hunters Point Redevelopment Project Area” means the Redevelopment Plan for the Hunters Point Redevelopment Project Area (also known as the Bayview Hunters Point Redevelopment Project Area – Project Area A), approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 20, 1969, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Hunters Point Shipyard Redevelopment Project Area” means the Redevelopment for the Hunters Point Redevelopment Project Area, approved by ordinance of the Board

of Supervisors of the City and County of San Francisco on July 14, 1997, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - India Basin Industrial Park Redevelopment Project Area” means the Redevelopment Plan for the India Basin Industrial Park Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 20, 1969, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Rincon Point - South Beach Redevelopment Project Area” means the Redevelopment Plan for the Rincon Point - South Beach Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 5, 1981, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - South of Market Redevelopment Project Area” means the Redevelopment Plan for the South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area), approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 11, 1990, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Transbay Redevelopment Project Area” means the Redevelopment Plan for the Transbay Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 21, 2005, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Western Addition Redevelopment Project Area A-2” Redevelopment Plan for the Western Addition Redevelopment Project Area A-2, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on October 13, 1964, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Yerba Buena Center Approved Redevelopment Project Area D-1” means the Redevelopment Plan for the Yerba Buena Center Approved Redevelopment Project Area D-1, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on April 26, 1966, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plans” means, collectively, the following:

- the Redevelopment Plan - Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B,
- the Redevelopment Plan - Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area,
- the Redevelopment Plan - Hunters Point Redevelopment Project Area,
- the Redevelopment Plan - Hunters Point Shipyard Redevelopment Project Area,

- the Redevelopment Plan - India Basin Industrial Park Redevelopment Project Area,
- the Redevelopment Plan - Rincon Point - South Beach Redevelopment Project Area,
- the Redevelopment Plan - South of Market Redevelopment Project Area,
- the Redevelopment Plan - Transbay Redevelopment Project Area,
- the Redevelopment Plan - Western Addition Redevelopment Project Area A-2, and
- the Redevelopment Plan - Yerba Buena Center Approved Redevelopment Project Area D-1.

“Redevelopment Projects” means the undertaking of the Successor Agency pursuant to the Redevelopment Plans and the Law for the redevelopment of the Project Areas.

“Redevelopment Property Tax Trust Fund” or **“RPTTF”** means the fund by that name established pursuant to California Health & Safety Code Sections 34170.5(b) and 34172(c) and administered by the Auditor-Controller of the City and County of San Francisco.

“Registration Books” means the records maintained by the Trustee pursuant to the Indenture for the registration and transfer of ownership of the Bonds.

“Report” means a document in writing signed by an Independent Redevelopment Consultant and including:

- (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of the Indenture to which such Report relates;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and
- (c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

“Reserve Account” means the account by that name established and held by the Trustee pursuant to the Indenture.

“Reserve Requirement” means, subject to the Indenture, with respect to the 2017 Series A Taxable Bonds, the 2017 Series B Bonds, and each series of Parity Debt issued in the form of Bonds, the lesser of

- (i) 125% of the average Annual Debt Service with respect to that series of the Bonds,
- (ii) Maximum Annual Debt Service with respect to that series of the Bonds, or
- (iii) with respect to an individual series of Bonds, 10% of the original principal amount of a series of Bonds (or, if such series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such series of Bonds);

provided, that the Reserve Requirement may be determined on a combined or individual basis for two or more series of Bonds, as determined by the Successor Agency, and that in no event shall the Successor Agency, in connection with the issuance of Parity Debt in the form of Bonds pursuant to a Supplemental Indenture be obligated to deposit an amount in the Reserve Account which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Account is so limited, the Reserve Requirement shall, in connection with the issuance of such Parity Debt issued in the form of Bonds, be increased only by the amount of such deposit as permitted by the Code; and, provided further that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of the Indenture.

In the event a Qualified Reserve Account Credit Instrument is delivered at any time to meet the entirety of the Reserve Requirement with respect to one or more series of Bonds (that is, no cash is being deposited or will remain deposited in the Reserve Account with respect to those series of Bonds), then, notwithstanding the foregoing definition, the Reserve Requirement will, with respect to those series of Bonds, be determined only at the time of the delivery of the Qualified Reserve Account Credit Instrument and will not be subject to increase or decrease at a later date.

“S&P” means Standard & Poor’s Financial Services LLC, a division of McGraw Hill Financial, and its successors.

“Serial Bonds” means all Bonds other than Term Bonds.

“Special Fund” means the fund held by the Successor Agency established pursuant to the Indenture.

“State” means the State of California.

“Subordinate Debt” means any loans, advances or indebtedness issued or incurred by the Successor Agency pursuant to the Indenture, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues which is expressly subordinate to the pledge of and lien upon the Pledged Tax Revenues under the Indenture for the security of the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt.

“Supplemental Indenture” means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized under the Indenture.

“Tax Revenues” shall have the meanings assigned to such terms in the Existing Loan Agreements.

“Term Bonds” means (i) the 2017 Series A Taxable Bonds maturing on August 1, 2044, (ii) the 2017 Series B Bonds maturing on August 1, 2046, and (iii) that portion of any other Bonds payable from mandatory sinking account payments.

“Transbay Implementation Agreement” means the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005 between the Former Agency, as succeeded by the Successor Agency, and the Transbay Joint Powers Authority.

“Transbay Infrastructure Obligation” means the infrastructure required by the Transbay Implementation Agreement.

“Trustee” means U.S. Bank National Association, as trustee under the Indenture, or any successor thereto appointed as trustee thereunder in accordance with the provisions of the Indenture.

“2014 Bonds” means, collectively, the \$67,955,000 initial aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and the \$75,945,000 initial aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects).

“2014 Indenture” means the Indenture of Trust dated as of December 1, 2014 by and between the Successor Agency and the Trustee, pursuant to which the 2014 Bonds were issued, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions of the Indenture.

“2014 Parity Debt” means any indebtedness incurred on a parity with the 2014 Bonds in accordance with the 2014 Indenture.

“2017 Bonds” means, collectively, the 2017 Series A Taxable Bonds and the 2017 Series B Bonds.

“2017 Bond Insurance Policy” means the insurance policy issued by the 2017 Insurer guaranteeing the scheduled payment of principal of and interest on the 2017 Insured Bonds when due.

“2017 Insured Bonds” means the 2017 Series A Taxable Bonds maturing August 1 in each of the years 2025, 2026 and 2044, and the 2017 Series B Bonds maturing August 1, 2046.

“2017 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2017 Bond Insurance Policy and the 2017 Reserve Policy.

“2017 Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2017 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds as provided in such policy.

“2017 Series A Taxable Bonds” means the \$89,795,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects).

“2017 Series A Taxable Project Fund” means the fund by that name established pursuant to the Indenture.

“2017 Series B Bonds” means the \$19,850,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

“2021 Bonds” means the \$127,210,000 aggregate original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).

“2021 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2021 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2021 Bonds Insurance Policy” means the insurance policy issued by the 2021 Insurer guaranteeing the scheduled payment of principal of and interest on the 2021 Bonds when due.

“2021 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2021 Bonds Insurance Policy and the 2021 Reserve Policy.

“2021 Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2021 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2021 Bonds as provided in such policy.

“2021 Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee.

“2021 Project Fund” means the fund by that name established pursuant to the First Supplement.

“2023 Bonds” means, collectively, the 2023A Bonds and the 2023B Bonds.

“2023 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2023 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2023 Bonds Insurance Policy” means the insurance policy issued by the 2023 Insurer guaranteeing the scheduled payment of principal of and interest on the 2023 Insured Bonds when due.

“2023 Insured Bonds” means, collectively, the 2023A Bonds maturing on August 1, 20__ and the 2023B Bonds maturing on August 1, 20__.

“2023 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2023 Bonds Insurance Policy, the 2023A Reserve Policy and the 2023B Reserve Policy.

“2023A Bonds” means the \$[PARA] original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).

“2023A Bonds Project Fund” means the fund by that name established pursuant to the Second Supplement.

“2023A Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2023 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2023A Bonds as provided in such policy.

“2023A Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to the Second Supplement.

“2023B Bonds” means the \$[PARB] original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

“2023B Bonds Project Fund” means the fund by that name established pursuant to the Second Supplement.

“2023B Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2023 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2023B Bonds as provided in such policy.

“2023B Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee.

“Written Request of the Successor Agency” or **“Written Certificate of the Successor Agency”** means a request or certificate, in writing signed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency, or the designee of either, or by any other officer of the Successor Agency or the City and County duly authorized by the Successor Agency for that purpose.

Pledge of Tax Revenues

Security of Bonds; Equal Security. Except as may otherwise be provided in the Indenture, and subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, the Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements set forth in the Indenture to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or in the Indenture.

Issuance of Parity Debt

In addition to the 2017 Bonds, the 2021 Bonds, the 2023 Bonds, the Successor Agency may issue additional bonds (including pursuant to a Supplemental Indenture) or incur other loans, advances or indebtedness payable from Pledged Tax Revenues on a parity with the 2017 Bonds, the 2021 Bonds, the 2023 Bonds for any purpose provided for in the Dissolution Act, including, but not limited to, refunding existing indebtedness of the Successor Agency in accordance with Section 34177.5(a) of the California Health and Safety Code, funding the Affordable Housing Obligations, and funding the infrastructure described in Section 34177.7(a)(1)(B) of the California Health and Safety Code, in such principal amount as shall be determined by the Successor Agency. The Successor Agency may issue and deliver any such Parity Debt subject to the following specific conditions all of which are conditions precedent to the issuance and delivery of such Parity Debt:

(a) No event of default under the Indenture or under any Parity Debt Instrument shall have occurred and be continuing unless such event of default will be cured by the issuance of such Parity Debt;

(b) Pledged Tax Revenues after adding back amounts payable pursuant to the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and 2014 Parity Debt received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Areas as evidenced in a written document from an appropriate official of the City and County, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, shall be at least equal to one hundred twenty five percent (125%) of Maximum Annual Debt Service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt that will be outstanding immediately following the issuance of such Parity Debt, provided that, in the case of a refunding, in whole or in part, of the Existing Loans, the 2014 Bonds, 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any Parity Debt, the requirements of the Indenture described in this subparagraph (b) do not need to be met if the debt service on the Parity Debt in each bond year either will be less than the debt service in each bond year on the Existing Loans, the 2014 Bonds, 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any Parity Debt being refunded;

(c) In the event the Successor Agency issues additional Bonds pursuant to a Supplemental Indenture, the Successor Agency shall cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency shall deliver to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth above have been satisfied.

Establishment of Funds and Accounts; Flow of Funds

2021 Costs of Issuance Fund. There is established under the Indenture a separate fund to be known as the “2021 Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2021 Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2021 Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2021 Bonds, or upon the earlier

Written Request of the Successor Agency, all amounts (if any) remaining in the 2021 Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2021 Bonds, and the 2021 Bonds Costs of Issuance Fund shall be closed.

2023 Costs of Issuance Fund. There is established under the Indenture a separate fund to be known as the “2023A Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023A Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023A Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023A Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023A Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023A Bonds, and the 2023A Bonds Costs of Issuance Fund shall be closed.

There is established under the Indenture a separate fund to be known as the “2023B Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023B Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023B Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023B Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023B Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023B Bonds, and the 2023B Bonds Costs of Issuance Fund shall be closed.

2017 Project Funds. (a)(i) There is established under the Indenture a separate and segregated fund to be known as the “2017 Series A Taxable Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2017 Series A Taxable Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2017 Series A Taxable Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance and capitalized interest on the 2017 Series A Bonds. The Successor Agency covenants that no funds on deposit in the 2017 Series A Taxable Project Fund shall be applied for any purpose not authorized by the Law.

(ii) The Trustee shall disburse amounts at any time on deposit in the 2017 Series A Taxable Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached to the Indenture. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration, of the Successor Agency or her or his designee.

(iii) At such time as no amounts remain on deposit in the 2017 Series A Taxable Project Fund, the 2017 Series A Taxable Project Fund shall be closed.

(b)(i) There is established under the Indenture a separate and segregated fund to be known as the “2017 Series B Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor

Agency. The moneys in the 2017 Series B Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2017 Series B Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligation including, without limitation, the payment of any unpaid Costs of Issuance and capitalized interest on the 2017 Series B Bonds. The Successor Agency covenants that no funds on deposit in the 2017 Series B Project Fund shall be applied for any purpose not authorized by the Law.

(ii) The Trustee shall disburse amounts at any time on deposit in the 2017 Series B Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached to the Indenture. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration, of the Successor Agency or her or his designee.

(iii) At such time as no amounts remain on deposit in the 2017 Series B Project Fund, the 2017 Series B Project Fund shall be closed.

2021 Project Fund. (a) There is established under the Indenture a separate and segregated fund to be known as the “2021 Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2021 Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2021 Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2021 Bonds. The Successor Agency covenants that no funds on deposit in the 2021 Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2021 Bonds nor any other Bonds are secured by amounts on deposit in the 2021 Project Fund.

(b) The Trustee shall disburse amounts at any time on deposit in the 2021 Project Fund upon receipt of a disbursement request of the Successor Agency. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

(c) At such time as no amounts remain on deposit in the 2021 Project Fund, the 2021 Project Fund shall be closed.

2023 Bonds Project Funds. (a) There is established under the Indenture a separate and segregated fund to be known as the “2023A Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023A Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023A Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023A Bonds. The Successor Agency covenants that no funds on deposit in the 2023A Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023A Bonds Project Fund.

(b) There is established under the Indenture a separate and segregated fund to be known as the “2023B Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023B Bonds Project Fund shall be maintained separate and apart from other

moneys of the Successor Agency. The moneys on deposit in the 2023B Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023B Bonds. The Successor Agency covenants that no funds on deposit in the 2023B Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023B Bonds Project Fund.

(c) The Trustee shall disburse amounts at any time on deposit in the 2023A Bonds Project Fund and the 2023B Bonds Project Fund upon receipt of a disbursement request of the Successor Agency. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

Special Fund; Deposit of Pledged Tax Revenues. There is established under the Indenture a special fund to be known as the “Third Lien Special Fund” which is to be held by the Successor Agency within the Redevelopment Obligation Retirement Fund and which shall be known as the “Special Fund”. The Successor Agency agrees to hold and maintain the Third Lien Special Fund as long as any Bonds are Outstanding under the Indenture or any amounts are due and owing to the 2017 Insurer in respect of the 2017 Bond Insurance Policy or the 2017 Reserve Policy or any other Insurer with respect to any other insurance policy or financial guaranty. The Third Lien Special Fund shall be held by the Successor Agency separate and apart from other funds of the Successor Agency. On each January 2, commencing January 2, 2022, the Successor Agency shall transfer all of the Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on a pro rata basis to the Special Fund and to any other special fund created with respect to any additional Parity Debt that is not issued as Bonds under the Indenture, promptly upon receipt thereof by the Successor Agency, until such time as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred in the Bond Year commencing on the immediately preceding August 2 (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 of the Indenture and, if applicable, (ii) with respect to any additional Parity Debt (other than additional Bonds issued pursuant to a Supplemental Indenture) for deposit into the funds and accounts that may be required pursuant to the applicable Parity Debt Instruments. If the amount of Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on January 2 shall be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency shall deposit the Pledged Tax Revenues received in connection with the succeeding June 1 in the Special Fund in order to make the remainder of the transfers and deposits described above. If there nonetheless remains insufficient Pledged Tax Revenues to make the transfers and deposits required above, then the Successor Agency shall transfer such Pledged Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Loan Agreements, the 2014 Bonds, the 2014 Parity Debt, the Bonds, any other Parity Debt and any Subordinated Debt; provided, however, the Successor Agency will not be obligated to collect any such reserve.

All Pledged Tax Revenues received by the Successor Agency with respect to any Bond Year in excess of the amount required to be deposited in the Special Fund and the other special funds mentioned in the preceding paragraph during such Bond Year pursuant to the preceding paragraph shall be released from the pledge, security interest and lien under the Indenture for the security of the Bonds and any additional Parity Debt and may be applied by the Successor Agency for any lawful purpose of the

Successor Agency, including but not limited to the payment of Subordinate Debt, or the payment of any amounts due and owing to the United States of America pursuant to the Indenture. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable under the Indenture and under any Supplemental Indenture or Parity Debt Instrument, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in the Indenture and in any Supplemental Indenture or Parity Debt Instrument.

Deposit of Amounts by Trustee. There is established under the Indenture a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee in trust. Moneys in the Special Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are established in the Debt Service Fund, and in the following order of priority (provided that, if on the date the Successor Agency is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into account amounts required to be transferred with respect to Parity Debt other than Bonds, the Successor Agency shall immediately notify the Trustee of the amount of any such insufficiency):

Interest Account. On or before the fifth (5th) Business Day preceding each Interest Payment Date, commencing with the Interest Payment Date of August 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee, for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to the Indenture).

Principal Account. On or before the fifth (5th) Business Day preceding August 1 in each year beginning August 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next August 1 on all of the Outstanding Serial Bonds and Term Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same shall become due and payable.

Reserve Account and Subaccounts. (A) The Trustee shall establish a “2017 Reserve Subaccount” within the Reserve Account for the 2017 Bonds, and the determination of the Reserve Requirement will be calculated on the 2017 Series A Taxable Bonds and the 2017 Series B Bonds on a combined basis.

The Reserve Requirement for the 2017 Bonds shall be satisfied by the delivery of the 2017 Reserve Policy by the 2017 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2017 Reserve Policy to the 2017 Reserve Subaccount. The Trustee shall draw on the 2017 Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in

order to pay debt service on the 2017 Bonds. Notwithstanding anything in the Indenture to the contrary, the Successor Agency will have no obligation to replace the 2017 Reserve Policy, or to fund the Reserve Account with cash if, at any time that the 2017 Series A Taxable Bonds or the 2017 Series B Bonds are Outstanding, amounts are not available under the 2017 Reserve Policy, other than in connection with the replenishment of a draw on the 2017 Reserve Policy.

The amounts available under the 2017 Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2017 Bonds.

The Trustee shall comply with all documentation relating to the 2017 Reserve Policy as shall be required to maintain the 2017 Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

(B) The Trustee shall establish a “2021 Reserve Subaccount” within the Reserve Account solely as security for the 2021 Bonds. The Reserve Requirement for the 2021 Bonds will be calculated for the 2021 Bonds without regard to the 2017 Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2021 Bonds shall be satisfied by the delivery of the 2021 Reserve Policy by the 2021 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2021 Reserve Policy to the 2021 Reserve Subaccount. The Trustee shall draw on the 2021 Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in order to pay debt service on the 2021 Bonds.

The amounts available under the 2021 Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2021 Bonds. Amounts on deposit in the 2021 Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2021 Bonds.

The Trustee shall comply with all documentation relating to the 2021 Reserve Policy as shall be required to maintain the 2021 Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

Notwithstanding anything to the contrary in the Indenture, the Successor Agency will have no obligation to replace the 2021 Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2021 Reserve Subaccount, with cash if, at any time that the 2021 Bonds are Outstanding, amounts are not available under the 2021 Reserve Policy, other than in connection with the replenishment of a draw on the 2021 Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2021 Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2021 Reserve Subaccount, or to take any other action with respect to the 2021 Reserve Policy in the event that any rating assigned to the 2021 Insurer is downgraded, suspended or withdrawn.

(C) The Trustee shall establish a “2023A Reserve Subaccount” within the Reserve Account solely as security for the 2023A Bonds. The Reserve Requirement for the 2023A Bonds will be calculated for the 2023A Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023A Bonds shall be satisfied by the delivery of the 2023A Reserve Policy by the 2023 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023A Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in order to pay debt service on the 2023A Bonds.

The amounts available under the 2023A Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023A Bonds. Amounts on deposit in the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023A Bonds.

The Trustee shall comply with all documentation relating to the 2023A Reserve Policy as shall be required to maintain the 2023A Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023A Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023A Bonds are Outstanding, amounts are not available under the 2023A Reserve Policy, other than in connection with the replenishment of a draw on the 2023A Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023A Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023A Reserve Policy in the event that any rating assigned to the 2023 Insurer is downgraded, suspended or withdrawn.

(D) The Trustee shall establish a “2023B Reserve Subaccount” within the Reserve Account solely as security for the 2023B Bonds. The Reserve Requirement for the 2023B Bonds will be calculated for the 2023B Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023B Bonds shall be satisfied by the delivery of the 2023B Reserve Policy by the 2023 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023B Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in order to pay debt service on the 2023B Bonds.

The amounts available under the 2023B Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such

accounts with respect to the payment of debt service on the 2023B Bonds. Amounts on deposit in the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023B Bonds.

The Trustee shall comply with all documentation relating to the 2023B Reserve Policy as shall be required to maintain the 2023B Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023B Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023B Bonds are Outstanding, amounts are not available under the 2023B Reserve Policy, other than in connection with the replenishment of a draw on the 2023B Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023B Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023B Reserve Policy in the event that any rating assigned to the 2023 Insurer is downgraded, suspended or withdrawn.

(E) Except as provided above, in the event that the amount on deposit in the Reserve Account or any subaccount therein at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Promptly upon receipt of any such notice, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Pledged Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Pledged Tax Revenues become available in the Special Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts, or for the retirement or defeasance of the Bonds then Outstanding (as may be permitted in the Indenture), except that so long as the Successor Agency is not in default under the Indenture, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before the fifth (5th) Business Day preceding each February 1 and August 1, and the date of redemption or defeasance of any Bonds, by the Trustee and deposited in the Interest Account or, in the case of the redemption or defeasance of Bonds, also in the Principal Account or an escrow account established for the defeasance of any of the Bonds. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to the Indenture or, (ii) if the Successor Agency shall have caused to be transferred to the Trustee an amount sufficient to make the deposits required by the Indenture, then to the Successor Agency.

(F) If at any time any portion of the Reserve Requirement is satisfied with cash or Permitted Investments that meet the requirements of the Indenture, the Successor Agency shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the 2017 Series B Bonds or any other Bonds the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be used for any lawful purpose that does not adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture. Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Pledged Tax Revenues.

(G) The Successor Agency shall also have the option to establish a separate subaccount in the Reserve Account that secures only one or more particular series of Bonds issued as Parity Debt, and the calculation of the Reserve Requirement with respect to all other Bonds shall exclude the debt service on such series of Bonds. Additionally, Bonds secured by a Qualified Reserve Account Credit Instrument or a separate subaccount within the Reserve Account shall not have access to any other amounts on deposit in the Reserve Account except as expressly provided in the Indenture or in any applicable Supplemental Indenture. Additionally, the Reserve Account may be maintained in the form of one combined Reserve Account or in the form of one more separate sub-accounts which are established for the purpose of holding the proceeds of separate series of Bonds in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee.

If the Reserve Requirement with respect to a series of Bonds is being maintained partially in cash and Permitted Investments and partially with a Qualified Reserve Account Credit Instrument, the cash and Permitted Investments shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to the Indenture. If the Reserve Requirement with respect to a series of Bonds is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to the Indenture shall be pro-rata with respect to each such instrument.

Prior to drawing on the Reserve Account in order to make a payment of debt service on the Bonds, the Trustee shall notify the Successor Agency.

Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to the Indenture, the Trustee shall withdraw from the Debt Service Fund any amount transferred by the Successor Agency pursuant to the Indenture for

deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds and other Bonds to be redeemed on such date pursuant to the Indenture or a similar provision of a Supplemental Indenture. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds and such other Bonds to be redeemed pursuant to the Indenture or a similar provision of a Supplemental Indenture on the date set for such redemption. Interest due on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds or such other Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account. Notwithstanding the foregoing, at any time prior to giving notice of redemption of any such 2017 Series A Taxable Bonds or 2017 Series B Bonds or such other Bonds, the Trustee may, at the direction of the Successor Agency, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of all or a portion of the 2017 Series A Taxable Bonds, the 2017 Series B Bonds or such other Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such 2017 Series A Taxable Bonds, such 2017 Series B Bonds or such other Bonds, which is payable from the Interest Account) as shall be directed by the Successor Agency.

Claims Upon the 2017 Bond Insurance Policy; Rights of the 2017 Insurer

So long as the 2017 Bond Insurance Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the 2017 Insured Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2017 Insurer and to its designated agent (if any) (the “2017 Insurer's Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2017 Insured Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2017 Bond Insurance Policy and give notice to the 2017 Insurer and the 2017 Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2017 Insured Bonds and the amount required to pay principal of the 2017 Insured Bonds, confirmed in writing to the 2017 Insurer and the 2017 Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2017 Bond Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2017 Insured Bonds paid by the 2017 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2017 Insured Bonds registered to the then current Owner of 2017 Insured Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2017 Insured Bond to the 2017 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2017 Insured Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2017 Insured Bond or the subrogation rights of the 2017 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2017 Insurer into the 2017 Policy Payments Account (defined below) and the allocation of such funds to

payment of interest on and principal of any 2017 Insured Bond. The 2017 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2017 Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2017 Insured Bonds referred to herein as the “2017 Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2017 Bond Insurance Policy in trust on behalf of Owners of the 2017 Insured Bonds and shall deposit any such amount in the 2017 Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2017 Insured Bonds in the same manner as principal and interest payments are to be made with respect to the 2017 Insured Bonds under the sections of the Indenture regarding payment of 2017 Insured Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2017 Insurer (i) a sum equal to the total of all amounts paid by the 2017 Insurer under the 2017 Bond Insurance Policy (the “2017 Insurer Advances”); and (ii) interest on such 2017 Insurer Advances from the date paid by the 2017 Insurer until payment thereof in full, payable to the 2017 Insurer at the Late Payment Rate per annum (collectively, the “2017 Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2017 Insured Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2017 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2017 Insured Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2017 Insurer Reimbursement Amounts (including any amounts due the 2017 Insurer pursuant to item (n) below) are paid to the 2017 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2017 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2017 Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2017 Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2017 Insurer.

(g) The following terms and provisions summarized below will govern with respect to the 2017 Bond Insurance Policy, notwithstanding anything in the Indenture to the contrary:

(i) The 2017 Insurer shall be deemed to be the sole Owner of the 2017 Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2017 Insured Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2017 Insured Bond, the Trustee and each of the Owners of 2017 Insured Bonds appoint the 2017 Insurer as their agent and attorney-in-fact with respect to the 2017 Insured Bonds and agree that the 2017 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under

the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Owner of a 2017 Insured Bond delegate and assign to the 2017 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2017 Insured Bond with respect to the 2017 Insured Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Owners of the 2017 Insured Bonds shall include mandamus.

(ii) The rights granted to the 2017 Insurer under the Indenture to request, consent to or direct any action are rights granted to the 2017 Insurer in consideration of its issuance of the 2017 Bond Insurance Policy. Any exercise by the 2017 Insurer of such rights is merely an exercise of the 2017 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2017 Insured Bonds and such action does not evidence any position of the 2017 Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2017 Insurer. Each obligation of the Successor Agency to the 2017 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(iii) The Successor Agency shall pay or reimburse the 2017 Insurer any and all charges, fees, costs and expenses that the 2017 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2017 Insurer to honor its obligations under the 2017 Bond Insurance Policy. The 2017 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account to the Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of the Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2017 Insurer shall be subject to the prior written consent of the 2017 Insurer.

(vi) The 2017 Insurer shall be entitled to pay principal or interest on the 2017 Insured Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such term is defined in the 2017 Bond Insurance Policy) by the Successor Agency, and any amounts due on the 2017 Insured Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2017 Insurer has received a Notice of Nonpayment (as such term is defined in the 2017 Bond Insurance Policy) or a claim upon the 2017 Bond Insurance Policy.

(vii) The 2017 Insurer shall, to the extent it makes any payment of principal of or interest on the 2017 Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2017 Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2017 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2017 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2017 Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2017 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2017 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2017 Insurer.

(h) The 2017 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rule Making Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2017 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default under the Indenture), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2017 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2017 Reserve Subaccount within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of the 2017 Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding or redemption of any of the 2017 Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any proceeding by or against the Successor Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”).

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2017 Insured Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of the Indenture.

(x) All information furnished by the Successor Agency pursuant to the Continuing Disclosure Certificate with respect to the 2017 Bonds.

(xi) The 2017 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2017 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2017 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2017 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2017 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under the Indenture.

(i) The maturity of the 2017 Insured Bonds shall not be accelerated without the consent of the 2017 Insurer and in the event the maturity of the 2017 Insured Bonds is accelerated, the 2017 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2017 Insurer's obligations under the 2017 Bond Insurance Policy with respect to such 2017 Insured Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2017 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2017 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(l) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of 2017 Insured Bonds to be redeemed shall be subject to the approval of the 2017 Insurer. The exercise of any provision of the Indenture which permits the purchase of 2017 Insured Bonds in lieu of redemption shall require the prior written approval of the 2017 Insurer if any 2017 Insured Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) non-callable direct obligations of the United States of America (“Treasures”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasures held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasures are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2017 Insurer, pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2017 Insurer, securities eligible for “AAA” defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2017 Insured Bonds unless the 2017 Insurer otherwise approves.

To accomplish defeasance of the 2017 Insured Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2017 Insurer (“Accountant”) verifying the sufficiency of the escrow established to pay the 2017 Insured Bonds in full on the maturity or redemption date (“Verification”), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2017 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2017 Insured Bonds are no longer “Outstanding” under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2017 Insured Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2017 Insurer. The 2017 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2017 Insured Bonds shall be deemed “Outstanding” under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2017 Insurer under the 2017 Bond Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2017 Insured Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2017 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

Provisions Relating to 2017 Reserve Policy

So long as the 2017 Reserve Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2017 Reserve Policy and pay all related reasonable expenses incurred by the 2017 Insurer and shall pay interest thereon from the date of payment by the 2017 Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2017 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360

days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2017 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding under the Indenture to the extent that interest otherwise due under the Indenture for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2017 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2017 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "2017 Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2017 Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2017 Policy Costs paid to the 2017 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2017 Insurer on account of principal due, the coverage under the 2017 Reserve Policy will be increased by a like amount, subject to the terms of the 2017 Reserve Policy. The obligation to pay 2017 Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2017 Reserve Subaccount shall be transferred to the Debt Service Fund for payment of debt service on 2017 Bonds before any drawing may be made on the 2017 Reserve Policy or any Qualified Reserve Account Credit Instrument credited to the 2017 Reserve Subaccount in lieu of cash. The prior written consent of the 2017 Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument credited to the 2017 Reserve Subaccount in lieu of cash. Payment of any 2017 Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2017 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2017 Reserve Subaccount. Payment of 2017 Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2017 Policy Costs in accordance with the requirements of the indenture, the 2017 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2017 Bonds or (ii) remedies which would adversely affect owners of the 2017 Bonds.

(c) The Indenture shall not be discharged until all 2017 Policy Costs owing to the 2017 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2017 Bonds.

(d) The Successor Agency shall include any 2017 Policy Costs then due and owing the 2017 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of the Indenture

(e) The Trustee shall ascertain the necessity for a claim upon the 2017 Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2017 Insurer in accordance with the terms of the 2017 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2017 Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2017 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2017 Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2017 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2017 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2017 Series A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2017 Reserve Policy whether or not executed or completed, or (v) any action taken by the 2017 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2017 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2017 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency under the Indenture shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the 2017 Insurer until the date the 2017 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2017 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of the Indenture summarized under this section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2017 Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2017 Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2017 Bonds or the Indenture; (iv) whether or not such 2017 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2017 Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2017 Insurer, whether in connection with the transactions contemplated herein or any unrelated

transactions; (vii) any statement or any other document presented under or in connection with the 2017 Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2017 Insurer under the 2017 Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2017 Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2017 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into the Indenture by reference solely for the benefit of the 2017 Insurer as if set forth directly herein. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency under the Indenture or the priority accorded to the reimbursement of 2017 Policy Costs under the Indenture, without the prior written consent of the 2017 Insurer. The 2017 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2017 Insurer, promptly upon request, any information regarding the 2017 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2017 Insurer. The Successor Agency will permit the 2017 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2017 Insurer may reasonably request regarding the security for the 2017 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2017 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Claims Upon the 2021 Bonds Insurance Policy; Rights of the 2021 Insurer

So long as the 2021 Bonds Insurance Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2021 Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2021 Insurer and to its designated agent (if any) (the "2021 Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2021 Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2021 Bonds Insurance Policy and give notice to the 2021 Insurer and the 2021 Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2021 Bonds and the amount required to pay principal of the 2021 Bonds, confirmed in writing to the 2021 Insurer and the 2021 Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2021 Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2021 Bonds paid by the 2021 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2021 Bonds registered to the then current Owner of 2021 Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2021 Bond to the 2021 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized

denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2021 Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2021 Bond or the subrogation rights of the 2021 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2021 Insurer into the 2021 Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2021 Bond. The 2021 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2021 Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2021 Bonds referred to in the Indenture as the "2021 Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2021 Bonds Insurance Policy in trust on behalf of Owners of the 2021 Bonds and shall deposit any such amount in the 2021 Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2021 Bonds in the same manner as principal and interest payments are to be made with respect to the 2021 Bonds under the sections of the Indenture regarding payment of 2021 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything in the Indenture to the contrary, the Successor Agency agrees to pay to the 2021 Insurer (i) a sum equal to the total of all amounts paid by the 2021 Insurer under the 2021 Bonds Insurance Policy (the "2021 Insurer Advances"); and (ii) interest on such 2021 Insurer Advances from the date paid by the 2021 Insurer until payment thereof in full, payable to the 2021 Insurer at the Late Payment Rate per annum (collectively, the "2021 Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2021 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2021 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2021 Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2021 Insurer Reimbursement Amounts (including any amounts due the 2021 Insurer pursuant to item (g)(iii) below) are paid to the 2021 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2021 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2021 Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2021 Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2021 Insurer.

(g) The following terms and provisions summarized below will govern with respect to the 2021 Bonds Insurance Policy, notwithstanding anything in the Indenture to the contrary:

(i) The 2021 Insurer shall be deemed to be the sole Owner of the 2021 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking

any other action that the Owners of the 2021 Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2021 Bond, each of the Owners of 2021 Bonds appoints the 2021 Insurer as its agent and attorney-in-fact with respect to the 2021 Bonds and agrees that the 2021 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2021 Bond delegates and assigns to the 2021 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2021 Bond with respect to the 2021 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2021 Bond for the 2021 Insurer's benefit, and agrees to cooperate with the 2021 Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2021 Bonds shall include mandamus.

(ii) The rights granted to the 2021 Insurer under the Indenture to request, consent to or direct any action are rights granted to the 2021 Insurer in consideration of its issuance of the 2021 Bonds Insurance Policy. Any exercise by the 2021 Insurer of such rights is merely an exercise of the 2021 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2021 Bonds and such action does not evidence any position of the 2021 Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2021 Insurer. Each obligation of the Successor Agency to the 2021 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(iii) The Successor Agency shall pay or reimburse the 2021 Insurer any and all charges, fees, costs and expenses that the 2021 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2021 Insurer to honor its obligations under the 2021 Bonds Insurance Policy. The 2021 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account to the Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of the Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2021 Insurer shall be subject to the prior written consent of the 2021 Insurer.

(vi) The 2021 Insurer shall be entitled to pay principal or interest on the 2021 Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such term is defined in the 2021 Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2021 Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2021 Insurer has received a Notice of Nonpayment (as such term is defined in the 2021 Bonds Insurance Policy) or a claim upon the 2021 Bonds Insurance Policy.

(vii) The 2021 Insurer shall, to the extent it makes any payment of principal or interest on the 2021 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2021 Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2021 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2021 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2021 Bonds Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2021 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2021 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2021 Insurer.

(h) The 2021 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rule Making Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2021 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2021 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2021 Reserve Subaccount within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of the 2021 Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2021 Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any proceeding by or against the Successor Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding").

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2021 Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of the Indenture.

(x) All information furnished by the Successor Agency pursuant to the Continuing Disclosure Certificate with respect to the 2021 Bonds.

(xi) The 2021 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2021 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2021 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2021 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2021 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under the Indenture.

(i) The maturity of the 2021 Bonds shall not be accelerated without the consent of the 2021 Insurer and in the event the maturity of the 2021 Bonds is accelerated, the 2021 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2021 Insurer's obligations under the 2021 Bonds Insurance Policy with respect to such 2021 Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2021 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2021 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(l) The exercise of any provision of the Indenture which permits the purchase of 2021 Bonds in lieu of redemption shall require the prior written approval of the 2021 Insurer if any 2021 Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities in the Indenture, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2021 Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2021 Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2021 Bonds unless the 2021 Insurer otherwise approves.

To accomplish defeasance of the 2021 Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2021 Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the 2021 Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2021 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2021 Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2021 Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2021 Insurer. The 2021 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2021 Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2021 Insurer under the 2021 Bonds Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2021 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2021 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

Provisions Relating to 2021 Reserve Policy

So long as the 2021 Reserve Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2021 Reserve Policy and pay all related reasonable expenses incurred by the 2021 Insurer and shall pay interest thereon from the date of payment by the 2021 Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (x) the

greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2021 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2021 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created in the Indenture, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2021 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2021 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created in the Indenture exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "2021 Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2021 Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2021 Policy Costs paid to the 2021 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2021 Insurer on account of principal due, the coverage under the 2021 Reserve Policy will be increased by a like amount, subject to the terms of the 2021 Reserve Policy. The obligation to pay 2021 Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2021 Reserve Subaccount shall be transferred to the Debt Service Fund for payment of debt service on 2021 Bonds before any drawing may be made on the 2021 Reserve Policy or any Qualified Reserve Account Credit Instrument credited to the 2021 Reserve Subaccount in lieu of cash. The prior written consent of the 2021 Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument credited to the 2021 Reserve Subaccount in lieu of cash. Payment of any 2021 Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2021 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2021 Reserve Subaccount. Payment of 2021 Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2021 Policy Costs in accordance with the requirements of the Indenture, the 2021 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2021 Bonds or (ii) remedies which would adversely affect owners of the 2021 Bonds.

(c) The Indenture shall not be discharged until all 2021 Policy Costs owing to the 2021 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2021 Bonds.

(d) The Successor Agency shall include any 2021 Policy Costs then due and owing the 2021 Insurer in the calculation of the additional Parity Debt test in the Indenture

(e) The Trustee shall ascertain the necessity for a claim upon the 2021 Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2021 Insurer in accordance with the terms of the 2021 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2021 Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2021 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2021 Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2021 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2021 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2021 Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2021 Reserve Policy whether or not executed or completed, or (v) any action taken by the 2021 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2021 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2021 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the 2021 Insurer until the date the 2021 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2021 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2021 Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2021 Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2021 Bonds or the Indenture; (iv) whether or not such 2021 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to

departure from the 2021 Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2021 Insurer, whether in connection with the transactions contemplated in the Indenture or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2021 Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2021 Insurer under the 2021 Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2021 Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2021 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2021 Insurer as if set forth directly in the Indenture. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2021 Policy Costs under the Indenture, without the prior written consent of the 2021 Insurer. The 2021 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2021 Insurer, promptly upon request, any information regarding the 2021 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2021 Insurer. The Successor Agency will permit the 2021 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2021 Insurer may reasonably request regarding the security for the 2021 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2021 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Claims Upon the 2023 Bonds Insurance Policy: Rights of the 2023 Insurer. So long as the 2023 Bonds Insurance Policy remains in force and effect, the following provisions summarized below shall govern, notwithstanding anything to the contrary contained in the Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2023 Insured Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2023 Insurer and to its designated agent (if any) (the “2023 Insurer’s Fiscal Agent”) by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2023 Insured Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2023 Bonds Insurance Policy and give notice to the 2023 Insurer and the 2023 Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2023 Insured Bonds and the amount required to pay principal of the 2023 Insured Bonds, confirmed in writing to the 2023 Insurer and the 2023 Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2023 Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2023 Insured Bonds paid by the 2023 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2023 Insured Bonds

registered to the then current Owner of 2023 Insured Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2023 Insured Bond to the 2023 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2023 Insured Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2023 Insured Bond or the subrogation rights of the 2023 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2023 Insurer into the 2023 Bonds Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2023 Insured Bond. The 2023 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2023 Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2023 Insured Bonds referred to herein as the "2023 Bonds Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2023 Bonds Insurance Policy in trust on behalf of Owners of the 2023 Insured Bonds and shall deposit any such amount in the 2023 Bonds Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2023 Insured Bonds in the same manner as principal and interest payments are to be made with respect to the 2023 Insured Bonds under the sections of the Indenture regarding payment of 2023 Insured Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2023 Insurer (i) a sum equal to the total of all amounts paid by the 2023 Insurer under the 2023 Bonds Insurance Policy (the "2023 Insurer Advances"); and (ii) interest on such 2023 Insurer Advances from the date paid by the 2023 Insurer until payment thereof in full, payable to the 2023 Insurer at the 2023 Late Payment Rate per annum (collectively, the "2023 Insurer Reimbursement Amounts"). "2023 Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the applicable series of 2023 Insured Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023 Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023 Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. The Successor Agency hereby covenants and agrees that the 2023 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2023 Insured Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2023 Insurer Reimbursement Amounts (including any amounts due the 2023 Insurer pursuant to item (g)(iii) below) are paid to the 2023 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2023 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2023 Bonds Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2023 Bonds Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2023 Insurer.

(g) The following terms and provisions summarized below will govern with respect to the 2023 Bonds Insurance Policy, notwithstanding anything in the Indenture to the contrary:

(i) The 2023 Insurer shall be deemed to be the sole Owner of the 2023 Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2023 Insured Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2023A Bond, each of the Owners of 2023 Insured Bonds appoints the 2023 Insurer as its agent and attorney-in-fact with respect to the 2023 Insured Bonds and agrees that the 2023 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2023 Insured Bond delegates and assigns to the 2023 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2023 Insured Bond with respect to the 2023 Insured Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2023 Insured Bond for the 2023 Insurer’s benefit, and agrees to cooperate with the 2023 Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2023 Insured Bonds shall include mandamus.

(ii) The rights granted to the 2023 Insurer under the Indenture to request, consent to or direct any action are rights granted to the 2023 Insurer in consideration of its issuance of the 2023 Bonds Insurance Policy. Any exercise by the 2023 Insurer of such rights is merely an exercise of the 2023 Insurer’s contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2023 Insured Bonds and such action does not evidence any position of the 2023 Insurer, affirmative or negative, as to whether the consent of the Owners of the 2023 Insured Bonds or any other person is required in addition to the consent of the 2023 Insurer. Each obligation of the Successor Agency to the 2023 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(iii) The Successor Agency shall pay or reimburse the 2023 Insurer any and all charges, fees, costs and expenses that the 2023 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2023 Insurer to honor its obligations under the 2023 Bonds Insurance Policy. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or

rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account and the respective subaccounts therein to their respective Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of the Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2023 Insurer shall be subject to the prior written consent of the 2023 Insurer.

(vi) The 2023 Insurer shall be entitled to pay principal or interest on the 2023 Insured Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such terms are defined in the 2023 Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2023 Insured Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2023 Insurer has received a Notice of Nonpayment (as such term is defined in the 2023 Bonds Insurance Policy) or a claim upon the 2023 Bonds Insurance Policy.

(vii) The 2023 Insurer shall, to the extent it makes any payment of principal of or interest on the 2023 Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2023 Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2023 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account and the respective subaccounts therein are fully funded at their respective Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2023 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2023 Bonds Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2023 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2023 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2023 Insurer.

(h) The 2023 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2023 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware

of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2023 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2023A Reserve Subaccount of the Reserve Account or the 2023B Reserve Subaccount of the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the respective Reserve Requirement for the 2023A Bonds and the 2023B Bonds and (ii) withdrawals in connection with a refunding of the 2023A Bonds and the 2023B Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2023 Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any Insolvency Proceeding.

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2023 Insured Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of the Indenture.

(x) All information furnished by the Successor Agency pursuant to the 2023 Bonds Continuing Disclosure Certificate.

(xi) The 2023 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2023 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under the Indenture.

(i) The maturity of the 2023 Insured Bonds shall not be accelerated without the consent of the 2023 Insurer and in the event the maturity of the 2023 Insured Bonds is accelerated, the 2023 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to

accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2023 Insurer's obligations under the 2023 Bonds Insurance Policy with respect to such 2023 Insured Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2023 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2023 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(l) The exercise of any provision of the Indenture which permits the purchase of 2023 Insured Bonds in lieu of redemption shall require the prior written approval of the 2023 Insurer if any 2023A Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities in the Indenture, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2023 Insurer, pre-refunded municipal obligations rated in the then highest rating category by S&P and Moody's for such obligations, or (5) subject to the prior written consent of the 2023 Insurer, any other type of security or obligation which S&P and Moody's have determined to be permitted defeasance securities, shall be used to effect defeasance of the 2023 Insured Bonds unless the 2023 Insurer otherwise approves.

To accomplish defeasance of the 2023 Insured Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2023 Insurer verifying the sufficiency of the escrow established to pay the 2023 Insured Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2023 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2023 Insured Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2023 Insured Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2023 Insurer. The 2023 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2023 Insured Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2023 Insurer under the 2023 Bonds Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2023 Insured Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2023 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

Provisions Relating to 2023A Reserve Policy. So long as the 2023A Reserve Policy remains in force and effect, the following provisions summarized below shall govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2023A Reserve Policy and pay all related reasonable expenses incurred by the 2023 Insurer and shall pay interest thereon from the date of payment by the 2023 Insurer at the 2023A Late Payment Rate. "2023A Late Payment Rate" means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023A Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023A Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023A Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023A Late Payment Rate (collectively, "2023A Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023A Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023A Policy Costs paid to the 2023 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023 Insurer on account of principal due, the coverage under the 2023A Reserve Policy will be increased by a like amount, subject to the terms of the 2023A Reserve Policy. The obligation to pay 2023A Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2023A Reserve Subaccount of the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of debt service on 2023A Bonds before any drawing may be made on the 2023A Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023 Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023A Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023A Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023A Reserve Subaccount of the Reserve Account. Payment of 2023A Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023A

Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023A Reserve Subaccount of the Reserve Account. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023A Policy Costs in accordance with the requirements of the Indenture, the 2023 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2023A Bonds or (ii) remedies which would adversely affect owners of the 2023A Bonds.

(c) The Indenture shall not be discharged until all 2023A Policy Costs owing to the 2023 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023A Bonds.

(d) The Successor Agency shall include any 2023A Policy Costs then due and owing the 2023 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of the Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023A Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023 Insurer in accordance with the terms of the 2023A Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023A Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023A Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2023 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2023A Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023A Late Payment Rate from the date such amount is paid or incurred by the 2023 Insurer until the date the 2023 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023A Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023A Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023 Bonds or the Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023A Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023 Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023A Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023 Insurer under the 2023A Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023A Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023 Insurer as if set forth directly herein. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023A Policy Costs under the Indenture, without the prior written consent of the 2023 Insurer. The 2023 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2023 Insurer, promptly upon request, any information regarding the 2023 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023 Insurer. The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the 2023 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Provisions Relating to 2023B Reserve Policy. So long as the 2023B Reserve Policy remains in force and effect, the following provisions summarized below shall govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2023B Reserve Policy and pay all related reasonable expenses incurred by the 2023 Insurer and shall pay interest thereon from the date of payment by the 2023 Insurer at the 2023B Late Payment Rate. "2023B Late Payment Rate" means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023B Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023B Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023B Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for

any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023B Late Payment Rate (collectively, "2023B Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023B Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023B Policy Costs paid to the 2023 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023 Insurer on account of principal due, the coverage under the 2023B Reserve Policy will be increased by a like amount, subject to the terms of the 2023B Reserve Policy. The obligation to pay 2023B Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2023B Reserve Subaccount of the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of debt service on 2023B Bonds before any drawing may be made on the 2023B Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023 Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023B Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023B Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023B Reserve Subaccount of the Reserve Account. Payment of 2023B Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023B Reserve Subaccount of the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023B Policy Costs in accordance with the requirements of the Indenture, the 2023 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2023B Bonds or (ii) remedies which would adversely affect owners of the 2023B Bonds.

(c) The Indenture shall not be discharged until all 2023B Policy Costs owing to the 2023 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023B Bonds.

(d) The Successor Agency shall include any 2023B Policy Costs then due and owing the 2023 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of the Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023B Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023 Insurer in accordance with the terms of the 2023B Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023B Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023B Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2023 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023B Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2023B Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023B Late Payment Rate from the date such amount is paid or incurred by the 2023 Insurer until the date the 2023 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023B Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023B Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023B Bonds or the Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023B Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023 Insurer, whether in connection with the transactions contemplated herein or any unrelated

transactions; (vii) any statement or any other document presented under or in connection with the 2023B Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023 Insurer under the 2023B Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023B Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023 Insurer as if set forth directly herein. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023B Policy Costs under the Indenture, without the prior written consent of the 2023 Insurer. The 2023 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2023 Insurer, promptly upon request, any information regarding the 2023B Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023 Insurer. The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the 2023B Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Deposit and Investment of Moneys in Funds

Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Redemption Account and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee, except that moneys in the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (g) of the definition thereof. In the absence of any such Written Request of the Successor Agency, the Trustee shall invest any such moneys in Permitted Investments described in clause (e) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out under the Indenture. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. With respect to any restrictions set forth in the above list which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the Successor Agency's expense. Moneys in the Special Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee under the Indenture shall be deposited in the Interest Account; *provided, however*, that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any

investments made at the direction of the Successor Agency or otherwise made in accordance with the Indenture. For investment purposes only, the Trustee may commingle the funds and accounts established under the Indenture, but shall account for each separately.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency monthly cash transaction statements which shall include detail for all investment transactions made by the Trustee under the Indenture.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by the Indenture. Except as specifically provided in the Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to the Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by the Indenture or the Code) at Fair Market Value if required by the Code.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued by the Successor Agency at their present value (within the meaning of section 148 of the Code). Investments on deposit in the Reserve Account shall be valued on June 30 of each year at their market value.

Other Covenants of the Successor Agency

Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues or Pledged Tax Revenues on a basis senior to the payment of debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt, except for obligations issued to refund any of the Existing Loan Agreements, the 2014 Bonds or any 2014 Parity Debt, but only if the debt service in any Bond Year does not increase as a result of such refunding. Further, the Successor Agency covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues, excepting only the 2017 Series A Taxable Bonds, the 2017 Series B Bonds, any Parity Debt meeting the requirements of the Indenture and any Subordinate Debt. The Successor Agency will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Bonds superior or equal to the pledge and lien created in the Indenture for the benefit of the Bonds.

Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default under the Indenture, to

the benefits of the Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Pledged Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing in the Indenture contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Books and Accounts; Financial Statements. The Successor Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the City and County, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Projects, the Pledged Tax Revenues and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the 2017 Insurer, any other Insurer and the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared, within one hundred and eighty (180) days after the close of each Fiscal Year so long as the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing the Pledged Tax Revenues, all disbursements of Pledged Tax Revenues and the financial condition of the Redevelopment Projects, including the balances in all funds and accounts relating to the Redevelopment Projects, as of the end of such Fiscal Year. The Successor Agency shall promptly furnish a copy of such financial statements to the Trustee, the 2017 Insurer and any other Insurer at no expense and to any Owner upon reasonable request and at the expense of such Owner.

The Successor Agency agrees, consents and will cooperate in good faith to provide information reasonably requested by the 2017 Insurer and will further provide appropriately designated individuals and officers to discuss the affairs, finances and accounts of the Successor Agency or any other matter as the 2017 Insurer may reasonably request.

Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the respective Closing Dates with respect to the 2017 Bonds, 2021 Bonds, and the 2023 Bonds, such Bonds shall be incontestable by the Successor Agency.

Taxation of Leased Property. All amounts derived by the Successor Agency pursuant to Section 33673 of the Law with respect to the lease of property for redevelopment shall be treated as Tax Revenues for all purposes of the Indenture.

Disposition of Property. The Successor Agency will not participate in the disposition of any land or real property in a Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by a Redevelopment Plan in effect on the date of issuance of the 2017 Bonds) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the applicable Project Area unless such disposition is permitted as provided in the Indenture. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint an Independent Redevelopment Consultant to report on the effect of said proposed disposition. If the Report of the Independent Redevelopment

Consultant concludes that the security of the Bonds, or the rights of the Successor Agency, the Bondowners and the Trustee under the Indenture will not be materially impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If said Report concludes that such security will be materially impaired by said proposed disposition, the Successor Agency shall disapprove said proposed disposition.

Maintenance of Pledged Tax Revenues. The Successor Agency shall comply with all requirements of the Law and the Dissolution Act to ensure the allocation and payment to it of the Pledged Tax Revenues. The Successor Agency shall not undertake proceedings for amendment of any of the Redevelopment Plans if such amendment shall result in payments to one or more taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless the Successor Agency shall first obtain a written opinion of an Independent Redevelopment Consultant that such payments will not adversely impair the Successor Agency's ability to pay debt service on the Bonds.

No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2017 Series B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2017 Series B Bonds would have caused the 2017 Series B Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the 2017 Series B Bonds are not so used as to cause the 2017 Series B Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Federal Guarantee Prohibition. The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the 2017 Series B Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2017 Series B Bonds.

Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the 2017 Series B Bonds from the gross income of the Owners of the 2017 Series B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2017 Series B Bonds.

Continuing Disclosure. The Successor Agency covenants and agrees in the Indenture that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of the Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Certificate) or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

The Successor Agency further covenants that it will comply with and carry out all of the provisions of the 2021 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of the Indenture, failure of the Successor Agency to comply with the 2021 Bonds Continuing Disclosure

Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2021 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2021 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

The Successor Agency further covenants that it will comply with and carry out all of the provisions of the 2023 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of the Indenture, failure of the Successor Agency to comply with the 2023 Bonds Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2023 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2023 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Compliance with the Dissolution Act. The Successor Agency shall comply with all of the requirements of the Law and the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants under the Indenture.

Further, it will take all actions required under the Dissolution Act to include

(i) scheduled debt service on the Existing Loans, the 2014 Bonds, any 2014 Parity Debt, and any amounts required to replenish any reserve account established under an Existing Loan Agreement, the 2014 Indenture or any instrument pursuant to which 2014 Parity Debt is issued,

(ii) scheduled debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt and any amount required under the Indenture or any Parity Debt Instrument to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument, and

(iii) amounts due to any Insurer under the Indenture or under an insurance or surety bond agreement, including the 2017 Bonds Insurance Policy and the 2017 Reserve Policy,

in each annual Recognized Obligation Payment Schedule so as to enable the Auditor-Controller of the City and County of San Francisco to distribute from the Redevelopment Property Tax Trust Fund to the Successor Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay principal of, and interest on, the Bonds coming due in the respective six-month period and to pay amounts owed to any Insurer, as well as the other amounts set forth above.

These actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and State Department of Finance the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to comply with the Indenture. In particular, the Successor Agency shall, not later than April 30, 2017, submit to the

State Department of Finance and to the Auditor-Controller of the City and County of San Francisco an Oversight Board-approved amendment to the Recognized Obligation Payment Schedule previously submitted by the Successor Agency relating to the June 1, 2017 and January 2, 2018 disbursement dates, amending the amounts to be distributed on (i) June 1, 2017 to include all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient for the payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on August 1, 2017 and (ii) January 2, 2018 to include all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient for the payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on February 1, 2018 and August 1, 2018. Not later than February 1, 2018 and each February 1 thereafter (or at such other time as may be required by the Dissolution Act) for so long as any of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt or the Bonds remain outstanding or any amounts owing to an Insurer remain unpaid, (a) the Successor Agency will place on the Recognized Obligation Payment Schedules relating to the January 2 disbursement date all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on the immediately succeeding February 1 and August 1, and (b) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on a timely basis, the Successor Agency will place on Recognized Obligation Payment Schedules relating to the June 1 disbursement date amounts required to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on the next succeeding August 1. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on February 1 and August 1 of the next succeeding calendar year. Further, the Successor Agency will place any amounts required to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument and any amounts owing to any Insurer under the Indenture or under an insurance or surety bond agreement, including the 2017 Bond Insurance Policy and the 2017 Reserve Policy, on its next Recognized Obligation Payment Schedule upon any such amounts becoming owing.

The Successor Agency further covenants that it will, on or before May 1 and December 1 of each year, file a Notice of Insufficiency with the County Auditor-Controller if the amount of Pledged Tax

Revenues available to the Successor Agency from the RPTTF on the upcoming June 1 or January 2, as applicable, is insufficient to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds, to pay debt service on any Parity Debt to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument and to pay any Insurer any amounts owing under the Indenture or under an insurance or surety bond agreement, including the 2017 Bond Insurance Policy or the 2017 Reserve Policy.

Without in any way limiting the provisions summarized above, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2022 and January 2, 2023 disbursement dates, (i) all amounts required to pay debt service on the 2021 Bonds on August 1, 2022 for distribution to the Successor Agency on June 1, 2022, and (iii) all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the 2021 Bonds, are sufficient for the payment of debt service on the 2021 Bonds on February 1, 2022 and August 1, 2023 for distribution to the Successor Agency on January 2, 2023.

Without in any way limiting the provisions summarized above, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024 and January 2, 2025 disbursement dates, (i) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the 2023 Bonds, all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient to pay debt service on the 2023 Bonds on August 1, 2024, for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient for the payment of debt service on the 2023 Bonds on February 1, 2025 and August 1, 2025 for distribution to the Successor Agency on January 2, 2025. The Successor Agency previously placed on the Recognized Obligation Payment Schedule relating to the June 1, 2023 and January 2, 2024 disbursement dates, amounts sufficient to pay debt service on the 2023 Bonds on February 1, 2024 and August 1, 2024 for distribution to the Successor Agency on January 2, 2024.

If any amounts then due and payable to the 2017 Insurer, the 2021 Insurer, and/or the 2023 Insurer under the Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2017 Insurer, the 2021 Insurer, and the 2023 Insurer, as applicable.

The Successor Agency will not submit to the Oversight Board and the State Department of Finance a request for the final amendment permitted for its Last and Final Recognized Obligation Payment Schedule pursuant to Section 34191.6 of the Dissolution Act without the prior written consent of the 2017 Insurer, the 2021 Insurer, and the 2023 Insurer, unless all amounts that could become due and payable to the 2017 Insurer, the 2021 Insurer, and the 2023 Insurer under the Indenture would be included as a line item on the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.

Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in the Indenture.

Amendment of Indenture

Amendment With And Without Consent of Owners. The Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption without the consent of any Owners, to the extent permitted by law, but only for any one or more of the following purposes –

- (a) to add to the covenants and agreements of the Successor Agency in the Indenture contained, other covenants and agreements thereafter to be observed, including any covenant or agreement that provides for additional security for the Bonds, or to limit or surrender any rights or powers in the Indenture reserved to or conferred upon the Successor Agency; or
- (b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or
- (c) to provide for the issuance of Parity Debt in accordance with the Indenture; or
- (d) to amend any provision of the Indenture relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of Bond Counsel; or
- (e) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument.

Except as set forth in the preceding paragraph, the Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of any Insurer (but only with respect to any Bonds insured by such Insurer) and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest, or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of any Insurer or the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In no event shall any Supplemental Indenture modify any of the rights or obligations of any Insurer without its prior written consent.

Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to the Indenture, the Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties to the Indenture or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification of the Indenture pursuant to the Indenture, the Successor Agency may, with the prior written consent of any Insurer, determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office of the Trustee, without cost to such Owners.

Amendment by Mutual Consent. The provisions of the Indenture shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond and, provided further that written consent to such amendment shall first be obtained from any Insurer.

Opinion of Counsel. Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under the Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under the Indenture and does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the Bonds from personal income taxation by the State.

Copy of Supplemental Indenture to S&P and Moody's. The Successor Agency shall provide to S&P and Moody's, for so long as S&P and Moody's, as the case may be, maintain a rating on any of the Bonds (without regard to any municipal bond or financial guaranty insurance), a copy of any Supplemental Indenture at least fifteen (15) days prior to its proposed effective date.

Events of Default and Remedies

Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default under the Indenture:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in the Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Insurer or written notice from any Owner (with a copy of said notice delivered to the Trustee and any Insurer) of the occurrence of such default, provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency (with the prior written consent of any Insurer) within such thirty (30) day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time as approved by any Insurer; or

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition by the Successor Agency seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition by the Successor Agency, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

In determining whether an Event of Default has occurred under (a) above, no effect shall be given to payments made under any municipal bond insurance policy, financial guaranty insurance policy or Qualified Reserve Account Credit Instrument.

If an Event of Default has occurred under the Indenture and is continuing, the Trustee, may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (y) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding, and (z) subject to the provisions of the Indenture, exercise any other remedies available to the Trustee and the Bondowners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to any Insurer and to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in subsections (a) or (c) above the Trustee shall, and with respect to any Event of Default described in subsection (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall, with the written consent of a majority in aggregate principal amount of the Owners of the Bonds then Outstanding, deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to any Insurer and the Owners of all Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds then Outstanding, rescind and annul such

declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Application of Funds Upon Acceleration. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of the Indenture (including the Trustee's share of any Pledged Tax Revenues) and all sums in the funds and accounts established and held by the Trustee under the Indenture upon the date of the declaration of acceleration as provided in the Indenture, and all sums thereafter received by the Trustee thereunder, shall be applied by the Trustee in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in the Indenture, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees and expenses of the Trustee;

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, as applicable, with interest on the overdue principal, and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest; and

Third, any amount due and owing to any Insurer under the Indenture.

Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties under the Indenture, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however*, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds under the Indenture opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Limitation on Owner's Right to Sue. No Owner of any Bond issued under the Indenture shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Indenture, unless (a) such Owner shall have previously given to the Successor Agency, the Trustee and any Insurer written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are in the Indenture declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy under the Indenture; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under the Indenture, except in the manner provided in the Indenture, and that all proceedings at law or in equity to enforce any provision of the Indenture shall be instituted, had and maintained in the manner therein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as provided in the Indenture, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of the Indenture.

Non-Waiver. Nothing in the Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged under the Indenture, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as provided in the Indenture, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by the Indenture may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy under the Indenture may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is appointed (and the successive respective Owners by taking and holding the Bonds or Parity Debt shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however*, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Remedies Not Exclusive. No remedy in the Indenture conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or on or after the date thereof existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Determination of Percentage of Bondowners. Whenever in the Indenture the consent, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds determined as of the next succeeding Interest Payment Date.

Discharge of Indenture

Discharge of Indenture. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to the Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to the Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to the Indenture or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other funds provided for in the Indenture and all other obligations of the Trustee and the Successor Agency under the Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (A) the covenants of the Successor Agency under the Indenture with respect to the Code, (B) the obligation of the Trustee to transfer and exchange Bonds under the Indenture, (C) the obligations of the Successor Agency under the Indenture, and (D) the obligation of the Successor Agency to pay or cause to be paid to the Owners (or any Insurer), from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee and any Insurer all fees, expenses and costs of the Trustee and any Insurer. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to the Indenture shall be paid over to the Successor Agency. Notwithstanding anything in the Indenture to the contrary, in the event that the principal and/or interest due of the Bonds is paid by any

Insurer pursuant to its municipal bond or financial guaranty insurance policy, such Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Successor Agency, and the assignment and pledge of the Pledged Tax Revenues and other assets under the Indenture and all covenants, agreements and other obligations of the Successor Agency to the Bondowners so paid shall continue to exist and shall run to the benefit of such Insurer, and such Insurer shall be subrogated to the rights of such Bondowners, as applicable.

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) in connection with its issuance of \$_____ aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2023 Series A Taxable Bonds”) and \$_____ aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Project) (the “2023 Series B Bonds” and, together with the 2023 Series A Taxable Bonds, the “Bonds”). The Bonds are being issued in accordance with Sections 34177.7(a)(1)(A) and (B) of the California Health and Safety Code (the “Redevelopment Law”), the resolution of the Successor Agency adopted on July 20, 2021 (the “Resolution”), and the Indenture of Trust, dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the “Trustee”), as amended and supplemented prior to the date hereof and as further amended and supplemented by a Second Supplement to Indenture of Trust, dated as of September 1, 2023 (as so amended and supplemented, the “Indenture”), by and between the Successor Agency and the Trustee. The Successor Agency covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Indenture described in the Official Statement (defined below), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Annual Report Date” means the date that is six months after the end of the Successor Agency’s fiscal year (currently December 31 based on the Successor Agency’s fiscal year end of June 30).

“Dissemination Agent” means the Successor Agency, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency and the Trustee a written acceptance of such designation.

“EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the internet at <https://emma.msrb.org>.

“Financial Obligation” means “financial obligation” as such term is defined in the Rule.

“Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the

Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Official Statement” means the final Official Statement dated [____], 2023, relating to the Bonds.

“Participating Underwriters” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Project Areas” means the Project Areas as defined in the Official Statement.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than each Annual Report Date, commencing December 31, 2023, with respect to the report for the 2022-23 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to the Annual Report Date, the Successor Agency shall provide the Annual Report to the Dissemination Agent, if other than the Successor Agency. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the financial information regarding each of the Project Areas may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date if not available by that date. If the Successor Agency’s or any of the Project Area’s Fiscal Year changes, the Successor Agency, upon becoming aware of such change, shall give notice of such change in the same manner as for a Listed Event under Section 5(c) below. The Successor Agency shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the Successor Agency and shall have no duty or obligation to review such Annual Report.

(b) If, by fifteen (15) business days prior to the Annual Report Date, the Dissemination Agent (if other than the Successor Agency) has not received a copy of the Annual Report, the Dissemination Agent shall notify the Successor Agency of such non-receipt.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the Annual Report Date, the Dissemination Agent in a timely manner shall provide to the MSRB a notice, in substantially the form attached hereto as Exhibit A.

(d) Unless the Successor Agency has done so pursuant to Section 3(a) above, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a certificate with the Successor Agency to the effect that the Annual Report has been provided pursuant to this Disclosure Certificate, stating, to the extent it can confirm such filing of the Annual Report, the date it was provided.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the Successor Agency's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the usual format utilized by the Successor Agency, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the Successor Agency for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

1. Description of any parity debt (date, amount, term, rating, insurance) issued by the Successor Agency in the fiscal year to which the Annual Report pertains and the amount of all Successor Agency debt outstanding payable with tax increment revenue from the Project Areas as of the end of the fiscal year to which the Annual Report pertains;

2. The top ten taxpayers by assessed valuation in the Project Areas for the fiscal year to which the Annual Report pertains in a form substantially similar to Table 3 of the Official Statement;

3. Assessed valuations and tax increment for the fiscal year to which the Annual Report pertains, by means of an update to the "Historical and Current Assessed Valuations and Net Available Tax Increment Revenue by Project Areas" table as shown in Table 5 of the Official Statement;

4. Estimated all-in debt service coverage for obligations of the Successor Agency for the fiscal year to which the Annual Report pertains by means of an update to the "Estimated All-In Debt Service Coverage" table shown in Table 7 and Table 8 of the Official Statement; and

5. Assessment appeals for the fiscal year to which the Annual Report pertains by means of an update to the "Assessment Appeals in the Project Areas" table shown in Table 9 of the Official Statement.

Any or all of the items above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which are available to the public on the MSRB's internet website, currently EMMA, or filed with the Securities and Exchange Commission. The Successor Agency shall clearly identify each such other document so included by reference.

The Trustee shall have no responsibility for the content of the Annual Report, or any part thereof.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposal Issue (IRS Form 5701-TEB);
6. Tender Offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the obligated person;
10. Default, event of acceleration, termination event, modifications of terms, or other similar events under the terms of a Financial Obligation of the Successor Agency, any of which reflect financial difficulties; and
11. The issuance of any private placement bonds or the entering into any bank loan of the type, in each case, that would constitute Third Lien Parity Debt as defined in the Indenture, including the related debt service schedule, to the extent this is not already disclosed on EMMA.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority; or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten (10) business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to the rights of Bondholders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving the Successor Agency or the sale of all or substantially all of the assets of the Successor Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional trustee or the change of the name of a trustee; and
8. Incurrence of a Financial Obligation of the Successor Agency, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a

Financial Obligation of the Successor Agency, any of which affect security holders.

(c) Whenever the Successor Agency obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the Successor Agency shall determine if such event would be material under applicable federal securities laws.

(d) If the Successor Agency learns of the occurrence of a Listed Event described in Section 5(a) or determines that knowledge of the occurrence of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, and if the Dissemination Agent is other than the Successor Agency, the Successor Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to file a notice of such occurrence with EMMA in a timely manner not more than ten (10) business days after the event.

(e) The Successor Agency hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the Successor Agency and, if the Dissemination Agent is other than the Successor Agency, the Dissemination Agent shall not be responsible for determining whether the Successor Agency's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The obligations of the Successor Agency, the Trustee and the Dissemination Agent under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. From time to time, the Successor Agency may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. If at any time there is not a designated Dissemination Agent, the Successor Agency shall be the Dissemination Agent. The Dissemination Agent may resign by providing sixty (60) days prior written notice to the Successor Agency.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4, 5(a) or 5(b), it may be made only in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) The undertakings herein, as proposed to be amended or waived, in the opinion of nationally recognized bond counsel, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) in the opinion of nationally recognized bond counsel, does not materially impair the interests of the holders or beneficial owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Successor Agency shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Successor Agency to comply with any provision of this Disclosure Certificate, the Trustee may (and, at the request of any Participating Underwriter or the holders of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall), after receiving indemnification satisfactory to the Trustee, or any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent and the Trustee shall be entitled to the protections and limitations from liability afforded to the Trustee in Article 6 of the Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and hold harmless the Dissemination Agent, its officers, directors, employees and agents, against any loss, expense and liabilities which the Dissemination Agent may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Trustee shall not be required to consent to any amendment which would impose any greater duties or risk of liability on the Trustee. No person shall have any right to commence any action against the Trustee seeking any remedy other than to compel specific performance of this Disclosure Certificate. The Trustee shall not be liable under any circumstances for monetary damages to any person for any breach of this Disclosure Certificate.

Section 13. Notices. Any notice or communications to be given under this Disclosure Certificate may be given as follows:

To the Successor Agency:

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Fax: (415) 749-2527
Attention: Deputy Director of Finance and
Administration

To the Participating Underwriters:

Stifel, Nicolaus & Company, Incorporated
2121 Avenue of the Stars, Suite 2150
Los Angeles, CA 90067
Fax:
Attention:

To the Trustee:

U.S. Bank Trust Company, National Association
One California Street, Suite 1000
Mail Code: SF-CA-SFCT
San Francisco, CA 94111
Fax: (415) 677-3769
Attention: Global Corporate Trust and Escrow Services

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Trustee, the Dissemination Agent, the Participating Underwriters and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: ____ __, 2023

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director of
Finance and Administration

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Names of Issues: Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Date of Issuance: _____, 2023

NOTICE IS HEREBY GIVEN that the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate dated _____, 2023, of the Successor Agency. The Successor Agency anticipates that the Annual Report will be filed by _____.

Dated: _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

APPENDIX E
FORM OF BOND COUNSEL FINAL OPINION

[Closing Date]

Successor Agency to the
Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

OPINION: \$[PARA] original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and \$[PARB] original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) of its \$[PARA] original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2023A Bonds”) and its \$[PARB] original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”), pursuant to the Community Redevelopment Law, constituting Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (collectively, the “Law”), resolutions of the Successor Agency adopted on March 21, 2023, and June 20, 2023, a resolution of the Oversight Board for the Successor Agency adopted on April 7, 2023, and an Indenture of Trust dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust dated as of December 1, 2021, and as further supplemented and amended by the Second Supplement to Indenture of Trust dated as of September 1, 2023 (the “Second Supplement”), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor trustee (as so supplemented and amended, the “Indenture”). Capitalized terms used but not defined herein have the meanings given to such terms in the Indenture.

In our capacity as bond counsel, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied on representations of the Successor Agency contained in the Indenture, and on the certified proceedings and other certifications of public officials

furnished to us, without undertaking to verify the same by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of the General Counsel to the Successor Agency, and others, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Successor Agency is validly existing as a public entity, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the 2023 Bonds.

2. The Second Supplement has been duly executed and delivered by the Successor Agency and the Indenture constitutes the valid and binding obligation of the Successor Agency enforceable upon the Successor Agency.

3. The Indenture creates a valid lien on the funds pledged by the Indenture for the security of the 2023 Bonds, subject to no prior lien granted under the law, except as provided therein.

4. The 2023 Bonds have been duly authorized, executed and delivered by the Successor Agency and are valid and binding special obligations of the Successor Agency payable, on a parity with any Parity Debt, solely from the sources provided therefor in the Indenture.

5. The interest on the 2023A Bonds is not intended to be excluded from gross income for federal income tax purposes.

6. The interest on the 2023B Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted, however, that interest on the 2023B Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the 2023B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Successor Agency has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023B Bonds.

7. The interest on the 2023 Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any federal tax consequences arising with respect to the 2023A Bonds and no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the 2023 Bonds.

The rights of the owners of the 2023 Bonds and the enforceability of the 2023 Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by the exercise of judicial discretion in appropriate cases, by limitations on legal remedies imposed on actions against public entities, by laws relating to conflicts of interest, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes

in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any courts; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the certifications, representations, covenants and opinions referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

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APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The information in this Appendix F concerning The Depository Trust Company, New York, New York (“DTC”) and DTC’s book-entry system has been obtained from DTC and the Successor Agency takes no responsibility for the completeness or accuracy thereof. Accordingly, the DTC Participants, the Indirect Participants and the Beneficial Owners should not rely on the information in this Appendix F with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be. The Successor Agency cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2023A/B Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the 2023A/B Bonds, or (c) notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2023A/B Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the 2023A/B Bonds. The 2023A/B Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each Series of the 2023A/B Bonds. The 2023A/B Bonds will be deposited with DTC.

DTC, the world’s largest Securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity and corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to DTC’s system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

Purchases of 2023A/B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2023A/B Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2023A/B Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of

their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2023A/B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2023A/B Bonds, except in the event that use of the book-entry system for the 2023A/B Bonds is discontinued.

To facilitate subsequent transfers, all 2023A/B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2023A/B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2023A/B Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such 2023A/B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2023A/B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2023A/B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2023A/B Bond documents. For example, Beneficial Owners of 2023A/B Bonds may wish to ascertain that the nominee holding the 2023A/B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2023A/B Bonds of like maturity of a Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2023A/B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Successor Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2023A/B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, and premium, if any, and interest on, the 2023A/B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Successor Agency or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Successor Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, and premium, if any, and interest on, the 2023A/B Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Successor Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and

disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2023A/B Bonds at any time by giving reasonable notice to the Successor Agency or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, 2023A/B Bond certificates are required to be printed and delivered.

The Successor Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2023A/B Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Successor Agency believes to be reliable, but the Successor Agency takes no responsibility for the accuracy thereof.

BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL DELIVERY OF 2023A/B BONDS AND WILL NOT BE RECOGNIZED BY THE TRUSTEE AS OWNERS THEREOF, AND BENEFICIAL OWNERS WILL BE PERMITTED TO EXERCISE THE RIGHTS OF OWNERS ONLY INDIRECTLY THROUGH DTC AND THE DTC PARTICIPANTS.

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APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: \$ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: \$

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

Form 500NY (5/90)



EXECUTION VERSION

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

**\$24,505,000
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

**\$35,210,000
2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE
PROJECTS)**

BOND PURCHASE CONTRACT

August 30, 2023

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attention: Executive Director

Ladies and Gentlemen:

The undersigned, Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative (the “Representative”) of Backstrom McCarley Berry & Co., LLC (collectively, the “Underwriters”), offers to enter into this Bond Purchase Contract (this “Purchase Contract”) with the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”). This offer is made subject to acceptance by the Successor Agency by execution of this Purchase Contract and delivery of the same to the Representative on or before 11:59 p.m. (California time) on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriters upon notice delivered to the Successor Agency at any time prior to such acceptance. Upon the acceptance by the Successor Agency hereof, this Purchase Contract will be binding upon the Successor Agency and the Underwriters.

Capitalized terms used in this Purchase Contract and not otherwise defined herein shall have the respective meanings set forth for such terms in the Indenture (as such term is defined below) and if not otherwise defined therein, shall have the meanings given to such terms as set forth in the Official Statement (as such term is defined below).

Section 1. Purchase and Sale of the Bonds. Upon the terms and conditions and upon the basis of the representations set forth in this Purchase Contract, the Underwriters agree to purchase from the Successor Agency, and the Successor Agency agrees to sell and deliver to the Underwriters, all (but not less than all) of the \$24,505,000 principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien

Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2023A Bonds”) and all of the \$35,210,000 principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds,” and together with the 2023A Bonds, the “Bonds”) The Bonds shall be dated their date of delivery and shall have the maturities, bear interest at the rates per annum and have the yields all as set forth on Schedule I attached hereto. The purchase price for the 2023A Bonds shall be \$24,396,281.25, calculated as \$24,505,000.00 (aggregate principal amount of the 2023A Bonds), less an Underwriters’ discount in the amount of \$108,718.75. The purchase price for the 2023B Bonds shall be \$37,637,611.85, calculated as \$35,210,000.00 (aggregate principal amount of the 2023B Bonds), plus original issue premium in the amount of \$2,539,811.85, less an Underwriters’ discount in the amount of \$112,200.00.

Section 2. Preliminary Official Statement. The Successor Agency has delivered to the Underwriters a Preliminary Official Statement, dated August 22, 2023 (the “Preliminary Official Statement”), and will deliver to the Underwriters a final Official Statement dated the date hereof as provided in Section 5 of this Purchase Contract (as amended and supplemented from time to time pursuant to Section 6(k) of this Purchase Contract, the “Official Statement”). The Successor Agency has delivered to the Underwriters a certificate pursuant to Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”) relating to the Preliminary Official Statement, in substantially the form attached hereto as Exhibit A.

Section 3. Description of the Bonds. The Bonds shall be substantially in the form described in, shall be issued and secured under the provisions of and shall be payable as provided in the Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the “First Supplement”) and as further as supplemented and amended by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the “Second Supplement”), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), as successor-in-interest to U.S. Bank National Association (as so supplemented and amended, the “Indenture”), and the Constitution and laws of the State of California, including but not limited to Parts 1.8 and 1.85 of Division 24 of the Health and Safety Code of the State of California (as amended from time to time, the “Dissolution Act”). The Bonds shall be payable and subject to redemption as provided in the Indenture and as set forth in the Official Statement. The Bonds are legal, valid and binding limited obligations of the Successor Agency which are payable solely from and secured by a pledge of Pledged Tax Revenues and the moneys in the Special Fund, as defined and described in the Indenture, on a parity with the 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017 Series A Taxable Bonds”), the 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017 Series B Bonds” and, together with the 2017 Series A Taxable Bonds, the “2017 Bonds”) and the 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds). The 2023A Bonds are issued for the primary purpose of providing funds, together with other lawfully available moneys: (a) to finance the Affordable Housing Obligations (as such term is defined in the Indenture); (b) to pay the premium for a debt service reserve fund policy (the “2023A Reserve Policy”), to be issued by Assured Guaranty Municipal Corp. (the “Insurer”) to satisfy the Reserve Requirement with respect to the 2023A Bonds; (c) to pay the premium for a municipal bond insurance policy (the “2023A Policy”) to be issued by the Insurer; and (d) to pay the costs associated with the issuance of the 2023A Bonds. The 2023B Bonds are issued for the primary purpose of providing funds, together with other lawfully available moneys: (a) to finance the Transbay Infrastructure Obligations (as such term is defined in the Indenture); (b) to pay the premium for a debt service reserve fund policy (the

“2023B Reserve Policy” and together with the 2023A Reserve Policy, the “Reserve Policies”), to be issued by the Insurer to satisfy the Reserve Requirement with respect to the 2023B Bonds; (c) to pay the premium for a municipal bond insurance policy (the “2023B Policy” and together with the 2023A Policy, the “Policies”) to be issued by the Insurer; and (d) to pay the costs associated with the issuance of the 2023B Bonds. In order to finance and refinance redevelopment activities within or of benefit to the Project Areas (as defined in the Indenture), (a) the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”) entered into the Existing Loan Agreements (as defined in the Indenture), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans made to the Former Agency under the Existing Loan Agreements; and (b) the Successor Agency issued the 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014 Series B Taxable Bonds”), the 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2014 Series C Bonds,” and together with the 2014 Series B Taxable Bonds, the “2014 Bonds”), the 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series D Taxable Bonds”), and the 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series E Bonds” and, together with the 2017 Series D Taxable Bonds, the “2017D/E Bonds”), pursuant to an indenture of trust as supplemented and amended by a first supplement to indenture of trust (as so supplemented and amended, the “2014 Indenture”). The pledge of Pledged Tax Revenues securing the Bonds will be subordinate to the pledge thereof securing the 2014 Bonds and the 2017D/E Bonds and the pledge of Tax Revenues securing the Existing Loan Agreements.

Section 4. Public Offering and Establishment of Issue Price. It shall be a condition to the Successor Agency’s obligations to sell and to deliver the Bonds on behalf of the Successor Agency to the Underwriters and to the Underwriters’ obligations to purchase and to accept delivery of the Bonds that the entire \$59,715,000 aggregate principal amount of the Bonds shall be executed, issued and delivered by or at the direction of the Successor Agency and purchased, accepted and paid for by the Underwriters at the Closing. On or prior to the Closing, the Underwriters will provide the Successor Agency with information regarding the reoffering prices and yields on the Bonds, in such form as the Successor Agency may reasonably request.

The Underwriters agree, subject to the terms and conditions hereof, to make a *bona fide* public offering of all the Bonds initially at prices not in excess of the initial public offering prices as set forth in Schedule I hereto. The Underwriters reserve the right to change the public offering prices as they deem necessary in connection with the marketing of the Bonds. The Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the public offering price set forth in Schedule I hereto.

The Underwriters will provide, consistent with the requirements of MSRB, for the delivery of a copy of the Official Statement to each customer who purchases a Bond during the underwriting period. The Underwriters further agree that they will comply with applicable laws and regulations, including without limitation Rule 15c2-12, in connection with the offering and sale of the Bonds.

The Underwriters agree to assist the Successor Agency in establishing the issue price of the 2023B Bonds and shall execute and deliver to the Successor Agency at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriters, the Successor Agency and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or

prices to the public of the 2023B Bonds. All actions to be taken by the Successor Agency under this section to establish the issue price of the 2023B Bonds may be taken on behalf of the Successor Agency by the Successor Agency's municipal advisor identified herein and any notice or report to be provided to the Successor Agency may be provided to the Successor Agency's municipal advisor.

The Successor Agency will treat the first price at which 10% of each maturity of the 2023B Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriters shall report to the Successor Agency the price or prices at which they have sold to the public each maturity of 2023B Bonds. For purposes of this Section, if 2023B Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the 2023B Bonds.

The Underwriters confirm that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the 2023B Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold 2023B Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all 2023B Bonds of that maturity allocated to it have been sold or it is notified by the Underwriters that the 10% test has been satisfied as to the 2023B Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriters, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriters,

(B) to promptly notify the Underwriters of any sales of 2023B Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the 2023B Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriters shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the 2023B Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the 2023B Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold 2023B Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all 2023B Bonds of that maturity allocated to it have been sold or it is notified by the Underwriters or the dealer that the 10% test has been satisfied as to the 2023B Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriters or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriters or the dealer and as set forth in the related pricing wires.

The Successor Agency acknowledges that, in making the representations set forth in this section, the Underwriters will rely on (i) in the event a selling group has been created in connection with the initial sale of the 2023B Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the 2023B Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2023B Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the 2023B Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the 2023B Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2023B Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Successor Agency further acknowledges that the Underwriters shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the 2023B Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the 2023B Bonds.

The Underwriters acknowledge that sales of any 2023B Bonds to any person that is a related party to an underwriter participating in the initial sale of the 2023B Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Successor Agency (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the 2023B Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the 2023B Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the 2023B Bonds to the public),
- (iii) a purchaser of any of the 2023B Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Purchase Contract by all parties.

Section 5. Delivery of Official Statement. The Successor Agency shall deliver to the Underwriters, as promptly as practicable but in no event later than the Closing Date (as such term is defined herein), such number of copies of the final Official Statement, as the Underwriters may

reasonably request in order to comply with Rule 15c2-12(b) and the rules of the Municipal Securities Rulemaking Board (the “MSRB”).

The Successor Agency hereby authorizes the Underwriters to use the Official Statement and the information contained therein in connection with the offering and sale of the Bonds and ratifies and confirms the authorization of the use by the Underwriters prior to the date hereof of the Preliminary Official Statement, furnished to the Underwriters by the Successor Agency in connection with such offering and sale.

The Underwriters agree that from the time that the Official Statement becomes available until the earlier of: (a) the “End of the Underwriting Period,” as defined in Section 6(j) of this Purchase Contract; or (b) the time when the Official Statement is available to any person from the MSRB’s Electronic Municipal Market Access system (“EMMA”), but in no case less than 25 days following the End of the Underwriting Period, the Underwriters shall send no later than the next business day following a request for a copy thereof, by first class mail or other equally prompt means, to any potential customer (as such term is defined in Rule 15c2-12), on request, a single copy of the Official Statement. The Underwriters agree to file as soon as reasonably practicable a copy of the Official Statement with EMMA and to take any and all actions necessary to comply with applicable Securities and Exchange Commission rules and MSRB rules governing the offering, sale and delivery of the Bonds to ultimate purchasers.

Section 6. Representations, Warranties and Covenants of the Successor Agency.

The Successor Agency represents, warrants and covenants with the Underwriters that:

(a) the Successor Agency is a public body corporate and politic, organized and existing under the laws of the State of California, including the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California (the “Redevelopment Law”) and the Dissolution Act, with full right, power and authority to execute, deliver and perform its obligations under the Indenture, the Continuing Disclosure Certificate of the Successor Agency, dated the Closing Date and substantially in the form attached to the Official Statement as Appendix D (the “Continuing Disclosure Certificate”) and this Purchase Contract (collectively, the “Successor Agency Agreements”), and to carry out all transactions contemplated by each of the Successor Agency Agreements, the Bonds and the Official Statement;

(b) by Resolution No. 02-2023 adopted by the Successor Agency on March 21, 2023 (the “Successor Agency Bond Resolution”), the Successor Agency has taken all necessary official action to authorize and approve the execution, delivery of, and the performance by the Successor Agency of the obligations contained in, the Bonds and the Successor Agency Agreements and by Resolution No. 21-2023 adopted by the Successor Agency on June 20, 2023 (the “Successor Agency POS Resolution” and together with the Successor Agency Bond Resolution, the “Successor Agency Resolutions”) has duly authorized and approved the Preliminary Official Statement, and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded; when executed and delivered, each of the Successor Agency Agreements and the Bonds will constitute a legally valid and binding obligation of the Successor Agency enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors’ rights generally; the Successor Agency has complied and will as of the Closing Date be in compliance in all respects with the terms of the Successor Agency

Agreements; compliance with the provisions of the Successor Agency Agreements will not materially conflict with or constitute a breach of or default under any applicable constitutional provision, law, administrative regulation, court order, consent decree, judgment, decree, loan agreement, note, resolution, indenture, agreement or other instrument to which the Successor Agency is a party or may be otherwise subject; and the Successor Agency Resolutions were adopted by a majority of the members of the Board of Directors of the Successor Agency at a meeting duly called, noticed and conducted, at which a quorum was present and acting throughout and constitutes all action necessary to be taken by the Successor Agency for the execution, delivery and issuance of the Bonds and the execution, delivery and due performance of the Successor Agency Agreements;

(c) at the time of acceptance hereof by the Successor Agency, and (unless an event occurs of the nature described in Section 6(k)) at all times during the period from the date of this Purchase Contract to and including the date which is 25 days following the End of the Underwriting Period for the Bonds (as determined in accordance with Section 6(j)), the statements and information contained in the Preliminary Official Statement as of its date, and the Official Statement as of its date (excluding the information provided by the Underwriters, under the caption “UNDERWRITING,” information regarding the Insurer, the Policies and the Reserve Policies, and contained in Appendix F—“DTC AND THE BOOK ENTRY ONLY SYSTEM”) are true, correct and complete in all material respects and such statements with respect to the Preliminary Official Statement as of its date do not, and with respect to the Official Statement as of its date and the Closing Date will not, omit to state any material fact necessary to make such statements, in the light of the circumstances under which they were made, not misleading;

(d) [Reserved.]

(e) to the best of its knowledge, the Successor Agency is not in violation or breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America, or any agency or instrumentality of either of them, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Successor Agency is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a violation or a breach of or a default under any such instrument;

(f) at the date hereof and on the Closing Date, the Successor Agency will be in compliance in all respects with the material covenants and agreements contained in the Successor Agency Agreements, the Existing Loan Agreements and the 2014 Indenture, and no event of default and no event which, with the passage of time or giving of notice, or both, would constitute an event of default thereunder shall have occurred and be continuing;

(g) other than as set forth in the Official Statement or as the Successor Agency has otherwise disclosed, in writing, to the Underwriters, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, or by or before any court, governmental agency, public board or body, pending or, to the best knowledge of the Successor Agency after due investigation, threatened: (i) wherein an unfavorable decision, ruling or finding would adversely affect the existence of the Successor Agency or the title of any official of the Successor Agency to such person’s office; (ii) seeking to restrain or enjoin the issuance, sale or delivery of the Bonds, or the assignment by the Successor Agency of its rights under the Indenture; (iii) in any way contesting or affecting the validity or enforceability of the Successor Agency Agreements or the Bonds or the tax-exempt status

of the 2023B Bonds; (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement; or (v) contesting the power of the Successor Agency or its authority with respect to the Bonds or the Successor Agency Agreements, nor is there any basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the Successor Agency Agreements or the authorization, execution, delivery or performance by the Successor Agency of the Bonds or the Successor Agency Agreements;

(h) the Successor Agency will furnish such information, execute such instruments and take such other action not inconsistent with law in cooperation with the Underwriters which the Underwriters may reasonably request in order for the Underwriters to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriters may designate and to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions; provided, however, that in no event shall the Successor Agency be required to take any action which would subject it to service of process in any jurisdiction in which it is not now subject;

(i) all approvals, consents and orders of any governmental authority or agency having jurisdiction in the matter which would constitute a condition precedent to the due performance by the Successor Agency of its obligations under the Successor Agency Agreements or the Bonds have been duly obtained or made, and are, and will be on the Closing Date, in full force and effect;

(j) as used in this Purchase Contract, the term "End of the Underwriting Period" for the Bonds shall mean the earlier of: (i) the Closing Date unless the Successor Agency shall have been notified in writing to the contrary by the Representative on or prior to the Closing Date; or (ii) the date on which the End of the Underwriting Period for the Bonds has occurred under Rule 15c2-12, provided, however, that the Successor Agency may treat as the End of the Underwriting Period for the Bonds the date specified as such in a notice from the Representative stating the date which is the End of the Underwriting Period;

(k) if between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs, or facts or conditions become known to the Successor Agency which, in the reasonable opinion of the Underwriters, Stradling Yocca Carlson & Rauth, a Professional Corporation ("Underwriters' Counsel"), the Law Offices of Alexis S. M. Chiu ("Disclosure Counsel") or counsel to the Successor Agency, would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances, not misleading, the Successor Agency will notify the Underwriters, and if in the opinion of the Representative such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Successor Agency will forthwith prepare and furnish to the Underwriters (at the expense of the Successor Agency) a reasonable number of copies of an amendment of or supplement to the Official Statement (in the form and substance satisfactory to the Representative) which will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to prospective purchasers, not misleading with respect to the information of the Successor Agency. If such notification shall be subsequent to the Closing Date, the Successor Agency shall forthwith provide to the Underwriters such legal opinions,

certificates, instruments and other documents as the Underwriters may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. For the purposes of this subsection, between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, the Successor Agency will furnish such information with respect to itself as the Underwriters may from time to time reasonably request;

(l) if the information contained in the Official Statement relating to the Successor Agency is amended or supplemented pursuant to Section 6(k), at the time of such supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein), will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such information therein, in the light of the circumstances under which it was made, not misleading;

(m) any certificate signed by any officer of the Successor Agency authorized to deliver such certificate and delivered to the Underwriters pursuant to the Indenture or this Purchase Contract or any document contemplated thereby shall be deemed a representation and warranty by the Successor Agency to the Underwriters as to the statements made therein and that such officer shall have been duly authorized to execute the same;

(n) there is no public vote or referendum pending or proposed, the results of which could materially adversely affect the transactions contemplated by the Official Statement or the Successor Agency Agreements or the Bonds, or the validity or enforceability of the Bonds;

(o) the Successor Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Indenture;

(p) the financial statements of the Successor Agency contained in the Preliminary Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such financial statements have been prepared in accordance with generally accepted accounting principles consistently applied;

(q) except as otherwise disclosed in the Preliminary Official Statement, the Successor Agency is in compliance with all of its prior continuing disclosure undertakings entered into pursuant to Rule 15c2-12 and at or prior to the Closing Date, the Successor Agency shall have duly authorized, executed and delivered the Continuing Disclosure Certificate;

(r) the Successor Agency is not subject to a court order rendered pursuant to Section 33080.8 of the Redevelopment Law prohibiting the Successor Agency from among other things, issuing, selling, offering for sale, or delivering bonds or other evidences of indebtedness;

(s) the Oversight Board of the City and County of San Francisco (the "Oversight Board") has duly adopted Resolution No. 03-2023 on April 7, 2023 (the "Oversight Board Resolution") approving the issuance of the Bonds, and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement; and

(t) no further State of California Department of Finance (the “DOF”) approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Successor Agency is not aware of the DOF directing or having any basis to direct the Auditor-Controller of the City and County of San Francisco (the “City”) to deduct unpaid unencumbered funds from future allocations of property tax to the Successor Agency pursuant to Section 34183 of the Dissolution Act.

Section 7. Closing. At 8:00 A.M., California time, on September 14, 2023, or on such earlier or later date as may be mutually agreed upon by parties hereto (the “Closing Date”), the Successor Agency will deliver or cause to be delivered to the Representative the duly executed Bonds through the facilities of The Depository Trust Company in New York, New York, and will deliver or cause to be delivered at the offices of Jones Hall, A Professional Law Corporation (“Bond Counsel”), in San Francisco, California, or such other place as shall have been mutually agreed upon by the parties, the other documents described herein; and the Underwriters shall pay the purchase price of the Bonds as set forth in Section 1 of this Purchase Contract (less \$472,661.78, which the Representative shall wire directly to the Insurer as the premiums with respect to the Policies and the Reserve Policies) to the order of the Trustee in immediately available funds.

The Bonds shall be issued in fully registered form. It is anticipated that CUSIP identification numbers will be inserted on the Bonds, but neither the failure to provide such numbers nor any error with respect thereto shall constitute a cause for failure or refusal by the Representative to accept delivery of the Bonds in accordance with the terms of this Purchase Contract.

Section 8. Termination. The Underwriters shall have the right to terminate their obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the Successor Agency of their election to do so if, after the execution hereof and prior to the Closing Date:

(a) any legislation (including any amendments thereto), resolution, rule or regulation (including any amendments thereto) shall be introduced in, considered by or be enacted by any governmental body, department or political subdivision of the State of California, or a decision by any court of competent jurisdiction within the State of California shall be rendered which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(b) the outbreak or declaration of war, institution of a police action, engagement in military hostilities by the United States, or any escalation of any existing conflict or hostilities in which the United States is involved or the occurrences or escalation of any other national emergency or calamity or crisis or any change in financial markets resulting from the foregoing, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(c) a general banking moratorium by federal, State of New York or State of California authorities, or the general suspension or material limitation of trading on any national securities exchange which in the Underwriters’ reasonable opinion materially adversely affects the market price of the Bonds, is declared;

(d) the New York Stock Exchange or other national securities exchange, or any governmental authority, imposes any material restrictions not now in force with respect to the Bonds or obligations of the general character of the Bonds or securities generally, or there is a material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriters which, in the reasonable opinion of the Underwriters would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(e) legislation is enacted (or resolution passed) by or introduced or pending legislation is amended in the Congress or recommended for passage by the President of the United States, or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary or proposed) is issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that securities of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as amended, or that the execution, offering or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement, otherwise is or would be in violation of the federal securities laws as amended and then in effect;

(f) (i) legislation (including any amendment thereto) shall have been introduced in or adopted by either House of the Congress of the United States or recommended to the Congress or otherwise endorsed for passage by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff of such committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Internal Revenue Code shall be filed in either house; (ii) a decision shall have been rendered by any federal or state court; (iii) an order, filing, ruling or regulation shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the United States; or (iv) a release or official statement shall have been issued by the President of the United States, the Treasury Department of the United States or the Internal Revenue Service, the effect of which, in any such case described in clause (i), (ii), (iii), or (iv), would be to impose, directly or indirectly, federal income taxation upon income of the general character to be derived by the Successor Agency, or upon interest received on obligations of the general character of the 2023B Bonds, under the federal tax laws in effect on the date hereof, in such a manner as in the reasonable judgment of the Underwriters would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the 2023B Bonds on the terms and in the manner contemplated in the Official Statement;

(g) there occurs a withdrawal, downgrading or placement on credit watch negative of any rating of the obligations of the Successor Agency (including the rating to be issued with respect to the Bonds) by a “nationally recognized statistical rating organization,” as such term is defined for purposes of Rule 436(g)(2) under the Securities Act of 1933, as amended, which, in the reasonable opinion of the Underwriters, would make it impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(h) an event occurs which in the reasonable opinion of the Underwriters requires a supplement or amendment to the Official Statement and: (i) the Successor Agency refuses to prepare and furnish such supplement or amendment; or (ii) in the reasonable judgment of the Underwriters, the occurrence of such event materially and adversely affects the marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds; any change or development occurs involving a prospective change in the condition of the Successor Agency, financial or otherwise, or in the operations of the Successor Agency from those set forth in the Official Statement that makes the Bonds, in the reasonable judgment of the Underwriters, impracticable or inadvisable to offer, sell or deliver the Bonds on the terms and in the manner contemplated by the Official Statement;

(i) (i) trading generally shall have been suspended or materially limited on or by, as the case may be, any of the New York Stock Exchange or the NASDAQ National Market; (ii) trading of any securities of the Successor Agency shall have been suspended on any exchange or in any over-the-counter market; (iii) a material disruption in securities settlement, payment or clearance services in the United States shall have occurred; or (iv) any moratorium on commercial banking activities shall have been declared by federal or State of New York authorities; and which, singly or together with any other event specified in this clause; makes it, in the judgment of the Underwriters, impracticable or inadvisable to proceed with the offer, sale or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement;

(j) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; or

(k) any action, suit or proceeding described in Section 6(g) of this Purchase Contract is commenced which, in the reasonable judgment of the Representative, materially adversely affects the market for the Bonds.

Section 9. Closing Conditions. The Underwriters hereby enter into this Purchase Contract in reliance upon the representations and warranties of the Successor Agency contained herein and the representations and warranties to be contained in the documents and instruments to be delivered on the Closing Date, and upon the performance by the Successor Agency and the Trustee of their respective obligations both on and as of the date hereof and as of the Closing Date. Accordingly, the obligations of the Underwriters under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations and warranties of the Successor Agency contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Successor Agency and the Trustee made in any certificate or document furnished pursuant to the provisions hereof, to the performance by the Successor Agency and the Trustee of their respective obligations to be performed hereunder and under the Successor Agency Agreements, at or prior to the Closing Date, to the issuance, sale and delivery to the Underwriters of the Bonds, and also shall be subject to the following additional conditions:

(a) the Underwriters shall receive, within seven business days after the date hereof, copies of the Official Statement (including all information permitted to have been omitted from the Preliminary Official Statement by the Rule 15c2-12 and any amendments or supplements as

have been approved by the Underwriters), in such reasonable quantity as the Underwriters shall have requested;

(b) on the Closing Date, the representations, warranties, covenants and agreements of the Successor Agency in this Purchase Contract shall be true, complete and correct on and as of the Closing Date; and the Successor Agency Agreements shall have been duly authorized, executed and delivered by the Successor Agency, all in substantially the forms heretofore submitted to the Underwriters, with only such changes as shall have been agreed to in writing by the Underwriters, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the Board of Directors of the Successor Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(c) on the Closing Date, all necessary action of the Successor Agency relating to the execution and delivery of the Bonds will have been taken and will be in full force and effect and will not have been amended, modified or supplemented; and

(d) at or prior to the Closing Date, the Underwriters shall have received the following additional documents, in each case satisfactory in form and substance to the Underwriters:

(i) the Successor Agency Resolutions, together with a certificate of the Secretary of the Successor Agency, dated as of the Closing Date, to the effect that such resolutions are true, correct and complete copies of the Successor Agency Resolutions duly adopted by the Successor Agency;

(ii) the Oversight Board Resolution, together with a certificate of the Secretary of the Oversight Board, dated as of the Closing Date, to the effect that such resolution is a true, correct and complete copy of the Oversight Board Resolution duly adopted by the Oversight Board;

(iii) the Successor Agency Documents duly executed and delivered by the parties thereto;

(iv) the Preliminary Official Statement, and the Official Statement duly executed by the Successor Agency;

(v) the approving opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency, in substantially the form attached to the Official Statement as Appendix E, together with a letter of Bond Counsel, addressed to the Representative and the Trustee to the effect that such opinion may be relied upon by the Underwriters and the Trustee to the same extent as if such opinion were addressed to them;

(vi) the supplemental opinion of Bond Counsel, dated the Closing Date and addressed to the Successor Agency and the Representative, substantially to the effect that: (A) this Purchase Contract and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the Successor Agency and are valid and binding agreements of the Successor Agency, enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought; (B) the Bonds are not subject

to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended; and (C) the statements contained in the Official Statement under the captions “THE 2023A/B BONDS” (other than information in the section entitled “– Designation as Social Bonds” as to which no opinion is expressed), “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS,” and “TAX MATTERS,” and contained in Appendices C and E, insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the final opinion of Bond Counsel, are accurate in all material respects;

(vii) the opinion of counsel to the Successor Agency dated the Closing Date and addressed to the Representative and Bond Counsel, to the effect that: (A) the Successor Agency is duly organized and validly existing under the Constitution and laws of the State of California; (B) the Successor Agency Resolutions approving and authorizing the execution and delivery of the Successor Agency Agreements and the Preliminary Official Statement were duly adopted at meetings of the Successor Agency which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed; (C) no material litigation is pending, with service of process having been accomplished or, to the knowledge of the Successor Agency, threatened, concerning the validity of the Bonds, the corporate existence of the Successor Agency, or the title of the officers of the Successor Agency who will execute the Bonds as to their respective offices; (D) the execution and delivery of the Successor Agency Agreements and the Official Statement, the adoption of the Successor Agency Resolutions, the issuance of the Bonds and compliance by the Successor Agency with the provisions of the foregoing, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Successor Agency a breach or default under any agreement or other instrument to which the Successor Agency is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or under any existing law, regulation, court order or consent decree to which the Successor Agency is subject; (E) the Official Statement has been duly authorized, executed and delivered and the Bonds and the Successor Agency Agreements each have been duly authorized, executed and delivered by the Successor Agency and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Successor Agency enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights generally and the application of equitable principles if equitable remedies are sought; (F) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California having jurisdiction over the Successor Agency is required for the valid authorization, execution, delivery and performance by the Successor Agency of the Successor Agency Agreements, the valid issuance of the Bonds or the adoption of the Successor Agency Resolutions which has not been obtained; (G) the information in the Official Statement under the captions “THE SUCCESSOR AGENCY,” “THE PROJECT AREAS,” “PLEDGED TAX REVENUES AND DEBT SERVICE,” “LIMITATIONS ON TAX REVENUES,” and “LITIGATION” is true and accurate in all material respects; provided, however, that no opinion is expressed as to any financial or statistical information contained therein;

(viii) a negative assurance letter of Disclosure Counsel addressed to the Successor Agency and the Representative, to the effect that, during the course of his engagement as Disclosure Counsel to the Successor Agency with respect to the preparation of the Official Statement and without having independently verified the accuracy, completeness or fairness of the Preliminary

Official Statement or the Official Statement, no facts came to his attention which caused him to believe the Preliminary Official Statement as of its date or the Official Statement as of its date and as of the Closing Date (except for any information listed below, as to which he will express no view) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect. No view will be expressed as to: (a) the information under the headings “THE 2023A/B BONDS – Designation as Social Bonds” and “ – Book-Entry Only System,” “BOND INSURANCE,” “TAX MATTERS,” “MUNICIPAL ADVISOR,” “RATINGS,” “FINANCIAL STATEMENTS,” “FISCAL CONSULTANT REPORT,” and “UNDERWRITING,” and in the Appendices to the Preliminary Official Statement and the Official Statement; (b) any CUSIP or other identification numbers, other financial, accounting, engineering, economic, demographic or statistical data or forecasts, debt service schedules, numbers, charts, tables, graphs, estimates, projections, appraisals, assumptions, ratings, any management discussion and analysis or expression of opinion included or incorporated by reference in the Preliminary Official Statement, the Official Statement or the Appendices thereto, or omitted therefrom; (c) statements relating to the treatment of the Bonds or the interest, discount or premium related thereto for tax purposes under the law of any jurisdiction, statements relating to or summarizing the tax opinion of Bond Counsel and statements relating to or setting forth the initial public offering prices or yields on the Bonds; (d) any information about the book-entry system or The Depository Trust Company; and (e) any information about the Insurer, the Policies or the Reserve Policies.

(ix) the opinion of Underwriters’ Counsel, dated the Closing Date and addressed to the Representative, to the effect that: (A) while Underwriters’ Counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of any of the information contained in the Official Statement and has not undertaken to verify the accuracy, completeness or fairness of, or independently verified the information contained in, the Official Statement and is therefore unable to make any representation to the Underwriters in that regard, Underwriters’ Counsel has participated in conferences prior to the date of the Official Statement with representatives of the Underwriters, the Successor Agency, Bond Counsel, Disclosure Counsel, the Fiscal Consultant (as such term is defined herein), the Trustee and their respective legal counsel and others, during which conferences the contents of the Official Statement and related matters were discussed and that, based upon the information made available to Underwriters’ Counsel in the course of its participation in such conferences, review of the documents referred to above, reliance on the documents, letters, certificates and the opinions of counsel described in this Purchase Contract and Underwriters’ Counsel’s understanding of applicable law, as a matter of fact and not opinion, no information has come to the attention of the attorneys in Underwriters’ Counsel’s firm rendering legal services to the Underwriters with respect to the Bonds which caused Underwriters’ Counsel to believe that the Preliminary Official Statement as of its date contained, or the Official Statement as of its date contained or as of the Closing Date contains, any untrue statement of a material fact, or as of its date omitted, or as of the Closing Date omitted, to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that Underwriters’ Counsel expresses no view with respect to information related to any financial, statistical, engineering, or economic or demographic data or forecasts, numbers, charts, tables, estimates, projections, appraisals or assessed valuations or any information about CUSIP numbers, the ratings on the Bonds, the book-entry system or The Depository Trust Company contained in the Official Statement, including any of the appendices thereto), and that, other than reviewing the various certificates and opinions required by Section 9(d) of the Purchase Contract regarding the Official Statement, Underwriters’ Counsel has not taken any

steps since the date of the Official Statement to verify the accuracy of the statements contained in the Official Statement as of the Closing Date; (B) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended, are accurate in all material respects; and (C) the Continuing Disclosure Certificate to provide continuing disclosure with respect to the Bonds satisfies the requirements of Rule 15c2-12;

(x) the opinion of counsel to the Trustee, dated the Closing Date and addressed to the Representative and the Successor Agency, to the effect that: (A) the Trustee has been duly incorporated as a national banking association, duly organized and validly existing and in good standing under the laws of the United States of America having the legal authority to exercise trust powers in the State of California and having full power and authority to enter into and to perform its duties as Trustee under the Indenture; (B) the Trustee has duly authorized, executed and delivered the Second Supplement, and by all proper corporate action has authorized the acceptance of the trust of the Indenture; (C) the Indenture constitutes a legally valid and binding agreement of the Trustee, enforceable against it in accordance with its terms; (D) the Bonds have been duly authenticated, registered and delivered by the Trustee; (E) to such counsel's knowledge, no authorization, approval, consent, or order of any governmental agency or regulatory authority having jurisdiction over the Trustee that has not been obtained by the Trustee is required for the authorization, execution, delivery and performance by the Trustee of the Second Supplement; and (F) to such counsel's knowledge, the execution and delivery of the Second Supplement by the Trustee and the performance of its duties as a trustee pursuant to the Indenture will not contravene the Articles of Association or Bylaws of the Trustee, or any law, regulation or ruling of any court or governmental authority to which the Trustee is subject;

(xi) a certificate dated the Closing Date, signed by a duly authorized official of the Successor Agency, in form and substance satisfactory to the Underwriters, to the effect that, to the best of such official's knowledge: (A) the representations and warranties of the Successor Agency contained in the Purchase Contract are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date; (B) the Successor Agency has complied with the requirements of the Successor Agency Agreements required to be complied with on and as of the Closing Date with respect to the Bonds; (C) no event affecting the Successor Agency has occurred since the date of the Official Statement which should be disclosed therein in order to make the statements therein not misleading in any respect; and (D) the financial statements of the Successor Agency contained in the Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and such officer has no reason to believe that such financial statements have not been prepared in accordance with generally accepted accounting principles consistently applied;

(xii) a certificate, signed by a duly authorized official of the Trustee, dated the Closing Date, satisfactory in form and substance to the Underwriters, to the effect that: (A) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriters; (B) the Trustee is duly authorized to enter into the Second Supplement and to execute and deliver the Bonds to the Underwriters pursuant to the Indenture; (C) the Bonds have been duly authenticated and delivered by the Trustee; (D) the execution and delivery of the Second Supplement and compliance with the provisions on the part of the Trustee contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement,

indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation or warranty is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture; and (E) to the best knowledge of the Trustee, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against it, affecting its existence, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the Bonds or the collection of revenues to be applied to pay the principal, premium, if any, and interest with respect to the Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds, the Indenture or the power and authority of the Trustee to enter into and perform its duties under the Indenture and to authenticate and deliver the Bonds to the Underwriters;

(xiii) a certificate of Urban Analytics LLC (the “Fiscal Consultant”) to the effect that the report of the Fiscal Consultant (the “Report”) contained in the Official Statement and the information set forth under the captions “THE PROJECT AREAS,” “PLEDGED TAX REVENUES AND DEBT SERVICE” and “CERTAIN RISK FACTORS—Concentration of Property Ownership,” “—Subordination of ERAF,” “—Reduction in Tax Base and Assessed Values” and “—Appeals to Assessed Values” in the Official Statement do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, consenting to the use of the Report in the Preliminary and Official Statement and stating that to the best of the Fiscal Consultant’s knowledge, nothing has come to the Fiscal Consultant’s attention between the date of such Report and the Closing Date which would materially alter any of the conclusions set forth in the Report;

(xiv) a letter from S&P Global Ratings, confirming that the Bonds have the ratings set forth in the Official Statement;

(xv) the Report of Proposed Debt Issuance Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855(g) and 53583 of the Government Code of the State of California;

(xvi) the Blanket Letter of Representations of the Successor Agency to DTC, relating to the book-entry only system for the Bonds;

(xvii) evidence of the action taken by the DOF approving the Oversight Board Resolution;

(xviii) a certificate of the Auditor-Controller of the City certifying the assessed valuations of the property located within the Project Areas, and the gross tax revenues for the fiscal year ended June 30, 2024 for the Project Areas;

(xix) a copy of the executed certificate of the Successor Agency pursuant to Section 3.05 of the Indenture;

(xx) executed copies of the Policies and the Reserve Policies;

(xxi) an opinion of counsel to the Insurer, in form and substance satisfactory to the Successor Agency and the Representative, that the Policies and the Reserve Policies have been duly authorized, executed and delivered by the Insurer and are legally valid and binding against the Insurer.

(xxii) one or more opinions or certificates of the Insurer as to the accuracy of the information in the Official Statement relating to the Insurer, the Policies and the Reserve Policies; and

(xxiii) such additional legal opinions, certificates, instruments or evidences thereof and other documents as Underwriters' Counsel or Bond Counsel may reasonably request to evidence the due authorization, execution and delivery of the Bonds and the conformity of the Indenture with the terms of the Bonds, all as summarized in the Official Statement.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Contract will be deemed to be in compliance with the provisions hereof if and only if they are in form and substance satisfactory to the Underwriters.

If the Successor Agency shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Contract or if the Underwriters' obligations shall be terminated for any reason permitted herein, all obligations of the Underwriters hereunder may be terminated by the Underwriters at, or at any time prior to, the Closing Date by written notice to the Successor Agency and neither the Underwriters nor the Successor Agency shall have any further obligations hereunder, except the respective obligations of the parties set forth in Section 10.

Section 10. Expenses. The Successor Agency will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Successor Agency Legal Documents (other than this Purchase Contract); (b) the fees and disbursements of Bond Counsel, Disclosure Counsel, the Municipal Advisors, Fiscal Consultant and any other experts or other consultants retained by the Successor Agency; (c) the costs and fees of the credit rating agency; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriters' out-of-pocket expenses incurred with the financing; (h) the fees of Digital Assurance Certification LLC, if any, for a continuing disclosure services performed at the direction of the Successor Agency; and (i) expenses (included in the expense component of the underwriter's discount) incurred by the Underwriters on behalf of the Successor Agency's employees which are incidental to implementing this Purchase Contract, including, but not limited to, meals, transportation, and lodging, of those employees and expenses incurred for the rating presentation and the investor presentation. The Underwriters will pay the expenses of the preparation of this Purchase Contract and all other expenses incurred by the Underwriters in connection with the public offering and distribution of the Bonds, and the fee and disbursements of Underwriters' Counsel, which

expenses may be included in the expense component of the underwriting discount. The Underwriters are required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Successor Agency acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriters, the Successor Agency agrees to reimburse the Underwriters for such fees.

Section 11. Notices. Any notice or other communication to be given to the Successor Agency under this Purchase Contract may be given by delivering the same in writing at the Successor Agency's address set forth above, and any notice or other communication to be given to the Underwriters under this Purchase Contract may be given by delivering the same in writing to the Representative at 2121 Avenue of the Stars, Suite 2150, Los Angeles , California, 90067, Attention: Thomas Jacob.

Section 12. Parties in Interest. This Purchase Contract is made solely for the benefit of the Successor Agency and the Underwriters (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations and warranties of the parties hereto contained in this Purchase Contract shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriters or the Successor Agency; or (b) delivery of and payment for the Bonds. The agreements contained in Section 10 herein shall survive any termination of this Purchase Contract.

Section 13. Severability. In the event that any provision of this Purchase Contract shall be held or deemed to be invalid, inoperative or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14. Governing Law; Venue. This Purchase Contract shall be governed and interpreted exclusively by and construed in accordance with the laws of the State of California applicable to contracts made and to be performed in the State of California. Any and all disputes or legal actions or proceedings arising out of this Purchase Contract or any document related hereto shall be filed and maintained in a court of competent jurisdiction for matters arising in the City and County of San Francisco, California. By execution of and delivery of this Purchase Contract, the parties hereto accept and consent to the aforesaid jurisdiction.

Section 15. Execution in Counterparts. This Purchase Contract may be executed in any number of counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute the Purchase Contract by signing any such counterpart.

Section 16. Entire Agreement. This Purchase Contract, together with any contemporaneous written agreements that relate to the offering of the Bonds, represents the entire agreement between the Successor Agency and the Underwriters with respect to the preparation of the Official Statement, the conduct of the offering and the purchase and sale of the Bonds.

Section 17. Fiduciary Duty. The Successor Agency acknowledges that in connection with the offering of the Bonds: (a) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Successor Agency and the Underwriters; (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as Municipal Advisors (as such term is defined in Section 15B of the

Securities Exchange Act of 1934, as amended); (c) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Successor Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or is currently providing other services to the Successor Agency on other matters); (d) the Successor Agency has consulted its own legal, financial and other advisors to the extent that they have deemed appropriate; and (e) the Underwriters may have interests that differ from those of the Successor Agency.

[SIGNATURE PAGE FOLLOWS ON NEXT PAGE]

Section 18. **Effectiveness.** This Purchase Contract shall be effective as of the date set forth above upon the acceptance hereof by authorized officer of the Successor Agency and shall be valid and enforceable as of the time of such acceptance.

Very truly yours,

Stifel, Nicolaus & Company, Incorporated,
as Representative of the Underwriters

By: Thomas Jacob
Authorized Representative

Accepted this 30th day of August 2023 at 4:01 p.m.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO

By: Rosa Torres
Deputy Director of Finance and Administration

SCHEDULE I

**2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS) (SOCIAL BONDS)**

<i>Maturity Date (August 1)[†]</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>
2024	\$ 1,185,000	5.474%	5.474%	100.000
2025	870,000	5.424	5.424	100.000
2026	915,000	5.300	5.300	100.000
2027	965,000	5.279	5.279	100.000
2028	1,015,000	5.259	5.259	100.000
2029	1,070,000	5.346	5.346	100.000
2030	1,125,000	5.396	5.396	100.000
2031	1,190,000	5.441	5.441	100.000
2032	1,250,000	5.491	5.491	100.000
2033	1,320,000	5.541	5.541	100.000
2034	1,395,000	5.671	5.671	100.000
2035	1,475,000	5.771	5.771	100.000
2041 ^T	10,730,000	5.921	5.921	100.000

^T Indicates Term Bond.

[†] All maturities of the 2023A Bonds will be Insured 2023A Bonds.

**2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)**

<i>Maturity Date (August 1)[†]</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>	<i>10% Test Met</i>	<i>10% Test Not Met</i>	<i>Hold the Offering Price Rule Used</i>
2043 ^T	\$ 4,625,000	5.000%	4.050%	107.668 ^C	X		
2048 ^T	13,395,000	5.000	4.230	106.161 ^C	X		
2053 ^T	17,190,000	5.250	4.260	107.911 ^C	X		

^T Indicates Term Bond.

[†] All maturities of the 2023B Bonds will be Insured 2023B Bonds.

^C Priced to the first optional redemption date of August 1, 2033 at par.

EXHIBIT A

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

**2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

**2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE
PROJECTS)**

**FORM OF THE CERTIFICATE
REGARDING PRELIMINARY OFFICIAL STATEMENT**

The undersigned hereby states and certifies:

1. That he is the duly appointed, qualified and acting Executive Director of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

2. That there has been delivered to Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters (the “Underwriters”) of the captioned Bonds, a Preliminary Official Statement, relative to the captioned Bonds, dated August 22, 2023 (including the cover page and all appendices thereto, in printed form and in electronic form, which is consistent in all material forms to the printed form, the “Preliminary Official Statement”), which the Successor Agency, deems final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12; and

3. The Successor Agency hereby approves the use and distribution by the Underwriters of the Preliminary Official Statement.

Dated: August 22, 2023

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO**

By: _____
Executive Director

EXHIBIT B

**\$35,210,000
2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)**

FORM OF ISSUE PRICE CERTIFICATE

The undersigned, Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative (the “Representative”) of Backstrom McCarley Berry & Co., LLC, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Issuer”).

1. Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. Defined Terms.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate as to Arbitrage and the Use of Proceeds Certificate, each dated as of the date hereof, with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, A Professional Law Corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

IN WITNESS WHEREOF, the undersigned has executed this certificate on this 14th day of September, 2023.

STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as Representative

By:_____

Name:_____

By:_____

Name:_____

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES

(Attached)

INDENTURE OF TRUST

Dated as of March 1, 2017

by and between the

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

Relating to

**\$89,765,000
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2017 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)**

and

**\$19,850,000
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2017 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture") is made and entered into and dated as of March 1, 2017, by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity duly existing under the laws of the State of California (the "Successor Agency"), as successor agency to the Redevelopment Agency of the City and County of San Francisco (the "Former Agency") and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, prior to its dissolution (as described below), the Former Agency was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (as amended, the "Law"), including the power to issue bonds and incur debt for any of its corporate purposes;

WHEREAS, a Redevelopment Plan for each of the following redevelopment project areas, subproject areas or land use zones (collectively, the "Project Areas") of the Former Agency was adopted and, as applicable, subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of each of the Redevelopment Plans, as amended, have been duly complied with:

Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;

Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;

Bayview Hunters Point Redevelopment Project Area - Project Area A (formerly known as the Hunters Point Redevelopment Project Area);

Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;

India Basin Industrial Park Redevelopment Project Area;

Rincon Point - South Beach Redevelopment Project Area;

South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);

Transbay Redevelopment Project Area;

Western Addition Redevelopment Project Area A-2; and

Yerba Buena Center Approved Redevelopment Project Area D-1;

WHEREAS, in order to finance and refinance redevelopment activities within or of benefit to the Project Areas, the Former Agency entered into various loan agreements

(collectively, as more fully described herein, the "Existing Loan Agreements"), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans (collectively, as more fully described herein, the "Existing Loans") made to the Former Agency under the Existing Loan Agreements;

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as amended, the "Dissolution Act"), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Existing Loan Agreements and the related documents to which the Former Agency was a party;

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in said Section 34177.5;

WHEREAS, said Section 34177.5 also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code for the purpose of achieving debt service savings within the parameters set forth in said Section 34177.5;

WHEREAS, in order to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in said Section 34177.5(a), issued its 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the initial aggregate principal amount of \$67,944,000 (the "2014 Series B Taxable Bonds") and its 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the initial aggregate principal amount of \$75,945,000 (the "2014 Series C Bonds" and, together with the 2014 Series B Taxable Bonds, the "2014 Bonds");

WHEREAS, the 2014 Bonds were payable from Pledged Tax Revenues on a basis subordinate to the payments under the Existing Loan Agreements that were not refinanced through the issuance of the 2014 Bonds;

WHEREAS, Section 34177.7(a)(1)(A) of the California Health and Safety Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement (as defined herein), the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement (as defined herein), the Mission Bay North Owner Participation Agreement (as defined herein), the Mission Bay South Owner Participation Agreement (as defined herein), and the Transbay Implementation Agreement (as defined herein), and Section 34177.7(a)(1)(B) of the California Health and Safety Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the infrastructure required by the Transbay Implementation Agreement (the "Transbay Infrastructure Obligation");

WHEREAS, in order to provide moneys to finance the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick

Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement (collectively referred to herein as the "Affordable Housing Obligations"), the Successor Agency has determined to issue its 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2017 Series A Taxable Bonds") in the initial aggregate principal amount of \$89,765,000 pursuant to this Indenture;

WHEREAS, in order to provide moneys to finance the Transbay Infrastructure Obligation, the Successor Agency has determined to issue its 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2017 Series B Bonds" and, together with the 2017 Series A Taxable Bonds, the "2017 Bonds") in the initial aggregate principal amount of \$19,850,000 pursuant to this Indenture;

WHEREAS, the 2017 Bonds will be issued pursuant to and in accordance with the provisions of Section 34177.7 of the California Health and Safety Code and other applicable provisions of the Law, including the Dissolution Act;

WHEREAS, the 2017 Bonds, and any additional Parity Debt (as defined herein), will be payable from Pledged Tax Revenues (as defined herein) on a basis subordinate to the Successor Agency's repayment obligations under the Existing Loan Agreements that remain outstanding and the Successor Agency's payment of debt service on the 2014 Bonds and any indebtedness issued or incurred on a parity therewith (the "2014 Parity Debt");

WHEREAS, in order to provide for the authentication and delivery of the 2017 Bonds, to establish and declare the terms and conditions upon which the 2017 Bonds are to be issued and secured and to secure the payment of the principal thereof and interest and redemption premium (if any) thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, the Successor Agency has determined that all acts and proceedings required by law necessary to make the 2017 Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Bonds, including the 2017 Bonds, issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds, including the 2017 Bonds, are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds, including the 2017 Bonds, by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, including the 2017 Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and, as a result of such review, hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the 2017 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the 2017 Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

"Affordable Housing Obligations" means the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement.

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the 2017 Bonds and any other Parity Debt in such Bond Year, and (b) the principal amount of the Outstanding Bonds (including the aggregate principal amount of the Term Bonds required to be redeemed pursuant to a Supplemental Indenture) and any other Parity Debt payable by their terms in such Bond Year. For purposes of such calculation, the amount of interest on any Bonds or other Parity Debt that is payable from the proceeds of such Bonds or Parity Debt that is set aside solely for such purpose shall not be included in the calculation of Annual Debt Service, and there also shall be excluded payments with respect to the 2017 Bonds or any Parity Debt to the extent that amounts due with respect to the 2017 Bonds or such Parity Debt are prepaid or otherwise discharged in accordance with this Indenture or the relevant Parity Debt Instrument or to the extent the proceeds thereof are then deposited in an escrow fund from which amounts may not be released to the Successor Agency unless the amount of Pledged Tax Revenues available for debt service on the 2017 Bonds and any Parity Debt for the most recent Fiscal Year (as evidenced in a written document from an appropriate official of the City and County), at least equals one hundred twenty-five percent (125%) of the amount of Maximum Annual Debt Service which would result if any such moneys on deposit in such escrow fund were to be released and deposited in the project fund established in connection with such Parity Debt.

"Authority" means the City and County of San Francisco Redevelopment Financing Authority.

"Bonds" means the 2017 Bonds and any Parity Debt issued as bonds pursuant to a Supplemental Indenture.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of

nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

"Bond Year" means each twelve (12) month period extending from August 2 in one calendar year to August 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year with respect to the Bonds shall commence on the Closing Date and end on August 1, 2017.

"Business Day" means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, or any other city or cities where the Principal Corporate Trust Office of the Trustee is located are required or authorized by law to close or a day on which the Federal Reserve System is closed.

"Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement" means the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended in accordance with the Law.

"City" and **"City and County"** means the City and County of San Francisco, a chartered city and municipal corporation organized and existing under the Constitution and laws of the State.

"Closing Date" means the date on which a series of Bonds is delivered by the Successor Agency to the original purchaser thereof. The Closing Date with respect to the 2017 Bonds is March 29, 2017.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate, with respect to the 2017 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance and surety bond premiums, if any, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, administrative costs of the Successor Agency and the City and County incurred in connection with the issuance of the Bonds, expenses of the underwriters of the Bonds, the fees and expenses of counsel to the underwriters of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Costs of Issuance Fund" means the fund by that name established and held by the Trustee pursuant to Section 3.03.

"Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to Section 4.03.

"Defeasance Obligations" means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency's investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency's investment policies then in effect), but only to the extent the same are acquired at Fair Market Value if required by the Code:

- (a) Cash;
- (b) Federal Securities, including direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;
- (c) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form;
- (d) Pre-refunded municipal bonds rated "Aaa" by Moody's and "AAA" by S&P, provided that, if the issue is rated only by S&P (i.e., there is no Moody's rating), then the pre-refunded municipal bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals; and
- (e) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; and (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development.

"Department of Finance" means the Department of Finance of the State of California.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.11.

"Depository System Participant" means any participant in the Depository's book-entry system.

"Dissolution Act" means California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011, as it has heretofore been amended and as it may hereafter be amended.

"DTC" means The Depository Trust Company, New York, New York, and its successors and assigns.

"Escrow Trustee" shall mean the Escrow Trustee identified in each Redemption Agreement.

"Event of Default" means any of the events described in Section 8.01.

"Existing Loan Agreements" means the loan agreements listed on Exhibit E to this Indenture that remain outstanding at any time.

"Existing Loans" means the loans made by the Authority to the Successor Agency pursuant to the Existing Loan Agreements.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Successor Agency and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

"Federal Securities" means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

"Former Agency" means the now dissolved Redevelopment Agency of the City and County of San Francisco.

"Hunters Point Shipyard Phase 1 Disposition and Development Agreement" means the Disposition and Development Agreement Hunters Point Shipyard Phase 1 dated as of December 2, 2003 between Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended in accordance with the Law.

"Indenture" means this Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

(a) is in fact independent and not under domination of the Successor Agency or the City and County;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(c) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

"Independent Redevelopment Consultant" means any consultant or firm of such consultants appointed by the Successor Agency (who may be an underwriter of bonds of the Successor Agency or the City and County), and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Pledged Tax Revenues or otherwise with respect to the financing of Redevelopment Projects;

(b) is in fact independent and not under domination of the Successor Agency or the City and County;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(d) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

"Information Services" means, in accordance with then current guidelines of the Securities and Exchange Commission, such services providing information with respect to the redemption of bonds as the Successor Agency may designate in a Written Request of the Successor Agency filed with the Trustee.

"Insurer" means the 2017 Insurer and, as applicable, the provider of a municipal bond or financial guaranty insurance policy with respect to Parity Debt.

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

"Interest Payment Date" means each February 1 and August 1, commencing August 1, 2017, for so long as any of the Bonds remain Outstanding hereunder.

"Law" means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto (including the Dissolution Act).

"Maximum Annual Debt Service" means, as of the date of calculation, the largest amount for the current or any future Bond Year payable on the 2017 Bonds and any Parity Debt in such Bond Year and, in the case of Section 3.05, shall also mean the largest amount for the current or any future Bond Year (as such term is defined herein) payable on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt.

"Mission Bay North Owner Participation Agreement" means Mission Bay North Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

"Mission Bay South Owner Participation Agreement" means the Mission Bay South Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

"Moody's" means Moody's Investors Service and its successors.

"Nominee" means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.11(a).

"Original Purchaser" means, with respect to the 2017 Bonds, collectively, Stifel, Nicolaus & Company, Incorporated, Backstrom, McCarley Berry & Co., LLC and Stinson Securities, LLC.

"Outstanding" when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

- (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;
- (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and
- (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

"Oversight Board" means the Oversight Board of the Successor Agency established pursuant to the Section 34179 of the Dissolution Act.

"Owner" or **"Bondowner"** means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

"Parity Debt" means any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2017 Bonds pursuant to Section 3.05.

"Parity Debt Instrument" means resolution, indenture of trust, supplemental indenture of trust, loan agreement, trust agreement or other instrument authorizing the issuance of any Parity Debt.

"Participating Underwriter" has the meaning ascribed thereto in the Continuing Disclosure Certificate.

"Permitted Investments" means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency's investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency's investment policies then in effect), but only to the extent the same are acquired at Fair Market Value if required by the Code:

(a) Federal Securities;

(b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) Federal Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of Ginnie Mae (formerly known as the Government National Mortgage Association); (vii) guaranteed Title XI financings of the U.S. Maritime Administration; and (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of Fannie Mae; (iv) senior debt obligations of Sallie Mae (formerly known as the Student Loan Marketing Association); (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm, and a rating by Moody's of Aaa, Aa1 or Aa2 (such funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory or other management services);

(e) Certificates of deposit (including those of the Trustee, its parent and its affiliates) secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks;

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates), but only to the extent that the amount being invested in such certificates of deposit, savings accounts, deposit accounts or money market deposits are fully insured by FDIC, including BIF and SAIF;

(g) Investment agreements, including guaranteed investment contracts, forward purchase agreements, reserve fund put agreements and collateralized investment agreements with an entity rated "Aa" or better by Moodys' and "AA" or better by S&P, or unconditionally guaranteed by an entity rated "Aa" or better by Moodys' and "AA" or better by S&P;

(h) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1+" or better by S&P;

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies;

(j) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of "Prime-1" or "A3" or better by Moody's, and "A-1+" by S&P; and

(k) The Local Agency Investment Fund that is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided that for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee.

"Pledged Tax Revenues" means all taxes that were eligible for allocation to the Former Agency with respect to the Project Areas and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and that are deposited in the RPTTF, excluding (i) amounts payable pursuant to the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt, but only to the extent such amounts are pledged as security therefor, (ii) all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless such payments are subordinated to payments on the 2017 Bonds or any additional Bonds or to the payments owed under any Parity Debt Instrument pursuant to Section 33607.5(e) of the Law and 34177.5(c) of the Dissolution Act, and (iii) amounts required to be paid to the Transbay Joint Powers Authority in accordance with Section 5.7 of the Redevelopment Plan - Transbay Redevelopment Project Area.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

"Principal Corporate Trust Office" means the corporate trust office of the Trustee in San Francisco, California, or such other or additional offices as the Trustee may designate in writing to the Successor Agency from time to time as the corporate trust office for purposes of the Indenture; except that with respect to presentation of Bonds for payment or for registration of transfer and exchange, such term means the office or agency of the Trustee at which, at any particular time, its corporate trust agency business is conducted, initially in Saint Paul, Minnesota.

"Project Areas" has the meaning assigned to such term in the second Whereas clause of this Indenture.

"Qualified Reserve Account Credit Instrument" means (i) the 2017 Reserve Policy and (ii) an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) S&P or Moody's have assigned a long-term credit rating to such bank or insurance company of "A" (without regard to modifier) or higher; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit, insurance policy or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture.

"Recognized Obligation Payment Schedule" means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the California Health and Safety Code.

"Record Date" means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

"Redemption Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(d).

"Redevelopment Obligation Retirement Fund" means the fund by that name established pursuant to California Health and Safety Code Section 34170.5(b) and administered by the Successor Agency.

"Redevelopment Plan - Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B" means the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area, as such redevelopment plan relates to Zone 2 of Project Area B, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 1, 2006, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area" means the Redevelopment Plan for the Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County on May 25, 1959, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - Hunters Point Redevelopment Project Area" means the Redevelopment Plan for the Hunters Point Redevelopment Project Area (also known as the Bayview Hunters Point Redevelopment Project Area – Project Area A), approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 20, 1969, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - Hunters Point Shipyard Redevelopment Project Area" means the Redevelopment for the Hunters Point Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on July 14, 1997, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - India Basin Industrial Park Redevelopment Project Area" means the Redevelopment Plan for the India Basin Industrial Park Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 20, 1969, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - Rincon Point - South Beach Redevelopment Project Area" means the Redevelopment Plan for the Rincon Point - South Beach Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 5, 1981, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - South of Market Redevelopment Project Area" means the Redevelopment Plan for the South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area), approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 11, 1990, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - Transbay Redevelopment Project Area" means the Redevelopment Plan for the Transbay Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 21, 2005, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - Western Addition Redevelopment Project Area A-2" means the Redevelopment Plan for the Western Addition Redevelopment Project Area A-2, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on October 13, 1964, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plan - Yerba Buena Center Approved Redevelopment Project Area D-1" means the Redevelopment Plan for the Yerba Buena Center Approved Redevelopment Project Area D-1, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on April 26, 1966, as subsequently amended through the date hereof, and as may hereafter be further amended at any time pursuant to the Law.

"Redevelopment Plans" means, collectively, the following:

- the Redevelopment Plan - Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B,
- the Redevelopment Plan - Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area,
- the Redevelopment Plan - Hunters Point Redevelopment Project Area,
- Redevelopment Plan - Hunters Point Shipyard Redevelopment Project Area,
- the Redevelopment Plan - India Basin Industrial Park Redevelopment Project Area,
- the Redevelopment Plan - Rincon Point - South Beach Redevelopment Project Area,
- the Redevelopment Plan - South of Market Redevelopment Project Area,
- the Redevelopment Plan - Transbay Redevelopment Project Area,
- the Redevelopment Plan - Western Addition Redevelopment Project Area A-2, and
- the Redevelopment Plan - Yerba Buena Center Approved Redevelopment Project Area D-1.

"Redevelopment Projects" means the undertaking of the Successor Agency pursuant to the Redevelopment Plans and the Law for the redevelopment of the Project Areas.

"Redevelopment Property Tax Trust Fund" or "RPTTF" means the fund by that name established pursuant to California Health & Safety Code Sections 34170.5(b) and 34172(c) and administered by the Auditor-Controller of the City and County of San Francisco.

"Registration Books" means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

"Report" means a document in writing signed by an Independent Redevelopment Consultant and including:

- (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(c).

"Reserve Requirement" means, subject to Section 4.03(c) of this Indenture, with respect to the 2017 Series A Taxable Bonds, the 2017 Series B Bonds, and each series of Parity Debt issued in the form of Bonds, the lesser of

(i) 125% of the average Annual Debt Service with respect to that series of the Bonds,

(ii) Maximum Annual Debt Service with respect to that series of the Bonds, or

(iii) with respect to an individual series of Bonds, 10% of the original principal amount of a series of Bonds (or, if such series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such series of Bonds);

provided, that the Reserve Requirement may be determined on a combined or individual basis for two or more series of Bonds, as determined by the Successor Agency, and that in no event shall the Successor Agency, in connection with the issuance of Parity Debt in the form of Bonds pursuant to a Supplemental Indenture be obligated to deposit an amount in the Reserve Account which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Account is so limited, the Reserve Requirement shall, in connection with the issuance of such Parity Debt issued in the form of Bonds, be increased only by the amount of such deposit as permitted by the Code; and, provided further that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of Section 4.03(c) hereof.

In the event a Qualified Reserve Account Credit Instrument is delivered at any time to meet the entirety of the Reserve Requirement with respect to one or more series of Bonds (that is, no cash is being deposited or will remain deposited in the Reserve Account with respect to those series of Bonds), then, notwithstanding the foregoing definition, the Reserve Requirement will, with respect to those series of Bonds, be determined only at the time of the delivery of the Qualified Reserve Account Credit Instrument and will not be subject to increase or decrease at a later date.

"S&P" means Standard & Poor's Financial Services LLC, a division of McGraw Hill Financial, and its successors.

"Securities Depositories" means The Depository Trust Company, New York, New York 10041-0099, Fax-(212) 855-7232; or, in accordance with then current guidelines of the

Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Successor Agency may designate in a Written Request of the Successor Agency delivered to the Trustee.

"Serial Bonds" means all Bonds other than Term Bonds.

"Special Fund" means the fund held by the Successor Agency established pursuant to Section 4.02.

"State" means the State of California.

"Subordinate Debt" means any loans, advances or indebtedness issued or incurred by the Successor Agency pursuant to Section 3.06, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues which is expressly subordinate to the pledge of and lien upon the Pledged Tax Revenues hereunder for the security of the 2017 Bonds and any Parity Debt.

"Subordinate Debt Instrument" means any instrument providing for the issuance of Subordinate Debt.

"Supplemental Indenture" means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Tax Revenues" shall have the meanings assigned to such terms in the Existing Loan Agreements.

"Term Bonds" means (i) the 2017 Series A Taxable Bonds maturing on August 1, 2044, (ii) the 2017 Series B Bonds maturing on August 1, 2046, and (iii) that portion of any other Bonds payable from mandatory sinking account payments.

"Transbay Implementation Agreement" means the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005 between the Former Agency, as succeeded by the Successor Agency, and the Transbay Joint Powers Authority.

"Transbay Infrastructure Obligation" means the infrastructure required by the Transbay Implementation Agreement.

"Trustee" means U.S. Bank National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"2014 Bonds" means, collectively, the \$67,955,000 initial aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and the \$75,945,000 initial aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects).

"2014 Indenture" means the Indenture of Trust dated as of December 1, 2014 by and between the Successor Agency and the Trustee, pursuant to which the 2014 Bonds were

issued, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions thereof.

"2014 Parity Debt" means any indebtedness incurred on a parity with the 2014 Bonds in accordance with the 2014 Indenture.

"2017 Bonds" means, collectively, the 2017 Series A Taxable Bonds and the 2017 Series B Bonds.

"2017 Bond Insurance Policy" means the insurance policy issued by the 2017 Insurer guaranteeing the scheduled payment of principal of and interest on the 2017 Insured Bonds when due.

"2017 Insured Bonds" means the 2017 Series A Taxable Bonds maturing August 1 in each of the years 2025, 2026 and 2044, and the 2017 Series B Bonds maturing August 1, 2046.

"2017 Insurer" means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2017 Bond Insurance Policy and the 2017 Reserve Policy.

"2017 Reserve Policy" means Municipal Bond Debt Service Reserve Policy No. 218124-R issued by the 2017 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2017 Bonds as provided in such policy.

"2017 Series A Taxable Bonds" means the \$89,765,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects).

"2017 Series A Taxable Project Fund" means the fund by that name established pursuant to Section 3.04(a)(i) hereof.

"2017 Series B Bonds" means the \$19,850,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

"2017 Series B Project Fund" means the fund by that name established pursuant to Section 3.04(b)(i) hereof.

"Written Request of the Successor Agency" or **"Written Certificate of the Successor Agency"** means a request or certificate, in writing signed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency, or the designee of either, or by any other officer of the Successor Agency or the City and County duly authorized by the Successor Agency for that purpose.

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of 2017 Bonds. Two initial issues of Bonds are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture, the Dissolution Act and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and redemption premiums (if any) and the interest on all Bonds which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. Such initial issues of Bonds shall be designated the (i) "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects)" and (ii) "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)". The 2017 Series A Taxable Bonds shall be issued in the initial aggregate principal amount of Eighty Nine Million Seven Hundred Sixty Five Thousand Dollars (\$89,765,000), and the 2017 Series B Bonds shall be issued in the initial aggregate principal amount of Nineteen Million Eight Hundred Fifty Thousand Dollars (\$19,850,000).

Section 2.02. Terms of 2017 Bonds. The 2017 Bonds shall be issued in fully registered form without coupons. The 2017 Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no 2017 Bond shall have more than one maturity date. The 2017 Bonds shall be dated as of their Closing Date. The 2017 Bonds shall be lettered and numbered as the Trustee shall prescribe.

The 2017 Bonds shall mature on August 1 in each of the years and in the respective principal amounts, and shall bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the rate per annum as follows:

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2017 Series A Taxable Bonds

Maturity Date (August 1)	Principal Amount	Interest Rate
2019	\$13,410,000	2.193%
2020	21,310,000	2.526
2021	17,150,000	2.813
2022	13,395,000	3.113
2025	3,000,000	3.533
2026	3,000,000	3.633
2044 ^T	18,500,000	4.375

^T Term Bond.

2017 Series B Bonds

Maturity Date (August 1)	Principal Amount	Interest Rate
2046 ^T	\$19,850,000	5.000%

^T Term Bond.

The 2017 Series A Taxable Bonds maturing August 1, 2025, August 1, 2026 and August 1, 2044 and the 2017 Series B Bonds maturing August 1, 2046 are 2017 Insured Bonds.

Each 2017 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before July 15, 2017, in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any 2017 Bond, interest thereon is in default, such 2017 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2017 Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of either the 2017 Series A Taxable Bonds or the 2017 Series B Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2017 Series A Taxable Bonds or such 2017 Series B Bonds, as applicable, shall be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the 2017 Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 2.03. Redemption of 2017 Bonds.

(a) Optional Redemption. The 2017 Series A Taxable Bonds maturing on or prior to August 1, 2027, are not subject to optional redemption. The 2017 Series A Taxable Bonds maturing on or after August 1, 2028, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 2027, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The 2017 Series B Bonds maturing on or prior to August 1, 2027, are not subject to optional redemption. The 2017 Series B Bonds maturing on or after August 1, 2028, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 2027, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem 2017 Bonds under this subsection (a) with a designation of the principal amount and maturities to be redeemed at least forty five (45) days prior to the date fixed for such redemption (or such later date as shall be acceptable to the Trustee in the sole determination of the Trustee), and shall transfer to the Trustee for deposit in the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

(b) Mandatory Sinking Fund Redemption. (i) The 2017 Series A Taxable Bonds that are Term Bonds maturing August 1, 2044 shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 2041, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

2017 Series A Taxable Term Bonds of 2044

<u>August 1</u>	<u>Principal Amount</u>
2041	\$ 540,000
2042	6,690,000
2043	7,005,000
2044 (Maturity)	4,265,000

(ii) The 2017 Series B Bonds that are Term Bonds maturing August 1, 2046 shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 2044, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to subsection (a) above, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

2017 Series B Term Bonds of 2046

<u>August 1</u>	<u>Principal Amount</u>
2044	\$3,070,000
2045	8,185,000
2046 (Maturity)	8,595,000

(c) Notice of Redemption; Rescission. The Trustee on behalf and at the expense of the Successor Agency shall mail (by first class mail, postage prepaid) notice of any redemption at least thirty (30) but not more than sixty (60) days prior to the redemption date, (i) to any Insurer and to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Securities Depositories and one or more Information Services designated in a Written Request of the Successor Agency filed with the Trustee; but such mailing shall not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein shall affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice shall state the redemption date and the redemption price, shall state, in the case of a redemption pursuant to (a) above, that such redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Bonds to be redeemed, shall state the individual number of each Bond to be redeemed or shall state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and shall require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under this Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall, to the extent practicable, bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(d) Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency shall execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(e) Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption shall have been duly deposited with the Trustee, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price and accrued interest to the redemption date, and no interest shall accrue thereon from and after the redemption date specified in such notice.

(f) Manner of Redemption. Whenever any Bonds or portions thereof are to be selected for redemption by lot, the Trustee shall make such selection, in such manner as the Trustee shall deem appropriate, and shall notify the Successor Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee shall assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 shall be redeemed as shall equal \$5,000 for each number assigned to it and so selected. All Bonds redeemed or purchased pursuant to this Section 2.03 shall be cancelled and destroyed.

(g) Purchase in Lieu of Redemption. In lieu of redemption of the Term Bonds pursuant to subsection (b) above or pursuant to a Supplemental Indenture, amounts on deposit in the Special Fund or in the Principal Account may also be used and withdrawn by the Successor Agency and the Trustee, respectively, at any time, upon the Written Request of the Successor Agency, for the purchase of the Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges, but excluding accrued interest, which is payable from the Interest Account) as the Successor Agency may in its discretion determine. The par amount of any Term Bonds so purchased by the Successor Agency in any twelve-month period ending on June 1 in any year shall be credited towards and shall reduce the par amount of the Term Bonds required to be redeemed pursuant to subsection (d) on

August 1 in each year; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said June 1.

Section 2.04. Form of 2017 Bonds. The 2017 Series A Taxable Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture. The 2017 Series B Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit B, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the Successor Agency by the signature of its Executive Director or its Deputy Director of Finance and Administration or her or his designee and the signature of its Secretary who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the purchaser. Any Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Successor Agency although on the date of such Bond any such person shall not have been such officer of the Successor Agency.

Only such of the Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary Bonds are issued pursuant to Section 2.09 hereof, the temporary Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, may be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond shall be surrendered for transfer, the Successor Agency shall execute and the Trustee shall thereupon authenticate and deliver to the transferee a new Bond or Bonds of like tenor, maturity and aggregate principal amount of authorized denominations. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

The Trustee may refuse to transfer, under the provisions of this Section 2.06, either (a) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption, or (b) any Bonds selected by the Trustee for redemption.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for Bonds of the same tenor and maturity and of other authorized denominations. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

The Trustee may refuse to exchange, under the provisions of this Section 2.07, either (a) any Bonds during the fifteen (15) days prior to the date established by the Trustee for the selection of Bonds for redemption or (b) any Bonds selected by the Trustee for redemption.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection and copying by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Principal Corporate Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence be satisfactory to it and indemnity satisfactory to it shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured or has been called for redemption, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost,

destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11. Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, neither the Successor Agency nor the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, neither the Successor Agency nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bondowner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the Successor Agency elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bondowner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal, premium and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bondowner shall receive a Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Successor Agency shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Successor Agency and the Trustee shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bondowners. The Trustee agrees to comply with all provisions in such letter with respect to the giving of

notices thereunder by the Trustee. In addition to the execution and delivery of such letter, upon written request of the Depository or the Trustee, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Successor Agency determines to terminate the Depository as such, then the Successor Agency shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Successor Agency and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Successor Agency fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

Section 2.12. Applicability of Provisions to Additional Bonds. Unless otherwise provided in a Supplemental Indenture, the provisions of Sections 2.03(c) through (g) and 2.05 through 2.11 shall apply to additional Bonds.

ARTICLE III

DEPOSIT AND APPLICATION; ADDITIONAL DEBT

Section 3.01. Issuance of Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver to the Trustee the 2017 Series A Taxable Bonds in the aggregate principal amount of Eighty Nine Million Seven Hundred Sixty Five Thousand Dollars (\$89,765,000) and the 2017 Series B Bonds in the aggregate principal amount of Nineteen Million Eight Hundred Fifty Thousand Dollars (\$19,850,000), and the Trustee shall authenticate and deliver the 2017 Series A Taxable Bonds and the 2017 Series B Bonds upon the Written Request of the Successor Agency.

Section 3.02. Application of Proceeds of Sale and Certain Other Amounts. (a) On the Closing Date with respect to the 2017 Series A Taxable Bonds, the proceeds of sale of the 2017 Series A Taxable Bonds, being \$88,712,167.89 (calculated as the par amount of the 2017 Series A Taxable Bonds, less original issue discount of \$348,540.00, less the discount of the Original Purchaser in the amount of \$352,412.04, less the portion of the premium for the 2017 Bond Insurance Policy allocable to the 2017 Series A Taxable Bonds in the amount of \$255,940.30, and less the portion of the premium for the 2017 Reserve Policy allocable to the 2017 Series A Taxable Bonds in the amount of \$125,939.77 paid directly to the 2017 Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$387,167.89 in the Costs of Issuance Fund.

(ii) The Trustee shall deposit \$88,325,000.00, being the remaining amount of proceeds of the 2017 Series A Taxable Bonds, in the 2017 Series A Taxable Project Fund.

(b) On the Closing Date with respect to the 2017 Series B Bonds, the proceeds of sale of the 2017 Series B Bonds, being \$21,589,756.83 (calculated as the par amount of the 2017 Series B Bonds, plus original issue premium in the amount of \$2,073,332.50, less the discount of the Original Purchaser in the amount of \$76,526.39, less the portion of the premium for the 2017 Bond Insurance Policy allocable to the 2017 Series B Bonds in the amount of \$229,199.84, and less the portion of the premium for the 2017 Reserve Policy allocable to the 2017 Series B Bonds in the amount of \$27,849.44 paid directly to the 2017 Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$89,756.83 in the Costs of Issuance Fund.

(ii) The Trustee shall deposit \$21,500,000.00, being the remaining amount of proceeds of the 2017 Series B Bonds, in the 2017 Series B Bonds Project Fund.

(c) The Trustee shall also credit the 2017 Reserve Policy to the 2017 Reserve Subaccount, established pursuant to Section 4.03(c) hereof.

Section 3.03. Costs of Issuance Fund. There is hereby established a separate fund to be known as the "Costs of Issuance Fund", which shall be held by the Trustee in trust. The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2017 Bonds upon submission of a Written

Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six (6) months following the Closing Date with respect to the 2017 Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund, with 82% of such amount used to pay debt service on the 2017 Series A Taxable Bonds, and 18% of such amount used to pay debt service on the 2017 Series B Bonds, and the Costs of Issuance Fund shall be closed.

Section 3.04. Project Funds.

(a)(i) There shall be established a separate and segregated fund to be known as the "2017 Series A Taxable Project Fund," which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2017 Series A Taxable Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2017 Series A Taxable Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance and capitalized interest on the 2017 Series A Bonds. The Successor Agency covenants that no funds on deposit in the 2017 Series A Taxable Project Fund shall be applied for any purpose not authorized by the Law.

(ii) The Trustee shall disburse amounts at any time on deposit in the 2017 Series A Taxable Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached hereto as Exhibit C. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or her or his designee.

(iii) At such time as no amounts remain on deposit in the 2017 Series A Taxable Project Fund, the 2017 Series A Taxable Project Fund shall be closed.

(b)(i) There shall be established a separate and segregated fund to be known as the "2017 Series B Project Fund," which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2017 Series B Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2017 Series B Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligation including, without limitation, the payment of any unpaid Costs of Issuance and capitalized interest on the 2017 Series B Bonds. The Successor Agency covenants that no funds on deposit in the 2017 Series B Project Fund shall be applied for any purpose not authorized by the Law.

(ii) The Trustee shall disburse amounts at any time on deposit in the 2017 Series B Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached hereto as Exhibit D. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such

requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration, of the Successor Agency or her or his designee.

(iii) At such time as no amounts remain on deposit in the 2017 Series B Project Fund, the 2017 Series B Project Fund shall be closed.

Section 3.05. Issuance of Parity Debt. In addition to the 2017 Bonds, the Successor Agency may issue additional bonds (including pursuant to a Supplemental Indenture) or incur other loans, advances or indebtedness payable from Pledged Tax Revenues on a parity with the 2017 Bonds for any purpose provided for in the Dissolution Act, including, but not limited to, refunding existing indebtedness of the Successor Agency in accordance with Section 34177.5(a) of the California Health and Safety Code, funding the Affordable Housing Obligations, and funding the infrastructure described in Section 34177.7(a)(1)(B) of the California Health and Safety Code, in such principal amount as shall be determined by the Successor Agency. The Successor Agency may issue and deliver any such Parity Debt subject to the following specific conditions all of which are hereby made conditions precedent to the issuance and delivery of such Parity Debt:

(a) No event of default hereunder or under any Parity Debt Instrument shall have occurred and be continuing unless such event of default will be cured by the issuance of such Parity Debt;

(b) Pledged Tax Revenues after adding back amounts payable pursuant to the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and 2014 Parity Debt received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Areas as evidenced in a written document from an appropriate official of the City and County, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, shall be at least equal to one hundred twenty five percent (125%) of Maximum Annual Debt Service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt that will be outstanding immediately following the issuance of such Parity Debt, provided that, in the case of a refunding, in whole or in part, of the Existing Loans, the 2014 Bonds, 2014 Parity Debt, the 2017 Bonds or any Parity Debt, the requirements of this Section 3.05(b) do not need to be met if the debt service on the Parity Debt in each bond year either will be less than the debt service in each bond year on the Existing Loans, the 2014 Bonds, 2014 Parity Debt, the 2017 Bonds or any Parity Debt being refunded;

(c) In the event the Successor Agency issues additional Bonds pursuant to a Supplemental Indenture, the Successor Agency shall cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency shall deliver to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth above have been satisfied.

Section 3.06. Issuance of Subordinate Debt. The Successor Agency may issue or incur Subordinate Debt in such principal amount as shall be determined by the Successor Agency. Such Subordinate Debt may be payable from any assets or property of the Successor

Agency, including Pledged Tax Revenues, on a subordinate basis to the payment of debt service on the Bonds.

Section 3.07. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Redevelopment Projects or upon the performance by any person of his obligation with respect to the Redevelopment Projects.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as may otherwise be provided in Section 4.02, Section 5.17 and Section 6.06, and subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Tax Revenues in this Indenture, the 2017 Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2017 Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Special Fund; Deposit of Pledged Tax Revenues. There is hereby established a special fund to be known as the "Third Lien Special Fund" which is to be held by the Successor Agency within the Redevelopment Obligation Retirement Fund and which shall be known as the "Special Fund". The Successor Agency agrees to hold and maintain the Third Lien Special Fund as long as any Bonds are Outstanding hereunder or any amounts are due and owing to the 2017 Insurer in respect of the 2017 Bond Insurance Policy or the 2017 Reserve Policy or any other Insurer with respect to any other insurance policy or financial guaranty. The Third Lien Special Fund shall be held by the Successor Agency separate and apart from other funds of the Successor Agency. On each June 1, commencing June 1, 2017, the Successor Agency shall transfer all of the Pledged Tax Revenues received in connection with the immediately succeeding July 1 through December 31 period ratably to the Special Fund and to any other special fund created with respect to any additional Parity Debt that is not issued as Bonds under this Indenture, promptly upon receipt thereof by the Successor Agency, until such time as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred in the Bond Year commencing on the immediately succeeding August 1 (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 hereof and, if applicable, (ii) with respect to any additional Parity Debt (other than additional Bonds issued pursuant to a Supplemental Indenture) for deposit into the funds and accounts that may be required pursuant to the applicable Parity Debt Instruments. If the amount of Pledged Tax Revenues received on

June 1 in connection with the immediately succeeding July 1 through December 31 period shall be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency shall deposit the Pledged Tax Revenues received in connection with the next succeeding Recognized Obligation Payment Schedule in the Special Fund in order to make the remainder of the transfers and deposits described above. If there nonetheless remains insufficient Pledged Tax Revenues to make the transfers and deposits required above, then the Successor Agency shall transfer such Pledged Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Bonds, the Successor Agency may also collect on each June 1 a reserve to be held for debt service on the Bonds on the January 2 or June 1 of the next succeeding calendar year.

All Pledged Tax Revenues received by the Successor Agency with respect to any Bond Year in excess of the amount required to be deposited in the Special Fund and the other special funds mentioned in the preceding paragraph during such Bond Year pursuant to the preceding paragraph of this Section 4.02 shall be released from the pledge, security interest and lien hereunder for the security of the Bonds and any additional Parity Debt and may be applied by the Successor Agency for any lawful purpose of the Successor Agency, including but not limited to the payment of Subordinate Debt, or the payment of any amounts due and owing to the United States of America pursuant to Section 5.14. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indenture or Parity Debt Instrument, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in this Indenture and in any Supplemental Indenture or Parity Debt Instrument.

Section 4.03. Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee hereunder in trust. Moneys in the Special Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority (provided that, if on the date the Successor Agency is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into account amounts required to be transferred with respect to Parity Debt other than Bonds, the Successor Agency shall immediately notify the Trustee of the amount of any such insufficiency):

(a) Interest Account. On or before the fifth (5th) Business Day preceding each Interest Payment Date, commencing with the Interest Payment Date of August 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee, for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to this Indenture).

(b) Principal Account. On or before the fifth (5th) Business Day preceding August 1 in each year beginning August 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next August 1 on all of the Outstanding Serial Bonds and Term Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same shall become due and payable.

(c) Reserve Account. The Trustee shall establish a "2017 Reserve Subaccount" within the Reserve Account for the 2017 Bonds, and the determination of the Reserve Requirement for the 2017 Bonds will be calculated for the 2017 Series A Taxable Bonds and the 2017 Series B Bonds on a combined basis.

The Reserve Requirement for the 2017 Bonds shall be satisfied by the delivery of the 2017 Reserve Policy by the 2017 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2017 Reserve Policy to the 2017 Reserve Subaccount. The Trustee shall draw on the 2017 Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2017 Bonds. Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2017 Reserve Policy or to fund the Reserve Account with cash if, at any time that the 2017 Series A Taxable Bonds or the 2017 Series B Bonds are Outstanding, amounts are not available under the 2017 Reserve Policy, other than in connection with the replenishment of a draw on the 2017 Reserve Policy.

The amounts available under the 2017 Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2017 Bonds.

The Trustee shall comply with all documentation relating to the 2017 Reserve Policy as shall be required to maintain the 2017 Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this subsection (c).

Except as provided above, in the event that the amount on deposit in the Reserve Account or any subaccount therein at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Promptly upon receipt of any such notice, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Pledged Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Pledged Tax Revenues become available in the Special Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making

transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts, or for the retirement or defeasance of the Bonds then Outstanding (as may be permitted herein), except that so long as the Successor Agency is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before the fifth (5th) Business Day preceding each February 1 and August 1, and the date of redemption or defeasance of any Bonds, by the Trustee and deposited in the Interest Account or, in the case of the redemption or defeasance of Bonds, also in the Principal Account or an escrow account established for the defeasance of any of the Bonds. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.03 or, (ii) if the Successor Agency shall have caused to be transferred to the Trustee an amount sufficient to make the deposits required by this Section 4.03, then to the Successor Agency.

If at any time any portion of the Reserve Requirement is satisfied with cash or Permitted Investments that meet the requirements of Section 6.07, the Successor Agency shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the 2017 Series B Bonds or any other Bonds the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be used for any lawful purpose that does not adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this subsection (c). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Pledged Tax Revenues.

The Successor Agency shall also have the option to establish a separate subaccount in the Reserve Account that secures only one or more particular series of Bonds issued as Parity Debt, and the calculation of the Reserve Requirement with respect to all other Bonds shall exclude the debt service on such series of Bonds. Additionally, Bonds secured by a Qualified Reserve Account Credit Instrument or a separate subaccount within the Reserve Account shall not have access to any other amounts on deposit in the Reserve Account except as expressly provided in the Indenture or in any applicable Supplemental Indenture. Additionally, the Reserve Account may be maintained in the form of one combined Reserve Account or in the form of one more separate sub-accounts which are established for the purpose of holding the proceeds of separate series of Bonds in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee.

If the Reserve Requirement with respect to a series of Bonds is being maintained partially in cash and Permitted Investments and partially with a Qualified Reserve Account Credit Instrument, the cash and Permitted Investments shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture. If the Reserve Requirement with respect to a series of Bonds is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture shall be pro-rata with respect to each such instrument.

Prior to drawing on the Reserve Account in order to make a payment of debt service on the Bonds, the Trustee shall notify the Successor Agency.

(d) Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to Section 2.03(a), the Trustee shall withdraw from the Debt Service Fund any amount transferred by the Successor Agency pursuant to Section 2.03(a) for deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds and other Bonds to be redeemed on such date pursuant to Section 2.03(a) or a similar provision of a Supplemental Indenture. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds and such other Bonds to be redeemed pursuant to Section 2.03(a) or a similar provision of a Supplemental Indenture on the date set for such redemption. Interest due on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds or such other Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account. Notwithstanding the foregoing, at any time prior to giving notice of redemption of any such 2017 Series A Taxable Bonds or 2017 Series B Bonds or such other Bonds, the Trustee may, at the direction of the Successor Agency, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of all or a portion of the 2017 Series A Taxable Bonds, the 2017 Series B Bonds or such other Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such 2017 Series A Taxable Bonds, such 2017 Series B Bonds or such other Bonds, which is payable from the Interest Account) as shall be directed by the Successor Agency.

Section 4.04. Claims Upon the 2017 Bond Insurance Policy: Rights of the 2017 Insurer. So long as the 2017 Bond Insurance Policy remains in force and effect, the following provisions of this Section 4.04 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2017 Insured Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2017 Insurer and to its designated agent (if any) (the "2017 Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2017 Insured Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2017 Bond Insurance Policy and give notice to the 2017 Insurer and the 2017 Insurer's Fiscal Agent (if any) by telephone of

the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2017 Insured Bonds and the amount required to pay principal of the 2017 Insured Bonds, confirmed in writing to the 2017 Insurer and the 2017 Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2017 Bond Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2017 Insured Bonds paid by the 2017 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2017 Insured Bonds registered to the then current Owner of 2017 Insured Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2017 Insured Bond to the 2017 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2017 Insured Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2017 Insured Bond or the subrogation rights of the 2017 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2017 Insurer into the 2017 Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2017 Insured Bond. The 2017 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2017 Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2017 Insured Bonds referred to herein as the "2017 Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2017 Bond Insurance Policy in trust on behalf of Owners of the 2017 Insured Bonds and shall deposit any such amount in the 2017 Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2017 Insured Bonds in the same manner as principal and interest payments are to be made with respect to the 2017 Insured Bonds under the sections hereof regarding payment of 2017 Insured Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2017 Insurer (i) a sum equal to the total of all amounts paid by the 2017 Insurer under the 2017 Bond Insurance Policy (the "2017 Insurer Advances"); and (ii) interest on such 2017 Insurer Advances from the date paid by the 2017 Insurer until payment thereof in full, payable to the 2017 Insurer at the Late Payment Rate per annum (collectively, the "2017 Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2017 Insured Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2017 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2017 Insured Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2017 Insurer Reimbursement Amounts (including any amounts due the 2017 Insurer pursuant to item (n) below) are paid to the 2017 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2017 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2017 Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2017 Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2017 Insurer.

(g) The following terms and provisions of this subsection (g) shall govern with respect to the 2017 Bond Insurance Policy, notwithstanding anything in this Indenture to the contrary:

(i) The 2017 Insurer shall be deemed to be the sole Owner of the 2017 Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2017 Insured Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2017 Insured Bond, the Trustee and each of the Owners of 2017 Insured Bonds appoint the 2017 Insurer as their agent and attorney-in-fact with respect to the 2017 Insured Bonds and agree that the 2017 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Owner of a 2017 Insured Bond delegate and assign to the 2017 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2017 Insured Bond with respect to the 2017 Insured Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Owners of the 2017 Insured Bonds shall include mandamus.

(ii) The rights granted to the 2017 Insurer under this Indenture to request, consent to or direct any action are rights granted to the 2017 Insurer in consideration of its issuance of the 2017 Bond Insurance Policy. Any exercise by the 2017 Insurer of such rights is merely an exercise of the 2017 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2017 Insured Bonds and such action does not evidence any position of the 2017 Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2017 Insurer. Each obligation of the Successor Agency to the 2017 Insurer under this Indenture shall survive discharge or termination of this Indenture.

(iii) The Successor Agency shall pay or reimburse the 2017 Insurer any and all charges, fees, costs and expenses that the 2017 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Indenture; (ii) the pursuit of any remedies under this Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2017 Insurer to honor its obligations under the 2017 Bond Insurance Policy. The 2017 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account to the Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of this Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2017 Insurer shall be subject to the prior written consent of the 2017 Insurer.

(vi) The 2017 Insurer shall be entitled to pay principal or interest on the 2017 Insured Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such term is defined in the 2017 Bond Insurance Policy) by the Successor Agency, and any amounts due on the 2017 Insured Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2017 Insurer has received a Notice of Nonpayment (as such term is defined in the 2017 Bond Insurance Policy) or a claim upon the 2017 Bond Insurance Policy.

(vii) The 2017 Insurer shall, to the extent it makes any payment of principal or interest on the 2017 Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2017 Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2017 Insurer under this Indenture shall survive discharge or termination of this Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2017 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the

effect of any such amendment, consent, waiver, action or inaction as if there were no 2017 Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2017 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2017 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2017 Insurer.

(h) The 2017 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) Annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2017 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and the successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2017 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2017 Reserve Subaccount within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of the 2017 Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding or redemption of any of the 2017 Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any proceeding by or against the Successor Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding").

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2017 Insured Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of this Indenture.

(x) All information furnished by the Successor Agency pursuant to the Continuing Disclosure Certificate with respect to the 2017 Bonds.

(xi) The 2017 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2017 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2017 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2017 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2017 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under this Indenture.

(i) The maturity of the 2017 Insured Bonds shall not be accelerated without the consent of the 2017 Insurer and in the event the maturity of the 2017 Insured Bonds is accelerated, the 2017 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2017 Insurer's obligations under the 2017 Bond Insurance Policy with respect to such 2017 Insured Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2017 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2017 Insurer is hereby expressly made a third party beneficiary of this Indenture.

(l) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of 2017 Insured Bonds to be redeemed shall be subject to the approval of the 2017 Insurer. The exercise of any provision of the Indenture which permits the purchase of 2017 Insured Bonds in lieu of redemption shall require the prior written approval of the 2017 Insurer if any 2017 Insured Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2017 Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2017 Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2017 Insured Bonds unless the 2017 Insurer otherwise approves.

To accomplish defeasance of the 2017 Insured Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2017 Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the 2017 Insured Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2017 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2017 Insured Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2017 Insured Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2017 Insurer. The 2017 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2017 Insured Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2017 Insurer under the 2017 Bond Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2017 Insured Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2017 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

(p) Notices and other information to the 2017 Insurer shall be sent to the following address (or such other address as the 2017 Insurer may designate in writing): Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. 218124-N. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 4.05. Provisions Relating to 2017 Reserve Policy. So long as the 2017 Reserve Policy remains in force and effect, the following provisions of this Section 4.05 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2017 Reserve Policy and pay all related reasonable expenses incurred by the 2017 Insurer and shall pay interest thereon from the date of payment by the 2017 Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2017 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360

days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2017 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2017 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2017 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "2017 Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2017 Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2017 Policy Costs paid to the 2017 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2017 Insurer on account of principal due, the coverage under the 2017 Reserve Policy will be increased by a like amount, subject to the terms of the 2017 Reserve Policy. The obligation to pay 2017 Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2017 Reserve Subaccount shall be transferred to the Debt Service Fund for payment of debt service on 2017 Bonds before any drawing may be made on the 2017 Reserve Policy or any Qualified Reserve Account Credit Instrument credited to the 2017 Reserve Subaccount in lieu of cash. The prior written consent of the 2017 Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument credited to the 2017 Reserve Subaccount in lieu of cash. Payment of any 2017 Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2017 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2017 Reserve Subaccount. Payment of 2017 Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2017 Policy Costs in accordance with the requirements of this Indenture, the 2017 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2017 Bonds or (ii) remedies which would adversely affect owners of the 2017 Bonds.

(c) This Indenture shall not be discharged until all 2017 Policy Costs owing to the 2017 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2017 Bonds.

(d) The Successor Agency shall include any 2017 Policy Costs then due and owing the 2017 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture

(e) The Trustee shall ascertain the necessity for a claim upon the 2017 Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2017 Insurer in accordance with the terms of the 2017 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2017 Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2017 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2017 Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2017 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2017 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2017 Series A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2017 Reserve Policy whether or not executed or completed, or (v) any action taken by the 2017 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2017 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2017 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the 2017 Insurer until the date the 2017 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2017 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2017 Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2017 Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2017 Bonds or this Indenture; (iv) whether or not such 2017 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2017 Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2017 Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2017 Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2017 Insurer under the 2017 Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2017 Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2017 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2017 Insurer as if set forth directly herein. No provision of this Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2017 Policy Costs under this Indenture, without the prior written consent of the 2017 Insurer. The 2017 Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2017 Insurer, promptly upon request, any information regarding the 2017 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2017 Insurer. The Successor Agency will permit the 2017 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2017 Insurer may reasonably request regarding the security for the 2017 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2017 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2017 Insurer shall be sent to the following address (or such other address as the 2017 Insurer may designate in writing): Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. 218124-R. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01. Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture, all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency hereby covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues or Pledged Tax Revenues on a basis senior to the payment of debt service on the 2017 Bonds and any Parity Debt, except for obligations issued to refund any of the Existing Loan Agreements, the 2014 Bonds or any 2014 Parity Debt, but only if the debt service in any Bond Year does not increase as a result of such refunding. Further, the Successor Agency hereby covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues, excepting only the 2017 Series A Taxable Bonds, the 2017 Series B Bonds, any Parity Debt meeting the requirements of Section 3.05 hereof and any Subordinate Debt. The Successor Agency will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Bonds superior or equal to the pledge and lien herein created for the benefit of the Bonds.

Section 5.03. Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Pledged Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Section 5.05. Books and Accounts; Financial Statements. The Successor Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the City and County, in which complete and

correct entries shall be made of all transactions relating to the Redevelopment Projects, the Pledged Tax Revenues and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the 2017 Insurer, any other Insurer and the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared, within one hundred and eighty (180) days after the close of each Fiscal Year so long as the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing the Pledged Tax Revenues, all disbursements of Pledged Tax Revenues and the financial condition of the Redevelopment Projects, including the balances in all funds and accounts relating to the Redevelopment Projects, as of the end of such Fiscal Year. The Successor Agency shall promptly furnish a copy of such financial statements to the Trustee, the 2017 Reserve Insurer and any other Insurer at no expense and to any Owner upon reasonable request and at the expense of such Owner.

The Successor Agency agrees, consents and will cooperate in good faith to provide information reasonably requested by the 2017 Insurer and will further provide appropriately designated individuals and officers to discuss the affairs, finances and accounts of the Successor Agency or any other matter as the 2017 Insurer may reasonably request.

Section 5.06. Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the Closing Date with respect to the 2017 Bonds, the 2017 Bonds shall be incontestable by the Successor Agency.

Section 5.07. Payments of Taxes and Other Charges. Except as otherwise provided herein, the Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Redevelopment Projects, or upon the revenues therefrom when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Redevelopment Projects or any part thereof.

Section 5.08. Taxation of Leased Property. All amounts derived by the Successor Agency pursuant to Section 33673 of the Law with respect to the lease of property for redevelopment shall be treated as Tax Revenues for all purposes of this Indenture.

Section 5.09. Disposition of Property. The Successor Agency will not participate in the disposition of any land or real property in a Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by a Redevelopment Plan in effect on the date of issuance of the 2017 Bonds) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the applicable Project Area unless such disposition is permitted as hereinafter provided in this Section 5.09. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint an Independent Redevelopment Consultant to report on the effect of said proposed disposition. If the Report of the Independent

Redevelopment Consultant concludes that the security of the Bonds, or the rights of the Successor Agency, the Bondowners and the Trustee hereunder will not be materially impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If said Report concludes that such security will be materially impaired by said proposed disposition, the Successor Agency shall disapprove said proposed disposition.

Section 5.10. Maintenance of Pledged Tax Revenues. The Successor Agency shall comply with all requirements of the Law and the Dissolution Act to ensure the allocation and payment to it of the Pledged Tax Revenues. The Successor Agency shall not undertake proceedings for amendment of any of the Redevelopment Plans if such amendment shall result in payments to one or more taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless the Successor Agency shall first obtain a written opinion of an Independent Redevelopment Consultant that such payments will not adversely impair the Successor Agency's ability to pay debt service on the Bonds.

Section 5.11. No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2017 Series B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2017 Series B Bonds would have caused the 2017 Series B Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

Section 5.12. Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the 2017 Series B Bonds are not so used as to cause the 2017 Series B Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Section 5.13. Federal Guarantee Prohibition. The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the 2017 Series B Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

Section 5.14. Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2017 Series B Bonds.

Section 5.15. Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the 2017 Series B Bonds from the gross income of the Owners of the 2017 Series B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2017 Series B Bonds.

Section 5.16. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Certificate) or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its

attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 5.17. Compliance with the Dissolution Act. The Successor Agency shall comply with all of the requirements of the Law and the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants hereunder.

Further, it will take all actions required under the Dissolution Act to include

(i) scheduled debt service on the Existing Loans, the 2014 Bonds, any 2014 Parity Debt, and any amounts required to replenish any reserve account established under an Existing Loan Agreement, the 2014 Indenture or any instrument pursuant to which 2014 Parity Debt is issued,

(ii) scheduled debt service on the 2017 Bonds and any Parity Debt and any amount required under this Indenture or any Parity Debt Instrument to replenish the Reserve Account established hereunder or the reserve account established under any Parity Debt Instrument, and

(iii) amounts due to any Insurer hereunder or under an insurance or surety bond agreement, including the 2017 Bond Insurance Policy and the 2017 Reserve Policy,

in each annual Recognized Obligation Payment Schedule so as to enable the Auditor-Controller of the City and County of San Francisco to distribute from the Redevelopment Property Tax Trust Fund to the Successor Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay principal of, and interest on, the Bonds coming due in the respective six-month period and to pay amounts owed to any Insurer, as well as the other amounts set forth above.

These actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and State Department of Finance the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to comply with this Indenture. In particular, the Successor Agency shall, not later than April 30, 2017, submit to the State Department of Finance and to the Auditor-Controller of the City and County of San Francisco an Oversight Board-approved amendment to the Recognized Obligation Payment Schedule previously submitted by the Successor Agency relating to the June 1, 2017 and January 2, 2018 disbursement dates, amending the amounts to be distributed on (i) June 1, 2017 to include all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient for the payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt on August 1, 2017 and (ii) January 2, 2018 to include all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds,

any 2014 Parity Debt, the 2017 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient for the payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt on February 1, 2018 and August 1, 2018. Not later than February 1, 2018 and each February 1 thereafter (or at such other time as may be required by the Dissolution Act) for so long as any of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt or the Bonds remain outstanding or any amounts owing to an Insurer remain unpaid, (a) the Successor Agency will place on the Recognized Obligation Payment Schedules relating to the January 2 disbursement date all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt on the immediately succeeding February 1 and August 1, and (b) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt on a timely basis, the Successor Agency will place on Recognized Obligation Payment Schedules relating to the June 1 disbursement date amounts required to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt on the next succeeding August 1. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds and any Parity Debt on February 1 and August 1 of the next succeeding calendar year. Further, the Successor Agency will place any amounts required to replenish the Reserve Account established hereunder or the reserve account established under any Parity Debt Instrument and any amounts owing to any Insurer hereunder or under an insurance or surety bond agreement, including the 2017 Bond Insurance Policy and the 2017 Reserve Policy, on its next Recognized Obligation Payment Schedule upon any such amounts becoming owing.

The Successor Agency further covenants that it will, on or before May 1 and December 1 of each year, file a Notice of Insufficiency with the County Auditor-Controller if the amount of Pledged Tax Revenues available to the Successor Agency from the RPTTF on the upcoming June 1 or January 2, as applicable, is insufficient to pay debt service on the 2017 Bonds, to pay debt service on any Parity Debt, to replenish the Reserve Account established hereunder or the reserve account established under any Parity Debt Instrument and to pay any Insurer any amounts owing hereunder or under an insurance or surety bond agreement, including the 2017 Bond Insurance Policy or the 2017 Reserve Policy.

If any amounts then due and payable to the 2017 Insurer under this Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a

request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2017 Insurer.

The Successor Agency will not submit to the Oversight Board and the State Department of Finance a request for the final amendment permitted for its Last and Final Recognized Obligation Payment Schedule pursuant to Section 34191.6 of the Dissolution Act without the prior written consent of the 2017 Insurer, unless all amounts that could become due and payable to the 2017 Insurer under this Indenture would be included as a line item on the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.

Section 5.18. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection (f) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, with a copy to any Insurer, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation 30 days prior to the proposed effective date thereof to the Successor Agency and by giving the Owners and any Insurer notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing, with notice of such appointment to be furnished to any Insurer.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of the giving of notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties

and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall cause either the predecessor Trustee or the successor Trustee to mail a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books.

(e) If an Event of Default hereunder occurs with respect to any Bonds of which the Trustee has been given or is deemed to have notice, as provided in Section 6.03(d) hereof, then the Trustee shall immediately give written notice thereof, by first-class mail to any Insurer and the Owner of each such Bond, unless such Event of Default shall have been cured before the giving of such notice; provided, however, that unless such Event of Default consists of the failure by the Successor Agency to make any payment when due, the Trustee shall, within thirty (30) days of the Trustee's knowledge thereof, give such notice to any Insurer, and the Trustee, with the consent of any Insurer may elect not to give such notice if and so long as the Trustee in good faith determines that it is in the best interests of the Bondowners not to give such notice.

(f) The Successor Agency agrees that, so long as any Bonds or any Parity Debt are Outstanding, the Trustee shall be a financial institution having a trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (f), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

Section 6.02. Merger or Consolidation. Any bank or trust company into which the Trustee may be merged or converted or with which it may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or trust company shall be eligible under subsection (f) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(c) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or misconduct of the Trustee. Where the Trustee is given the permissive right to do things enumerated in this Indenture, such right shall not be construed as a mandatory duty.

(d) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Pledged Tax Revenues into the Special Fund and the investment and application of moneys on deposit in the Special Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

(e) The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the Successor Agency or with

respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

(f) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

(h) The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

(i) Before taking any action under Article VIII or this Article at the request of the Owners or any Insurer, the Trustee may require that a satisfactory indemnity bond be furnished by the Owners or any Insurer for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall have no liability in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, facsimile transmission, electronic mail, or other paper or document reasonably believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of and copying by the Successor Agency and any Insurer and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a lien on the Pledged Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless against any loss, expense and liabilities which it may incur to the extent arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Redemption Account and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee, except that moneys in the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (g) of the definition thereof. In the absence of any such Written Request of the Successor Agency, the Trustee shall invest any such moneys in Permitted Investments described in clause (e) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. With respect to any restrictions set forth in the above list which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the Successor Agency's expense. Moneys in the Special Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by

the Trustee hereunder shall be deposited in the Interest Account; *provided, however*, that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Successor Agency or otherwise made in accordance with this Section. For investment purposes only, the Trustee may commingle the funds and accounts established hereunder, but shall account for each separately.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency monthly cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value if required by the Code.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued by the Successor Agency at their present value (within the meaning of section 148 of the Code). Investments on deposit in the Reserve Account shall be valued on June 30 of each year at their market value.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with corporate trust industry standards, in which accurate entries shall be made of all transactions relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, on at least a monthly basis, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.09. Other Transactions with Agency. The Trustee, either as principal or agent, may engage in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption without the consent of any Owners, to the extent permitted by law, but only for any one or more of the following purposes -

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, including any covenant or agreement that provides for additional security for the Bonds, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Debt in accordance with Section 3.05; or

(d) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of Bond Counsel; or

(e) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of any Insurer (but only with respect to any Bonds insured by such Insurer) and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest, or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of any Insurer or the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In no event shall any Supplemental Indenture modify any of the rights or obligations of any Insurer without its prior written consent.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be

deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may, with the prior written consent of any Insurer, determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office of the Trustee, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond and, provided further that written consent to such amendment shall first be obtained from any Insurer.

Section 7.05. Opinion of Counsel. Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under this Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under this Indenture and does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the Bonds from personal income taxation by the State.

Section 7.06. Copy of Supplemental Indenture to S&P and Moody's. The Successor Agency shall provide to S&P and Moody's, for so long as S&P and Moody's, as the case may be, maintain a rating on any of the Bonds (without regard to any municipal bond or financial guaranty insurance), a copy of any Supplemental Indenture at least fifteen (15) days prior to its proposed effective date.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Insurer or written notice from any Owner (with a copy of said notice delivered to the Trustee and any Insurer) of the occurrence of such default, provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency (with the prior written consent of any Insurer) within such thirty (30) day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time as approved by any Insurer; or

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition by the Successor Agency seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition by the Successor Agency, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

In determining whether an Event of Default has occurred under (a) above, no effect shall be given to payments made under any municipal bond insurance policy, financial guaranty insurance policy or Qualified Reserve Account Credit Instrument.

If an Event of Default has occurred under this Section and is continuing, the Trustee, may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (y) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (z) subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bondowners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to any Insurer and to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in subsections (a) or (c) above the Trustee shall, and with respect to any Event of Default described in subsection (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall, with the written consent of a majority in aggregate principal amount of the Owners of the Bonds then Outstanding, deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to any Insurer and the Owners of all Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds then Outstanding, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of this Indenture (including the Trustee's share of any Pledged Tax Revenues) and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees and expenses of the Trustee;

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, as applicable, with interest on the overdue principal, and

installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest; and

Third, any amount due and owing to any Insurer hereunder.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however*, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Successor Agency, the Trustee and any Insurer written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged

hereunder, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds or Parity Debt shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however*, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Section 8.08. Determination of Percentage of Bondowners. Whenever in this Indenture the consent, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds determined as of the next succeeding Interest Payment Date.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, any Insurer, the Trustee and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, any Insurer and the Owners. To the extent that this Indenture confers upon or gives any Insurer any right, remedy or claim under or by reason of this Indenture, such Insurer is hereby explicitly recognized as being third-party beneficiaries hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Indenture. (a) If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to Section 2.03(c) or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (A) the covenants of the Successor Agency

hereunder with respect to the Code, (B) the obligation of the Trustee to transfer and exchange Bonds hereunder, (C) the obligations of the Successor Agency under Section 6.06 hereof, and (D) the obligation of the Successor Agency to pay or cause to be paid to the Owners (or any Insurer), from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee and any Insurer all fees, expenses and costs of the Trustee and any Insurer. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency.

(b) Notwithstanding anything herein to the contrary, in the event that the principal and/or interest due of the Bonds is paid by any Insurer, including the 2017 Insurer, pursuant to its municipal bond or financial guaranty insurance policy, including the 2017 Bond Insurance Policy and the 2017 Reserve Policy, such Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Successor Agency, and the assignment and pledge of the Pledged Tax Revenues and other assets hereunder and all covenants, agreements and other obligations of the Successor Agency to the Bondowners so paid shall continue to exist and shall run to the benefit of such Insurer, and such Insurer shall be subrogated to the rights of such Bondowners, as applicable.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by such Owner's attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the City and County (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal or interest or any premium on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the Successor Agency provide the Successor Agency a certificate of destruction. The Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by facsimile, addressed as follows:

If to the Successor Agency:	Successor Agency to the Redevelopment Agency of the City and County of San Francisco 1 South Van Ness Avenue, 5 th Floor San Francisco, CA 94103 Attention: Executive Director
If to the Trustee:	U.S. Bank National Association Attn.: Global Corporate Trust Services One California Street, Suite 1000 San Francisco, CA 94111 Fax: 415-677-3768
If to the 2017 Insurer:	see Sections 4.04(p) and 4.05(k)

The Successor Agency and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the

judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Bondowners shall look only to the Successor Agency for the payment of the principal of and interest and redemption premium (if any) on such Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this Indenture to be signed in its name by its Deputy Director of Finance and Administration, and U.S. BANK NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: 

Deputy Director of
Finance and Administration

**U.S. BANK NATIONAL ASSOCIATION,
*as Trustee***

By: _____

Authorized Officer

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this Indenture to be signed in its name by its Deputy Director of Finance and Administration, and U.S. BANK NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: _____
Deputy Director of
Finance and Administration

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: 
Authorized Officer

EXHIBIT A

(FORM OF 2017 SERIES A TAXABLE BOND)

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO
2017 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)**

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
August 1, _____, 2017

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before July 15, 2017, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing August 1, 2017 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon surrender of this Bond at the corporate trust office of U.S. BANK NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee

as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects)" (the "Bonds"), of an aggregate principal amount of Eighty Nine Million Seven Hundred Sixty Five Thousand Dollars (\$89,765,000), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, or redemption and other provisions) and all issued pursuant to the provisions of the Dissolution Act (as such term is defined in the Indenture), and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Law"), and pursuant to an Indenture of Trust, dated as of March 1, 2017, entered into by and between the Successor Agency and the Trustee (the "Indenture"), providing for the issuance of the Bonds. The Bonds are being issued in the form of registered Bonds without coupons. Simultaneously with the issuance of the Bonds, the Successor Agency is also issuing bonds designated as "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)" (the "2017 Series B Bonds") that are payable from Pledged Tax Revenues on a parity with the Bonds. Additional bonds, or other obligations may be issued on a parity with the Bonds and the 2017 Series B Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the Bonds and the 2017 Series B Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to finance affordable housing in certain redevelopment project areas of the Successor Agency and to pay certain expenses of the Successor Agency in issuing the Bonds.

The Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas.

There has been created, and will be maintained by, the Successor Agency the Special Fund (as defined in the Indenture) into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the Bonds and any additional Parity Debt as defined in the Indenture. As and to the extent set forth in the Indenture, all such Pledged Tax Revenues and the moneys in the Special Fund (as such terms are defined in the Indenture) are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture and the Law, for

the security and payment or redemption of, including any premium upon early redemption, and for the security and payment of interest on, the Bonds, the 2017 Series B Bonds and any additional Parity Debt (as defined in the Indenture). In addition, the Bonds shall be additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the applicable subaccount within the Reserve Account and the Redemption Account (as such terms are defined in the Indenture). Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds and the 2017 Series B Bonds.

The Bonds are subject to optional redemption and mandatory redemption from mandatory sinking fund payments as provided in the Indenture.

As provided in the Indenture, notice of redemption shall be given by first class mail no less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal

amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bond during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (b) any Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Deputy Director of Finance and Administration and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director of Finance and
Administration

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on the Bonds maturing on August 1 in each of the years 2025, 2026 and 2044 (the "Insured Bonds"), to U.S. Bank National Association, San Francisco, California, or its successor, as trustee for the Insured Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Insured Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____ Custodian _____
TEN ENT --	as tenants by the entireties	(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)
COMM PROP --	as community property	

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signatures Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B
(FORM OF 2017 SERIES B BOND)

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO
2017 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
 August 1, _____ _____, 2017

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above (subject to any right of prior redemption hereinafter provided for), the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before July 15, 2017, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing August 1, 2017 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof and premium, if any, upon early redemption hereof are payable upon surrender of this Bond at the corporate trust office of U.S. BANK NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity or earlier redemption) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of

interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)" (the "Bonds"), of an aggregate principal amount of Nineteen Million Eight Hundred Fifty Thousand Dollars (\$19,850,000), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, or redemption and other provisions) and all issued pursuant to the Dissolution Act (as such term is defined in the Indenture), and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Law"), and pursuant to an Indenture of Trust, dated as of March 1, 2017, entered into by and between the Successor Agency and the Trustee (the "Indenture"), providing for the issuance of the Bonds. The Bonds are being issued in the form of registered Bonds without coupons. Simultaneously with the issuance of the Bonds, the Successor Agency is also issuing bonds designated as "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects)" (the "2017 Series A Taxable Bonds") that are payable from Pledged Tax Revenues on a parity with the Bonds. Additional bonds, or other obligations may be issued on a parity with the Bonds and the 2017 Series A Taxable Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the Bonds and the 2017 Series A Taxable Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to finance infrastructure within the Transbay Redevelopment Project Area of the Successor Agency and to pay certain expenses of the Successor Agency in issuing the Bonds.

The Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas.

There has been created, and will be maintained by, the Successor Agency the Special Fund (as defined in the Indenture) into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the Bonds and any additional Parity Debt as defined in the Indenture. As and to the extent set forth in the Indenture, all such Pledged Tax Revenues and the moneys in the Special Fund (as such terms are defined in the Indenture) are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture and the Law, for

the security and payment or redemption of, including any premium upon early redemption, and for the security and payment of interest on, the Bonds, the 2017 Series A Taxable Bonds and any additional Parity Debt (as defined in the Indenture). In addition, the Bonds shall be additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the applicable subaccount within the Reserve Account and the Redemption Account (as such terms are defined in the Indenture). Except for the Pledged Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium, if any, on the Bonds and the 2017 Series A Taxable Bonds.

The Bonds are subject to optional redemption and mandatory redemption from mandatory sinking fund payments as provided in the Indenture.

As provided in the Indenture, notice of redemption shall be given by first class mail no less than thirty (30) nor more than sixty (60) days prior to the redemption date to the respective registered owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books maintained by the Trustee, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for redemption.

The Successor Agency shall have the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Successor Agency and the Trustee shall have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee shall mail notice of such rescission of redemption in the same manner and to the same recipients as the original notice of redemption was sent.

If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest shall cease to accrue hereon from and after the date fixed for redemption.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal

amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any Bond during the fifteen (15) days prior to the date established for the selection of Bonds for redemption, or (b) any Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest or redemption premiums (if any) at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Deputy Director of Finance and Administration and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director of Finance and
Administration

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond, to U.S. Bank National Association, San Francisco, California, or its successor, as trustee for this Bond (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____ Custodian _____
TEN ENT --	as tenants by the entireties	(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)
COMM PROP --	as community property	

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signatures Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT C

FORM OF 2017 SERIES A TAXABLE PROJECT FUND DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

U.S. Bank National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, CA 94111
Fax: 415-677-3768
Attention: Global Corporate Trust Services

Re: \$89,765,000 Successor Agency to the Redevelopment Agency of the City and
County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of March 1, 2017 (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the 2017 Series A Taxable Project Fund for costs of financing affordable housing in accordance with the Redevelopment Plans (as defined in the Indenture) pursuant to Section 3.04(a) of the Indenture.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule, in payment of all or a portion of the costs of the affordable housing described on said Schedule.

Dated: _____, 201__

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

EXHIBIT D

FORM OF 2017 SERIES B PROJECT FUND DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

U.S. Bank National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, CA 94111
Fax: 415-677-3768
Attention: Global Corporate Trust Services

Re: \$19,850,000 Successor Agency to the Redevelopment Agency of the City and
County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of March 1, 2017 (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the 2017 Series B Project Fund for costs of financing affordable housing in accordance with the Redevelopment Plans (as defined in the Indenture) pursuant to Section 3.04(b) of the Indenture.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule, in payment of all or a portion of the costs of the affordable housing described on said Schedule.

Dated: _____, 20__

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

EXHIBIT E

EXISTING LOAN AGREEMENTS (By Bond Issue)

[Loan Agreements that are refunded in full through the issuance of the 2014 Bonds are marked by an asterisk]

1. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 1993 Series B Tax Allocation Refunding Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Hunters Point Redevelopment Project Area*;

Loan Agreement relating to the India Basin Industrial Park Redevelopment Project Area*;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area*;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2*; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1*

2. The following Loan Agreement relating to the City and County of San Francisco Redevelopment Financing Authority 1998 Series C Tax Allocation Revenue Refunding Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area

3. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 1998 Series D Tax Allocation Revenue Refunding Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the merged Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area and the South of Market Redevelopment Project Area;

Loan Agreement relating to the Hunters Point Redevelopment Project Area; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1

4. The following Loan Agreement relating to the City and County of San Francisco Redevelopment Financing Authority 2003 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the merged Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area and the South of Market Redevelopment Project Area

5. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2003 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the merged Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area and the South of Market Redevelopment Project Area;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1

6. The following Loan Agreement relating to the City and County of San Francisco Redevelopment Financing Authority 2003 Series C Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1*

7. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2004 Series A Tax Allocation Refunding and Capital Improvement Revenue Bonds (San Francisco Redevelopment Projects) (San Francisco Redevelopment Projects):

Loan Agreement relating to the Hunters Point Redevelopment Project Area*;

Loan Agreement relating to the India Basin Industrial Park Redevelopment Project Area*;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area*;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2*; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1*

8. The following Loan Agreement relating to the City and County of San Francisco Redevelopment Financing Authority 2004 Series C Tax Allocation Revenue Bonds (Rincon Point – South Beach Redevelopment Project):

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area D-1*;

9. The following Loan Agreement relating to the City and County of San Francisco Redevelopment Financing Authority 2004 Series D Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the merged Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area and the South of Market Redevelopment Project Area*;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area*;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2*; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1*

10. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2005 Series A Tax Allocation Refunding Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the merged Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area and the South of Market Redevelopment Project Area*;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area*; and

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2*

11. The following Loan Agreement relating to the City and County of San Francisco Redevelopment Financing Authority 2005 Series B Taxable Tax Allocation Refunding Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2

12. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2005 Series C Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area*;

Loan Agreement relating to the Hunters Point Redevelopment Project Area*;

Loan Agreement relating to the India Basin Industrial Park Redevelopment Project Area*;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2*; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1*

13. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2006 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;

Loan Agreement relating to the Mission Bay North Redevelopment Project Area;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area*; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1*

14. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2007 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Bayview Hunters Point Redevelopment Project Area - Project Area B

Loan Agreement relating to the Mission Bay North Redevelopment Project Area;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area;

Loan Agreement relating to the South of Market Redevelopment Project Area;

Loan Agreement relating to Transbay Redevelopment Project Area; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1

15. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2007 Series B Tax Allocation Refunding Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the merged Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area and the South of Market Redevelopment Project Area;

Loan Agreement relating to the Hunters Point Redevelopment Project Area;

Loan Agreement relating to the India Basin Industrial Park Redevelopment Project Area;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1

16. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2009 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Bayview Hunters Point Redevelopment Project Area - Project Area B;

Loan Agreement relating to the Mission Bay North Redevelopment Project Area;

Loan Agreement relating to the Mission Bay South Redevelopment Project Area;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area;

Loan Agreement relating to Transbay Redevelopment Project Area;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1

17. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2009 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to Bayview Hunters Point Redevelopment Project Area - Project Area B;

Loan Agreement relating to South of Market Redevelopment Project Area;

Loan Agreement relating to Transbay Redevelopment Project Area; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1

18. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;

Loan Agreement relating to the Mission Bay North Redevelopment Project Area;

Loan Agreement relating to the Mission Bay South Redevelopment Project Area;

Loan Agreement relating to the Rincon Point - South Beach Redevelopment Project Area;

Loan Agreement relating to the Western Addition Redevelopment Project Area A-2; and

Loan Agreement relating to the Yerba Buena Center Approved Redevelopment Project Area D-1

19. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2009 Series F Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to Bayview Hunters Point Redevelopment Project Area - Project Area B;

Loan Agreement relating to South of Market Redevelopment Project Area; and

Loan Agreement relating to Transbay Redevelopment Project Area

20. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2010 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;

Loan Agreement relating to Transbay Redevelopment Project Area; and

2 Loan Agreement relating to the Western Addition Redevelopment Project Area A-

21. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2011 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;

Loan Agreement relating to the Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;

Loan Agreement relating to the Hunters Point Redevelopment Project Area;

Loan Agreement relating to South of Market Redevelopment Project Area;

Loan Agreement relating to Transbay Redevelopment Project Area; and

2 Loan Agreement relating to the Western Addition Redevelopment Project Area A-

22. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2011 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;

Loan Agreement relating to South of Market Redevelopment Project Area; and

Loan Agreement relating to Transbay Redevelopment Project Area

23. The following Loan Agreements relating to the City and County of San Francisco Redevelopment Financing Authority 2011 Series E Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects):

Loan Agreement relating to the Mission Bay North Redevelopment Project Area;
and

Loan Agreement relating to the Mission Bay South Redevelopment Project Area

FIRST SUPPLEMENT TO INDENTURE OF TRUST

Dated as of December 1, 2021

by and between the

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK NATIONAL ASSOCIATION,
as Trustee**

Relating to

**\$127,210,000
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2021 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)**

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FIRST SUPPLEMENT TO INDENTURE OF TRUST

This FIRST SUPPLEMENT TO INDENTURE OF TRUST (this “First Supplement”), dated as of December 1, 2021, is by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity duly created and existing under the laws of the State of California (the “Successor Agency”), as successor to the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee under the hereinafter defined Original Indenture (the “Trustee”);

W I T N E S S E T H:

WHEREAS, prior to its dissolution, the Former Agency was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (as amended, the “Law”), including the power to issue bonds and incur debt for any of its corporate purposes;

WHEREAS, a Redevelopment Plan for each of the following redevelopment project areas, subproject areas or land use zones (collectively, the “Project Areas”) of the Former Agency was adopted and, as applicable, subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of each of the Redevelopment Plans, as amended, have been duly complied with:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (formerly known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1;

WHEREAS, to finance and refinance redevelopment activities within or of benefit to the Project Areas, the Former Agency entered into various loan agreements (collectively, the

“Existing Loan Agreements”), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans (collectively, the “Existing Loans”) made to the Former Agency under the Existing Loan Agreements;

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as amended, the “Dissolution Act”), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Existing Loan Agreements and the related documents to which the Former Agency was a party;

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in said Section 34177.5;

WHEREAS, said Section 34177.5 also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code for the purpose of achieving debt service savings within the parameters set forth in said Section 34177.5;

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in said Section 34177.5(a), issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$67,944,000 (the “2014 Series B Taxable Bonds”) and its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$75,945,000 (the “2014 Series C Bonds” and, together with the 2014 Series B Taxable Bonds, the “2014 Bonds”);

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in said Section 34177.5(a), issued its \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series D Taxable Bonds”) and its \$19,745,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017 Series E Bonds” and, together with the 2017 Series D Taxable Bonds, the “2017D/E Bonds”);

WHEREAS, the outstanding 2014 Bonds and outstanding 2017D/E Bonds are payable from Pledged Tax Revenues on a basis subordinate to the payments under the outstanding Existing Loan Agreements;

WHEREAS, Section 34177.7(a)(1)(A) of the California Health and Safety Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement (as defined herein), the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement, and Section 34177.7(a)(1)(B) of the California Health and Safety Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the infrastructure required by the Transbay Implementation Agreement (the “Transbay Infrastructure Obligation”);

WHEREAS, to provide moneys to finance the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement (collectively referred to herein as the “Affordable Housing Obligations”), pursuant to the authority provided in said Section 34177.7(a)(1)(A), the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017 Series A Taxable Bonds”) in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017, by and between the Successor Agency and the Trustee (the “Original Indenture”);

WHEREAS, to provide moneys to finance the Transbay Infrastructure Obligation, pursuant to the authority provided in said Section 34177.7(a)(1)(B), the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017 Series B Bonds” and, together with the 2017 Series A Taxable Bonds, the “2017 Bonds”) in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture;

WHEREAS, to provide moneys to further finance the Affordable Housing Obligations, the Successor Agency has determined to issue its 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2021 Bonds”) in the initial aggregate principal amount of \$127,210,000 pursuant to the Original Indenture, as supplemented and amended by this First Supplement;

WHEREAS, the 2021 Bonds will be payable from Pledged Tax Revenues (as defined in the Original Indenture) on (i) a parity with the 2017 Bonds and any additional Parity Debt (as defined in the Original Indenture) issued in the future, and (ii) a basis subordinate to the Successor Agency’s repayment obligations under the outstanding Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds and any additional 2014 Parity Debt (as defined in the Original Agreement);

WHEREAS, to provide for the authentication and delivery of the 2021 Bonds under the Original Indenture, as supplemented by this First Supplement, the Successor Agency and the Trustee have duly authorized the execution and delivery of this First Supplement; and

WHEREAS, the Successor Agency has certified that all acts and proceedings required by law necessary to make the 2021 Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special

obligations of the Successor Agency, and to constitute this First Supplement a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this First Supplement have been in all respects duly authorized; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto do hereby agree as follows:

SECTION 1. Supplement to Original Indenture. In accordance with the provisions of Section 7.01(c) of the Original Indenture, the Original Indenture is hereby amended by adding a supplement thereto consisting of a new article to be designated as Article X. Such Article X shall read in its entirety as follows:

ARTICLE X

2021 BONDS

Section 10.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 10.01 shall, for all purposes of this Article but not for any other purposes of this Indenture, have the respective meanings specified in this Section 10.01. All terms defined in Section 1.02 and not otherwise defined in this Section 10.01 shall, when used in this Article X, have the respective meanings given to such terms in Section 1.02.

“Article X” means this Article X which has been incorporated in and made a part of this Indenture pursuant to the First Supplement, together with all amendments of and supplements to this Article X entered into pursuant to the provisions of Section 7.01.

“Bond Year” means each twelve (12) month period extending from August 2 in one calendar year to August 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year with respect to the 2021 Bonds shall commence on the Closing Date and end on August 1, 2022.

“Closing Date” means the date on which the 2021 Bonds are delivered by the Successor Agency to the original purchaser thereof, which date is December 15, 2021.

“First Supplement” means the First Supplement to Indenture of Trust, dated as of December 1, 2021, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“Interest Payment Date” means each February 1 and August 1, commencing August 1, 2022, for so long as any of the 2021 Bonds remain Outstanding hereunder.

“Original Indenture” means the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms thereof, including, without limitation, as amended and supplemented by the First Supplement.

“Participating Underwriter” has the meaning ascribed thereto in the 2021 Bonds Continuing Disclosure Certificate.

“2021 Bonds” means the \$127,210,000 aggregate original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).

“2021 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2021 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2021 Bonds Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 10.07.

“2021 Bonds Insurance Policy” means the insurance policy issued by the 2021 Insurer guaranteeing the scheduled payment of principal of and interest on the 2021 Bonds when due.

“2021 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2021 Bonds Insurance Policy and the 2021 Reserve Policy.

“2021 Reserve Policy” means Municipal Bond Debt Service Reserve Policy No. 221776-R issued by the 2021 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2021 Bonds as provided in such policy.

“2021 Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to Section 10.10.

“2021 Original Purchaser” means, collectively, Citigroup Global Markets Inc. and Backstrom McCarley Berry & Co., LLC.

“2021 Project Fund” means the fund by that name established pursuant to Section 10.08.

Section 10.02. Authorization of 2021 Bonds. The 2021 Bonds in the aggregate principal amount of One Hundred Twenty-Seven Million Two Hundred Ten Thousand Dollars (\$127,210,000) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and the interest on all Bonds that may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The 2021 Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).”

Section 10.03. Terms of 2021 Bonds. The 2021 Bonds shall be issued in fully registered form without coupons. The 2021 Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no 2021 Bond shall have more than one maturity date. The 2021 Bonds shall be dated as of the Closing Date. The 2021 Bonds shall be lettered and numbered as the Trustee shall prescribe. The 2021 Bonds shall mature and shall bear

interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

<u>Maturity Date (August 1)</u>	<u>Amount</u>	<u>Rate</u>
2023	\$ 630,000	1.009%
2024	3,825,000	1.286
2025	11,385,000	1.561
2026	11,135,000	1.861
2027	14,155,000	2.071
2028	14,585,000	2.221
2029	15,095,000	2.393
2030	15,650,000	2.543
2031	19,700,000	2.643
2032	21,050,000	2.743

Each 2021 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before July 15, 2022, in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any 2021 Bond, interest thereon is in default, such 2021 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2021 Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of 2021 Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2021 Bonds shall be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the 2021 Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 10.04. No Redemption. The 2021 Bonds are not subject to redemption prior to maturity.

Section 10.05. Form of 2021 Bonds. The 2021 Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the forms set forth in Exhibit F, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 10.06. Application of Proceeds of Sale of 2021 Bonds. On the Closing Date of the 2021 Bonds, the proceeds of sale of the 2021 Bonds, being \$126,171,526.18 (calculated as the par amount of the 2021 Bonds of \$127,210,000, less the discount of the 2021 Original Purchaser in the amount of \$361,015.24, less the premium for the 2021 Bonds Insurance Policy in the amount of \$480,283.08 paid by the 2021 Original Purchaser directly to the 2021 Insurer,

and less the premium for the 2021 Reserve Policy in the amount of \$197,175.50 paid by the 2021 Original Purchaser directly to the 2021 Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$571,526.18 in the 2021 Bonds Costs of Issuance Fund.

(ii) The Trustee shall deposit \$125,600,000, being the remaining amount of proceeds of the 2021 Bonds, in the 2021 Project Fund.

In addition, the Trustee shall credit the 2021 Reserve Policy to the 2021 Reserve Subaccount in satisfaction of the Reserve Requirement for the 2021 Bonds.

Section 10.07. 2021 Bonds Costs of Issuance Fund. There is hereby established a separate fund to be known as the “2021 Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust.

The moneys in the 2021 Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2021 Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2021 Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2021 Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2021 Bonds, and the 2021 Bonds Costs of Issuance Fund shall be closed.

Section 10.08. 2021 Project Fund. (a) There shall be established a separate and segregated fund to be known as the “2021 Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2021 Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2021 Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2021 Bonds. The Successor Agency covenants that no funds on deposit in the 2021 Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2021 Bonds nor any other Bonds are secured by amounts on deposit in the 2021 Project Fund.

(b) The Trustee shall disburse amounts at any time on deposit in the 2021 Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached hereto as Exhibit G. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

(c) At such time as no amounts remain on deposit in the 2021 Project Fund, the 2021 Project Fund shall be closed.

Section 10.09. Security for 2021 Bonds. The 2021 Bonds shall be Parity Debt within the meaning of such term in Section 1.02 and shall be secured in the manner and to the extent set forth in Article IV.

As provided in Section 4.01, except as may otherwise be provided in Section 4.02, Section 5.17 and Section 6.06, and subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds, and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in this Indenture, the 2017 Bonds, the 2021 Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2017 Bonds, the 2021 Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The 2021 Bonds are additionally secured by the 2021 Reserve Subaccount of the Reserve Account.

Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

Without in any way limiting anything contained in Section 5.17 of this Indenture, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2022 and January 2, 2023 disbursement dates, (i) all amounts required to pay debt service on the 2021 Bonds on August 1, 2022 for distribution to the Successor Agency on June 1, 2022, and (iii) all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the 2021 Bonds, are sufficient for the payment of debt service on the 2021 Bonds on February 1, 2023 and August 1, 2023 for distribution to the Successor Agency on January 2, 2023.

From and after the Closing Date with respect to the 2021 Bonds, the 2021 Bonds shall be incontestable by the Successor Agency.

Section 10.10. Reserve Subaccount for 2021 Bonds. The Trustee shall establish a "2021 Reserve Subaccount" within the Reserve Account solely as security for the 2021 Bonds. The Reserve Requirement for the 2021 Bonds will be calculated for the 2021 Bonds without regard to the 2017 Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2021 Bonds shall be satisfied by the delivery of the 2021 Reserve Policy by the 2021 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2021 Reserve Policy to the 2021 Reserve Subaccount. The Trustee shall draw on the 2021 Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2021 Bonds.

The amounts available under the 2021 Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such

accounts with respect to the payment of debt service on the 2021 Bonds. Amounts on deposit in the 2021 Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2021 Bonds.

The Trustee shall comply with all documentation relating to the 2021 Reserve Policy as shall be required to maintain the 2021 Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 10.10.

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2021 Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2021 Reserve Subaccount, with cash if, at any time that the 2021 Bonds are Outstanding, amounts are not available under the 2021 Reserve Policy, other than in connection with the replenishment of a draw on the 2021 Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2021 Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2021 Reserve Subaccount, or to take any other action with respect to the 2021 Reserve Policy in the event that any rating assigned to the 2021 Insurer is downgraded, suspended or withdrawn.

Section 10.11. Claims Upon the 2021 Bonds Insurance Policy: Rights of the 2021 Insurer. So long as the 2021 Bonds Insurance Policy remains in force and effect, the following provisions of this Section 10.11 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2021 Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2021 Insurer and to its designated agent (if any) (the "2021 Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2021 Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2021 Bonds Insurance Policy and give notice to the 2021 Insurer and the 2021 Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2021 Bonds and the amount required to pay principal of the 2021 Bonds, confirmed in writing to the 2021 Insurer and the 2021 Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2021 Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2021 Bonds paid by the 2021 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2021 Bonds registered to the then current Owner of 2021 Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2021 Bond to the 2021 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2021 Bond shall have no effect on the amount

of principal or interest payable by the Successor Agency on any 2021 Bond or the subrogation rights of the 2021 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2021 Insurer into the 2021 Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2021 Bond. The 2021 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2021 Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2021 Bonds referred to herein as the "2021 Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2021 Bonds Insurance Policy in trust on behalf of Owners of the 2021 Bonds and shall deposit any such amount in the 2021 Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2021 Bonds in the same manner as principal and interest payments are to be made with respect to the 2021 Bonds under the sections hereof regarding payment of 2021 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2021 Insurer (i) a sum equal to the total of all amounts paid by the 2021 Insurer under the 2021 Bonds Insurance Policy (the "2021 Insurer Advances"); and (ii) interest on such 2021 Insurer Advances from the date paid by the 2021 Insurer until payment thereof in full, payable to the 2021 Insurer at the Late Payment Rate per annum (collectively, the "2021 Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2021 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2021 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2021 Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2021 Insurer Reimbursement Amounts (including any amounts due the 2021 Insurer pursuant to item (g)(iii) below) are paid to the 2021 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2021 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2021 Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2021 Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2021 Insurer.

(g) The following terms and provisions of this subsection (g) shall govern with respect to the 2021 Bonds Insurance Policy, notwithstanding anything in this Indenture to the contrary:

(i) The 2021 Insurer shall be deemed to be the sole Owner of the 2021 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2021 Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2021 Bond, each of the Owners of 2021 Bonds appoints the 2021 Insurer as its agent and attorney-in-fact with respect to the 2021 Bonds and agrees that the 2021 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2021 Bond delegates and assigns to the 2021 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2021 Bond with respect to the 2021 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2021 Bond for the 2021 Insurer's benefit, and agrees to cooperate with the 2021 Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2021 Bonds shall include mandamus.

(ii) The rights granted to the 2021 Insurer under this Indenture to request, consent to or direct any action are rights granted to the 2021 Insurer in consideration of its issuance of the 2021 Bonds Insurance Policy. Any exercise by the 2021 Insurer of such rights is merely an exercise of the 2021 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2021 Bonds and such action does not evidence any position of the 2021 Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2021 Insurer. Each obligation of the Successor Agency to the 2021 Insurer under this Indenture shall survive discharge or termination of this Indenture.

(iii) The Successor Agency shall pay or reimburse the 2021 Insurer any and all charges, fees, costs and expenses that the 2021 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Indenture; (ii) the pursuit of any remedies under this Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2021 Insurer to honor its obligations under the 2021 Bonds Insurance Policy. The 2021 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the

Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account to the Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of this Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2021 Insurer shall be subject to the prior written consent of the 2021 Insurer.

(vi) The 2021 Insurer shall be entitled to pay principal or interest on the 2021 Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such term is defined in the 2021 Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2021 Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2021 Insurer has received a Notice of Nonpayment (as such term is defined in the 2021 Bonds Insurance Policy) or a claim upon the 2021 Bonds Insurance Policy.

(vii) The 2021 Insurer shall, to the extent it makes any payment of principal or interest on the 2021 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2021 Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2021 Insurer under this Indenture shall survive discharge or termination of this Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2021 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2021 Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2021 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2021 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2021 Insurer.

(h) The 2021 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rule Making Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2021 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2021 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2021 Reserve Subaccount within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of the 2021 Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2021 Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any proceeding by or against the Successor Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding").

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2021 Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of this Indenture.

(x) All information furnished by the Successor Agency pursuant to the Continuing Disclosure Certificate with respect to the 2021 Bonds.

(xi) The 2021 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2021 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2021 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2021 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2021 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under this Indenture.

(i) The maturity of the 2021 Bonds shall not be accelerated without the consent of the 2021 Insurer and in the event the maturity of the 2021 Bonds is accelerated, the 2021 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2021 Insurer's obligations under the 2021 Bonds Insurance Policy with respect to such 2021 Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2021 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2021 Insurer is hereby expressly made a third party beneficiary of this Indenture.

(l) The exercise of any provision of the Indenture which permits the purchase of 2021 Bonds in lieu of redemption shall require the prior written approval of the 2021 Insurer if any 2021 Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2021 Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2021 Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2021 Bonds unless the 2021 Insurer otherwise approves.

To accomplish defeasance of the 2021 Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2021 Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the 2021 Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2021 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2021 Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2021 Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2021 Insurer. The 2021 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2021 Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2021 Insurer under the 2021 Bonds Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2021 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2021 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

(p) Notices and other information to the 2021 Insurer shall be sent to the following address (or such other address as the 2021 Insurer may designate in writing): Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. 221776-N. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 10.12. Provisions Relating to 2021 Reserve Policy. So long as the 2021 Reserve Policy remains in force and effect, the following provisions of this Section 10.12 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2021 Reserve Policy and pay all related reasonable expenses incurred by the 2021 Insurer and shall pay interest thereon from the date of payment by the 2021 Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2021 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2021 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2021 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2021 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "2021 Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2021 Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2021 Policy Costs paid to the 2021 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2021 Insurer on account of principal due, the coverage under the 2021 Reserve Policy will be increased by a like amount, subject to the terms of the 2021 Reserve Policy. The obligation to pay 2021 Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2021 Reserve Subaccount shall be transferred to the Debt Service Fund for payment of debt service on 2021 Bonds before any drawing may be made on the 2021 Reserve Policy or any Qualified Reserve Account Credit Instrument credited to the 2021 Reserve Subaccount in lieu of cash. The prior written consent of the 2021 Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument credited to the 2021 Reserve Subaccount in lieu of cash. Payment of any 2021 Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2021 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2021 Reserve Subaccount. Payment of 2021 Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2021 Policy Costs in accordance with the requirements of this Indenture, the 2021 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2021 Bonds or (ii) remedies which would adversely affect owners of the 2021 Bonds.

(c) This Indenture shall not be discharged until all 2021 Policy Costs owing to the 2021 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2021 Bonds.

(d) The Successor Agency shall include any 2021 Policy Costs then due and owing the 2021 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture

(e) The Trustee shall ascertain the necessity for a claim upon the 2021 Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice

to the 2021 Insurer in accordance with the terms of the 2021 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2021 Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2021 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2021 Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2021 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2021 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2021 Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2021 Reserve Policy whether or not executed or completed, or (v) any action taken by the 2021 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2021 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2021 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the 2021 Insurer until the date the 2021 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2021 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2021 Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2021 Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2021 Bonds or this Indenture; (iv) whether or not such 2021 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2021 Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2021 Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2021 Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2021 Insurer under the 2021 Reserve Policy against presentation of a

certificate or other document which does not strictly comply with the terms of the 2021 Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2021 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2021 Insurer as if set forth directly herein. No provision of this Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2021 Policy Costs under this Indenture, without the prior written consent of the 2021 Insurer. The 2021 Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2021 Insurer, promptly upon request, any information regarding the 2021 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2021 Insurer. The Successor Agency will permit the 2021 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2021 Insurer may reasonably request regarding the security for the 2021 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2021 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2021 Insurer shall be sent to the following address (or such other address as the 2021 Insurer may designate in writing): Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. 221776-R. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

Section 10.13. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2021 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the 2021 Bonds Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2021 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2021 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order of this Section 10.13.

Section 10.14. Benefits Limited to Parties. Nothing in this Article X, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee, the 2021 Insurer and the Owners of the 2021 Bonds, any right, remedy, claim under or by reason of this Article X. Any covenants, stipulations, promises or agreements in this Article X contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, the 2021 Insurer and the Owners of the 2021 Bonds.

Section 10.15. Effect of this Article X. Except as in this Article X is expressly provided or except to the extent inconsistent with any provision of this Article X, the 2021 Bonds shall be deemed to be Bonds and Parity Debt under and within the meaning of Section 1.02 of this Indenture, and every term and condition contained in the other provisions of this Indenture (other than Sections 5.11, 5.12, 5.13, 5.14 and 5.15 which shall not apply to the 2021 Bonds) shall apply to the 2021 Bonds with full force and effect, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Article X.

Section 10.16. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the 2021 Bonds and the rights and benefits provided in this Indenture.

* * * *

SECTION 2. Amendments to Original Indenture.

(a) The defined term "Permitted Investments" set forth in Section 1.02 of the Original Indenture shall be amended by (1) replacing the period appearing at the end of paragraph (k) thereof with "," and (2) adding the following new paragraph (j):

“(j) With respect to any funds deposited in the 2021 Project Fund and any other project fund established pursuant to a Supplemental Indenture with respect to any Parity Debt issued as bonds in the future thereunder, any obligations or investments in which the Treasurer of the City and County of San Francisco may legally invest the Successor Agency’s funds.”

(b) The Original Indenture is hereby further amended by amending the first paragraph of Section 4.02 thereof to read in its entirety as follows:

"There is hereby established a special fund to be known as the "Third Lien Special Fund" which is to be held by the Successor Agency within the Redevelopment Obligation Retirement Fund and which shall be known as the "Special Fund". The Successor Agency agrees to hold and maintain the Third Lien Special Fund as long as any Bonds are Outstanding hereunder or any amounts are due and owing to the 2017 Insurer in respect of the 2017 Bond Insurance Policy or the 2017 Reserve Policy or any other Insurer with respect to any other insurance policy or financial guaranty. The Third Lien Special Fund shall be held by the Successor Agency separate and apart from other funds of the Successor Agency. On each January 2, commencing January 2, 2022, the Successor Agency shall transfer all of the Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on a pro rata basis to the Special Fund and to any other special fund created with respect to any additional Parity Debt that is not issued as Bonds under this Indenture, promptly upon receipt thereof by the Successor Agency, until such time as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred in the Bond Year commencing on the immediately preceding August 2 (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 hereof and, if applicable, (ii) with respect to any additional Parity

Debt (other than additional Bonds issued pursuant to a Supplemental Indenture) for deposit into the funds and accounts that may be required pursuant to the applicable Parity Debt Instruments. If the amount of Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on January 2 shall be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency shall deposit the Pledged Tax Revenues received in connection with the succeeding June 1 in the Special Fund in order to make the remainder of the transfers and deposits described above. If there nonetheless remains insufficient Pledged Tax Revenues to make the transfers and deposits required above, then the Successor Agency shall transfer such Pledged Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Loan Agreements, the 2014 Bonds, the 2014 Parity Debt, the Bonds, any other Parity Debt and any Subordinated Debt; provided, however, the Successor Agency will not be obligated to collect any such reserve."

(c) The Original Indenture is hereby further amended by amending Section 4.04(h)(i) thereof to read in its entirety as follows:

(h) The 2017 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rule Making Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2017 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2017 Insurer shall reasonably request from time to time.

(d) The Original Indenture is hereby further amended by amending the last two paragraphs of Section 5.07 thereof to read in their entirety as follows:

"If any amounts then due and payable to the 2017 Insurer and/or the 2021 Insurer under this Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2017 Insurer and the 2021 Insurer, as applicable.

The Successor Agency will not submit to the Oversight Board and the State Department of Finance a request for the final amendment permitted for its Last and Final Recognized Obligation Payment Schedule pursuant to Section

34191.6 of the Dissolution Act without the prior written consent of the 2017 Insurer and the 2021 Insurer, unless all amounts that could become due and payable to the 2017 Insurer and the 2021 Insurer under this Indenture would be included as a line item on the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.”

SECTION 3. Attachment of Exhibit F. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit E setting forth the form of the 2021 Bonds, which shall read substantially as set forth in Exhibit F hereto and by this reference incorporated herein.

SECTION 4. Attachment of Exhibit G. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit F setting forth the form of 2021 Project Fund disbursement request, which shall read substantially as set forth in Exhibit G attached hereto and by this reference incorporated herein.

SECTION 5. Original Indenture. Except as expressly set forth herein, the terms and conditions of the Original Indenture shall remain in full force and effect.

SECTION 6. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this First Supplement shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this First Supplement. The Successor Agency hereby declares that it would have entered into this First Supplement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the 2021 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this First Supplement may be held illegal, invalid or unenforceable.

SECTION 7. Execution in Counterparts. This First Supplement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. Governing Law. This First Supplement shall be construed and governed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this First Supplement to Indenture of Trust to be signed in its name by its Deputy Director of Finance and Administration, and U.S. BANK NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this First Supplement to Indenture of Trust to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

DocuSigned by:
Bree Mawhorter
By: A8E4ECEF8B9E44C6...
Deputy Director of
Finance and Administration

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this First Supplement to Indenture of Trust to be signed in its name by its Deputy Director of Finance and Administration, and U.S. BANK NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this First Supplement to Indenture of Trust to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: _____
Deputy Director of
Finance and Administration

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By:  _____
Authorized Officer

EXHIBIT F

(FORM OF 2021 BOND)

UNITED STATES OF AMERICA STATE OF CALIFORNIA

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO 2021 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS (AFFORDABLE HOUSING PROJECTS) (SOCIAL BONDS)

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
August 1, _____ December 15, 2021

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before July 15, 2022, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing August 1, 2022 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for

such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)" (the "2021 Bonds"), of an aggregate principal amount of One Hundred Twenty-Seven Million Two Hundred Ten Thousand Dollars (\$127,210,000), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, or interest rates and other provisions) and all issued pursuant to the provisions of the Dissolution Act, and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Law"), and pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by a First Supplement to Indenture of Trust, dated as of December 1, 2021, each by and between the Successor Agency and the Trustee (as so supplemented and amended, the "Indenture"), providing for the issuance of the 2021 Bonds. The 2021 Bonds are being issued in the form of registered bonds without coupons. The 2021 Bonds are payable from Pledged Tax Revenues on a parity with the 2017 Bonds. Additional bonds, or other obligations may be issued on a parity with the 2021 Bonds and the 2017 Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the 2021 Bonds and the 2017 Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, and the rights thereunder of the registered owners of the 2021 Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The 2021 Bonds have been issued by the Successor Agency for the purpose of providing funds to finance affordable housing in certain redevelopment project areas of the Successor Agency and to pay certain expenses of the Successor Agency in issuing the 2021 Bonds.

The 2021 Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture.

There has been created, and will be maintained by, the Successor Agency the Special Fund into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the 2021 Bonds, the 2017 Bonds and any additional Parity Debt.

The 2021 Bonds, the 2017 Bonds and any additional Bonds are also secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest on the Bonds. The 2021 Bonds are additionally secured by the 2021 Reserve Subaccount of the Reserve Account.

The 2021 Bonds are not subject to redemption prior to maturity.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The 2021 Bonds are issuable as fully registered 2021 Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, 2021 Bonds may be exchanged for a like aggregate principal amount of 2021 Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered 2021 Bond or 2021 Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any 2021 Bond during the fifteen (15) days prior to the date established for the selection of 2021 Bonds for redemption, or (b) any 2021 Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the 2021 Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any 2021 Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal or interest at the time and place and at the rate and in the currency provided herein of any 2021 Bond without the express written consent of the registered owner of such 2021 Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for

registration of transfer, exchange, or payment, and any 2021 Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The 2021 Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of 2021 Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Deputy Director of Finance and Administration and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director of Finance and
Administration

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on the 2021 Bonds to U.S. Bank National Association, San Francisco, California, or its successor, as trustee for the 2021 Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this 2021 Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____	Custodian _____
TEN ENT --	as tenants by the entireties		(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act	_____
			(State)
COMM PROP --	as community property		

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s)
_____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signatures Guaranteed:

Note: _____
Signature(s) must be guaranteed by an eligible
guarantor.

Note: _____
The signatures(s) on this Assignment must
correspond with the name(s) as written on the
face of the within Bond in every particular without
alteration or enlargement or any change
whatsoever.

EXHIBIT G

FORM OF 2021 PROJECT FUND DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

U.S. Bank National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, CA 94111
Fax: 415-677-3768
Attention: Global Corporate Trust Services

Re: \$127,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of March 1, 2017, as amended and supplemented from time to time (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the 2021 Project Fund for costs of financing affordable housing in accordance with the Redevelopment Plans (as defined in the Indenture) pursuant to Section 10.08 of the Indenture.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule, in payment of all or a portion of the costs of the affordable housing described on said Schedule.

Dated: _____, 201__

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

SECOND SUPPLEMENT TO INDENTURE OF TRUST

Dated as of September 1, 2023

by and between the

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE
CITY AND COUNTY OF SAN FRANCISCO**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee**

Relating to

\$24,505,000

**Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)**

\$35,210,000

**Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)**

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SECOND SUPPLEMENT TO INDENTURE OF TRUST

This SECOND SUPPLEMENT TO INDENTURE OF TRUST (this “Second Supplement”), dated as of September 1, 2023, is by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public entity duly created and existing under the laws of the State of California (the “Successor Agency”), as successor to the Redevelopment Agency of the City and County of San Francisco (the “Former Agency”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee under the hereinafter defined Original Indenture (the “Trustee”), as successor-in-interest to U.S. Bank National Association;

WITNESSETH:

WHEREAS, prior to its dissolution, the Former Agency was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code (the “Code”) of the State (as amended, the “Law”), including the power to issue bonds and incur debt for any of its corporate purposes;

WHEREAS, a Redevelopment Plan for each of the following redevelopment project areas, subproject areas or land use zones (collectively, the “Project Areas”) of the Former Agency was adopted and, as applicable, subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of each of the Redevelopment Plans, as amended, have been duly complied with:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (formerly known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1;

WHEREAS, to finance and refinance redevelopment activities within or of benefit to the Project Areas, the Former Agency entered into various loan agreements (collectively, the “Existing Loan Agreements”), and pledged Tax Revenues (as defined in the Existing Loan Agreements) to the repayment of the loans (collectively, the “Existing Loans”) made to the Former Agency under the Existing Loan Agreements;

WHEREAS, by implementation of California Assembly Bill X1 26, which amended provisions of the Law, and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, the Former Agency was dissolved on February 1, 2012 in accordance with California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011 (as so amended and as further amended from time to time, the “Dissolution Act”), and on February 1, 2012, the Successor Agency, in accordance with and pursuant to the Dissolution Act, assumed the duties and obligations of the Former Agency as provided in the Dissolution Act, including, without limitation, the obligations of the Former Agency under the Existing Loan Agreements and the related documents to which the Former Agency was a party;

WHEREAS, Section 34177.5(a)(1) of the Code authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in Section 34177.5(a)(1) of the Code;

WHEREAS, Section 34177.5(a)(1) of the Code also authorizes the Successor Agency to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) of the Code;

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in Section 34177.5(a)(1) of the Code, issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$67,944,000 (the “2014B Bonds”) and its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) in the original aggregate principal amount of \$75,945,000 (the “2014C Bonds” and, together with the 2014B Bonds, the “2014 Bonds”);

WHEREAS, to provide moneys to refinance certain of the Existing Loan Agreements for the purpose of providing debt service savings, the Successor Agency, pursuant to the authority provided in Section 34177.5(a)(1) of the Code, issued its \$116,665,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017D Bonds”) and its \$19,745,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (the “2017E Bonds” and, together with the 2017D Bonds, the “2017D/E Bonds”);

WHEREAS, the outstanding 2014 Bonds and the outstanding 2017D/E Bonds are payable from Pledged Tax Revenues on a basis subordinate to the payments under the outstanding Existing Loan Agreements;

WHEREAS, Section 34177.7(a)(1)(A) of the Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement (collectively referred to herein as the "Affordable Housing Obligations"), and Section 34177.7(a)(1)(B) of the Code authorizes the Successor Agency to issue bonds or incur other indebtedness to finance the infrastructure required by the Transbay Implementation Agreement (the "Transbay Infrastructure Obligations");

WHEREAS, to provide moneys to finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2017A Bonds") in the original aggregate principal amount of \$89,765,000 pursuant to an Indenture of Trust dated as of March 1, 2017, by and between the Successor Agency and the Trustee (as amended from time to time, the "Original Indenture");

WHEREAS, to provide moneys to finance a portion the Transbay Infrastructure Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(B) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2017B Bonds" and, together with the 2017A Bonds, the "2017 Bonds") in the original aggregate principal amount of \$19,850,000 pursuant to the Original Indenture;

WHEREAS, to provide moneys to further finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency issued its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) in the original aggregate principal amount of \$127,210,000 (the "2021 Bonds") pursuant to the Original Indenture as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the "First Supplement"), by and between the Successor Agency and U.S. Bank National Association, as trustee;

WHEREAS, to provide moneys to further finance a portion of the Affordable Housing Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(A) of the Code, the Successor Agency has determined to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") in the initial aggregate principal amount of \$24,505,000 pursuant to the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement;

WHEREAS, to provide moneys to further finance a portion of the Transbay Infrastructure Obligations, pursuant to the authority provided in Section 34177.7(a)(1)(B) of the Code, the

Successor Agency has determined to issue its Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”) in the original aggregate principal amount of \$35,210,000 pursuant to the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement;

WHEREAS, the 2023 Bonds will be payable from Pledged Tax Revenues on (i) a parity with the 2017 Bonds, the 2021 Bonds and any additional Parity Debt issued in the future, and (ii) a basis subordinate to the Successor Agency’s repayment obligations under the outstanding Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds and any additional 2014 Parity Debt;

WHEREAS, to provide for the authentication and delivery of the 2023 Bonds under the Original Indenture, as supplemented and amended by the First Supplement and as further supplemented and amended by this Second Supplement, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Second Supplement; and

WHEREAS, the Successor Agency has certified that all acts and proceedings required by law necessary to make the 2023 Bonds, when executed by the Successor Agency, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Second Supplement a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution and delivery of this Second Supplement have been in all respects duly authorized; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto do hereby agree as follows:

SECTION 1. Supplement to Original Indenture. In accordance with the provisions of Section 7.01(c) of the Original Indenture, the Original Indenture, as supplemented and amended by the First Supplement, is hereby further amended by adding a supplement thereto consisting of a new article to be designated as Article XI. Such Article XI shall read in its entirety as follows:

ARTICLE XI

2023 BONDS

Section 11.01. Definitions. Unless the context otherwise requires, the terms defined in this Section 11.01 shall, for all purposes of this Article but not for any other purposes of this Indenture, have the respective meanings specified in this Section 11.01. All terms defined in Section 1.02 and not otherwise defined in this Section 11.01 shall, when used in this Article XI, have the respective meanings given to such terms in Section 1.02.

“Article XI” means this Article XI which has been incorporated in and made a part of this Indenture pursuant to the Second Supplement, together with all amendments of and supplements to this Article XI entered into pursuant to the provisions of Section 7.01.

“Bond Year” means each twelve (12) month period extending from August 2 in one calendar year to August 1 of the succeeding calendar year, both dates inclusive; provided that

the first Bond Year with respect to the 2023 Bonds shall commence on the Closing Date and end on August 2, 2024.

“Closing Date” means the date on which the 2023 Bonds are delivered by the Successor Agency to the original purchasers thereof, which date is September 14, 2023.

“Interest Payment Date” means each February 1 and August 1, commencing February 1, 2024, for so long as any of the 2023 Bonds remain Outstanding hereunder.

“Original Indenture” means the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms thereof.

“Participating Underwriter” has the meaning ascribed thereto in the 2023 Bonds Continuing Disclosure Certificate.

“Second Supplement” means the Second Supplement to Indenture of Trust, dated as of September 1, 2023, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“2023 Bonds” means, collectively, the 2023A Bonds and the 2023B Bonds.

“2023 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2023 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2023 Bonds Insurance Policy” means the insurance policy issued by the 2023 Insurer guaranteeing the scheduled payment of principal of and interest on the 2023 Bonds when due.

“2023 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2023 Bonds Insurance Policy, the 2023A Reserve Policy and the 2023B Reserve Policy.

“2023 Original Purchaser” means, collectively, Stifel, Nicolaus & Company, Incorporated and Backstrom McCarley Berry & Co., LLC.

“2023A Bonds” means the \$24,505,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).

“2023A Bonds Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 11.07(a).

“2023A Bonds Project Fund” means the fund by that name established pursuant to Section 11.08(a).

“2023A Reserve Policy” means Municipal Bond Debt Service Reserve Policy No. 222840-R1 issued by the 2023 Insurer, in the stated amount of \$2,407,969.89, guaranteeing payments to be applied to the payment of principal and interest on the 2023A Bonds as provided in such policy.

“2023A Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to Section 11.10(a).

“2023B Bonds” means the \$35,210,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

“2023B Bonds Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to Section 11.07(b).

“2023B Bonds Project Fund” means the fund by that name established pursuant to Section 11.08(b).

“2023B Reserve Policy” means Municipal Bond Debt Service Reserve Policy No. 222840-R2 issued by the 2023 Insurer, in the stated amount of \$3,360,433.56, guaranteeing payments to be applied to the payment of principal and interest on the 2023B Bonds as provided in such policy.

“2023B Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to Section 11.10(b).

Section 11.02. Authorization of 2023 Bonds. (a) The 2023A Bonds in the aggregate principal amount of Twenty-Four Million Five Hundred Five Thousand Dollars (\$24,505,000) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and interest on all Bonds that may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The 2023A Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).”

(b) The 2023B Bonds in the aggregate principal amount of Thirty-Five Million Two Hundred Ten Thousand Dollars (\$35,210,000) are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture and the Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and interest on all Bonds that may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The 2023B Bonds shall be designated the “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).”

Section 11.03. Terms of 2023 Bonds. The 2023 Bonds shall be issued in fully registered form without coupons. The 2023 Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof, so long as no 2023 Bond shall have more than one maturity date. The 2023 Bonds shall be dated as of the Closing Date. The 2023 Bonds shall be lettered and numbered as the Trustee shall prescribe.

The 2023A Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

<u>Maturity Date</u> <u>(August 1)</u>	<u>Amount</u>	<u>Rate</u>
2024	\$1,185,000	5.474%
2025	870,000	5.424
2026	915,000	5.300
2027	965,000	5.279
2028	1,015,000	5.259
2029	1,070,000	5.346
2030	1,125,000	5.396
2031	1,190,000	5.441
2032	1,250,000	5.491
2033	1,320,000	5.541
2034	1,395,000	5.671
2035	1,475,000	5.771
2041*	10,730,000	5.921

* Denotes 2023A Bonds that are Term Bonds.

The 2023B Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

<u>Maturity Date</u> <u>(August 1)</u>	<u>Amount</u>	<u>Rate</u>
2043*	\$4,625,000	5.000%
2048*	13,395,000	5.000
2053*	17,190,000	5.250

* Denotes 2023B Bonds that are Term Bonds.

Each 2023 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) it is authenticated on or before January 15, 2024, in which event it shall bear interest from its Closing Date; provided, however, that if, as of the date of authentication of any 2023 Bond, interest thereon is in default, such 2023 Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the 2023 Bonds (including the final interest payment upon maturity or redemption) is payable when due by check or draft of the Trustee mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; provided that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of 2023 Bonds, which written request is on file with the Trustee as of any Record Date, interest on such 2023 Bonds shall be paid on the succeeding Interest Payment Date to such account in the United States as shall be specified in such written request. The principal of the 2023 Bonds and any premium upon redemption, are payable in lawful money of the United States of America upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee.

Section 11.04. Redemption.

(a) Optional Redemption. The 2023A Bonds maturing on or prior to August 1, 2033, are not subject to optional redemption. The 2023A Bonds maturing on or after August 1, 2034, are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 2033, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The 2023B Bonds are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 2033, by such maturity or maturities as shall be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption shall be at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

The Successor Agency shall be required to give the Trustee written notice of its intention to redeem any 2023 Bonds under this subsection (a) with a designation of the principal amount and maturities to be redeemed at least forty five (45) days prior to the date fixed for such redemption (or such later date as shall be acceptable to the Trustee in the sole determination of the Trustee), and shall transfer to the Trustee for deposit in the Debt Service Fund all amounts required for such redemption not later than the date fixed for such redemption.

(b) Mandatory Sinking Fund Redemption. The 2023A Bonds maturing August 1, 2041 shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 2036, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

2023A Term Bonds Maturing August 1, 2041

<u>August 1</u>	<u>Principal Amount</u>
2036	\$1,560,000
2037	1,650,000
2038	1,750,000
2039	1,850,000
2040	1,960,000
2041 (Maturity)	1,960,000

The 2023B Bonds maturing August 1, 2043 shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 2041 as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

**2023B Term Bonds
Maturing August 1, 2043**

<u>August 1</u>	<u>Principal Amount</u>
2041	\$ 115,000
2042	2,200,000
2043 (Maturity)	2,310,000

The 2023B Bonds maturing August 1, 2048 shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 2044 as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

**2023B Term Bonds
Maturing August 1, 2048**

<u>August 1</u>	<u>Principal Amount</u>
2044	\$2,425,000
2045	2,545,000
2046	2,675,000
2047	2,805,000
2048 (Maturity)	2,945,000

The 2023B Bonds maturing August 1, 2053 shall also be subject to mandatory redemption in whole, or in part by lot, on August 1 in each year, commencing August 1, 2049 as set forth below, from sinking fund payments made by the Successor Agency to the Principal

Account pursuant to Section 4.03(b), at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following table; provided however, that (y) in lieu of redemption thereof such Term Bonds may be purchased by the Successor Agency pursuant to Section 2.03(g) hereof, and (z) if some but not all of such Term Bonds have been redeemed pursuant to Section 10.04(a), the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination shall be given by the Successor Agency to the Trustee).

**2023B Term Bonds
Maturing August 1, 2053**

<u>August 1</u>	<u>Principal Amount</u>
2049	\$3,095,000
2050	3,255,000
2051	3,430,000
2052	3,610,000
2053 (Maturity)	3,800,000

(c) Redemption Procedures. Except as provided in this Section 11.04 to the contrary, Section 2.03(c) through (g) hereof shall also apply to the redemption of the 2023 Bonds. Additionally, all references to "Section 2.03(a)" in Section 4.03(d) shall be deemed to be references to "Sections 2.03(a) and 11.04(a).".

Section 11.05. Form of 2023 Bonds. The 2023 Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the forms set forth in Exhibit H, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture, including without limitation, such variations, omissions and insertions to reflect the particular series designation thereof.

Section 11.06. Application of Proceeds of Sale of 2023 Bonds.

(a) On the Closing Date, the proceeds of sale of the 2023A Bonds, being \$24,231,447.88 (calculated as the par amount of the 2023A Bonds of \$24,505,000.00, less the discount of the 2023 Original Purchaser in the amount of \$108,718.75, less the premium for the 2023 Bonds Insurance Policy allocable to the 2023A Bonds in the amount of \$122,693.90 paid by the 2023 Original Purchaser directly to the 2023 Insurer, and less the premium for the 2023A Reserve Policy in the amount of \$42,139.47 paid by the 2023 Original Purchaser directly to the 2023 Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$231,447.88 in the 2023A Bonds Costs of Issuance Fund.

(ii) The Trustee shall deposit \$24,000,000.00, being the remaining amount of proceeds of the 2023A Bonds, in the 2023A Bonds Project Fund.

In addition, the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account in satisfaction of the Reserve Requirement for the 2023A Bonds.

(b) On the Closing Date, the proceeds of sale of the 2023B Bonds, being \$37,329,783.44 (calculated as the par amount of the 2023B Bonds of \$35,210,000.00, plus original issue premium of \$2,539,811.85, less the discount of the 2023 Original Purchaser in the amount of \$112,200.00, less the premium for the 2023 Bonds Insurance Policy allocable to the 2023B Bonds in the amount of \$249,020.82 paid by the 2023 Original Purchaser directly to the 2023 Insurer, and less the premium for the 2023B Reserve Policy in the amount of \$58,807.59 paid by the 2023 Original Purchaser directly to the 2023 Insurer), shall be paid to the Trustee and applied as follows:

(i) The Trustee shall deposit the amount of \$329,783.44 in the 2023B Bonds Costs of Issuance Fund.

(ii) The Trustee shall deposit \$37,000,000.00, being the remaining amount of proceeds of the 2023B Bonds, in the 2023B Bonds Project Fund.

In addition, the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account in satisfaction of the Reserve Requirement for the 2023B Bonds.

Section 11.07. 2023 Bonds Costs of Issuance Funds.

(a) There is hereby established a separate fund to be known as the “2023A Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023A Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023A Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023A Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023A Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023A Bonds, and the 2023A Bonds Costs of Issuance Fund shall be closed.

(b) There is hereby established a separate fund to be known as the “2023B Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023B Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023B Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023B Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023B Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023B Bonds, and the 2023B Bonds Costs of Issuance Fund shall be closed.

Section 11.08. 2023 Bonds Project Funds.

(a) There shall be established a separate and segregated fund to be known as the "2023A Bonds Project Fund," which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023A Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023A Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023A Bonds. The Successor Agency covenants that no funds on deposit in the 2023A Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023A Bonds Project Fund.

(b) There shall be established a separate and segregated fund to be known as the "2023B Bonds Project Fund," which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023B Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023B Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023B Bonds. The Successor Agency covenants that no funds on deposit in the 2023B Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023B Bonds Project Fund.

(c) The Trustee shall disburse amounts at any time on deposit in the 2023A Bonds Project Fund and the 2023B Bonds Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached hereto as Exhibit I. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

(d) At such time as no amounts remain on deposit in the 2023A Bonds Project Fund, the 2023A Bonds Project Fund shall be closed. At such time as no amounts remain on deposit in the 2023B Bonds Project Fund, the 2023B Bonds Project Fund shall be closed.

Section 11.09. Security for 2023 Bonds. The 2023 Bonds shall be Parity Debt within the meaning of such term in Section 1.02 and shall be secured in the manner and to the extent set forth in Article IV.

As provided in Section 4.01, except as may otherwise be provided in Section 4.02, Section 5.17 and Section 6.06, and subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, the 2017D/E Bonds, and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in this Indenture, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the

Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The 2023A Bonds are additionally secured by the 2023A Reserve Subaccount of the Reserve Account. The 2023B Bonds are additionally secured by the 2023B Reserve Subaccount of the Reserve Account.

Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

Without in any way limiting anything contained in Section 5.17 of this Indenture, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024 and January 2, 2025 disbursement dates, (i) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the 2023 Bonds, all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient to pay debt service on the 2023 Bonds on August 1, 2024, for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient for the payment of debt service on the 2023 Bonds on February 1, 2025 and August 1, 2025 for distribution to the Successor Agency on January 2, 2025. The Successor Agency previously placed on the Recognized Obligation Payment Schedule relating to the June 1, 2023 and January 2, 2024 disbursement dates, amounts sufficient to pay debt service on the 2023 Bonds on February 1, 2024 and August 1, 2024 for distribution to the Successor Agency on January 2, 2024.

From and after the Closing Date with respect to the 2023 Bonds, the 2023 Bonds shall be incontestable by the Successor Agency.

Section 11.10. Reserve Subaccounts for 2023 Bonds.

(a) The Trustee shall establish a "2023A Reserve Subaccount" within the Reserve Account solely as security for the 2023A Bonds. The Reserve Requirement for the 2023A Bonds will be calculated for the 2023A Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023A Bonds shall be satisfied by the delivery of the 2023A Reserve Policy by the 2023 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023A Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2023A Bonds.

The amounts available under the 2023A Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023A Bonds. Amounts on deposit in the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021

Reserve Subaccount of the Reserve Account and the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023A Bonds.

The Trustee shall comply with all documentation relating to the 2023A Reserve Policy as shall be required to maintain the 2023A Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 11.10(a).

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023A Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023A Bonds are Outstanding, amounts are not available under the 2023A Reserve Policy, other than in connection with the replenishment of a draw on the 2023A Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023A Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023A Reserve Policy in the event that any rating assigned to the 2023 Insurer is downgraded, suspended or withdrawn.

(b) The Trustee shall establish a “2023B Reserve Subaccount” within the Reserve Account solely as security for the 2023B Bonds. The Reserve Requirement for the 2023B Bonds will be calculated for the 2023B Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023B Bonds shall be satisfied by the delivery of the 2023B Reserve Policy by the 2023 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023B Reserve Policy in accordance with its terms and conditions and the terms of this Indenture in order to pay debt service on the 2023B Bonds.

The amounts available under the 2023B Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023B Bonds. Amounts on deposit in the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023B Bonds.

The Trustee shall comply with all documentation relating to the 2023B Reserve Policy as shall be required to maintain the 2023B Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this Section 11.10(b).

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023B Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023B Bonds are Outstanding, amounts are not available under the 2023B Reserve Policy, other than in connection with the replenishment of a draw on the 2023B Reserve Policy. Additionally, the Successor Agency will have no obligation

to replace the 2023B Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023B Reserve Policy in the event that any rating assigned to the 2023 Insurer is downgraded, suspended or withdrawn.

Section 11.11. Claims Upon the 2023 Bonds Insurance Policy: Rights of the 2023 Insurer. So long as the 2023 Bonds Insurance Policy remains in force and effect, the following provisions of this Section 11.11 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2023 Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2023 Insurer and to its designated agent (if any) (the “2023 Insurer’s Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2023 Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2023 Bonds Insurance Policy and give notice to the 2023 Insurer and the 2023 Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2023 Bonds and the amount required to pay principal of the 2023 Bonds, confirmed in writing to the 2023 Insurer and the 2023 Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2023 Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2023 Bonds paid by the 2023 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2023 Bonds registered to the then current Owner of 2023 Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2023 Bond to the 2023 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement 2023 Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2023 Bond or the subrogation rights of the 2023 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2023 Insurer into the 2023 Bonds Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2023 Bond. The 2023 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2023 Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2023 Bonds referred to herein as the “2023 Bonds Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2023 Bonds Insurance Policy in trust on behalf of Owners of the 2023 Bonds and shall deposit any such amount in the 2023 Bonds Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2023 Bonds in the same

manner as principal and interest payments are to be made with respect to the 2023 Bonds under the sections hereof regarding payment of 2023 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2023 Insurer (i) a sum equal to the total of all amounts paid by the 2023 Insurer under the 2023 Bonds Insurance Policy (the "2023 Insurer Advances"); and (ii) interest on such 2023 Insurer Advances from the date paid by the 2023 Insurer until payment thereof in full, payable to the 2023 Insurer at the 2023 Late Payment Rate per annum (collectively, the "2023 Insurer Reimbursement Amounts"). "2023 Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the applicable series of 2023 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023 Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023 Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. The Successor Agency hereby covenants and agrees that the 2023 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2023 Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2023 Insurer Reimbursement Amounts (including any amounts due the 2023 Insurer pursuant to item (g)(iii) below) are paid to the 2023 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2023 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2023 Bonds Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2023 Bonds Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2023 Insurer.

(g) The following terms and provisions of this subsection (g) shall govern with respect to the 2023 Bonds Insurance Policy, notwithstanding anything in this Indenture to the contrary:

(i) The 2023 Insurer shall be deemed to be the sole Owner of the 2023 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2023 Bonds are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and each 2023A Bond, each of the Owners of 2023 Bonds appoints the 2023 Insurer as its agent and attorney-in-fact with respect to the 2023 Bonds and agrees that the 2023 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection

with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2023 Bond delegates and assigns to the 2023 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2023 Bond with respect to the 2023 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2023 Bond for the 2023 Insurer's benefit, and agrees to cooperate with the 2023 Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2023 Bonds shall include mandamus.

(ii) The rights granted to the 2023 Insurer under this Indenture to request, consent to or direct any action are rights granted to the 2023 Insurer in consideration of its issuance of the 2023 Bonds Insurance Policy. Any exercise by the 2023 Insurer of such rights is merely an exercise of the 2023 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2023 Bonds and such action does not evidence any position of the 2023 Insurer, affirmative or negative, as to whether the consent of the Owners of the 2023 Bonds or any other person is required in addition to the consent of the 2023 Insurer. Each obligation of the Successor Agency to the 2023 Insurer under this Indenture shall survive discharge or termination of this Indenture.

(iii) The Successor Agency shall pay or reimburse the 2023 Insurer any and all charges, fees, costs and expenses that the 2023 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Indenture; (ii) the pursuit of any remedies under this Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2023 Insurer to honor its obligations under the 2023 Bonds Insurance Policy. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account and the respective subaccounts therein to their respective Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of this Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2023 Insurer shall be subject to the prior written consent of the 2023 Insurer.

(vi) The 2023 Insurer shall be entitled to pay principal or interest on the 2023 Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such terms are defined in the 2023 Bonds Insurance Policy) by the Successor Agency, and

any amounts due on the 2023 Bonds as a result of acceleration of the maturity thereof in accordance with this Indenture, whether or not the 2023 Insurer has received a Notice of Nonpayment (as such term is defined in the 2023 Bonds Insurance Policy) or a claim upon the 2023 Bonds Insurance Policy.

(vii) The 2023 Insurer shall, to the extent it makes any payment of principal of or interest on the 2023 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2023 Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2023 Insurer under this Indenture shall survive discharge or termination of this Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account and the respective subaccounts therein are fully funded at their respective Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2023 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2023 Bonds Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2023 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2023 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2023 Insurer.

(h) The 2023 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2023 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2023 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2023A Reserve Subaccount of the Reserve Account or the 2023B Reserve Subaccount of the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the

respective Reserve Requirement for the 2023A Bonds and the 2023B Bonds and (ii) withdrawals in connection with a refunding of the 2023A Bonds and the 2023B Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2023 Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any Insolvency Proceeding.

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal or interest on the 2023 Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of this Indenture.

(x) All information furnished by the Successor Agency pursuant to the 2023 Bonds Continuing Disclosure Certificate.

(xi) The 2023 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2023 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under this Indenture.

(i) The maturity of the 2023 Bonds shall not be accelerated without the consent of the 2023 Insurer and in the event the maturity of the 2023 Bonds is accelerated, the 2023 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2023 Insurer's obligations under the 2023 Bonds Insurance Policy with respect to such 2023 Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2023 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2023 Insurer is hereby expressly made a third party beneficiary of this Indenture.

(l) The exercise of any provision of this Indenture which permits the purchase of 2023 Bonds in lieu of redemption shall require the prior written approval of the 2023 Insurer if any 2023 Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2023 Insurer, pre-refunded municipal obligations rated in the then highest rating category by S&P and Moody's for such obligations, or (5) subject to the prior written consent of the 2023 Insurer, any other type of security or obligation which S&P and Moody's have determined to be permitted defeasance securities, shall be used to effect defeasance of the 2023 Bonds unless the 2023 Insurer otherwise approves.

To accomplish defeasance of the 2023 Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2023 Insurer verifying the sufficiency of the escrow established to pay the 2023 Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2023 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2023 Bonds are no longer "Outstanding" under this Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2023 Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2023 Insurer. The 2023 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2023 Bonds shall be deemed "Outstanding" under this Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2023 Insurer under the 2023 Bonds Insurance Policy shall not be deemed paid for purposes of this Indenture and the 2023 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the 2023 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

(p) Notices and other information to the 2023 Insurer shall be sent to the following address (or such other address as the 2023 Insurer may designate in writing): Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. 222840-N; Telephone: (212) 974-0100; Email: munidisclosure@agltd.com. In each case in which notice or other communication refers to a claim on the 2023 Bonds Insurance Policy or an Event of Default, such notice or other communication shall be marked to indicate “URGENT MATERIAL ENCLOSED” and a copy shall also be sent to the attention of the General Counsel at the above address and at generalcounsel@agltd.com.

Section 11.12. Provisions Relating to 2023A Reserve Policy. So long as the 2023A Reserve Policy remains in force and effect, the following provisions of this Section 11.12 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2023A Reserve Policy and pay all related reasonable expenses incurred by the 2023 Insurer and shall pay interest thereon from the date of payment by the 2023 Insurer at the 2023A Late Payment Rate. “2023A Late Payment Rate” means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023A Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023A Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023A Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023A Late Payment Rate (collectively, “2023A Policy Costs”) from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023A Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023A Policy Costs paid to the 2023 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023 Insurer on account of principal due, the coverage under the 2023A Reserve Policy will be increased by a like amount, subject to the terms of the 2023A

Reserve Policy. The obligation to pay 2023A Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2023A Reserve Subaccount of the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of debt service on 2023A Bonds before any drawing may be made on the 2023A Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023 Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023A Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023A Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023A Reserve Subaccount of the Reserve Account. Payment of 2023A Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023A Reserve Subaccount of the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023A Policy Costs in accordance with the requirements of this Indenture, the 2023 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2023A Bonds or (ii) remedies which would adversely affect owners of the 2023A Bonds.

(c) This Indenture shall not be discharged until all 2023A Policy Costs owing to the 2023 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023A Bonds.

(d) The Successor Agency shall include any 2023A Policy Costs then due and owing the 2023 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023A Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023 Insurer in accordance with the terms of the 2023A Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023A Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023A Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2023 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2023A Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023A Late Payment Rate from the date such amount is paid or incurred by the 2023 Insurer until the date the 2023 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023A Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023A Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023 Bonds or this Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023A Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023 Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023A Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023 Insurer under the 2023A Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023A Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023 Insurer) of this Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023 Insurer as if set forth directly herein. No provision of this Indenture shall be

amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023A Policy Costs under this Indenture, without the prior written consent of the 2023 Insurer. The 2023 Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2023 Insurer, promptly upon request, any information regarding the 2023 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023 Insurer. The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the 2023 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2023 Insurer regarding the 2023A Reserve Policy shall be sent to the following address (or such other address as the 2023 Insurer may designate in writing): Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. 222840-R1; Telephone: (212) 974-0100; Email: munidisclosure@agltd.com. In each case in which notice or other communication refers to a draw on the 2023A Reserve Policy or an Event of Default, such notice or other communication shall be marked to indicate "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of the General Counsel at the above address and at generalcounsel@agltd.com.

Section 11.13. Provisions Relating to 2023B Reserve Policy. So long as the 2023B Reserve Policy remains in force and effect, the following provisions of this Section 11.13 shall govern, notwithstanding anything to the contrary contained in this Indenture:

(a) The Successor Agency shall repay any draws under the 2023B Reserve Policy and pay all related reasonable expenses incurred by the 2023 Insurer and shall pay interest thereon from the date of payment by the 2023 Insurer at the 2023B Late Payment Rate. "2023B Late Payment Rate" means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023B Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023B Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023B Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the

law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023B Late Payment Rate (collectively, "2023B Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023B Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023B Policy Costs paid to the 2023 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023 Insurer on account of principal due, the coverage under the 2023B Reserve Policy will be increased by a like amount, subject to the terms of the 2023B Reserve Policy. The obligation to pay 2023B Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the 2023B Reserve Subaccount of the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of debt service on 2023B Bonds before any drawing may be made on the 2023B Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023 Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023B Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023B Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023B Reserve Subaccount of the Reserve Account. Payment of 2023B Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023B Reserve Subaccount of the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023B Policy Costs in accordance with the requirements of this Indenture, the 2023 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the 2023B Bonds or (ii) remedies which would adversely affect owners of the 2023B Bonds.

(c) This Indenture shall not be discharged until all 2023B Policy Costs owing to the 2023 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023B Bonds.

(d) The Successor Agency shall include any 2023B Policy Costs then due and owing the 2023 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of this Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023B Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023 Insurer in accordance with the terms of the 2023B Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023B Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023B Reserve Policy is a Qualified Reserve Account Credit Instrument under this Indenture.

(g) The Successor Agency will pay or reimburse the 2023 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023B Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to this Indenture, any party to this Indenture or the transactions contemplated by this Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Indenture, if any, or the pursuit of any remedies under this Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to this Indenture, the 2023B Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under this Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023B Late Payment Rate from the date such amount is paid or incurred by the 2023 Insurer until the date the 2023 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023B Bonds or this Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023B Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023B Bonds or this Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023B Reserve Policy or this Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the

Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023 Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023B Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023 Insurer under the 2023B Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023B Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023 Insurer) of this Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023 Insurer as if set forth directly herein. No provision of this Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023B Policy Costs under this Indenture, without the prior written consent of the 2023 Insurer. The 2023 Insurer is hereby expressly made a third party beneficiary of this Indenture.

(j) The Successor Agency covenants to provide to the 2023 Insurer, promptly upon request, any information regarding the 2023B Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023 Insurer. The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the 2023B Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(k) Notices and other information to the 2023 Insurer regarding the 2023B Reserve Policy shall be sent to the following address (or such other address as the 2023 Insurer may designate in writing): Assured Guaranty Municipal Corp., 1633 Broadway, New York, New York 10019, Attention: Managing Director - Surveillance, Re: Policy No. 222840-R2; Telephone: (212) 974-0100; Email: munidisclosure@agltd.com. In each case in which notice or other communication refers to a draw on the 2023B Reserve Policy or an Event of Default, such notice or other communication shall be marked to indicate "URGENT MATERIAL ENCLOSED" and shall also be sent to the attention of the General Counsel at the above address and at generalcounsel@agltd.com.

Section 11.14. Tax Covenants.

(a) Private Activity Bond Limitation. The Successor Agency will assure that the proceeds of the 2023B Bonds are not so used as to cause the 2023B Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

(b) Federal Guarantee Prohibition. The Successor Agency will not take any action or permit or suffer any action to be taken if the result of such action would be to cause any of the 2023B Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

(c) Rebate Requirement. The Successor Agency will take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2023B Bonds.

(d) No Arbitrage. The Successor Agency will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2023B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2023B Bonds would have caused the 2023B Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

(e) Maintenance of Tax-Exemption. The Successor Agency will take all actions necessary to assure the exclusion of interest on the 2023B Bonds from the gross income of the Owners of the 2023B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2023B Bonds.

(f) Record Retention. The Successor Agency will retain its records of all accounting and monitoring it carries out with respect to the 2023B Bonds for at least 3 years after the 2023B Bonds mature or are redeemed (whichever is earlier); however, if the 2023B Bonds are redeemed and refunded, the Successor Agency will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the 2023B Bonds.

(g) Compliance with Tax Certificate. The Successor Agency will comply with the provisions of the Certificate as to Arbitrage and the Use of Proceeds Certificate with respect to the 2023B Bonds, which are incorporated herein as if fully set forth herein. The covenants of this Section 11.14 will survive payment in full or defeasance of the 2023B Bonds.

Section 11.15. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the 2023 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the 2023 Bonds Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2023 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2023 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order of this Section 11.15.

Section 11.16. Benefits Limited to Parties. Nothing in this Article XI, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee, the 2023 Insurer, and the Owners of the 2023 Bonds, any right, remedy, claim under or by reason of this Article XI. Any covenants, stipulations, promises or agreements in this Article XI contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, the 2023 Insurer and the Owners of the 2023 Bonds.

Section 11.17. Effect of this Article XI. Except as in this Article XI is expressly provided or except to the extent inconsistent with any provision of this Article XI, the 2023

Bonds shall be deemed to be Bonds and Parity Debt under and within the meaning of Section 1.02 of this Indenture, and every term and condition contained in the other provisions of this Indenture (other than Sections 5.11, 5.12, 5.13, 5.14 and 5.15 which shall not apply to the 2023A Bonds) shall apply to the 2023 Bonds with full force and effect, with such omissions, variations and modifications thereof as may be appropriate to make the same conform to this Article XI.

Section 11.18. Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Owners of the 2023 Bonds and the rights and benefits provided in this Indenture.

- End of Article XI -

SECTION 2. Amendments to Original Indenture. The Original Indenture is hereby further amended by amending the last two paragraphs of Section 5.07 thereof to read in their entirety as follows:

“If any amounts then due and payable to the 2017 Insurer, the 2021 Insurer and/or the 2023 Insurer under this Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2017 Insurer, the 2021 Insurer and the 2023 Insurer, as applicable.

The Successor Agency will not submit to the Oversight Board and the State Department of Finance a request for the final amendment permitted for its Last and Final Recognized Obligation Payment Schedule pursuant to Section 34191.6 of the Dissolution Act without the prior written consent of the 2017 Insurer, the 2021 Insurer and the 2023 Insurer, unless all amounts that could become due and payable to the 2017 Insurer, the 2021 Insurer and the 2023 Insurer under this Indenture would be included as a line item on the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.”

SECTION 3. Attachment of Exhibit H. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit H setting forth the form of the 2023 Bonds, which shall read substantially as set forth in Exhibit H hereto, and by this reference incorporated herein.

SECTION 4. Attachment of Exhibit I. The Original Indenture is also hereby further amended by attaching thereto and incorporating therein an Exhibit I setting forth the form of disbursement request from the 2023A Bonds Project Fund and the 2023B Bonds Project Fund, which shall read substantially as set forth in Exhibit I attached hereto and by this reference incorporated herein.

SECTION 5. Original Indenture. Except as expressly set forth herein, the terms and conditions of the Original Indenture shall remain in full force and effect. Unless the context

clearly otherwise requires or unless otherwise defined in this Second Supplement, the terms defined in the recitals above have the respective meanings given those terms when used in this Second Supplement. Capitalized terms which are defined in the Original Indenture and which are not otherwise defined herein shall have the respective meanings given those terms in the Original Indenture.

SECTION 6. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Second Supplement shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Second Supplement. The Successor Agency hereby declares that it would have entered into this Second Supplement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issuance of the 2023 Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Second Supplement may be held illegal, invalid or unenforceable.

SECTION 7. Execution in Counterparts. This Second Supplement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. Governing Law. This Second Supplement shall be construed and governed in accordance with the laws of the State of California.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this Second Supplement to Indenture of Trust to be signed in its name by its Executive Director, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Second Supplement to Indenture of Trust to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By:  _____
Thor Kaslofsky
Executive Director

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,**
as Trustee

By: _____
Authorized Officer

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO has caused this Second Supplement to Indenture of Trust to be signed in its name by its Executive Director, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Second Supplement to Indenture of Trust to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

By: _____
Thor Kaslofsky
Executive Director

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
*as Trustee***

By: _____
Authorized Officer

EXHIBIT H

(FORM OF 2023A/B BOND)

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

[SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)]

/

[SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)]

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
August 1, _____ September 14, 2023

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in

each year, commencing February 1, 2024 (each an “Interest Payment Date”), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the “Trustee”), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the “Principal Corporate Trust Office”). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner’s address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as [“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)”]/[“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)”] (the “2023[A]/[B] Bonds”), of an aggregate principal amount of [Twenty-Four Million Five Hundred Five Thousand Dollars (\$24,505,000)]/[Thirty-Five Million Two Hundred Ten Thousand Dollars (\$35,210,000)], all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, or interest rates and other provisions) and all issued pursuant to the provisions of the Dissolution Act, and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the “Law”), and pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by a First Supplement to Indenture of Trust, dated as of December 1, 2021, and as further supplemented and amended by a Second Supplement to Indenture of Trust, dated as of September 1, 2023, each by and between the Successor Agency and the Trustee (as so supplemented and amended, the “Indenture”). The 2023[A]/[B] Bonds are being issued in the form of registered bonds without coupons.

The 2023[A]/[B] Bonds are payable from Pledged Tax Revenues on a parity with the \$89,765,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”), the \$19,850,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”), the \$127,210,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2021 Bonds”) and the \$[24,505,000]/[35,210,000] original principal amount of [“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)”]/[“Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)”] (the “2023[A]/[B] Bonds”). Additional bonds, or other obligations may be issued on a parity with the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the

Law for a description of the terms on which the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, and the rights thereunder of the registered owners of the 2023[A]/[B] Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The 2023[A]/[B] Bonds have been issued by the Successor Agency for the purpose of providing funds to finance [affordable housing in certain redevelopment project areas of the Successor Agency] [infrastructure required by the Transbay Implementation Agreement] and to pay certain expenses of the Successor Agency in issuing the 2023[A]/[B] Bonds.

The 2023[A]/[B] Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture.

There has been created, and will be maintained by, the Successor Agency the Special Fund into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Parity Debt.

The 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Bonds are also secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest on the Bonds. The 2023 Bonds are additionally secured by the 2023[A]/[B] Reserve Subaccount of the Reserve Account. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023[B]/[A] Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023[A]/[B] Bonds.

The 2023[A]/[B] Bonds are subject to optional redemption and mandatory redemption from mandatory sinking fund payments as provided in the Indenture.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The 2023[A]/[B] Bonds are issuable as fully registered 2023[A]/[B] Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, 2023[A]/[B] Bonds may be exchanged for a like aggregate principal amount of 2023[A]/[B] Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered 2023[A]/[B] Bond or 2023[A]/[B] Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any 2023[A]/[B] Bond during the fifteen (15) days prior to the date established for the selection of 2023[A]/[B] Bonds for redemption, or (b) any 2023[A]/[B] Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the 2023[A]/[B] Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any 2023[A]/[B] Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal or interest at the time and place and at the rate and in the currency provided herein of any 2023[A]/[B] Bond without the express written consent of the registered owner of such 2023[A]/[B] Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any 2023[A]/[B] Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The 2023[A]/[B] Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law

or any laws of the State of California, and is not in excess of the amount of 2023[A]/[B] Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Executive Director

ATTEST:

Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on the 2023[A]/[B] Bonds to U.S. Bank Trust Company, National Association, San Francisco, California, or its successor, as trustee for the 2023[A]/[B] Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this 2023[A]/[B] Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____	Custodian _____
TEN ENT --	as tenants by the entireties		(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act	_____ (State)
COMM PROP --	as community property		

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)
the within-registered Bond and hereby irrevocably constitute(s) and appoints(s)
_____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signatures Guaranteed:

Note: _____
Signature(s) must be guaranteed by an eligible
guarantor.

Note: _____
The signatures(s) on this Assignment must
correspond with the name(s) as written on the
face of the within Bond in every particular without
alteration or enlargement or any change
whatsoever.

EXHIBIT I

FORM OF PROJECT FUNDS DISBURSEMENT REQUEST

DISBURSEMENT REQUEST NO.: _____

U.S. Bank Trust Company, National Association
Attn.: Global Corporate Trust Services
One California Street, Suite 1000
San Francisco, California 94111
Fax: 415-677-3768
Attention: Global Corporate Trust Services

Re: \$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and
\$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

In accordance with the terms of an Indenture of Trust, by and between you and the undersigned, dated as of March 1, 2017, as supplemented and amended from time to time (the "Indenture"), you are hereby authorized and requested to make immediate disbursement of funds held by you in the **[select one: [2023A Bonds Project Fund for the purpose of financing Affordable Housing Obligations pursuant to Section 11.08(a) of the Indenture] - or- [2023B Bonds Project Fund for the purpose of financing Transbay Infrastructure Obligations pursuant to Section 11.08(b) of the Indenture]**.

You are hereby requested to pay to the person(s), corporation(s) or other entity(ies) designated on Schedule A attached hereto as Payee(s), the sum set forth on said Schedule, in payment of all or a portion of the costs for the purpose of aiding in financing the **[select one: [Affordable Housing Obligations] -or- [Transbay Infrastructure Obligations]]** (the "Project Costs") described on said Schedule.

The undersigned hereby certifies that (i) the amounts listed on Schedule A constitute Project Costs, (ii) no part of the amount requested herein has been included in any other request previously filed with you; (iii) to the knowledge of the undersigned, there has not been filed with or served upon the Successor Agency any notice of any lien or attachment upon or claim (except for any preliminary notice of lien as may be filed in accordance with law) affecting the right of the person, corporation or other entity stated below to receive payment of the amount stated below, which lien has not been released or will not be released simultaneously with the payment requested hereunder; and (iv) the labor, services and/or materials covered

hereby have been performed upon or furnished and the payment requested herein is due and payable under a purchase order, contract or other authorization.

Capitalized terms used but defined herein have the meanings given to such terms in the Indenture.

Dated: _____, 20__

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____



In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject however to certain qualifications described herein, under existing law, the interest on the 2023 Series B Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Series B Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, interest on the 2023A/B Bonds is exempt from California personal income taxes. Bond Counsel observes that the interest on the 2023 Series A Taxable Bonds is not intended to be excluded from federal income taxation. See "TAX MATTERS" herein.

\$24,505,000

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)**

Dated: Date of Delivery

\$35,210,000

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)**

Due: August 1, as shown on the inside front cover

This cover page contains information for quick reference only. It is *not* intended to be a complete summary of all factors relevant to an investment in the 2023A/B Bonds. Investors are advised to read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "**2023 Series A Taxable Bonds**") and the 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "**2023 Series B Bonds**") and, together with the 2023 Series A Taxable Bonds, the "**2023A/B Bonds**," and individually, each a "**Series**") are being issued by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "**Successor Agency**") pursuant to an Indenture of Trust, dated as of March 1, 2017 (the "**Original Indenture**"), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the "**Trustee**"), as amended and supplemented prior to the date hereof, and as further amended and supplemented by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the "**Second Supplement**" and, the Original Indenture, as so amended and supplemented, the "**Indenture**"), by and between the Successor Agency and the Trustee.

Interest on the 2023A/B Bonds will be payable on February 1 and August 1 of each year, commencing February 1, 2024. Principal of the 2023A/B Bonds will be payable on the dates and in the respective principal amounts set forth on the inside cover page.

The scheduled payment of principal of and interest on the 2023A/B Bonds when due will be guaranteed under an insurance policy (the "**Insurance Policy**") to be issued concurrently with the delivery of the 2023A/B Bonds by **ASSURED GUARANTY MUNICIPAL CORP.** See "**BOND INSURANCE.**"



The 2023A/B Bonds of each Series will be issued in book-entry form, without coupons, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("**DTC**"). DTC will act as securities depository for the 2023A/B Bonds. Beneficial ownership interests in the 2023A/B Bonds may initially be purchased, in denominations of \$5,000 or any integral multiple thereof, in book-entry only form as described herein. So long as Cede & Co. is the registered owner of the 2023A/B Bonds, payments of principal and interest will be made to Cede & Co., as nominee for DTC. DTC is required in turn to remit such payments to DTC Participants for subsequent disbursements to Beneficial Owners. Disbursement of such payments to DTC Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Direct Participants and Indirect Participants as more fully described herein. See APPENDIX F – "DTC AND THE BOOK-ENTRY ONLY SYSTEM."

The 2023A/B Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE 2023A/B BONDS – Redemption Provisions."

The 2023 Series A Taxable Bonds are being issued for the purpose of providing funds to (i) finance certain affordable housing, as described herein under "PLAN OF FINANCE," (ii) pay the premium for a municipal bond debt service reserve insurance policy from AGM to satisfy the 2023 Series A Taxable Bonds' reserve requirement, and (iii) pay costs associated with the issuance of the 2023 Series A Taxable Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023 Series A Taxable Bonds.

The 2023 Series B Bonds are being issued for the purpose of providing funds to (i) finance certain infrastructure, as described herein under "PLAN OF FINANCE," (ii) pay the premium for a municipal bond debt service reserve insurance policy from AGM to satisfy the 2023 Series B Bonds' reserve requirement, and (iii) pay costs associated with the issuance of the 2023 Series B Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023 Series B Bonds.

The 2023A/B Bonds are payable from and secured solely by Pledged Tax Revenues (defined herein) and moneys held in certain funds and accounts by the Trustee under the Indenture on parity with the outstanding 2017A/B Bonds (defined herein) and 2021A Bonds (defined herein). See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations." No funds or properties of the Successor Agency, other than the Pledged Tax Revenues and certain other amounts held under the Indenture, are pledged to secure the 2023A/B Bonds, the 2017A/B Bonds or the 2021A Bonds. Pledged Tax Revenues generally consist of tax increment revenues generated within the Project Areas remaining after the payment of the City Controller Administration Fee, the Existing Senior Loan Agreements, and the Second Lien Debt (as such terms are defined herein) and, accordingly, the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds is subordinate to payments due on such obligations as described under "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Security for the 2023A/B Bonds; Equal Security" and "– Senior Obligations." The Successor Agency has covenanted that it will not issue additional debt payable from the Pledged Tax Revenues on a basis senior to the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds, except for the purpose of refunding the Existing Senior Loan Agreements and the Second Lien Debt. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness."

The 2023A/B Bonds are limited obligations of the Successor Agency, the principal of, and premium, if any, and interest on which are payable solely from Pledged Tax Revenues and certain other amounts on deposit in the funds and accounts held under the Indenture. The 2023A/B Bonds are not a debt of the City and County of San Francisco (the "City"), the State of California (the "State") or any of their political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable therefor. The 2023A/B Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Successor Agency has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the 2023A/B Bonds. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power.

MATURITY SCHEDULES
(see inside cover)

The 2023A/B Bonds are offered when, as and if issued, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, and certain other conditions. Alexis S. M. Chiu, Esq., San Francisco, California, is acting as Disclosure Counsel to the Successor Agency. Certain legal matters will be passed on for the Successor Agency by its General Counsel. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, A Professional Corporation, Newport Beach, California. It is anticipated that the 2023A/B Bonds will be delivered to the Underwriters through the facilities of DTC in New York, New York on or about September 14, 2023.

STIFEL

Backstrom McCarley Berry & Co., LLC

Dated: August 30, 2023

MATURITY SCHEDULES

\$24,505,000
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$13,775,000 Serial Bonds

<u>Maturity</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP No.</u> <u>(Base: 79770G)*</u>
2024	\$1,185,000	5.474%	5.474%	100.00	JK3
2025	870,000	5.424	5.424	100.00	JL1
2026	915,000	5.300	5.300	100.00	JM9
2027	965,000	5.279	5.279	100.00	JN7
2028	1,015,000	5.259	5.259	100.00	JP2
2029	1,070,000	5.346	5.346	100.00	JQ0
2030	1,125,000	5.396	5.396	100.00	JR8
2031	1,190,000	5.441	5.441	100.00	JS6
2032	1,250,000	5.491	5.491	100.00	JT4
2033	1,320,000	5.541	5.541	100.00	JU1
2034	1,395,000	5.671	5.671	100.00	JV9
2035	1,475,000	5.771	5.771	100.00	JW7

\$10,730,000 5.921% Term Bonds due August 1, 2041, Yield 5.921%, Price 100.00, CUSIP No.† 79770GJX5

\$35,210,000
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)

\$4,625,000 5.000% Term Bonds due August 1, 2043, Yield 4.050%, Price 107.668^C, CUSIP No.† 79770GJY3











\$13,395,000 5.000% Term Bonds due August 1, 2048, Yield 4.230%, Price 106.161^C, CUSIP No.† 79770GJZ0

\$17,190,000 5.250% Term Bonds due August 1, 2053, Yield 4.260%, Price 107.911^C, CUSIP No.† 79770GKA3



† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services (CGS). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. CUSIP data are not intended to create a database and do not serve in any way as a substitute for the CGS database and are included solely for convenience. None of the Successor Agency, the Underwriters or their agents or counsel assumes any responsibility for the accuracy or correctness of the CUSIP data.

^C Priced to first optional redemption date of August 1, 2033, at par.





Pledged Project Areas

-  Western Addition Project Area A-2
-  Embarcadero-Lower Market ("Golden Gateway") Project Area
-  Rincon Point - South Beach Project Area
-  Transbay Project Area
-  Yerba Buena Center Approved Project Area D-1
-  South Of Market Project Area
-  Bayview Hunters Point Project Area - Zone 2 of Project Area B
-  Hunters Pt. Hill Residential Dist. (Hunters Pt. Shipyard Project Area)
-  India Basin Industrial Park Project Area
-  Bayview Hunters Point Project Area - Project Area A

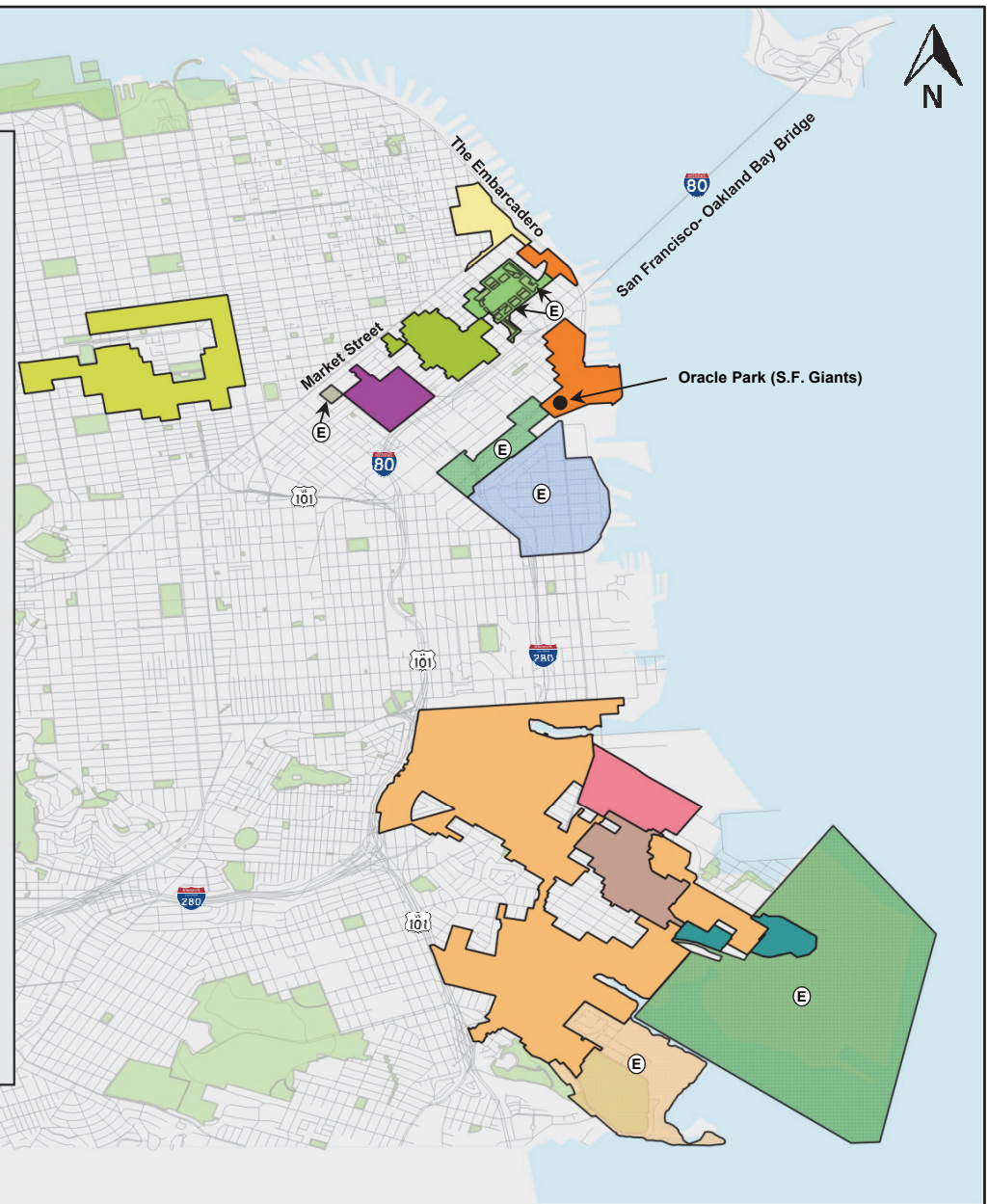
Excluded Sub-Areas

-  State-Owned Parcels of the Transbay Project Area
-  Zone 1 - Candlestick Pt. Site of the Bayview Hunters Pt. Proj. Area B

Excluded Project Areas

-  Mission Bay North Project Area
-  Mission Bay South Project Area
-  Federal Office Building Project Area
-  Hunters Pt. Shipyard Proj. Area (Other Than Hunters Pt. Hill Residential Dist.)

**E - Represents "Excluded" Sub-Areas
or "Excluded" Project Areas.**



**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
OF THE CITY AND COUNTY OF SAN FRANCISCO**

Commission Members¹

Bivett Brackett, *Chair*
Vanessa Ross Aquino
Tamsen Drew
Dr. Carolyn Ransom-Scott

Successor Agency Staff

Thor Kaslofsky, *Executive Director*
Rosa Torres, *Deputy Director of Finance and Administration*
James Morales, *Deputy Director and General Counsel*
Marc Slutzkin, *Deputy Director, Projects and Programs*

CITY AND COUNTY OF SAN FRANCISCO

London Breed, *Mayor*

David Chiu, *City Attorney*
Benjamin Rosenfield, *Controller*
José Cisneros, *Treasurer*

BOARD OF SUPERVISORS

Aaron Peskin, <i>Board President, District 3</i>	
Connie Chan, <i>District 1</i>	Myrna Melgar, <i>District 7</i>
Catherine Stefani, <i>District 2</i>	Rafael Mandelman, <i>District 8</i>
Joel Engardio, <i>District 4</i>	Hillary Ronen, <i>District 9</i>
Dean Preston, <i>District 5</i>	Shamann Walton, <i>District 10</i>
Matt Dorsey, <i>District 6</i>	Ahsha Safai, <i>District 11</i>

SPECIAL SERVICES

Bond Counsel
Jones Hall, A Professional Law Corporation
San Francisco, California

Municipal Advisor
PFM California Advisors LLC
San Francisco, California

Trustee
U.S. Bank Trust Company, National Association
San Francisco, California

Disclosure Counsel
Alexis S. M. Chiu, Esq.
San Francisco, California

Fiscal Consultant
Urban Analytics LLC
San Francisco, California

¹ The Successor Agency Commission currently has one (1) vacancy. Alex Ludlum resigned from the Successor Agency Commission effective August 28, 2023.

No dealer, broker, salesperson or other person has been authorized by the Successor Agency or the City to give any information or to make any representations in connection with the offer or sale of the 2023A/B Bonds other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2023A/B Bonds by any person, in any jurisdiction where such offer, solicitation or sale would be unlawful. This Official Statement is not to be construed as a contract with the purchasers of the 2023A/B Bonds.

The information set forth herein has been obtained from sources that are believed to be reliable, but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Successor Agency. Neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the Successor Agency since the date hereof. The information and expressions of opinion stated herein are subject to change without notice.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking” statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the words “expects,” “forecasts,” “projects,” “intends,” “anticipates,” “estimates,” “assumes” and analogous expressions. The achievement of certain results or other expectations contained in such forward-looking statements are subject to a variety of risks and uncertainties that could cause actual results to differ materially from those that have been projected. No assurance is given that actual results will meet the forecasts of the Successor Agency in any way, regardless of the optimism communicated in the information, and such statements speak only as of the date of this Official Statement. The Successor Agency disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in the expectations of the Successor Agency with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

All summaries of the Indenture (as defined herein) and of statutes and other documents referred to herein do not purport to be comprehensive or definitive and are qualified in their entirety by reference to each such statute and document. This Official Statement, including any amendment or supplement hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (EMMA) website.

The Successor Agency and the City maintain websites. However, the information presented therein is not a part of this Official Statement and must not be relied upon in making an investment decision with respect to the 2023A/B Bonds.

The issuance and sale of the 2023A/B Bonds have not been registered under the Securities Act of 1933 or the Securities Exchange Act of 1934, both as amended, in reliance upon exemptions provided thereunder by Sections 3(a)(2) and 3(a)(12), respectively, for the issuance and sale of municipal securities.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE 2023A/B BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Assured Guaranty Municipal Corp. (“**AGM**”) makes no representation regarding the 2023A/B Bonds or the advisability of investing in the 2023A/B Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE” and APPENDIX G – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.”

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OFFICIAL STATEMENT

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

INTRODUCTION

This introduction contains only a brief summary of certain of the terms of the 2023A/B Bonds being offered, and a full review should be made of the entire Official Statement including the cover page, the table of contents and the appendices for a more complete description of the terms of the 2023A/B Bonds. All statements contained in this introduction are qualified in their entirety by reference to the entire Official Statement. References to, and summaries of provisions of, any other documents referred to herein do not purport to be complete, and such references are qualified in their entirety by reference to the complete provisions of such documents. Capitalized terms used in this Official Statement and not defined herein shall have the meanings assigned to them in APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” or, if not defined therein, then in the Indenture (defined herein).

Authority and Purpose

The purpose of this Official Statement, which includes the cover page, table of contents and appendices hereto (collectively, the “**Official Statement**”), is to provide certain information in connection with the offering by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “**Successor Agency**”) of its \$24,505,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “**2023 Series A Taxable Bonds**”) and its \$35,210,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “**2023 Series B Bonds**” and, together with the 2023 Series A Taxable Bonds, the “**2023A/B Bonds**” and individually, each a “**Series**”), for the purposes described herein. The 2023A/B Bonds are being issued in accordance with a resolution of the Successor Agency adopted on March 21, 2023 (the “**Resolution**”), and an Indenture of Trust, dated as of March 1, 2017 (the “**Original Indenture**”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the “**Trustee**”), as amended and supplemented by a First Supplement to Indenture of Trust dated as of December 1, 2021, and as further amended and supplemented by a Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the “**Second Supplement**” and, the Original Indenture, as so amended and supplemented, the “**Indenture**”), by and between the Successor Agency and the Trustee, and, as applicable, pursuant to authority contained in the Redevelopment Law (defined herein) and Sections 34177.7(a)(1)(A) and (B) of the Redevelopment Dissolution Act (defined herein). See “– The Successor Agency.”

The 2023 Series A Taxable Bonds are being issued for the purpose of providing funds to: (i) finance a portion of its Affordable Housing Obligations (defined herein), consisting of certain affordable housing as described herein under “PLAN OF FINANCE;” (ii) pay the premium for a municipal bond debt service reserve insurance policy (the “**2023A Reserve Policy**”) from Assured Guaranty Municipal Corp. (“**AGM**”)

to satisfy the 2023 Series A Taxable Bonds' reserve requirement; and (iii) pay costs associated with the issuance of the 2023 Series A Taxable Bonds, including the portion of the premium for the Insurance Policy (defined herein) allocable to the 2023 Series A Taxable Bonds. See “– Reserve Account,” “– Bond Insurance,” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The 2023 Series B Bonds are being issued for the purpose of providing funds to: (i) finance a portion of the infrastructure required by the Transbay Redevelopment Project Implementation Agreement, dated as of January 20, 2005 (as amended from time to time, the “**Transbay Implementation Agreement**”), between the former Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”), as succeeded by the Successor Agency, and the Transbay Joint Powers Authority (“**TJPA**”), as further described herein under “PLAN OF FINANCE;” (ii) pay the premium for a municipal bond debt service reserve insurance policy (the “**2023B Reserve Policy**” and, together with the 2023A Reserve Policy, the “**Reserve Policies**,” and each, a “**Reserve Policy**”) from AGM to satisfy the 2023 Series B Bonds' reserve requirement; and (iii) pay costs associated with the issuance of the 2023 Series B Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023 Series B Bonds. See “– The Successor Agency,” “– Reserve Account” and “– Bond Insurance,” and “ESTIMATED SOURCES AND USES OF FUNDS.”

The City and County of San Francisco

The City and County of San Francisco (the “**City**”) is the economic and cultural center of the San Francisco Bay Area and northern California. The corporate limits of the City encompass over 93 square miles, of which 49 square miles are land, with the balance consisting of tidelands and a portion of the San Francisco Bay. The City is located at the northern tip of the San Francisco Peninsula, bounded by the Pacific Ocean to the west, the San Francisco Bay to the east, the entrance to the San Francisco Bay and the Golden Gate Bridge to the north, and San Mateo County to the south. Silicon Valley is about 45 miles to the south, and the wine country is about 65 miles to the north. According to the U.S. Census Bureau, the population in the City in 2010 was 805,235 and in 2020 was 873,965. The California Department of Finance Demographic Research Unit estimated the City's population at 831,703 as of January 1, 2023.

The 2023A/B Bonds are not a debt of the City and the General Fund of the City is not liable for the payment of the principal of, or premium, if any, or interest on, the 2023A/B Bonds. Neither the credit nor the taxing power of the City is pledged to the payment of the principal of, premium, if any, or interest on the 2023A/B Bonds. The 2023A/B Bonds are not secured by a legal or equitable pledge of, or charge, lien, or encumbrance upon, any of the property of the City.

The Successor Agency

As described below, the Successor Agency is the successor to the former Redevelopment Agency of the City and County of San Francisco (the “**Former Agency**”). The Former Agency was organized by the Board of Supervisors of the City (the “**Board of Supervisors**”) in 1948, to exercise the powers granted by the California Community Redevelopment Law (Sections 33000 et seq. of the California Health and Safety Code) (as amended, the “**Redevelopment Law**”).

As a result of Assembly Bill No. X1 26 (“**AB 26**”) enacted on June 29, 2011, as Chapter 5, Statutes of 2011-12 First Extraordinary Session, and the decision of the State Supreme Court in *California Redevelopment Association, et al. v. Matosantos, et al.* (the “**California Redevelopment Association Case**”), as of February 1, 2012, all redevelopment agencies in the State of California (the “**State**”), including the Former Agency, were dissolved, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies. The California legislature has amended AB 26 several times, including on June 27, 2012 by

Assembly Bill No. 1484 (“**AB 1484**”), enacted as Chapter 26, Statutes of 2012, and on September 22, 2015 by Senate Bill No. 107 (“**SB 107**”), enacted as Chapter 325, Statutes of 2015.

The primary provisions enacted by AB 26 relating to the dissolution and winding down of former redevelopment agency affairs are codified in Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, as amended by AB 1484 and SB 107 (as further amended from time to time, the “**Redevelopment Dissolution Act**”). See also “THE SUCCESSOR AGENCY” for further discussion of the Redevelopment Dissolution Act, the formation of the Successor Agency and the current powers, and limitations thereon, of the Successor Agency. The Redevelopment Law, and the acts amendatory thereof and supplemental thereto, including the Redevelopment Dissolution Act, is collectively referred to herein as the “**Law**.”

In amending the Redevelopment Dissolution Act, SB 107 (i) clarified the Successor Agency’s authority to issue bonds for affordable housing and certain infrastructure (California Health & Safety Code § 34177.7) in certain of its project areas, (ii) removed certain time limits that had previously applied to the issuance of debt and the collection of tax increment by former redevelopment agencies (California Health & Safety Code § 34189 (a)), and (iii) authorized the Successor Agency to secure new debt with the property tax revenues (former tax increment) from project areas that had generated tax increment upon the dissolution of the Former Agency on February 1, 2012 (Stats. 2015, ch. 325, § 27(e)). Significantly, these project areas include those with redevelopment plans that may have expired for other purposes but that continue to be a source of funds for repayment of indebtedness.

Section 34177.7(a)(1)(A) of the Redevelopment Dissolution Act authorizes the Successor Agency to issue bonds and other indebtedness to finance affordable housing required by the following agreements (collectively referred to herein as the “**Affordable Housing Obligations**”): (i) the Disposition and Development Agreement for Hunters Point Shipyard Phase 1 dated as of December 2, 2003 between Lennar/BVHP, LLC, a California limited liability company, doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (ii) the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended; (iii) the Mission Bay North Owner Participation Agreement entered into as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation (“**Catellus**”), as succeeded by FOCIL-MB, LLC, a Delaware limited liability company (“**FOCIL-MB**”), as heretofore amended and as hereafter may be amended; (iv) the Mission Bay South Owner Participation Agreement entered into as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus, as succeeded by FOCIL-MB, as heretofore amended and as hereafter may be amended; and (v) the Transbay Implementation Agreement.

The Successor Agency is issuing the 2023 Series A Taxable Bonds to provide funds to finance a portion of its Affordable Housing Obligations. See “PLAN OF FINANCE.”

Section 34177.7(a)(1)(B) of the Redevelopment Dissolution Act authorizes the Successor Agency to issue bonds and other indebtedness to finance infrastructure required by the Transbay Implementation Agreement. The Successor Agency is issuing the 2023 Series B Bonds to provide funds to finance a portion of such infrastructure.

The issuance of the 2023A/B Bonds was subject to the approval of the Successor Agency Commission (as defined herein), the Successor Agency’s oversight board (the “**Oversight Board**”) and the Department of Finance of the State of California (the “**California Department of Finance**”) pursuant to

the Redevelopment Dissolution Act. All such approvals have been obtained. See “THE 2023A/B BONDS – Authority for Issuance.”

The Project Areas

At the time of dissolution of the Former Agency, twelve (12) project areas of the Former Agency generated tax increment for redevelopment activities (see reference to the Federal Office Building Redevelopment Project Area in “– Excluded Project Areas” below regarding its lack of tax increment). Two (2) of these project areas (Mission Bay North Project Area (defined herein) and Mission Bay South Project Area (defined herein)) and portions of three (3) other project areas: (i) the State-Owned Parcels (defined herein) in the Transbay Redevelopment Project Area; (ii) Zone 1 (Candlestick Point Sub-Area) of Project Area B of the Bayview Hunters Point Redevelopment Project Area also referred to as “**Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B**” (further described herein); and (iii) all portions of the Hunters Point Shipyard Project Area (defined herein) except the Hunters Point Hill Residential District, were, and continue to be, subject to agreements that irrevocably commit all or a portion of the property tax increment from those areas to specific purposes. Such property tax increment is not pledged as security for debt service on the 2023A/B Bonds. See “– Excluded Project Areas” below. Accordingly, and pursuant to the Indenture, only tax increment from all or a portion of ten (10) such project areas is pledged under the Indenture as security for debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” Such project areas or portion thereof consist of the redevelopment project areas (except any portion thereof included in the Excluded Project Areas defined below) described in the following redevelopment plans (as defined in the Indenture) (the “**Project Areas**”):

- Redevelopment Plan – Bayview Hunters Point Redevelopment Project Area – Zone 2 of Project Area B (the “**Bayview Hunters Point Project Area – Zone 2 of Project Area B**”)
- Redevelopment Plan – Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area (the “**Embarcadero-Lower Market (“Golden Gateway”) Project Area**”)
- Redevelopment Plan – Hunters Point Redevelopment Project Area (the “**Bayview Hunters Point Project Area – Project Area A**”)
- Redevelopment Plan – Hunters Point Shipyard Redevelopment Project Area – Hunters Point Hill Residential District (the “**Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)**”) (only tax increment generated in the Hunters Point Hill Residential District is pledged under the Indenture as security for the 2023A/B Bonds)
- Redevelopment Plan – India Basin Industrial Park Redevelopment Project Area (the “**India Basin Industrial Park Project Area**”)
- Redevelopment Plan – Rincon Point – South Beach Redevelopment Project Area (the “**Rincon Point – South Beach Project Area**”)
- Redevelopment Plan – South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area) (the “**South of Market Project Area**”)
- Redevelopment Plan – Transbay Redevelopment Project Area (the “**Transbay Project Area**”) (excluding the State-Owned Parcel Net Tax Increment (defined herein))

- Redevelopment Plan – Western Addition Redevelopment Project Area A-2 (the “**Western Addition Project Area A-2**”)
- Redevelopment Plan – Yerba Buena Center Approved Redevelopment Project Area D-1 (the “**Yerba Buena Center Approved Project Area D-1**”)

As described in this Official Statement, the 2023A/B Bonds are secured by a pledge and lien on Pledged Tax Revenues (defined herein), which generally consist of tax increment revenues generated within the Project Areas remaining after the payment of the City Controller Administration Fee, the Existing Senior Loan Agreements and the Second Lien Debt (as such terms are defined herein) and on a parity with the 2017A/B Bonds and the 2021A Bonds (defined herein). See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – General.” All or a portion of tax increment revenues from certain excluded project areas or portions of project areas described below are not pledged as security for the payment of the 2023A/B Bonds; therefore, the description of the project areas of the Former Agency set forth in this Official Statement is limited to only the Project Areas and excludes any information relating to the Excluded Project Areas (defined herein), except that information regarding the State-Owned Parcels (defined herein), located within the Transbay Project Area, is included as a portion of the tax increment revenues generated within such parcels is pledged as security for the payment of the 2023A/B Bonds. See “– Excluded Project Areas” below.

Excluded Project Areas

Tax increment revenues from the following project areas of the Former Agency are not pledged as security to pay debt service on the 2023A/B Bonds under the Indenture:

- (i) the project area known as the Mission Bay North Project Area or the Mission Bay North Redevelopment Project Area (the “**Mission Bay North Project Area**”);
- (ii) the project area known as the Mission Bay South Project Area or the Mission Bay South Redevelopment Project Area (the “**Mission Bay South Project Area**”); and
- (iii) the Federal Office Building Redevelopment Project Area (the parcels in which are owned by the Federal Government which does not pay property tax).

In addition, tax increment revenues from the following are not pledged as security to pay debt service on the 2023A/B Bonds under the Indenture:

- (x) Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B;
- (y) parcels in the Hunters Point Shipyard Redevelopment Project Area (the “**Hunters Point Shipyard Project Area**”) other than the Hunters Point Hill Residential District; and
- (z) the State-Owned Parcels (defined herein) (except that as described under “– *Excluded Tax Increment from State-Owned Parcels*,” a certain portion of tax increment revenues from the State-Owned Parcels is available to pay debt service on the 2023A/B Bonds and other debt obligations).

Collectively, the project areas listed in (i)-(iii) and the portions of project areas described in (x)-(z) above are referred to herein as “**Excluded Project Areas**.” See “PLEDGED TAX REVENUES AND DEBT SERVICE – Historical and Current Assessed Valuation and Tax Revenues” regarding negative tax increment generated by the Federal Office Building Redevelopment Project Area. See “THE PROJECT AREAS – Project

Areas – Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)” and “ – Excluded Tax Increment from State-Owned Parcels.” See also APPENDIX B – “FISCAL CONSULTANT REPORT.”

Excluded Tax Increment from State-Owned Parcels. Pursuant to the redevelopment plan for the Transbay Project Area, State-Owned Parcel Net Tax Increment from certain parcels within the Transbay Project Area totaling approximately 10 acres of land currently or previously owned by the State (referred to herein as the “**State-Owned Parcels**”) has been pledged to the TJPA to help pay the cost of replacing the former Transbay Terminal. “**State-Owned Parcel Net Tax Increment**” as used herein means all property and tax increment revenues attributable to the parcels transferred to the City and/or the TJPA pursuant to the Cooperative Agreement, dated as of July 11, 2003, by and among the City, the State and the TJPA, allocated to and received by the Successor Agency, but specifically excluding (i) charges for County administrative charges, fees or costs; (ii) the portion of the tax increment revenues that the Former Agency was required by law to set aside in the Former Agency’s affordable housing fund, pursuant to the Redevelopment Law (herein referred to as the former “**State-Owned Parcels Housing Set-Aside**”); (iii) a portion of the tax increment revenues equal to the percentage of such revenue required to pay all governmental entities as required under the Redevelopment Law; and (iv) the portion of tax increment revenues equal to the percentage of such revenues that the State may mandate the Successor Agency, as successor to the Former Agency, to pay from time to time in the future.

Under the Indenture, Pledged Tax Revenues exclude amounts required to be paid to the TJPA in accordance with the redevelopment plan for the Transbay Project Area (i.e. State-Owned Parcel Net Tax Increment). Therefore, State-Owned Parcel Net Tax Increment is not available for payment of debt service on the 2023A/B Bonds. State-Owned Parcel Net Tax Increment for Fiscal Year 2023-24 is approximately \$28.4 million. See Appendix B – “Fiscal Consultant Report.” The tax increment from the State-Owned Parcels in excess of the State-Owned Parcel Net Tax Increment is deposited into the RPTTF. Such excess is equal to the former State-Owned Parcels Housing Set-Aside and the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels. For Fiscal Year 2023-24, such excess totaled approximately \$22.9 million. This amount is anticipated to be available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Former Housing Fund*” and “ – *Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds.*”

Tax Allocation Financing

Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described herein. See “CERTAIN RISK FACTORS.”

Prior to the enactment of AB 26, the Redevelopment Law authorized the financing of redevelopment projects through the use of tax increment revenues. This method provided that the taxable valuation of the property within a redevelopment project area on the property tax roll last equalized prior to the effective date of the ordinance, which adopted the redevelopment plan, became the base year valuation. Assuming the taxable valuation never dropped below the base year level, the taxing agencies thereafter generally received that portion of the taxes produced by applying then current tax rates to the base year valuation, and the redevelopment agency was allocated the remaining portion produced by applying then current tax rates to the increase in valuation over the base year. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of such agency’s obligations.

The Redevelopment Dissolution Act authorizes bonds, including the 2023A/B Bonds, to be secured by a pledge of, and to be payable from and further secured by, property tax revenues deposited from time

to time in the Redevelopment Property Tax Trust Fund held by the auditor-controller of the City and County of San Francisco (the “**City Controller**”) with respect to the Successor Agency (the “**Redevelopment Property Tax Trust Fund**” hereinafter referred to as “**RPTTF**”), if those revenues are not otherwise obligated. Such funds are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects. **DISCUSSIONS HEREIN REGARDING TAX INCREMENT OR TAX REVENUES NOW REFER TO THOSE MONEYS DEPOSITED BY THE CITY CONTROLLER INTO THE RPTTF AND NOT OBLIGATED FOR OTHER PURPOSES.**

Security and Sources of Payment for the 2023A/B Bonds

The 2023A/B Bonds are limited obligations of the Successor Agency entitled to the benefits of the Indenture and payable from and secured by the Pledged Tax Revenues (defined herein) on a parity with the 2017A/B Bonds and the 2021A Bonds. Pledged Tax Revenues, as more fully described herein, do not include the State-Owned Parcel Net Tax Increment from the State-Owned Parcels or any tax increment revenues from, or amounts deposited in, the RPTTF attributable to the other Excluded Project Areas. The payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds is subordinate to payment of the City Controller Administration Fee and payments due on the Senior Obligations. The Successor Agency has covenanted that it will not issue additional debt payable from the Pledged Tax Revenues on a basis senior to the payment of debt service on the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds except for the purpose of refunding the Senior Obligations. The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area in the next five years and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. See “– Third Lien Parity Debt” and “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act,” “– Security for the 2023A/B Bonds; Equal Security,” “– Senior Obligations,” “– Parity Obligations,” and “– Limitations on Additional Indebtedness.”

The Redevelopment Dissolution Act requires the City Controller to determine the amount of property taxes that would have been allocated to the Former Agency had it not been dissolved pursuant to the operation of AB 26, using current assessed values on the last equalized roll on August 20, and to deposit such amount in the RPTTF. The Redevelopment Dissolution Act further provides that Successor Agency bonds authorized under Section 34177.7 “*may be secured by property tax revenues available in the successor agency’s Redevelopment Property Tax Trust Fund from those project areas that generated tax increment for the Redevelopment Agency of the City and County of San Francisco upon its dissolution, if the revenues are not otherwise obligated*” (Stats. 2015, ch. 325, § 27(e)). Such bonds will be secured by a pledge of, and lien on, and will be repaid from, moneys deposited from time to time in the RPTTF. Property tax revenues pledged to any bonds authorized under the Redevelopment Dissolution Act are taxes allocated to the successor agency pursuant to the provisions of the Redevelopment Law and the State Constitution which provided for the allocation of tax increment revenues under the Redevelopment Law. Section 34177.7(g) of the Redevelopment Dissolution Act provides that the Successor Agency’s bonds will be considered indebtedness incurred by the dissolved Former Agency, with the same legal effect as if such bonds had been issued prior to the effective date of AB 26 and in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date. The Successor Agency must include debt service payments for such bonds on its Recognized Obligation Payment Schedule (defined herein) in order for such amounts to be distributed to the Successor Agency and be available to pay debt service on the 2023A/B Bonds as described below. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule.”

The Redevelopment Dissolution Act requires compliance by the Successor Agency with a procedure for preparation of a Recognized Obligation Payment Schedule in order to receive funds for payment of debt service and submission thereof to the Oversight Board and the California Department of Finance for approval. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act.” Taxes levied on the property within the Project Areas on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various properties within the Project Areas, to the extent that such taxes constitute tax revenues, will be deposited in the RPTTF for transfer by the City Controller to the Successor Agency’s Redevelopment Obligation Retirement Fund (the “**Retirement Fund**”) on January 2 and June 1 of each year (adjusted for weekends and holidays) to the extent required for payments listed in the Successor Agency’s Recognized Obligation Payment Schedule in accordance with the requirements of the Redevelopment Dissolution Act. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule.” Moneys deposited by the City Controller into the Retirement Fund representing Pledged Tax Revenues will first be deposited by the Successor Agency in the “Third Lien Special Fund” which is to be held by the Successor Agency within the Retirement Fund (the “**Special Fund**”) and will then be transferred by the Successor Agency to the Trustee for deposit in the Debt Service Fund established under the Indenture and administered by the Trustee in accordance with the Indenture.

The 2023A/B Bonds are limited obligations of the Successor Agency, the principal of, and interest on which are payable solely from Pledged Tax Revenues and certain other amounts on deposit in the funds and accounts held under the Indenture on a parity with the 2017A/B Bonds and the 2021A Bonds. The 2023A/B Bonds are not a debt of the City, the State or any of their political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable therefor. The 2023A/B Bonds do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Successor Agency has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the 2023A/B Bonds. None of the members of the Successor Agency Commission (defined herein), the Successor Agency, the City, or the persons executing the 2023A/B Bonds is liable personally for the 2023A/B Bonds by reason of their issuance. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act” and “PLEDGED TAX REVENUES AND DEBT SERVICE.”

Senior Obligations

The pledge of tax increment revenues from the Project Areas to pay debt service on the 2023A/B Bonds is *subordinate* to the prior pledge, or priority of payment, of such tax increment revenue to the payment of the Existing Senior Loan Agreements (defined herein) and the Second Lien Debt (defined herein) (collectively, the “**Senior Obligations**,” as further described herein). As of August 2, 2023, there was approximately \$262 million aggregate principal amount of Senior Obligations outstanding. Approximately \$10 million of such aggregate principal amount is secured by pledges of tax revenue from Mission Bay North and Mission Bay South Project Areas (collectively, the “**Mission Bay Senior Loan Agreements**”), which are Excluded Project Areas. However, in the event there is insufficient money in any reserve account established under either of the Mission Bay Senior Loan Agreements to transfer to the applicable trustee when due under such loan agreement, the Successor Agency is obligated to cause tax increment revenue from certain of the Project Areas in the amount of such insufficiency, subject to a certain maximum amount, to be paid to the applicable trustee. The Successor Agency has covenanted that it will not issue additional debt payable from the pledged tax increment revenues from the Project Areas on a basis senior to the payment of debt service on the 2023A/B Bonds, except for the purpose of refunding the

Existing Senior Loan Agreements and the Second Lien Debt. See also “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – General” and “– Existing Senior Obligations.”

Third Lien Parity Debt

In addition to the Senior Obligations described above, as of August 2, 2023, the Successor Agency had outstanding \$44,350,000 aggregate principal amount of the 2017A/B Bonds and \$126,580,000 aggregate principal amount of the 2021A Bonds, the debt service on which is payable on a parity with the payment of debt service on the 2023A/B Bonds from Pledged Tax Revenues. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations.”

The Successor Agency has the right to issue additional indebtedness payable on a parity with the 2023A/B Bonds from Pledged Tax Revenues upon the satisfaction of certain conditions set forth in the Indenture. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Third Lien Parity Debt*.” The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area in the next five years and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. The amounts and time in the preceding sentence reflect current projections. No assurance can be given as to the exact timing or amount of any additional bond issuances.

Reserve Account

The Indenture establishes a “**2023A Reserve Subaccount**” within the Reserve Account for the 2023 Series A Taxable Bonds to be maintained in an amount at least equal to the Reserve Requirement (defined herein) for the 2023 Series A Taxable Bonds and a “**2023B Reserve Subaccount**” within the Reserve Account for the 2023 Series B Bonds to be maintained in an amount at least equal to the Reserve Requirement for the 2023 Series B Bonds (the 2023A Reserve Subaccount and the 2023B Reserve Subaccount, together, the “**Reserve Subaccounts**”). The Reserve Requirement for the 2023 Series A Taxable Bonds and the Reserve Requirement for the 2023 Series B Bonds will be calculated separately and without regard to the 2017A/B Bonds, the 2021A Bonds or any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds in the future (such additional bonds, loans, advances and indebtedness hereinafter referred to as “**Third Lien Parity Debt**”). AGM has committed to issue, simultaneously with the issuance of the 2023A/B Bonds, (i) the 2023A Reserve Policy for delivery to the Trustee, who will credit it to the 2023A Reserve Subaccount, for the benefit of the 2023 Series A Taxable Bonds, and (ii) the 2023B Reserve Policy for delivery to the Trustee, who will credit it to the 2023B Reserve Subaccount, for the benefit of the 2023 Series B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Special Fund; Deposit of Pledged Tax Revenues – *Reserve Account*.”

Bond Insurance

Concurrently with the issuance of the 2023A/B Bonds, Assured Guaranty Municipal Corp. (“AGM”) will issue its Municipal Bond Insurance Policy (the “**Insurance Policy**”) for the 2023A/B Bonds. The Insurance Policy guarantees the scheduled payment of principal of and interest on the 2023A/B Bonds when due as set forth in the form of the Insurance Policy in APPENDIX G – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.” *See “BOND INSURANCE.”*

Certain Risk Factors

Certain events could affect the ability of the Successor Agency to pay debt service on the 2023A/B Bonds when due. See “CERTAIN RISK FACTORS” for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the 2023A/B Bonds.

Public Health Emergency

In February 2023, the State of California and the San Francisco Department of Public Health ended their respective COVID-19 public health emergencies with respect to COVID-19, which had been declared a pandemic by the World Health Organization (the “WHO”). The WHO and the U.S. Department of Health and Human Services (“HHS”) ended their respective COVID-19 public health emergency declarations in May 2023. HHS determined that COVID-19 remained a public health priority and indicated it would monitor the latest subvariants. As the City recovers from the COVID-19 pandemic, it faces certain challenges. According to the City, it experienced a net loss of 54,813 people from 2020 to 2021, and it has been reported that the office vacancy rate in the City was as high as 31.6% in the second quarter of 2023 and in June and August of 2023 two office buildings in San Francisco, outside of the Project Areas, were sold for prices 66% and over 70% less than their respective assessed values. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Projected Pledged Tax Revenues and Debt Service Coverage” and “CERTAIN RISK FACTORS – Reductions to Tax Base and Assessed Values,” “ – Appeals to Assessed Values,” “ – Public Health Emergencies” and “ – Office Vacancy in San Francisco; Impact on Property Taxes and Other Revenues.”

Continuing Disclosure

The Successor Agency has covenanted for the benefit of Owners and Beneficial Owners to provide certain financial information and operating data relating to the Successor Agency not later than six (6) months after the end of each Fiscal Year, commencing with the Fiscal Year ending June 30, 2023 (the “Annual Report”), and to provide notices of the occurrence of certain enumerated events. The Annual Report and notices of the specified events will be filed with the Municipal Securities Rulemaking Board (the “MSRB”) through the Electronic Municipal Market Access website (“EMMA”) of the MSRB. The specific nature of the information to be contained in the Annual Report and the notice of events is set forth in APPENDIX D – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants have been made in order to assist the Underwriters (defined herein) in complying with S.E.C. Rule 15c2-12(b)(5).

See “CONTINUING DISCLOSURE” for additional information.

Available Information

This Official Statement contains brief descriptions of the 2023A/B Bonds, the security for the 2023A/B Bonds, the Indenture, the Successor Agency, the Former Agency, the City, the Project Areas and certain other information relevant to the issuance of the 2023A/B Bonds. All references herein to the Indenture, the Redevelopment Law, the Redevelopment Dissolution Act, the State Constitution and laws of the State are qualified in their entirety by reference to the complete text thereof and all references to the 2023A/B Bonds are further qualified by reference to the form thereof contained in the Indenture.

The Successor Agency’s audited financial statements for the period ended June 30, 2022, are included in APPENDIX A – “SUCCESSOR AGENCY’S AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022.” Urban Analytics, LLC, San Francisco, California (the “Fiscal Consultant”), is providing consulting services to the Successor Agency with respect to the Project Areas and their projected taxable values and anticipated tax increment revenues. The Fiscal Consultant’s report is attached hereto as

APPENDIX B – “FISCAL CONSULTANT REPORT.” The proposed form of legal opinion of Bond Counsel relating to the 2023A/B Bonds is set forth in APPENDIX E – “FORM OF BOND COUNSEL FINAL OPINION.”

The information set forth herein and in the Appendices hereto has been furnished by the Successor Agency and includes information which has been obtained from other sources, which are believed to be reliable but is not guaranteed as to accuracy or completeness by the Successor Agency or the Underwriters and is not to be construed as a representation by the Underwriters. Copies of documents referred to herein and information concerning the 2023A/B Bonds are available upon written request from the Trustee, U.S. Bank Trust Company, National Association, One California Street, Suite 1000, Mail Code: SF-CA-SFCT, San Francisco, California 94111. Within the City, the Successor Agency, which is constituted as the Office of Community Investment and Infrastructure or “OCII,” may be contacted at: Office of Community Investment and Infrastructure, One South Van Ness Avenue, 5th Floor, San Francisco, California 94103; telephone: (415) 749-2465. The Successor Agency will respond to requests by any Bondowner for public information. The Successor Agency may impose a charge for copying, mailing and handling.

PLAN OF FINANCE

A portion of the net proceeds from the sale of the 2023 Series A Taxable Bonds will be used to finance the development and/or construction of affordable housing under the Affordable Housing Obligations. Said housing is expected to consist of approximately 537 units of housing in the Transbay Project Area, as further set forth in the table below. However, the Successor Agency may use proceeds of the 2023 Series A Taxable Bonds to finance other affordable housing developments under the Affordable Housing Obligations.

Projects to be Financed with Proceeds of 2023 Series A Taxable Bonds

Name	Location	Units¹	Construction Financing Amount (\$millions)¹	Estimated Completion Date	Targeted AMI
Transbay 2W	Transbay Project Area	151	\$65	2026	Averaging 60% and below
Transbay 2E	Transbay Project Area	184	\$73	2026	Averaging 60% and below
Transbay 4	Transbay Project Area	202	To be determined	2030	Up to 100% AMI Avg 60% or below

¹ Units are estimates and subject to change. Projects include existing predevelopment loans that will be incorporated into new construction loans

Proceeds of the 2023 Series A Taxable Bonds also will be used to pay costs associated with the issuance of the 2023 Series A Taxable Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023 Series A Taxable Bonds and the premium for the 2023A Reserve Policy. See “INTRODUCTION – Reserve Account” and “– Bond Insurance.”

The Successor Agency expects a portion of the net proceeds of the 2023 Series B Bonds will be used to finance infrastructure, specifically, improvements in the Transbay Project Area in the form of funding the design, engineering and construction of a park consisting of approximately 2.4 acres that will be located predominantly under the I-80 Fremont Street off-ramp and the Transbay Joint Powers Authority bus ramp serving the new Salesforce Transit Center and the design, engineering and construction of a new

1-acre park, streetscape improvements and new street extensions adjacent to the 1-acre park. However, the Successor Agency may use proceeds of the 2023 Series B Bonds to finance other infrastructure improvements in the Transbay Project Area. Proceeds of the 2023 Series B Bonds also will be used to pay costs associated with the issuance of the 2023 Series B Bonds, including the portion of the premium for the Insurance Policy allocable to the 2023 Series B Bonds and the premium for the 2023B Reserve Policy. See “INTRODUCTION – Reserve Account” and “ – Bond Insurance.”

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the 2023A/B Bonds are as follows:

<i>Sources:</i>	2023 Series A Taxable Bonds	2023 Series B Bonds	Total
Par Amount	\$24,505,000.00	\$35,210,000.00	\$59,715,000.00
Original Issue Premium	-	2,539,811.85	2,539,811.85
Total Sources	<u>\$24,505,000.00</u>	<u>\$37,749,811.85</u>	<u>\$62,254,811.85</u>
<i>Uses:</i>			
2023A Bonds Project Fund	\$24,000,000.00	-	\$24,000,000.00
2023B Bonds Project Fund	-	\$37,000,000.00	37,000,000.00
Costs of Issuance ⁽¹⁾	396,281.25	637,611.85	1,033,893.10
Underwriters' Discount	108,718.75	112,200.00	220,918.75
Total Uses	<u>\$24,505,000.00</u>	<u>\$37,749,811.85</u>	<u>\$62,254,811.85</u>

⁽¹⁾ Costs of issuance include legal, financing and consultant fees, rating agency fees, the fees for the Reserve Policies and Insurance Policy, and other miscellaneous expenses incurred in connection with the issuance of the 2023A/B Bonds.

THE 2023A/B BONDS

Authority for Issuance

The 2023A/B Bonds were authorized for issuance pursuant to the Indenture, the Redevelopment Law and the Redevelopment Dissolution Act. See “INTRODUCTION – The Successor Agency.” Issuance of the 2023A/B Bonds and the execution of the related documents were authorized by the Successor Agency pursuant to a resolution adopted on March 21, 2023 (the “**Resolution**”), and approved by the Successor Agency’s Oversight Board pursuant to a resolution of the Oversight Board adopted on April 7, 2023 (the “**Oversight Board Resolution**”).

Written notice of the Oversight Board Resolution was provided to the California Department of Finance, as required by the Redevelopment Dissolution Act, on April 7, 2023. On April 13, 2023, which is within the time period allotted under the Redevelopment Dissolution Act for the California Department of Finance to review the Oversight Board Resolution, the California Department of Finance provided a letter to the Successor Agency stating that, based on the California Department of Finance’s review of the Oversight Board Resolution and application of applicable law, the California Department of Finance approved of the issuance of the 2023A/B Bonds.

Designation as Social Bonds

The Successor Agency is designating the 2023 Series A Taxable Bonds as “Social Bonds” as it has determined that the projects to be financed with the proceeds of the 2023 Series A Taxable Bonds are “Social Projects” based on the social benefits of addressing affordable housing within the City, and in

accordance with the Successor Agency's mission of funding and facilitating delivery of affordable housing and infrastructure throughout its project areas.

The projects planned to be financed with proceeds of the 2023 Series A Taxable Bonds will address the need within the City to preserve or increase affordable housing stock. See “– Use of Proceeds” below. The Successor Agency retained affordable housing obligations integrally related to the Major Approved Development Projects (defined herein) that the Successor Agency must continue to implement pursuant to the Affordable Housing Obligations, which are enforceable obligations, consistent with the Redevelopment Dissolution Act. See “THE SUCCESSOR AGENCY – Continuing Activities” below. The obligations include direct funding through loans or grants to “stand-alone,” or 100% affordable, residential developments as well as below market rate “inclusionary” housing that is required through Successor Agency development agreements with private developers in connection with market rate housing, and for which no subsidy is provided by the Successor Agency. The Successor Agency manages these affordable housing development obligations through direct oversight and underwriting along with services procured from the Mayor's Office of Housing and Community Development (“**MOHCD**”) through a 2014 Memorandum of Understanding. In general, the Successor Agency is responsible for directly managing the affordable housing projects' development through construction completion. The Successor Agency also procures services from the MOHCD's staff for review and monitoring of marketing for both inclusionary and Successor Agency funded projects (including implementation of the Certificate of Preference program), and assisting with the fiscal management and disbursement of the Successor Agency's funds pursuant to the relevant project's financing agreements, and other ancillary tasks as needed. Upon completion of the project, defined as constructed, occupied, and conversion to permanent financing, the Successor Agency will transfer the affordable housing assets, such as land, funding agreements, ground leases, and affordability restrictions, for each completed project to the MOHCD. The MOHCD will then be responsible for all asset management responsibilities for the transferred projects. As a result of these retained affordable housing obligations, the Successor Agency is responsible for overseeing the creation of thousands of units of affordable housing related to the Major Approved Development Projects. As of July 1, 2023, a total of 9,239 housing units have been completed and occupied across the Major Approved Development Projects, with 12,688 housing units in various stages of construction, predevelopment, planning and future development. Of the 21,927 total units already completed or planned, the Successor Agency must produce over 7,109 affordable housing units. Over 60% (4,328 units) will be funded by the Successor Agency. A summary table is provided below.

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**Total Housing Production for the Successor Agency in the Major Approved Development Projects
(as of July 1, 2023)**

Project Status	Mission Bay North	Mission Bay South	Transbay	Hunters Point Shipyard Phase 1⁽¹⁾	Hunters Point Shipyard Phase 2⁽²⁾ and Candlestick Point⁽³⁾	Total
Completed & Occupied	2,964	3,237	2,196	505	337	9,239
In Construction	0	148	0	262	0	410
In Predevelopment	0	0	1,016	628	1,263	2,907
In Planning	0	186	0	0	1,225	1,411
Future Development	0	0	80	33	7,847	7,960
Total	2,964	3,571	3,292	1,428	10,672	21,927
% Complete	100%	91%	67%	35%	3%	42%

⁽¹⁾ Hunters Point Hill Residential District (Hunters Point Shipyard Project Area).

⁽²⁾ Hunters Point Shipyard Project Area, except Hunters Point Hill Residential District.

⁽³⁾ Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B.

The designation of the 2023 Series A Taxable Bonds as “Social Bonds” is intended to generally comport with The Social Bond Principles promulgated by the International Capital Market Association (“ICMA”), updated as of June 2023. As promulgated by the ICMA and most recently updated in June 2023, the “Social Bond Principles” have four core components (i.e., Use of Proceeds, Process for Project Evaluation and Selection, Management of Proceeds, and Reporting), each of which are further described below.

The term “Social Bonds” is neither defined in nor related to provisions in the Indenture. The 2023 Series A Taxable Bonds are payable from and secured solely by Pledged Tax Revenues and moneys held in certain funds and accounts by the Trustee under the Indenture on a parity with the 2023 Series B Bonds, the 2017A/B Bonds and the 2021A Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” Owners of the 2023 Series A Taxable Bonds do not assume any specific project risk related to any of the projects funded thereby. ICMA is a European-based entity with some members from the United States. The Successor Agency assumes no obligation to ensure that the projects financed with proceeds of the 2023 Series A Taxable Bonds comply with any legal or other standards or principles that may relate to “Social Projects” or that the 2023 Series A Taxable Bonds comply with any legal or other standards or principles that may relate to “Social Bonds.” The designation of the 2023 Series A Taxable Bonds as Social Bonds does not entitle the Owners thereof to any special treatment under the Internal Revenue Code of 1986, as amended.

ICMA Mapping of Social Bond Principles to United Nations Sustainable Development Goals. By reference to the ICMA “Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals” (June 2023), the Successor Agency has determined that its Social Bonds

designation reflects the use of proceeds in a manner that is consistent with “Goal 1: No Poverty”, “Goal 10: Reduced Inequalities” and “Goal 11: Sustainable Cities and Communities” of the United Nations 17 Sustainable Development Goals (referred to as “UNSDGs” generally and “SDG 1”, “SDG 10” and “SDG 11,” specifically). According to the United Nations, the UNSDGs were adopted by the United Nations General Assembly in September 2015 as part of its 2030 Agenda for Sustainable Development. According to the United Nations, SDG 1 is focused on ending poverty in all its forms everywhere, SDG 10 is focused on reducing inequality and SDG 11 is focused on making the cities inclusive, safe, resilient and sustainable. ICMA maps SDG 1.4 to ICMA Social Bond Principles “Affordable Housing,” “Access to Essential Services,” and “Socioeconomic Advancement and Empowerment”; and maps SDG 11.1 to ICMA Social Bond Principles “Affordable Housing” and “Affordable Basic Infrastructure.”

Use of Proceeds. The Successor Agency expects to use a portion of the proceeds of the 2023 Series A Taxable Bonds to finance approximately 537 affordable housing units in the Transbay Project Area. However, the Successor Agency may use proceeds of the 2023 Series A Taxable Bonds to finance other affordable housing developments under its Affordable Housing Obligations. See “PLAN OF FINANCE” for more details. Affordable housing units are defined as being restricted to, and priced for, households earning up to 120% of the Area Median Income (“AMI”). The Successor Agency’s rental projects typically serve low or very-low income households (up to 50% or 60% of AMI), while affordable homeownership units are designated for first-time low to moderate income buyers earning between 80%-120% of AMI. Ground leases for such projects guarantee affordability for 100 years. Allocation of proceeds occurs through the Successor Agency’s annual budget and ROPS (defined herein) process, and is tracked through an accounting system. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule.”

Process for Project Evaluation and Selection. The Successor Agency maintains a documented process to determine that projects fit within the defined AMI categories listed above, and the Successor Agency’s development agreements identify the locations and total number of affordable units to be funded in each project area.

Reporting. The Successor Agency produces annual housing reports, which provide status updates for housing projects associated with the Major Approved Development Projects as well as other projects. The reports can be found at <https://sfocii.org/housing-report/overview>. The Successor Agency also provides updates through its annual budgets, which can be found at <https://sfocii.org/investor-relations-0>. The information available on such websites is not incorporated by reference into this Official Statement and should not be relied upon in making an investment in the 2023A/B Bonds.

Description of the 2023A/B Bonds

The 2023A/B Bonds will be issued in the form of fully registered bonds without coupons and in principal denominations of \$5,000 or any integral multiple thereof. No 2023A/B Bond will have more than one maturity date.

The 2023A/B Bonds will be dated, and will bear interest from, their date of delivery to the original purchasers thereof. The 2023A/B Bonds will be issued in the respective aggregate amounts, will bear interest at the respective rates and will mature, subject to redemption provisions set forth hereinafter, on the respective dates and in the amounts all as set forth on the inside cover page hereof.

Interest on the 2023A/B Bonds will be payable on February 1 and August 1 of each year, commencing February 1, 2024 (each, an “**Interest Payment Date**”). Interest on the 2023A/B Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each 2023A/B Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (i) it is

authenticated after the close of business on the fifteenth (15th) calendar day of the month preceding an Interest Payment Date whether or not such fifteenth (15th) calendar day is a business day (the “**Record Date**”) and on or before the following Interest Payment Date, in which event it will bear interest from such Interest Payment Date, or (ii) it is authenticated on or prior to January 15, 2024, in which event it will bear interest from the date of delivery of the 2023A/B Bonds to the original purchasers thereof, provided, however, that if at the time of authentication of a 2023A/B Bond, interest thereon is in default, such 2023A/B Bond will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Book-Entry Only System

Each Series of 2023A/B Bonds initially will be issued as fully registered bonds without coupons for each maturity of such Series of 2023A/B Bonds. Upon initial delivery, the ownership of the 2023A/B Bonds will be registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), New York, New York. DTC will act as a securities depository for the 2023A/B Bonds. Individual purchases may be made in book-entry only form. Purchasers will not receive certificates representing their beneficial ownership interest in the 2023A/B Bonds so purchased. So long as DTC, or its nominee, Cede & Co., is the registered owner of the 2023A/B Bonds, payments of principal, premium, if any, and interest evidenced by the 2023A/B Bonds will be made to DTC or its nominee, Cede & Co., as registered owner of the 2023A/B Bonds and references herein and in the Indenture to the Owners or Bondowners mean Cede & Co. and do not mean the Beneficial Owners of the 2023A/B Bonds. In this Official Statement, the term “**Beneficial Owner**” means the person for whom a DTC Participant acquires an interest in the 2023A/B Bonds. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Each such payment to DTC or its nominee will be valid and effective to fully discharge all liability of the Successor Agency or the Trustee with respect to the principal of or interest on the 2023A/B Bonds to the extent of the sum or sums so paid. The Successor Agency and the Trustee cannot and do not give any assurance that DTC’s Direct Participants or Indirect Participants will distribute to Beneficial Owners (i) payments of interest, principal or premium, if any, with respect to the 2023A/B Bonds, (ii) confirmation of ownership interests in the 2023A/B Bonds, or (iii) notices sent to DTC or Cede & Co., its nominee, as registered owner of the 2023A/B Bonds, or that DTC’s Direct Participants or Indirect Participants will do so on a timely basis.

Neither the Successor Agency nor the Trustee will have any responsibility or obligation to DTC Direct Participants, Indirect Participants or Beneficial Owners with respect to the payments or the providing of notice to DTC Direct Participants, Indirect Participants or Beneficial Owners or the selection of the 2023A/B Bonds for redemption. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

In the event that either (i) DTC or a successor securities depository determines not to continue to act as a securities depository for the 2023A/B Bonds, or (ii) the Successor Agency determines to terminate DTC or a successor securities depository as such, then the Successor Agency will discontinue the book-entry system. Thereupon, DTC or the then current securities depository will furnish the Trustee with the names and addresses of the book-entry system Participants and their respective ownership interests thereof and the Trustee will issue replacement 2023A/B Bonds thereto.

Redemption Provisions

Optional Redemption. The 2023 Series A Taxable Bonds maturing on or prior to August 1, 2033, are not subject to optional redemption. The 2023 Series A Taxable Bonds maturing on or after August 1, 2034, are subject to optional redemption at the option of the Successor Agency, prior to their respective

maturity dates as a whole, or in part by a lot, on any date on or after August 1, 2033, by such maturity or maturities as will be directed by the Successor Agency (or in the absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption will be at a redemption price equal to 100% of the principal amount of the 2023 Series A Taxable Bonds to be redeemed, plus accrued but unpaid interest thereon to the date fixed for redemption, without premium.

The 2023 Series B Bonds are subject to optional redemption prior to their respective maturity dates as a whole, or in part by lot, on any date on or after August 1, 2033, by such maturity or maturities as will be directed by the Successor Agency (or in absence of such direction, pro rata by maturity and by lot within a maturity), from any source of available funds. Such optional redemption will be at a redemption price equal to 100% of the principal amount of the 2023 Series B Bonds to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The 2023 Series A Taxable Bonds that are Term Bonds (the “**2023A Term Bonds**”) maturing on August 1, 2041, are subject to mandatory sinking fund redemption in whole, or in part by lot, on August 1 in each year, commencing on August 1, 2036, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years set forth in the following table; provided, however, that (a) in lieu of mandatory sinking fund redemption thereof, such 2023A Term Bonds may be purchased by the Successor Agency as described below, and (b) if some but not all of such 2023A Term Bonds have been redeemed by optional redemption as described above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2023A Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination will be given by the Successor Agency to the Trustee).

2023 Series A Taxable Term Bonds maturing on August 1, 2041

Sinking Account Redemption Date <u>(August 1)</u>	Principal Amount to be Redeemed
2036	\$1,560,000
2037	1,650,000
2038	1,750,000
2039	1,850,000
2040	1,960,000
2041*	1,960,000
	\$10,730,000

*Maturity

The 2023 Series B Bonds that are Term Bonds (the “**2023B Term Bonds**” and, together with the 2023A Term Bonds, the “**2023A/B Term Bonds**”) maturing on August 1, 2043, August 1, 2048, and August 1, 2053, are subject to mandatory sinking fund redemption in whole, or in part by lot, on August 1 in each year commencing on August 1, 2041, August 1, 2044, and August 1, 2049, respectively, as set forth below, from sinking fund payments made by the Successor Agency to the Principal Account pursuant to the Indenture, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on August 1 in the respective years as set forth in the following tables; provided, however, that (a) in lieu of mandatory sinking fund redemption thereof, such 2023B Term Bonds may be purchased by the Successor Agency as described below, and (b) if some

but not all of such 2023B Term Bonds have been redeemed by optional redemption as described above, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of such 2023B Term Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of \$5,000 as determined by the Successor Agency (notice of which determination will be given by the Successor Agency to the Trustee).

2023 Series B Term Bonds maturing on August 1, 2043

Sinking Account Redemption Date (August 1)	Principal Amount to be Redeemed
2041	\$115,000
2042	2,200,000
2043*	2,310,000
	<hr/> \$4,625,000
* Maturity	

2023 Series B Term Bonds maturing on August 1, 2048

Sinking Account Redemption Date (August 1)	Principal Amount to be Redeemed
2044	\$2,425,000
2045	2,545,000
2046	2,675,000
2047	2,805,000
2048*	2,945,000
	<hr/> \$13,395,000
* Maturity	

2023 Series B Term Bonds maturing on August 1, 2053

Sinking Account Redemption Date (August 1)	Principal Amount to be Redeemed
2049	\$3,095,000
2050	3,255,000
2051	3,430,000
2052	3,610,000
2053*	3,800,000
	<hr/> \$17,190,000
* Maturity	

Purchase in Lieu of Redemption. In lieu of redemption of the 2023A/B Term Bonds pursuant to the preceding paragraphs, the Successor Agency may purchase such 2023A/B Term Bonds at public or private sale as and when and at such prices (including brokerage and other charges) as the Successor Agency may in its discretion determine. The par amount of any of such 2023A/B Term Bonds so purchased by the Successor Agency in any twelve-month period ending on June 1 in any year will be credited towards and

will reduce the par amount of such 2023A/B Term Bonds required to be redeemed on August 1 in each year.

Selection of Bonds for Redemption. Whenever any 2023A/B Bonds or any Parity Debt (defined herein) issued pursuant to a supplement to the Indenture (such Parity Debt and 2023A/B Bonds hereinafter together referred to as, “**Bonds**”) or portions thereof are to be selected for redemption by lot, the Trustee will make such selection, in such manner as the Trustee will deem appropriate, and will notify the Successor Agency thereof to the extent Bonds are no longer held in book-entry form. In the event of redemption by lot of Bonds, the Trustee will assign to each Bond then Outstanding a distinctive number for each \$5,000 of the principal amount of each such Bond. The Bonds to be redeemed will be the Bonds that were assigned the numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$5,000 will be redeemed as will equal \$5,000 for each number assigned to it and so selected.

Notice of Redemption; Rescission. Notice of redemption will be mailed by the Trustee by first class mail no less than thirty (30) and no more than sixty (60) days prior to the redemption date (i) to any insurer of the Bonds and to the Owners of any Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) to the Securities Depositories and one or more Information Services designated in a Written Request of the Successor Agency filed with the Trustee; but such mailing will not be a condition precedent to such redemption and neither failure to receive any such notice nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice will state the redemption date and the redemption price, will state, in the case of an optional redemption, that such redemption is conditioned upon the timely delivery of the redemption price by the Successor Agency to the Trustee for deposit in the Redemption Account, will designate the CUSIP number of the Bonds to be redeemed, will state the individual number of each Bond to be redeemed or will state that all Bonds between two stated numbers (both inclusive) or all of the Bonds Outstanding are to be redeemed, and will require that such Bonds be then surrendered at the Principal Corporate Trust Office of the Trustee for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

The Successor Agency has the right to rescind any optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any such notice of optional redemption will be canceled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default under the Indenture. If any redemption is rescinded or canceled in accordance with the Indenture, the Trustee will mail notice of such rescission or cancellation in the same manner and to the same recipients as the original notice of such redemption was sent, and neither the Successor Agency nor Trustee will have any liability to Owners or any other party related to or arising from such rescission of redemption.

Partial Redemption of Bonds. In the event only a portion of any Bond is called for redemption, then upon surrender of such Bond the Successor Agency will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Successor Agency, a new Bond or Bonds of the same interest rate and maturity, of authorized denominations, in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the redemption price of and interest on the Bonds so called for redemption will have been duly deposited with the Trustee, such Bonds so called will be cancelled and cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price and accrued interest to

the redemption date, and no interest will accrue thereon from and after the redemption date specified in such notice.

Transfer and Exchange. The Bonds may be transferred or exchanged for a bond of the same tenor, maturity and principal amount at the Principal Corporate Trust Office of the Trustee by the person in whose name it is registered, provided that the Trustee will not be required to register the transfer or exchange of (i) any Bonds during the period fifteen (15) days prior to the date established by the Trustee for selection of the Bonds for redemption, or (ii) any Bonds selected by the Trustee for redemption pursuant to the Indenture. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.” So long as Cede & Co. is the registered owner of the Bonds, transfers and exchanges of the Bonds will be subject to book-entry procedures. See APPENDIX F – “DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Mutilated, Lost, Destroyed or Stolen Bonds. The Successor Agency and the Trustee will, under certain circumstances, replace Bonds which have been mutilated, lost, destroyed or stolen. The Successor Agency may require payment of a reasonable fee and of the expenses which may be incurred by the Successor Agency and the Trustee in connection with the issuance of a new Bond to replace a Bond which has been mutilated, lost, destroyed or stolen. See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

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DEBT SERVICE SCHEDULE

Set forth below is a table showing scheduled principal, interest and total debt service for the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt (defined herein), consisting of the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds.

Bond Year ending August 1	Existing Senior Loan Agreements ⁽¹⁾	Second Lien Debt		Third Lien Debt							Total Debt Service
		2014 Bonds ⁽²⁾	2014 Parity Debt ⁽³⁾	2017A/B Bonds and 2021A Bonds ⁽⁴⁾	2023 Series A Taxable Bonds			2023 Series B Bonds			
					Principal	Interest	Debt Service	Principal	Interest	Debt Service	
2024	\$32,303,476.70	\$2,824,677.00	\$13,232,718.75	\$8,750,344.95	\$1,185,000.00	\$1,222,969.89	\$2,407,969.89		\$1,588,059.93	\$1,588,059.93	\$61,107,247.22
2025	23,564,226.70	2,907,781.00	6,050,718.75	19,261,155.45	870,000.00	1,323,994.80	2,193,994.80		1,803,475.00	1,803,475.00	55,781,351.70
2026	22,920,937.40	2,897,565.00	6,043,631.25	18,727,445.60	915,000.00	1,276,806.00	2,191,806.00		1,803,475.00	1,803,475.00	54,584,860.25
2027	22,896,480.80	2,917,099.00	6,059,331.25	18,431,233.25	965,000.00	1,228,311.00	2,193,311.00		1,803,475.00	1,803,475.00	54,300,930.30
2028	22,896,434.20	2,905,793.50	6,045,381.25	18,568,083.20	1,015,000.00	1,177,368.66	2,192,368.66		1,803,475.00	1,803,475.00	54,411,535.81
2029	22,876,470.50	2,900,430.50	6,051,475.00	18,754,150.35	1,070,000.00	1,123,989.80	2,193,989.80		1,803,475.00	1,803,475.00	54,579,991.15
2030	21,885,189.10	2,450,510.00	7,012,662.50	18,947,927.00	1,125,000.00	1,066,787.60	2,191,787.60		1,803,475.00	1,803,475.00	54,291,551.20
2031	23,858,861.00	1,213,483.50	3,428,968.75	22,599,947.50	1,190,000.00	1,006,082.60	2,196,082.60		1,803,475.00	1,803,475.00	55,100,818.35
2032	23,847,321.30	1,196,731.50	3,434,775.00	23,429,276.50	1,250,000.00	941,334.70	2,191,334.70		1,803,475.00	1,803,475.00	55,902,914.00
2033	23,839,710.70	1,198,518.50	3,435,150.00	1,801,875.00	1,320,000.00	872,697.20	2,192,697.20		1,803,475.00	1,803,475.00	34,271,426.40
2034	23,821,782.40	1,187,870.50	3,429,943.75	1,801,875.00	1,395,000.00	799,556.00	2,194,556.00		1,803,475.00	1,803,475.00	34,239,502.65
2035	19,304,731.80	1,190,274.50	3,766,700.00	1,801,875.00	1,475,000.00	720,445.56	2,195,445.56		1,803,475.00	1,803,475.00	30,062,501.86
2036	19,292,294.60		3,884,075.00	1,801,875.00	1,560,000.00	635,323.30	2,195,323.30		1,803,475.00	1,803,475.00	28,977,042.90
2037	13,727,503.10		4,064,093.75	1,801,875.00	1,650,000.00	542,955.70	2,192,955.70		1,803,475.00	1,803,475.00	23,589,902.55
2038	2,936,691.70		4,804,375.00	1,801,875.00	1,750,000.00	445,259.20	2,195,259.20		1,803,475.00	1,803,475.00	13,541,675.90
2039	2,921,541.70		4,805,062.50	1,801,875.00	1,850,000.00	341,641.70	2,191,641.70		1,803,475.00	1,803,475.00	13,523,595.90
2040			5,760,437.50	1,801,875.00	1,960,000.00	232,103.20	2,192,103.20		1,803,475.00	1,803,475.00	11,557,890.70
2041			3,258,250.00	2,341,875.00	1,960,000.00	116,051.60	2,076,051.60	\$115,000.00	1,803,475.00	1,918,475.00	9,594,651.60
2042				8,468,250.00				2,200,000.00	1,797,725.00	3,997,725.00	12,465,975.00
2043				8,490,562.50				2,310,000.00	1,687,725.00	3,997,725.00	12,488,287.50
2044				8,514,093.75				2,425,000.00	1,572,225.00	3,997,225.00	12,511,318.75
2045				9,024,000.00				2,545,000.00	1,450,975.00	3,995,975.00	13,019,975.00
2046				9,024,750.00				2,675,000.00	1,323,725.00	3,998,725.00	13,023,475.00
2047								2,805,000.00	1,189,975.00	3,994,975.00	3,994,975.00
2048								2,945,000.00	1,049,725.00	3,994,725.00	3,994,725.00
2049								3,095,000.00	902,475.00	3,997,475.00	3,997,475.00
2050								3,255,000.00	739,987.50	3,994,987.50	3,994,987.50
2051								3,430,000.00	569,100.00	3,999,100.00	3,999,100.00
2052								3,610,000.00	389,025.00	3,999,025.00	3,999,025.00
2053								3,800,000.00	199,500.00	3,999,500.00	3,999,500.00
TOTAL	\$322,893,653.70	\$25,790,734.50	\$94,567,750.00	\$227,748,095.05	\$24,505,000.00	\$15,073,678.51	\$39,578,678.51	\$35,210,000.00	\$45,119,297.43	\$80,329,297.43	\$790,908,209.19

- (1) The Successor Agency's obligation to pay debt service on the Existing Senior Loan Agreements is senior to that of the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loan Agreements.*"
- (2) Reflects debt service on the 2014 Bonds. The Successor Agency's obligation to pay debt service on the 2014 Bonds is senior to that of the 2023A/B Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loans and Second Lien Debt.*"
- (3) Reflects debt service on the 2014 Parity Debt, which consists of the 2017D/E Bonds (defined herein). The Successor Agency's obligation to pay debt service on the 2014 Parity Debt is senior to that of the 2023A/B Bonds. See "INTRODUCTION – Senior Obligations" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – *Existing Senior Loans and Second Lien Debt.*"
- (4) Reflects debt service on the 2017A/B Bonds and the 2021A Bonds. The Successor Agency's obligation to pay debt service on the 2017A/B Bonds and the 2021A Bonds is on a parity with that of the 2023A/B Bonds. See "INTRODUCTION – Third Lien Parity Debt" and "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Parity Obligations."

Sources: Stifel, Nicolaus & Company, Incorporated, and the Successor Agency.

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SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS

General

The 2023A/B Bonds are limited obligations of the Successor Agency entitled to the benefits of the Indenture, and are payable solely from and equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and moneys in the Special Fund and all the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account established under the Indenture. Except for the Pledged Tax Revenues and such moneys in the funds and accounts described above, no funds or properties of the Successor Agency will be pledged to, or otherwise be liable for, the payment of principal of or interest on the 2023A/B Bonds. See “– Security for the 2023A/B Bonds; Equal Security.” See also APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

“**Pledged Tax Revenues**” are defined in the Indenture as all taxes that were eligible for allocation to the Former Agency with respect to the Project Areas and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Redevelopment Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and that are deposited in the RPTTF, excluding (i) amounts payable pursuant to the Existing Senior Loan Agreements, the Second Lien Debt and any debt issued on parity with the Existing Senior Loan Agreements or Second Lien Debt, but only to the extent such amounts are pledged as security therefor, (ii) all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Redevelopment Law, unless such payments are subordinated to payments on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any additional Third Lien Parity Debt issued as bonds pursuant to the Indenture or to the payments owed under any Parity Debt Instrument pursuant to Section 33607.5(e) of the Redevelopment Law and Section 34177.5(c) of the Redevelopment Dissolution Act, and (iii) amounts required to be paid to the TJPA in accordance with Section 5.7 of the Redevelopment Plan – Transbay Redevelopment Project Area. See “– Security for the 2023A/B Bonds; Equal Security.”

The 2023A/B Bonds are not a debt of the City, the State, or any of its political subdivisions (other than the Successor Agency and only to the limited extent set forth in the Indenture), and none of the City, the State, nor any of its political subdivisions is liable therefor, nor in any event will the 2023A/B Bonds be payable out of any funds or properties other than those of the Successor Agency and only to the limited extent set forth in the Indenture. The 2023A/B Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. None of the members of the Successor Agency Commission, the Successor Agency, the City, or any person executing the 2023A/B Bonds is liable personally for the 2023A/B Bonds by reason of their issuance. Although the Successor Agency receives certain tax increment revenues, the Successor Agency has no taxing power.

Tax Increment Financing Generally

Under the Redevelopment Law and Section 16 of Article XVI of the State Constitution, taxes on all taxable property in a project area levied by or for the benefit of the State, any city, county, district or other public corporation (the “**Taxing Agencies**”) when collected are divided as follows:

(a) To Taxing Agencies. An amount each year equal to the amount that would have been produced by the then current tax rates applied to the assessed valuation of such property within the redevelopment project areas last equalized prior to the effective date of the ordinance approving the redevelopment plan, plus the portion of the levied taxes in excess of the foregoing amount sufficient to pay debt service on any voter-approved bonded indebtedness of the respective Taxing Agencies incurred for the acquisition or improvement of real property and approved on or after January 1, 1989, is paid into the funds of the respective Taxing Agencies; and

(b) To the Former Agency/Successor Agency. That portion of the levied taxes in excess of the amount described in paragraph (a) is deposited into a special fund of the applicable redevelopment agency to pay the principal of and interest on loans, moneys advanced to, or indebtedness incurred by, such agency to finance or refinance activities in or related to such project area.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Redevelopment Dissolution Act for permitted administrative costs of the City Controller, constitute the amounts required under the Redevelopment Dissolution Act to be deposited by the City Controller into the RPTTF. In addition, Section 34183 of the Redevelopment Dissolution Act effectively eliminates the “on or after January 1, 1989” reference from paragraph (a) above. See “– Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Property Tax Administration Fees.*”

Allocation of Taxes Pursuant to the Redevelopment Dissolution Act

Prior to the enactment of the Redevelopment Dissolution Act, the Redevelopment Law authorized the financing of redevelopment projects by permitting the pledge of tax increment revenues derived from the applicable project area to repayment of tax allocation bonds. After enactment of the Redevelopment Dissolution Act, the Redevelopment Law authorizes the financing of certain projects, including specific Successor Agency affordable housing and infrastructure projects described in Section 34177.7(a) of the California Health and Safety Code. The Redevelopment Dissolution Act requires that all property tax increment derived from all former project areas be deposited in a RPTTF for the Successor Agency held and maintained by the City Controller. **DISCUSSIONS HEREIN REGARDING TAX INCREMENT OR TAX REVENUES REFER TO THOSE MONEYS DEPOSITED BY THE CITY CONTROLLER INTO THE RPTTF AND NOT OBLIGATED FOR OTHER PURPOSES.** Pursuant to the Redevelopment Dissolution Act, the pledge of the Pledged Tax Revenues to pay the 2023A/B Bonds is made as if the 2023A/B Bonds had been issued prior to the effective date of the Redevelopment Dissolution Act, in full conformity with the applicable provisions of the Redevelopment Law that existed prior to that date.

The Redevelopment Dissolution Act authorizes bonds, including the 2023A/B Bonds, to be secured by property tax revenues available in the Successor Agency’s RPTTF from the Project Areas, which generated tax increment for the Former Agency upon its dissolution if those revenues are not otherwise obligated (Stats. 2015, ch. 325, § 27(e)). The Redevelopment Dissolution Law establishes that the funds in the RPTTF are equivalent to the tax increment revenues that were formerly allocated under the Redevelopment Law to the redevelopment agency and formerly authorized under the Redevelopment Law to be used for the financing of redevelopment projects, less amounts deducted pursuant to Section 34183(a) of the Redevelopment Dissolution Act for permitted administrative costs of the City Controller. Successor agencies have no power to levy property taxes and must look specifically to the allocation of taxes as described below.

The Redevelopment Dissolution Act requires the City Controller to determine the amount of property taxes that would have been allocated to the Former Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Former Agency not been dissolved pursuant to the operation of AB 26, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the RPTTF for the Successor Agency established and held by the City Controller pursuant to the Redevelopment Dissolution Act. The Redevelopment Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency, such as the 2023A/B Bonds, will be considered indebtedness incurred by the Former Agency, with the same legal effect as if the bonds had been issued prior to the effective date of AB 26, in full conformity with the applicable provision of the Redevelopment Law that existed prior to that date so that property tax revenues (formerly tax increment revenues) are paid to the Successor Agency in such amounts and on such dates to ensure the timely payment of debt service on the bonds. Pursuant to the Redevelopment Dissolution Act, the Successor Agency has covenanted to

take all actions necessary to ensure that the 2023A/B Bonds will be included in each of the Successor Agency's Recognized Obligation Payment Schedules as prepared from time to time under the Redevelopment Dissolution Act. See "– Recognized Obligation Payment Schedule" below.

The Successor Agency tax rate calculated by the City is one percent (1.000%) for the secured roll and the unsecured roll. See APPENDIX B – "FISCAL CONSULTANT REPORT" for more information. In accordance with Section 33670(e) of the Redevelopment Law, the Successor Agency tax rate excludes taxes related to bonded indebtedness of the City approved by the voters of the City on or after January 1, 1989, and issued for the acquisition or improvement of real property. The Successor Agency receives, on an annual basis, only those tax increment revenues required by it to pay debt service or other enforceable obligations. See the tables for the Project Areas under "PLEDGED TAX REVENUES AND DEBT SERVICE – Historical and Current Assessed Valuation and Tax Revenues."

Taxes levied on the property within the Project Areas on that portion of the taxable valuation over and above the taxable valuation of the applicable base year property tax roll with respect to the various territories within the Project Areas, to the extent they constitute tax revenues, less administrative costs, as described herein, will be deposited in the RPTTF for transfer by the City Controller to the Retirement Fund established pursuant to the Redevelopment Dissolution Act on January 2 and June 1 of each year (adjusted for weekends and holidays) to the extent required for payments listed in the Successor Agency's Recognized Obligation Payment Schedule in accordance with the requirements of the Redevelopment Dissolution Act. See "– Recognized Obligation Payment Schedule" below.

Prior to the dissolution of redevelopment agencies, tax increment revenues from one project area could not be used to repay indebtedness incurred for another project area. However, the Redevelopment Dissolution Act required that county auditor-controllers establish a single RPTTF with respect to each former redevelopment agency within the respective county. Additionally, the Redevelopment Dissolution Act now requires that all revenues equivalent to the amount that would have been allocated as tax increment to the former redevelopment agency will be allocated to the RPTTF of the applicable successor agency. This requirement does not require funds derived from separate project areas of a former redevelopment agency to be separated unless they are subject to a pledge agreement requiring the commitment of a particular project area's funds to a certain project. In effect, in situations where a former redevelopment agency had established more than one redevelopment project area (such as the Former Agency), the Redevelopment Dissolution Act combines the property tax revenues derived from all project areas into a single trust fund, the RPTTF, to repay indebtedness of the former redevelopment agency or the successor agency. To the extent the documents governing outstanding bonds of a redevelopment agency or a successor agency have pledged revenues derived from a specific project area, the Redevelopment Dissolution Act states: *"It is the intent [of the Redevelopment Dissolution Act] that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge."*

Despite the provisions of the Redevelopment Dissolution Act that appear to permit the Successor Agency to use tax increment revenue that does not constitute Pledged Tax Revenues to pay debt service on the 2023A/B Bonds, the 2023A/B Bonds are secured by and payable solely from the Pledged Tax Revenues and moneys in certain funds and accounts held by the Trustee under the Indenture. Investors should assume that State-Owned Parcel Net Tax Increment from the State-Owned Parcels and tax revenues generated within the other Excluded Project Areas are not available for payment of debt service on the 2023A/B Bonds.

Teeter Plan. The City has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), as provided for in Section 4701 *et seq.* of the State Revenue and Taxation Code. Generally, under the Teeter Plan, which applies to the property tax

revenues, including tax increments, generated in the Project Areas, each participating local agency, including cities, levying property taxes in its county may receive the amount of uncollected taxes credited to its fund in the same manner as if the amount credited had been collected. In return, the county would receive and retain delinquent payments, penalties and interest, as collected, that would have been due to the local agency. However, although a local agency could receive the total levy for its property taxes without regard to actual collections, funded from a reserve established and held by the county for this purpose, the basic legal liability for property tax deficiencies at all times remains with the local agency.

The Teeter Plan remains in effect in the City unless and until the Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the City (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance joined in by resolutions adopted by two-thirds of the participating revenue districts in the City, in which event, the Board of Supervisors is to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year. The Board of Supervisors may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply, after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency in the City. There can be no assurance that the Teeter Plan will remain in effect throughout the life of the 2023A/B Bonds. In the event the Teeter Plan within the Project Areas were discontinued, the amount of the levy of property tax revenue that can be allocated to the Successor Agency would depend upon the actual collections of taxes within the Project Areas. Substantial delinquencies in the payment of property taxes could then impair the timely receipt by the Successor Agency of Pledged Tax Revenues and the payment of debt service on the 2023A/B Bonds.

As of May 15, 2023, the overall delinquency rate for Fiscal Year 2022-23 for all secured properties in the Project Areas was 1.6%. See APPENDIX B – “FISCAL CONSULTANT REPORT.”

Former Housing Fund. Prior to the Redevelopment Dissolution Act, the Redevelopment Law required generally that redevelopment agencies set aside in a low and moderate income housing fund not less than twenty percent (20%) of all tax revenues allocated to such agencies (the “**Housing Set-Aside**”). The Redevelopment Dissolution Act repealed the Housing Set-Aside, which is no longer in effect as a statutory obligation. However, the Housing Set-Aside is a contractual term in certain pledge agreements that the Successor Agency has with the City and that the California Department of Finance has finally and conclusively determined to be enforceable obligations. Accordingly, the Successor Agency previously maintained a fund for the pledged housing set-aside revenue even if the amount of revenue exceeded the amount necessary for debt service on affordable housing bonds in a particular fiscal year. In 2019, the California Department of Finance determined that the Successor Agency may take the twenty percent (20%) set-aside only to the extent it is listed in a Recognized Obligation Payment Schedule and is needed for fiscal year expenditures, such as debt service payments for outstanding housing bonds secured by a pledge of the revenues that had formerly been the Housing set-Aside. See “ – Recognized Obligation Payment Schedule.”

Under Section 34177.7(a)(1)(A) of the California Health and Safety Code, the Successor Agency is permitted to issue debt to meet its Affordable Housing Obligations.

Assembly Bill 1290; Statutory Pass-Throughs. Assembly Bill 1290 (being Chapter 942, Statutes of 1993) (“**AB 1290**”) was adopted by the California Legislature and became law on January 1, 1994 (adding, among other things, Sections 33607.5 and 33607.7 to the Redevelopment Law).

AB 1290 established, among other things, a mandatory statutory formula for sharing tax increment (“**Statutory Pass-Through Amounts**”) for project areas established, or amended in certain respects, on or after January 1, 1994, which applied to tax increment revenues net of the housing set-aside. The first twenty-five percent (25%) of net tax increment generated by the increase in assessed value after the establishment of the project areas or the effective date of the amendment is required to be paid to affected

taxing entities. In addition, beginning in the 11th year of collecting tax increment, an additional twenty-one percent (21%) of the increment generated by increases in assessed value after the 10th year must be so paid. Finally, beginning in the 31st year of collecting tax increment, an additional fourteen percent (14%) of the increment generated by increases in assessed value after the 30th year must be so paid.

There are nine taxing entities (the “**Taxing Entities**”) within the Project Areas. Four of these Taxing Entities are funds of the City and County of San Francisco: the General Fund, the Children’s Fund, the Library Fund, and the Open Space Fund. The remaining five Taxing Entities are: the San Francisco Community College District, the San Francisco Superintendent of Schools, the San Francisco Unified School District, the Bay Area Air Quality Management District, and the Bay Area Rapid Transit District (“**BART**”). In addition to the Taxing Entities, the City Controller allocates a portion of revenue to the Educational Revenue Augmentation Fund (“**ERAF**”) for distribution to the schools. The proportion of the Statutory Pass-Through Amounts received by each of these Taxing Entities and ERAF is shown in the following table.

Statutory Pass-through Shares By Taxing Entity⁽¹⁾

Taxing Entity	Pass-through Share
General Fund	0.55588206
Children’s Fund	0.04000000
Library Fund	0.02500000
Open Space Fund	0.02500000
S.F. Community College District	0.01444422
S.F. Schools Superintendent	0.00097335
S.F. Unified School District	0.07698857
Bay Area Air Quality Management District	0.00208539
BART	0.00632528
ERAF ⁽²⁾	0.25330113
Total	1.00000000

(1) The Statutory Pass-Throughs are assumed to be subordinated to debt service on the 2023A/B Bonds for purposes of the projections of the tax increment revenues from the Project Areas, including the projections of Pledged Tax Revenues, in this Official Statement. See “ –Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds.”

(2) ERAF is not itself a Taxing Entity; revenue deposited to ERAF is distributed to schools under statutory formulae with any excess distributed to the City.

Source: City Controller.

The Redevelopment Dissolution Act requires the City Controller to distribute from the RPTTF the Statutory Pass-Through Amounts required to be distributed to the Taxing Entities on each January 2 and June 1 before amounts are distributed by the City Controller from the RPTTF to the Retirement Fund, unless (i) pass-through payment obligations have previously been made subordinate to debt service payments for the bonded indebtedness of the Former Agency, as succeeded by the Successor Agency (*see discussion below relating to subordination of Statutory Pass-Through Amounts to the 2023A/B Bonds*), or (ii) (a) the Successor Agency has reported, no later than the December 1 and May 1 preceding the applicable January 2 or June 1 distribution date, that the total amount available to the Successor Agency from the RPTTF allocation to the Retirement Fund, from other funds transferred from the Former Agency, and from funds that have or will become available through asset sales and all redevelopment operations is insufficient to fund the Successor Agency’s enforceable obligations, Statutory Pass-Through Amounts, and the Successor Agency’s administrative cost allowance for the applicable period, and (b) the State Controller has concurred with the Successor Agency that there are insufficient funds for such purposes.

If the requirements stated in the above paragraph have been met, the Redevelopment Dissolution Act provides for certain modifications in the distributions otherwise calculated to be distributed on the applicable January 2 or June 1 property tax distribution date (as adjusted for weekends and holidays). To

provide for calculated shortages to be paid to the Successor Agency for enforceable obligations, the amount of the deficiency will first be deducted from the residual amount otherwise calculated to be distributed to the Taxing Entities under the Redevelopment Dissolution Act after payment of the Successor Agency's enforceable obligations, Statutory Pass-Through Amounts, and the Successor Agency's administrative cost allowance. If such residual amount is exhausted, the amount of the remaining deficiency will be deducted from amounts available for distribution to the Successor Agency for administrative costs for the applicable period in order to fund the enforceable obligations. Finally, funds required for servicing bond debt may be deducted from the amounts to be distributed as Statutory Pass-Through Amounts, in order to be paid to the Successor Agency for enforceable obligations, but only after the amounts described in the previous two sentences have been exhausted. See “– Recognized Obligation Payment Schedule” for further information regarding applicable periods and dates.

The process prescribed by the Redevelopment Dissolution Act of administering the tax revenues and the Statutory Pass-Through Amounts may affect the availability of an adequate amount of Pledged Tax Revenues for the payment of principal and interest on the 2023A/B Bonds when due. See “– Recognized Obligation Payment Schedule.” See also “PLEGDED TAX REVENUES AND DEBT SERVICE” for additional information regarding the Statutory Pass-Through Amounts applicable to the Successor Agency and the tax revenues derived from the Project Areas.

Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds. Section 34177.7(c) of the Redevelopment Dissolution Act sets forth a process pursuant to which payment of the Statutory Pass-Through Amounts may be subordinated to debt service on bonds or loans, provided that the affected taxing entity has approved the subordination. Accordingly, the Successor Agency notified the Taxing Entities of its intent to subordinate the Statutory Pass-Through Amounts to the payment of debt service on the 2023A/B Bonds and requested the Taxing Entities to approve of such subordination. All Taxing Entities have either approved such subordination or are deemed to have approved such subordination by not acting within 45 days after receipt of the Successor Agency's request. The Statutory Pass-Through Amount paid through ERAF to school districts is assumed to be subordinated with the Statutory Pass-Through Amount paid directly to school districts. See also “CERTAIN RISK FACTORS – Subordination of ERAF.” The total Statutory Pass-Through Amounts for the Taxing Entities (including ERAF) for Fiscal Year 2023-24 is estimated to be \$71.6 million.

Property Tax Administration Fees. Pursuant to Section 34183(a) of the Redevelopment Dissolution Act, the City Controller charges the Successor Agency a fee to recover property tax administration costs (the “**City Controller Administration Fee**”). Such administration fee is approximately 0.015% of tax increment and is allocated among all of the Successor Agency's project areas as determined at the discretion of the Successor Agency. For Fiscal Year 2022-23, the City Controller Administration Fee was approximately \$62,000. For Fiscal Year 2023-24, the City Controller Administration Fee is projected to be approximately \$49,000. See also “LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedure – *Property Tax Administrative Costs.*”

Security for the 2023A/B Bonds; Equal Security

Pursuant to Section 34177.7(g) of the Redevelopment Dissolution Act, and except as provided in the Indenture and subject to the deductions for the City Controller Administration Fee and the prior and senior pledge of and security interest in and lien in favor of the Existing Senior Loan Agreements and the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any Third Lien Parity Debt will be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and will also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues

and such moneys in the funds and accounts described herein, no funds or properties of the Successor Agency will be pledged to, or otherwise be liable for, the payment of principal of or interest on the 2023A/B Bonds.

Pledged Tax Revenues, as defined in the Indenture, generally consist of tax revenues from the Project Areas, which are deposited into the RPTTF from time to time after the deduction of the City Controller Administration Fee, excluding (i) amounts payable pursuant to the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, and Second Lien Debt, but only to the extent such amounts are pledged as security therefor, (ii) all Statutory Pass-Through Amounts required to be paid to Taxing Entities unless such payments are subordinated to payments on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture, as applicable, and (iii) amounts required to be paid to the TJPA in accordance with Section 5.7 of the Redevelopment Plan – Transbay Redevelopment Project Area. See “– Senior Obligations.” No tax revenues deposited into the RPTTF representing State-Owned Parcel Net Tax Increment from the State-Owned Parcels or tax revenues from the other Excluded Project Areas are pledged to, or anticipated to be available for, payment of debt service on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds or any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture.

The Successor Agency has no power to levy and collect taxes, and various factors beyond its control (e.g., any property tax limitation, legislative measure, voter initiative or provisions of additional sources of income to taxing agencies) could affect the amount of Pledged Tax Revenues available to pay the principal of and interest on the 2023A/B Bonds. See “– Tax Increment Financing Generally,” “– Recognized Obligation Payment Schedule,” “LIMITATIONS ON TAX REVENUES” and “CERTAIN RISK FACTORS.”

In consideration of the acceptance of the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any Third Lien Parity Debt issued as bonds in the future pursuant to the Indenture (collectively, the “**Third Lien Bonds**”) by those who will hold the same from time to time, the Indenture constitutes a contract between the Successor Agency and the Owners from time to time of the Third Lien Bonds, and the covenants and agreements set forth therein to be performed on behalf of the Successor Agency are for the equal and proportionate benefit, security and protection of all owners of the Third Lien Bonds, without preference, priority or distinction as to security or otherwise of any of the Third Lien Bonds over any of the others by reason of the number or date thereof, or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided in the Third Lien Bonds or in the Indenture.

Special Fund; Deposit of Pledged Tax Revenues

The Indenture established the Special Fund, which is held by the Successor Agency within the Retirement Fund. On each January 2, the Successor Agency will transfer all of the Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on a pro rata basis to the Special Fund and to any other special fund created with respect to any additional Third Lien Parity Debt that is not issued as bonds under the Indenture, promptly upon receipt thereof by the Successor Agency, until such time as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred in the Bond Year commencing on the immediately preceding August 2 (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to the Indenture and (ii) if applicable, with respect to any additional Third Lien Parity Debt (other than additional bonds issued pursuant to a Supplemental Indenture) for deposit into the funds and accounts that may be required pursuant to the applicable Parity Debt Instruments. If the amount of Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on January 2 will be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency will deposit the Pledged Tax Revenues received in connection with the succeeding June 1 in the Special Fund in order to make the remainder of the transfers and deposits described above. If there nonetheless remains insufficient Pledged Tax Revenues to make the transfers and

deposits required above, then the Successor Agency will transfer such Pledged Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Third Lien Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the Third Lien Debt and any Subordinate Debt (defined herein); provided, however, the Successor Agency will not be obligated to collect any such reserve. See also “–Recognized Obligation Payment Schedule.”

All Pledged Tax Revenues received by the Successor Agency with respect to any Bond Year in excess of the amount required to be deposited into the Special Fund and the other special funds mentioned in the preceding paragraph during such Bond Year will be released from the pledge, security interest and lien under the Indenture for the security of the Third Lien Bonds and any additional Third Lien Parity Debt and may be applied by the Successor Agency for any lawful purpose of the Successor Agency. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Third Lien Bonds and the payment in full of all other amounts payable under the Indenture and under any Supplemental Indenture or Parity Debt Instrument, the Successor Agency will not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in the Indenture and in any Supplemental Indenture or Parity Debt Instrument.

There has been established under the Indenture a trust fund to be known as the Debt Service Fund, which will be held by the Trustee in trust in accordance with the Indenture. The Indenture requires the Successor Agency to transfer from the Special Fund to the Trustee (i) on or before the fifth (5th) business day preceding each Interest Payment Date, the amount necessary to pay the interest becoming due and payable on the Outstanding Third Lien Bonds on such Interest Payment Date, (ii) on or before the fifth (5th) business day preceding August 1 in each year, the necessary amount to pay the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1, (iii) at any time that the amount on deposit in the Reserve Account or any subaccount therein is less than the Reserve Requirement, unless there is a reserve policy on deposit, the amount necessary to maintain the Reserve Requirement for the applicable series of Third Lien Bonds on deposit in the applicable subaccount of the Reserve Account, and (iv) on or before the business day preceding any date on which Third Lien Bonds are to be optionally redeemed, the amount required to pay the principal of and premium, if any, on the Third Lien Bonds to be redeemed on such date pursuant to the Indenture or the applicable Supplemental Indenture.

Upon receipt, the Trustee will deposit the following amounts, at the times described above, and in the following respective accounts, which are established in the Debt Service Fund, and in the following order of priority:

Interest Account. The Trustee will deposit in the Interest Account the amount which, when added to the amount contained in the Interest Account on such date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Third Lien Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Third Lien Bonds. All moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Third Lien Bonds as it becomes due and payable (including accrued interest on any Third Lien Bonds redeemed prior to maturity pursuant to the Indenture).

Principal Account. The Trustee will deposit in the Principal Account the amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on

the next August 1 on all of the Outstanding Serial Bonds and Outstanding Term Bonds. All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as it becomes due and payable.

Reserve Account. The Indenture establishes a “**2023A Reserve Subaccount**” within the Reserve Account for the 2023 Series A Taxable Bonds and a “**2023B Reserve Subaccount**” within the Reserve Account for the 2023 Series B Bonds (the 2023A Reserve Subaccount and the 2023B Reserve Subaccount, together, the “**2023A/B Reserve Subaccounts**”). The amount on deposit in the Reserve Account is required to be maintained at the “**Reserve Requirement**”, which is defined in the Indenture to mean, with respect to each series of Outstanding Third Lien Bonds, the lesser of (i) one hundred twenty-five percent (125%) of average Annual Debt Service with respect to that series of Third Lien Bonds, (ii) Maximum Annual Debt Service with respect to that series of Third Lien Bonds, or (iii) with respect to an individual series of Third Lien Bonds, ten percent (10%) of the original principal amount of such series of Third Lien Bonds (or, if such series of Third Lien Bonds has more than a *de minimis* amount of original issue discount or premium, 10% of the issue price of such series of Third Lien Bonds); subject to the limitations and conditions in the Indenture. As set forth below, with the issuance of the 2023A Reserve Policy and the 2023B Reserve Policy, under the Indenture, the Reserve Requirement with respect to each of the 2023 Series A Taxable Bonds and 2023 Series B Bonds will be determined only at the time of the delivery of the 2023 Series A Taxable Bonds and 2023 Series B Bonds and will not be subject to increase or decrease at a later date.

The Reserve Requirement for the 2023 Series A Taxable Bonds is \$2,407,970 and the Reserve Requirement for the 2023 Series B Bonds is \$3,360,434. Amounts on deposit in the 2023 Series A Taxable Subaccount will be available only to pay debt service on the 2023 Series A Taxable Bonds, and amounts on deposit in the 2023 Series B Subaccount will be available only to pay debt service on the 2023 Series B Bonds.

The Reserve Requirement for the 2023 Series A Taxable Bonds will be satisfied by the delivery of the 2023A Reserve Policy by AGM to the Trustee on the Closing Date and the Trustee will credit the 2023A Reserve Policy to the 2023A Reserve Subaccount. The Reserve Requirement for the 2023 Series B Bonds will be satisfied by the delivery of the 2023B Reserve Policy by AGM to the Trustee on the Closing Date and the Trustee will credit the 2023B Reserve Policy to the 2023B Reserve Subaccount. The Trustee will draw on the 2023A Reserve Policy and the 2023B Reserve Policy in accordance with their respective terms and conditions and the terms of the Indenture in order to pay debt service on the 2023 Series A Taxable Bonds and the 2023 Series B Bonds, respectively. Pursuant to the Indenture, in the event a Qualified Reserve Account Credit Instrument, such as the 2023A Reserve Policy and the 2023B Reserve Policy, is delivered at any time to meet the entirety of the Reserve Requirement with respect to one or more series of Third Lien Bonds (that is, no cash is being deposited or will remain deposited in the Reserve Account with respect to those series of Third Lien Bonds), then, notwithstanding the above definition of Reserve Requirement, the Reserve Requirement will, with respect to those series of Third Lien Bonds, be determined only at the time of the delivery of the Qualified Reserve Account Credit Instrument and will not be subject to increase or decrease at a later date.

The amounts available under the 2023A Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023 Series A Taxable Bonds. The amounts available under the 2023B Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023 Series B Bonds. The Trustee will comply with all documentation relating to the Reserve Policies, as required to maintain the Reserve Policies in full force and effect and as required to receive payments thereunder in the event and to the extent

required to make any payment when and as required under the Indenture. The Successor Agency has no obligation to replace either Reserve Policy or to fund the applicable Reserve Subaccount with cash if, at any time that any of the applicable Series of the 2023A/B Bonds are Outstanding, amounts are not available under such Reserve Policy, other than in connection with the replenishment of a draw on such Reserve Policy. Additionally, the Successor Agency will have no obligation to replace either of the Reserve Policies or to deposit any cash in the 2023A Reserve Subaccount or 2023B Reserve Subaccount in the event that any rating assigned to AGM is downgraded, suspended or withdrawn.

See “BOND INSURANCE – Assured Guaranty Municipal Corp.” herein for more information about AGM. See Appendix C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE” for further information regarding the 2023A Reserve Subaccount and the 2023B Reserve Subaccount.

In connection with the issuance of the 2017A/B Bonds, AGM issued a debt service reserve policy (the “**2017 Reserve Policy**”) to satisfy the Reserve Requirement with respect to the 2017A/B Bonds. The amounts available under the 2017 Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2017A/B Bonds. No amounts under the 2017 Reserve Policy may be used to pay debt service on the 2021A Bonds, the 2023A/B Bonds or any additional Third Lien Bonds issued in the future.

In connection with the issuance of the 2021A Bonds, AGM issued a debt service reserve policy (the “**2021 Reserve Policy**”) to satisfy the Reserve Requirement with respect to the 2021A Bonds. The amounts available under the 2021 Reserve Policy will be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2021A Bonds. No amounts under the 2021 Reserve Policy may be used to pay debt service on the 2017A/B Bonds, the 2023A/B Bond or any additional Third Lien Bonds issued in the future.

See APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE.”

Existing Senior Obligations

Existing Senior Loans and Second Lien Debt. Payment of debt service on the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any additional Third Lien Bonds issued in the future from tax increment revenues from the Project Areas is subordinate to the Successor Agency’s obligations to pay debt service on certain outstanding loans (the “**Existing Senior Loans**”) made to the Former Agency by the City and County of San Francisco Redevelopment Financing Authority (the “**Authority**”) pursuant to certain loan agreements between the Former Agency and the Authority to fund redevelopment activities (the “**Existing Senior Loan Agreements**”). The Authority made the Existing Senior Loans with proceeds of certain bonds issued by the Authority (the “**Authority Bonds**”), payable from loan repayments under the Existing Senior Loan Agreements.

Payment of debt service on the 2023A/B Bonds is also subordinate to the Successor Agency’s obligation to pay debt service on its 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and its 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (together the “**2014 Bonds**”) and any 2014 Parity Debt (which is defined in the Indenture as any indebtedness issued on parity with the 2014 Bonds in accordance with the indenture pursuant to which they were issued). 2014 Parity Debt includes the Successor Agency’s 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (together, the “**2017D/E Bonds**”) (the 2014 Bonds and the 2014 Parity Debt, including the 2017D/E Bonds, collectively, the “**Second Lien Debt**”).

As of August 2, 2023, Senior Obligations were outstanding in the aggregate principal amount of approximately \$262 million and are described in the following table. Such Senior Obligations consisted of approximately \$169 million aggregate principal amount of outstanding Existing Senior Loans pursuant to Existing Senior Loan Agreements (including the Mission Bay Senior Loan Agreements with an outstanding aggregate principal amount of approximately \$10 million, which are secured by tax revenues from the Mission Bay North and Mission Bay South Project Areas, respectively, which are Excluded Project Areas and the tax revenues of which do not secure the Third Lien Bonds) and approximately \$93 million principal amount of Second Lien Bonds. In the event there is insufficient money in any reserve account established under either of the Mission Bay Senior Loan Agreements, the Successor Agency is obligated to cause aggregate tax increment revenue from certain of the Project Areas in the amount of such insufficiency to be deposited therein, subject to certain limits set forth in the Existing Senior Loan Agreements.

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

**Table of Senior Obligations
(The Project Areas)
as of August 2, 2023**

Lien	Series	Project Area	Outstanding Par Amount	Final Maturity⁽¹⁾
Senior Lien (Existing Senior Loans)	1998C	Non-Mission Bay (RP)	\$521,978	8/1/2024
	1998D	Non-Mission Bay (GG, HP, WA, YB)	\$3,295,908	8/1/2024
	2006A	Non-Mission Bay (GG)	\$18,646,381	8/1/2036
	2007A	Mission Bay North ⁽²⁾	\$9,420,000	8/1/2037
		Non-Mission Bay (BV, RP, SM, TB)	\$81,080,000	8/1/2037
	2009E	Mission Bay South ⁽³⁾	\$785,000	8/1/2025
		Non-Mission Bay (BV, RP, WA, YB)	\$55,035,000	8/1/2039
		Mission Bay⁽²⁾⁽³⁾	\$10,205,000	
		Non-Mission Bay	\$158,579,266	
		Total Senior Lien Existing Senior Loans	\$168,784,266	
Second Lien Debt	2014B	Non-Mission Bay	\$18,030,000	8/1/2035
	2014C	Non-Mission Bay	\$2,380,000	8/1/2029
	2017D	Non-Mission Bay	\$55,890,000	8/1/2041
	2017E	Non-Mission Bay	\$16,860,000	8/1/2041
		Total Second Lien Debt	\$93,160,000	
		Mission Bay⁽²⁾⁽³⁾	\$10,205,000	
		Non-Mission Bay	\$251,739,266	
		Total Senior Obligations	\$261,944,266	

Legend: BV – Bayview Hunters Point RP – Rincon Point-South Beach
GG – Golden Gateway SM – South of Market
HP – Hunters Point TB – Transbay
IB – India Basin Industrial Park WA – Western Addition
YB – Yerba Buena Center

⁽¹⁾ Final maturities of Existing Senior Loans are set forth in this table as occurring on the August 1 immediately following such maturities.

⁽²⁾ Represents loan secured by (i) tax increment revenues generated within the Mission Bay North Project Area, and (ii) the Housing Set-Aside generated within the Project Areas on a basis senior to the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds.

⁽³⁾ Represents loan secured by (i) tax increment revenues generated within the Mission Bay South Project Area, and (ii) the Housing Set-Aside generated within the Project Areas on a basis senior to the Second Lien Debt, the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds.

Source: Successor Agency.

Project Area-Specific Prior Obligations. Tax increment revenue from certain of the Project Areas is subject to other obligations that are senior to the payment of debt service on the 2023A/B Bonds.

South of Market Project Area. A portion of the tax increment revenue from the Original Sub-Area of the South of Market Project Area is potentially allocable to school districts under Section 33676(a) of the Redevelopment Law and the Santa Ana Section 33676 Decision described in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B, wherein this obligation is referred to as a “senior obligation.” This portion is potentially payable on a basis senior to the payment of debt service on the 2023A/B Bonds. The amount of tax revenue potentially payable to the school entities is estimated to be \$80,000 for Fiscal Year 2023-24.

Yerba Buena Center Approved Project Area D-1. In the Yerba Buena Center Approved Project Area D-1, consistent with an amendment to its redevelopment plan, a portion of the tax increment revenues (i.e., 2% of growth) from the Emporium Sub-Area is allocated to certain Taxing Entities. Distribution of this 2% occurs prior to calculation of tax increment revenue available for payment of debt service on the 2023A/B Bonds. The amount excluded from Fiscal Year 2023-24 tax increment in this manner is approximately \$404,000. See APPENDIX B – “FISCAL CONSULTANT REPORT” wherein this obligation is referred to as a “senior obligation.”

Property Tax Administration Fees. Pursuant to the Redevelopment Dissolution Act, beginning for Fiscal Year 2012-13, the City Controller charges the Successor Agency the City Controller Administration Fee to recover property tax administration costs. For Fiscal Year 2022-23, the City Controller Administration Fee was approximately \$62,000. For Fiscal Year 2023-24, it is expected to be approximately \$49,000. See “ – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Property Tax Administration Fees*” and “LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedures – *Property Tax Administrative Costs*.”

Existing Third Lien Parity Debt

Payment of debt service on the 2023A/B Bonds from Pledged Tax Revenues is on a parity with the Successor Agency’s obligations to pay debt service on the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (together, the “**2017A/B Bonds**”) and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “**2021A Bonds**”). As of August 2, 2023, the 2017A/B Bonds are outstanding in the aggregate principal amount of \$44,350,000 and the 2021A Bonds are outstanding in the aggregate principal amount of \$126,580,000. Prior to the issuance of the 2023A/B Bonds, the 2017A/B Bonds and the 2021A Bonds are the only Third Lien Parity Debt.

Limitations on Additional Indebtedness

Senior Debt. Under the Indenture, the Successor Agency has covenanted that so long as the Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues (as defined in the Existing Senior Loan Agreements) or Pledged Tax Revenues on a basis senior to payment of debt service on the Third Lien Bonds and any other Third Lien Parity Debt issued in the future, except for obligations issued to refund any of the Senior Obligations, so long as the debt service in any Bond Year does not increase as a result of such refunding. Further, the Successor Agency covenants that, so long as the Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues, other than Third Lien Parity Debt meeting the requirements of the Indenture and any Subordinate Debt. See also “– Senior Obligations” above. The Successor Agency has also covenanted that it will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Third Lien Bonds superior or equal to the pledge and lien created for the benefit of the Third Lien Bonds under the Indenture.

Third Lien Parity Debt. In addition to the 2023A/B Bonds, the Successor Agency may issue additional bonds (including pursuant to a Supplemental Indenture) or incur other loans, advances or indebtedness, which are secured by and payable from Pledged Tax Revenues on a parity with the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and other Third Lien Parity Debt issued in the future (“**Third**

Lien Debt”) for any purpose provided for in the Redevelopment Dissolution Act, including, but not limited to, refunding existing indebtedness of the Successor Agency in accordance with Section 34177.5(a) of the Redevelopment Dissolution Act, and funding the affordable housing obligations and the infrastructure obligations described in Section 34177.7(a)(1)(A) and (B) of the Redevelopment Dissolution Act, in such principal amount as will be determined by the Successor Agency, subject to the following specific conditions, which are all conditions precedent to the issuance and delivery of such Third Lien Parity Debt:

(a) No event of default under the Indenture or under any Parity Debt Instrument will have occurred and be continuing unless such event of default will be cured by the issuance of such Third Lien Parity Debt;

(b) Pledged Tax Revenues (after adding back amounts payable pursuant to the Existing Senior Loan Agreements, any debt issued on parity with the Existing Senior Loan Agreements and Second Lien Debt) received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Areas as evidenced in a written document from an appropriate official of the City, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, will be at least equal to one hundred twenty-five percent (125%) of Maximum Annual Debt Service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt that will be outstanding immediately following the issuance of such Third Lien Parity Debt, provided that, in the case of a refunding, in whole or in part, of the Existing Senior Loans, the Second Lien Debt or the Third Lien Debt, the requirements set forth in this section (b) do not need to be met if the debt service on the Third Lien Parity Debt in each bond year either will be less than the debt service in each bond year on the Existing Senior Loans, the Second Lien Debt, or the Third Lien Debt being refunded;

(c) In the event the Successor Agency issues additional Third Lien Bonds pursuant to a Supplemental Indenture, the Successor Agency will cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency will deliver to the Trustee a written certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Third Lien Parity Debt set forth above have been satisfied.

The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area in the next five years and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds. The amounts and time in the preceding sentence reflect current projections; no assurance can be given as to the exact timing or amount of any additional bond issuances.

Subordinate Debt. Under the Indenture “**Subordinate Debt**” is defined as loans, advances or other indebtedness issued or incurred by the Successor Agency that are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues that is expressly subordinate to the pledge of and lien upon the Pledged Tax Revenues under the Indenture for the security of the Third Lien Parity Debt. The Successor Agency may issue or incur Subordinate Debt in such principal amount as may be determined by the Successor Agency. Such Subordinate Debt may be payable from any assets or property of the Successor Agency, including Pledged Tax Revenues, on a subordinate basis to the payment of debt service on the Third Lien Bonds.

Recognized Obligation Payment Schedule

The Redevelopment Dissolution Act requires successor agencies to annually prepare and approve, and submit to the successor agency’s oversight board, the county auditor-controller, and the California

Department of Finance for approval, a Recognized Obligation Payment Schedule (the “**Recognized Obligation Payment Schedule**” hereinafter also referred to as “**ROPS**”) pursuant to which enforceable obligations (as defined in the Redevelopment Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Only those payments listed in a ROPS may be made by the successor agency from the funds specified in the ROPS. A reserve may be included on the ROPS and held by the successor agency when required by a bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bonds for the next payment due in the following half of the calendar year.

Pursuant to SB 107, commencing on February 1, 2016, successor agencies transitioned to an annual ROPS process pursuant to which successor agencies are required to submit by each February 1 their oversight board-approved ROPS for the July 1 through June 30 period to the California Department of Finance for its approval and to the successor agencies’ respective auditor-controllers. If the Successor Agency does not timely submit an Oversight Board-approved ROPS to the California Department of Finance and the City Controller, then the Successor Agency will be subject to a \$10,000 per day civil penalty for every day the ROPS is late. Additionally, if the Successor Agency does not submit a ROPS to the California Department of Finance and the City Controller within ten (10) days of the deadline, then the Successor Agency’s maximum administrative cost allowance may be reduced by up to twenty-five percent (25%). For additional information regarding procedures under the Redevelopment Dissolution Act relating to late ROPSs and implications thereof for the 2023A/B Bonds, see “CERTAIN RISK FACTORS – Recognized Obligation Payment Schedule.” Also see “– Last and Final Recognized Obligation Payment Schedule” below for a description of the Last and Final ROPS (defined herein) authorized by the Redevelopment Dissolution Act pursuant to SB 107.

In the Indenture, the Successor Agency covenants to comply with all of the requirements of the Law and the Redevelopment Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Redevelopment Dissolution Act to assure compliance by the Successor Agency with its covenants under the Indenture.

Further, the Successor Agency covenants to take all actions required under the Redevelopment Dissolution Act to include

- (i) scheduled debt service on the Existing Senior Loans, the Second Lien Debt and any amounts required to replenish any reserve account established under an Existing Senior Loan Agreement, the indenture pursuant to which the 2014 Bonds were issued or any instrument pursuant to which any other Second Lien Debt is issued,
- (ii) scheduled debt service on the 2017A/B Bonds, the 2021A Bonds and any Third Lien Parity Debt, which includes the 2023A/B Bonds, and any amount required under the Indenture or any Parity Debt Instrument to replenish the Reserve Account or the reserve account established under any Parity Debt Instrument, and
- (iii) amounts due to any Insurer under the Indenture or under an insurance or surety bond agreement, including the Insurance Policy and the Reserve Policies,

in each annual ROPS so as to enable the City Controller to distribute from the RPTTF to the Successor Agency’s Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay principal of, and interest on, the Third Lien Bonds coming due in the respective six-month period and to pay amounts owed to any bond insurer, as well as the other amounts set forth above.

These actions will include, without limitation, placing on the periodic ROPS for approval by the Oversight Board and California Department of Finance the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Redevelopment Dissolution Act, that are necessary to comply with the Indenture. Not later than each February 1 (or at such other time as may be required by the Redevelopment Dissolution Act) for so long as any of the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt or the Third Lien Bonds, including the 2023A/B Bonds, remain outstanding or any amounts owing to an Insurer remain unpaid, (a) the Successor Agency will place on the ROPS relating to the January 2 disbursement date all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on the immediately succeeding February 1 and August 1, and (b) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on a timely basis, the Successor Agency will place on the ROPS relating to the June 1 disbursement date amounts required to pay debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on the next succeeding August 1. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Senior Loan Agreements, any debt issued on a parity with the Existing Senior Loan Agreements, the Second Lien Debt, and the Third Lien Debt, including the 2023A/B Bonds, on February 1 and August 1 of the next succeeding calendar year. Further, the Successor Agency will place any amounts required to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument and any amounts owing to any Insurer under the Indenture or under an insurance or surety bond agreement, including the Insurance Policy and the Reserve Policies, on its next Recognized Obligation Payment Schedule upon any such amounts becoming owing.

Under the Indenture, without in any way limiting any of the foregoing, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024, and January 2, 2025, disbursement dates, (i) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the 2023A/B Bonds, all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023A/B Bonds, are sufficient to pay debt service on the 2023A/B Bonds on August 1, 2024, for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023A/B Bonds, are sufficient for the payment of debt service on the 2023A/B Bonds on February 1, 2025, and August 1, 2025, for distribution to the Successor Agency on January 2, 2025. The Successor Agency previously placed on the Recognized Obligation Payment Schedule relating to the June 1, 2023, and January 2, 2024, disbursement dates, amounts sufficient to pay debt service on the 2023A/B Bonds on February 1, 2024, and August 1, 2024, for distribution to the Successor Agency on January 2, 2024.

The Successor Agency further covenants that it will, on or before May 1 and December 1 of each year, file a Notice of Insufficiency with the City Controller if the amount of Tax Revenues available to the Successor Agency from the RPTTF on the upcoming June 1 or January 2, as applicable, is insufficient to pay debt service on the Third Lien Bonds or any other Third Lien Parity Debt, to replenish the Reserve

Account or the reserve account established under any Parity Debt Instrument and to pay any Insurer any amounts owing under the Indenture or under an insurance or surety bond agreement, including the Insurance Policy or the Reserve Policies.

If any amounts then due and payable to AGM under the Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to its Oversight Board and the California Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to AGM.

The Successor Agency will not submit to its Oversight Board and the California Department of Finance a request for the final amendment permitted for its Last and Final ROPS pursuant to Section 34191.6 of the Redevelopment Dissolution Act without the prior written consent of AGM, unless all amounts that could become due and payable to AGM under the Indenture would be included as a line item on the Last and Final ROPS following approval of the requested amendment.

Last and Final Recognized Obligation Payment Schedule

SB 107 amended the Redevelopment Dissolution Act to permit a successor agency to submit a Last and Final Recognized Obligation Payment Schedule (a “**Last and Final ROPS**”). In particular, successor agencies that have received a Finding of Completion and the concurrence of the California Department of Finance as to the items that qualify for payment, among other conditions, may at their option, file a Last and Final ROPS. If approved by the California Department of Finance, the Last and Final ROPS will be binding on all parties, and the successor agency will no longer submit the ROPS to the California Department of Finance or its oversight board. The county auditor-controller will continue to allocate moneys in the successor agency’s RPTTF pursuant to Section 34183 of the Redevelopment Dissolution Act; however, the county auditor-controller will allocate such moneys in each fiscal period, after deducting the county auditor-controller’s administrative costs, in the following order of priority: (A) pass-through payments pursuant to Section 34183(a)(1) of the Redevelopment Dissolution Act; (B) scheduled debt service payments on tax allocation bonds listed and approved in the Last and Final ROPS; (C) scheduled payments on revenue bonds listed and approved in the Last and Final ROPS, but only to the extent the revenues pledged for them are insufficient to make the payments and only if the successor agency’s tax increment revenues were also pledged for the repayment of bonds; (D) scheduled payments for debts and obligations listed and approved in the Last and Final ROPS to be paid from the RPTTF; (E) payments listed and approved on the Last and Final ROPS that were authorized but unfunded in prior periods; (F) repayment of loans and deferrals to the city that created the redevelopment agency or the successor to the former redevelopment agency’s housing functions and assets that are listed and approved on the Last and Final ROPS; and (G) any moneys remaining in the RPTTF after the payments and transfers described in (A) to (F), above, will be distributed to taxing entities in accordance with Section 34183(a)(4) of the Redevelopment Dissolution Act. A Last and Final ROPS may only be amended twice, and only with approval of the California Department of Finance and the county auditor-controller.

If the successor agency reports to the county auditor-controller that the total available amounts in the RPTTF will be insufficient to fund the successor agency’s current or future fiscal year obligations, and if the county auditor-controller concurs that there are insufficient funds to pay the required obligations, the county auditor-controller may distribute funds pursuant to Section 34183(b) of the Redevelopment Dissolution Act. See “– Tax Increment Financing Generally.”

The Successor Agency does not currently intend to submit a Last and Final ROPS. The Successor Agency has covenanted in the Indenture not to submit to the Oversight Board and the California Department of Finance a request for the final amendment permitted for its Last and Final ROPS pursuant to Section 34191.6 of the Redevelopment Dissolution Act without the prior written consent of AGM, unless all

amounts that could become due and payable to AGM under the Indenture would be included as a line item on the Last and Final ROPS following approval of the requested amendment.

BOND INSURANCE

The information under this section has been prepared by AGM for inclusion in this Official Statement. Neither the Successor Agency nor the Underwriters have reviewed this information, nor do the Successor Agency or the Underwriters make any representation with respect to the accuracy or completeness thereof.

Bond Insurance Policy

Concurrently with the issuance of the 2023A/B Bonds, Assured Guaranty Municipal Corp. (“AGM”) will issue the Insurance Policy. The Insurance Policy guarantees the scheduled payment of principal of and interest on the 2023A/B Bonds when due, as set forth in the form of the Insurance Policy included as Appendix G to this Official Statement.

The Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO”. AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”), “AA+” (stable outlook) by Kroll Bond Rating Agency, Inc. (“KBRA”) and “A1” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On July 13, 2023, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On October 21, 2022, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On March 18, 2022, Moody's announced it had upgraded AGM's insurance financial strength rating to "A1" (stable outlook) from "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Capitalization of AGM

At June 30, 2023:

- The policyholders' surplus of AGM was approximately \$2,702 million.
- The contingency reserve of AGM was approximately \$894 million.
- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately \$2,089 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AGM, and (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and net deferred ceding commission income of AGM were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (filed by AGL with the SEC on March 1, 2023);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 (filed by AGL with the SEC on May 10, 2023); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 (filed by AGL with the SEC on August 9, 2023).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof “furnished” under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the 2023A/B Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC’s website at <http://www.sec.gov>, at AGL’s website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL’s website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption “BOND INSURANCE – Assured Guaranty Municipal Corp.” or included in a document incorporated by reference herein (collectively, the “**AGM Information**”) shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the 2023A/B Bonds or the advisability of investing in the 2023A/B Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading “BOND INSURANCE.”

THE SUCCESSOR AGENCY

The Redevelopment Dissolution Act established, by operation of law, the Successor Agency with all authority, rights, powers, duties, and obligations previously vested with the Former Agency under the Redevelopment Law, as amended by the Redevelopment Dissolution Act. The Successor Agency is a separate public entity from the City, but the Board of Supervisors of the City serves as the legislative body of the Successor Agency and delegated, by Ordinance No. 215-12 adopted by the Board of Supervisors on October 2, 2012, and signed by the Mayor on October 4, 2012 (“**Ordinance No. 215-12**”), its authority under the Redevelopment Dissolution Act to the Successor Agency Commission. Within City government, the Successor Agency is titled “The Office of Community Investment and Infrastructure as the Successor to the San Francisco Redevelopment Agency.” Set forth below is a discussion of the history of the Former Agency and the Successor Agency, the governance and operations of the Successor Agency and its powers under the Redevelopment Law and the Redevelopment Dissolution Act, and the limitations thereon.

The Successor Agency maintains a website at www.sfocii.org. The information presented therein is not incorporated herein by reference.

Authority and Personnel

The powers of the Successor Agency are vested in its governing board (the “**Successor Agency Commission**”), which in the City is referred to as the “**Commission on Community Investment and Infrastructure**” and which has five (5) members who are appointed by the Mayor of the City with the approval of the Board of Supervisors. Members are appointed to staggered four-year terms (provided that two (2) members had initial two-year terms). Once appointed, members serve until replaced or reappointed.

The current members of the Successor Agency Commission, together with their principal occupations, the years of their first appointment to the Commission and the expiration date of their current terms are as follows:

<u>Name</u>	<u>Occupation</u>	<u>First Appointed</u>	<u>Term Expires</u>
Vanessa Ross Aquino	Community Organizer	2023	November 3, 2024
Bivett Brackett	Small Business Owner	2019	November 3, 2024
Tamsen Drew	Attorney	2023	November 3, 2026
Dr. Carolyn Ransom-Scott	Clergy	2018	November 3, 2024

The Successor Agency Commission currently has one (1) vacancy. Alex Ludlum resigned from the Successor Agency Commission effective August 28, 2023.

The Successor Agency has 55 full-time equivalent positions budgeted, approximately 35 of which are filled. On April 12, 2022, the Successor Agency Commission appointed Thor Kaslofsky to serve as Executive Director. The other principal full-time staff positions are: the Deputy Director of Finance and Administration, the Deputy Director of Projects and Programs, and the General Counsel and Deputy Director. Each project area in which the Successor Agency continues to implement enforceable obligations is managed by a designated project manager. There are separate staff support divisions with real estate and housing development specialists as well as planning and other technical staff. The Successor Agency has its own fiscal, legal, and administrative staff.

Effect of the Redevelopment Dissolution Act

AB 26. As a result of AB 26 and the decision of the California Supreme Court in the *California Redevelopment Association* case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Former Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies and also to satisfy “enforceable obligations” of the former redevelopment agencies all under the supervision of new oversight boards, the California Department of Finance and the State Controller.

Pursuant to Ordinance No. 215-12, the Board of Supervisors: (i) officially gave the following name to the Successor Agency: the “**Successor Agency to the Redevelopment Agency of the City and County of San Francisco**”; (ii) created the Successor Agency Commission as the policy body of the Successor Agency; (iii) delegated to the Successor Agency Commission the authority to act in place of the Former Agency’s Commission to implement the surviving redevelopment projects, the replacement housing obligations and other enforceable obligations of the Former Agency and the authority to take actions that AB 26 and AB 1484 require or allow on behalf of the Successor Agency; and (iv) established the composition and terms of the members of the Successor Agency Commission. As discussed below, many actions of the Successor Agency are subject to approval by the Oversight Board and review or approval by the California Department of Finance, including the issuance of bonds such as the 2023A/B Bonds.

AB 1484. On June 27, 2012, the Redevelopment Dissolution Act was amended by AB 1484, which clarified that successor agencies are separate public entities from the city or counties in which they operate and that a successor agency succeeds to the organizational status of the former redevelopment agency but without any legal authority to participate in redevelopment activities except to complete the work related to an approved enforceable obligation.

SB 107. On September 22, 2015, the Redevelopment Dissolution Act was further amended by SB 107, which, among other things: a) clarified the authority of the Successor Agency to issue bonds for affordable housing and certain infrastructure (California Health & Safety Code § 34177.7); b) removed, for

purposes of payment of enforceable obligations, certain time limits that had previously applied to the issuance of debt, the receipt of tax increment, the repayment of debt and any other matters set forth in Sections 33333.2, 33333.4, and 33333.6 of the Redevelopment Law; and c) authorized the Successor Agency to secure new debt with the property tax revenues (former tax increment) from project areas that had generated tax increment upon the dissolution of the Former Agency on February 1, 2012 (Stats. 2015, ch. 325, § 27(e)). Significantly, these project areas include those with redevelopment plans that may have expired for other purposes but that continue to be a source of funds for repayment of indebtedness. Accordingly, the Successor Agency will continue to be allocated revenue from all former project areas until such time as all enforceable obligations have been repaid, even if such time extends beyond such project area plan's stated last day to repay indebtedness. SB 107 did not however change a redevelopment plan's limit on the amount of bonds that can be outstanding at any one time or restore or continue funding for projects whose contractual terms specified that project funding would cease once the limits in the Redevelopment Law were realized. See "– Continuing Activities" below for more information relating to Section 34177.7.

Oversight Board

The Redevelopment Dissolution Act established special provisions for the composition of a seven-member oversight board operating in a jurisdiction that is both a charter city and a county, such as the City (California Health & Safety Code § 34179(a)(10)). These provisions require that four (4) members of the oversight board be appointed by the mayor, one of whom must represent the largest number of former redevelopment agency employees employed by the Successor Agency at that time, one member appointed by the largest special district as determined by property tax share, one member appointed by the superintendent of education, and one member appointed by the chancellor of the state community colleges. The Successor Agency's Oversight Board is composed of the four (4) members appointed by the Mayor, the one (1) member appointed by the BART, the one (1) member appointed by the County Superintendent of Education, and the one (1) member appointed by the Chancellor of the California Community Colleges.

Department of Finance Finding of Completion

The Redevelopment Dissolution Act established a process for determining the liquid assets that redevelopment agencies should have shifted to their successor agencies when they were dissolved, and the amount that should be available for remittance by the successor agencies to their respective county auditor-controllers for distribution to affected taxing entities. This determination process was required to be completed through the final step (review by the California Department of Finance) by November 9, 2012, with respect to affordable housing funds and by April 1, 2013, with respect to non-housing funds. On May 23, 2013, the Successor Agency promptly remitted to the City Controller the amounts of unobligated balances relating to affordable housing funds, determined by the California Department of Finance in the amount of \$10,577,932, plus \$1,916 in interest. On May 23, 2013, the Successor Agency promptly remitted to the City Controller the amount of unobligated balances relating to all other funds determined by the California Department of Finance in the amount of \$959,147. The Successor Agency has made all payments required under AB 1484 and received its finding of completion from the California Department of Finance on May 29, 2013.

Continuing Activities

The Former Agency was organized in 1948 by the Board of Supervisors pursuant to the Redevelopment Law. The Former Agency's mission was to eliminate physical and economic blight within specific geographic areas of the City designated by the Board of Supervisors. The Former Agency had redevelopment plans for fourteen (14) redevelopment project areas of which thirteen (13) continue, including the Project Areas. The Successor Agency only has the authority to complete work related to approved enforceable obligations.

These enforceable obligations are related to the following “**Major Approved Development Projects**”: (i) the Mission Bay North Project Area; (ii) the Mission Bay South Project Area; (iii) the Hunters Point Shipyard Project Area and Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B; and (iv) the Transbay Project Area. Further, the Redevelopment Dissolution Act expressly provides (pursuant to Section 34177.7) for the issuance by the Successor Agency of bonds and any other obligations (and, pursuant to Section 34177.5, bonds and other indebtedness to refund such bonds or obligations) and specifically states that the Successor Agency “*shall have the authority, rights, and powers of the Redevelopment Agency to which it succeeded solely for the purpose of issuing bonds or incurring other indebtedness to finance...the affordable housing required by the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, the Disposition and Development Agreement for Hunters Point Shipyard Phase I, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, and the Transbay Implementation Agreement,*” which documents, respectively, relate to the Major Approved Development Projects, for which the Successor Agency “*may pledge to [any such] bonds or other indebtedness the property tax revenues available in the...Redevelopment Property Tax Trust Fund that are not otherwise obligated*”. The Mission Bay North Project Area, the Mission Bay South Project Area, parcels in the Hunters Point Shipyard Project Area (other than the Hunters Point Hill Residential District), Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B and the State-Owned Parcels in the Transbay Project Area are Excluded Project Areas. See “INTRODUCTION – Excluded Project Areas.”

In addition, the Successor Agency continues to manage the Former Agency’s assets and real property that ultimately must be disposed of, or transferred to the City, under a long range property management plan required by the Redevelopment Dissolution Act and approved by the California Department of Finance on December 7, 2015.

THE PROJECT AREAS

General

As discussed under “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS,” the 2023A/B Bonds are secured by Pledged Tax Revenues generally consisting of tax increment revenues generated within the Project Areas remaining after payment of the City Controller Administration Fee, the Existing Senior Loan Agreements and the Second Lien Debt. The Project Areas consist of the following:

- Bayview Hunters Point Project Area – Zone 2 of Project Area B*
- Bayview Hunters Point Project Area – Project Area A
- Embarcadero-Lower Market (“Golden Gateway”) Project Area
- Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)*
- India Basin Industrial Park Project Area
- Rincon Point – South Beach Project Area
- South of Market Project Area
- Transbay Project Area*
- Western Addition Project Area A-2
- Yerba Buena Center Approved Project Area D-1

* Bayview Hunters Point Project Area – Zone 2 of Project Area B excludes Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B. See “– Project Areas – Bayview Hunters Point Project Area – Zone 2 of Project Area B.” The projections of tax increment revenues available to pay debt service on the 2023A/B Bonds exclude tax increment from areas in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and the State-Owned Parcel Net Tax Increment. See “– Project Areas

– *Hunters Point Hill Residential District (Hunters Point Shipyard Project Area).*” See also “– Project Areas – *Transbay Project Area*” and “INTRODUCTION – Excluded Project Areas.”

Under the Indenture, Pledged Tax Revenues exclude amounts required to be paid to the TJPA in accordance with the redevelopment plan for the Transbay Project Area (i.e. State-Owned Parcel Net Tax Increment). Therefore, State-Owned Parcel Net Tax Increment is not available for payment of debt service on the 2023A/B Bonds. State-Owned Parcel Net Tax Increment for Fiscal Year 2023-24 is approximately \$28.4 million. See Appendix B – “Fiscal Consultant Report.” The tax increment from the State-Owned Parcels in excess of the State-Owned Parcel Net Tax Increment is deposited into the RPTTF. Such excess is equal to the former State-Owned Parcels Housing Set-Aside and the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels. For Fiscal Year 2023-24, such excess totaled approximately \$22.9 million. This amount is anticipated to be available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. See “INTRODUCTION – Excluded Project Areas,” “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Former Housing Fund*” and “– *Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds.*”

Redevelopment Plans

Under the Redevelopment Law, a city or county that activated a redevelopment agency was required to adopt, by ordinance, a redevelopment plan for each redevelopment project to be undertaken by the redevelopment agency. A redevelopment agency could only undertake those activities within a redevelopment project area specifically authorized in the adopted redevelopment plan. A redevelopment plan is a legal document, the content of which is largely prescribed in the Redevelopment Law, rather than a “plan” in the customary sense of the word. The Former Agency adopted a redevelopment plan for each of the Project Areas, each of which originally included separate time and financial limitations applicable to such Project Area. However, SB 107 provides that the time limits for receiving property tax revenues and the limitation on the amount of property tax revenues that may be received by the Former Agency and the Successor Agency as set forth in these redevelopment plans are not effective for purposes of paying the Successor Agency’s enforceable obligations, such as the 2023A/B Bonds. As a result, the projections set forth in this Official Statement and in the Fiscal Consultant’s Report attached hereto as APPENDIX B were prepared without regard to the time and financial limitations set forth in any of the redevelopment plans. Certain information regarding the redevelopment plans for these Project Areas can be found in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B.

Project Areas

A brief description of each of the Project Areas is set forth below. Additional information regarding the Project Areas can be found in the FISCAL CONSULTANT REPORT attached hereto as APPENDIX B.

Bayview Hunters Point Project Area – Zone 2 of Project Area B. The 1,081-acre Bayview Hunters Point Project Area – Zone 2 of Project Area B consists of residential, commercial, industrial, and public uses in the Bayview Hunters Point community, which is located in the southeast quadrant of San Francisco. As defined herein, this project area includes Zone 2 of the larger Bayview Hunters Point Project Area B, but excludes Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B. Tax increment revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B is not pledged to the payment of the 2023A/B Bonds and is part of what is referred to herein as the “Excluded Project Areas.”

The Bayview Hunters Point Project Area – Zone 2 of Project Area B includes the majority of the length of Bayview’s portion of the Third Street commercial corridor, which extends from Cesar Chavez

Street on the north side, to Meade Street and Highway 101 on the south side. The project area also includes large portions of industrial and residential areas west of Third Street towards Bayshore Boulevard, east of Third Street, roughly between Palou Street and Jamestown Street, towards the Yosemite Slough, and a residential district near the India Basin shoreline adjacent to the Bayview Hunters Point Project Area – Project Area A.

Bayview Hunters Point Project Area – Project Area A. The Bayview Hunters Point Project Area – Project Area A is a 137-acre hilly residential tract located in Bayview Hunters Point on a site formerly occupied by temporary federal wartime housing. It is bounded by Fairfax Avenue on the north, Griffith Street on the east, Palou Avenue on the south and Mendell Street on the west. It extends five blocks on its east-west axis and ten blocks in the north-south direction. Pursuant to the redevelopment plan for this project area, over 1,760 new rental, co-op, condominium and ownership units have been constructed and 122 homes have been rehabilitated in this project area. Community improvements include major new roadways and their associated streetscape improvements, a number of neighborhood parks, community facilities and schools.

Embarcadero-Lower Market (“Golden Gateway”) Project Area. The Embarcadero-Lower Market (“Golden Gateway”) Project Area is an approximately 51-acre high density district located along the Embarcadero, largely north of Market Street and east of Battery Street. This project area is developed with approximately 1,400 housing units, an approximately 800-room hotel, approximately 3.5 million square feet of office and commercial space (including the Embarcadero Center) and twelve acres of public parks and open space, as well as the Embarcadero Station of the BART.

Hunters Point Hill Residential District (Hunters Point Shipyard Project Area). The Hunters Point Hill Residential District (Hunters Point Shipyard Project Area) is approximately 74 acres that consists of residential, retail, and community uses in the Bayview Hunters Point community located in the southeast quadrant of San Francisco. As defined herein, this project area includes the Hunters Point Residential District of the Hunters Point Shipyard Project Area, but excludes the remaining land use districts within the Hunters Point Shipyard Project Area. Tax increment revenue from the remaining land use districts within the Hunters Point Shipyard Project Area is not pledged to the payment of the 2023A/B Bonds. See also “INTRODUCTION – Excluded Project Areas.”

The Hunters Point Hill Residential District consists of two geographic areas, the “Hilltop” and the “Hillside”. The two sites are entitled for 1,428 housing units, of which approximately twenty-nine percent (29%) will be rented or sold at rents or sale prices that are below market, and up to 20,000 square feet of retail. The Hilltop consists of Block 1 and Blocks 49 through 57. Vertical developers have received major phase approvals for all private development blocks on the Hilltop. As of July 1, 2023, 505 units of housing, including 102 below-market sale and rental units, have been completed on Blocks 49, 50, 51, 53, 54, 55, 56 and 57 since Fiscal Year 2014-15. Site permits for construction have been issued on an additional 77 units of housing, of which 9 will be below-market rate sale units. The Hillside consists of Block 48, which has 404 housing units, of which 56 are below market rate sale and rental units. To date, vertical developers have received major phase approvals for all private development blocks on the Hillside.

Within the Hunters Point Hill Residential District, the Successor Agency has an enforceable obligation to build an additional 215 units of affordable housing, of which 182 below-market rate units will be located on the Hilltop and 33 below-market rate units will be located on the Hillside.

A class action lawsuit that has been filed seeks, among other relief, to enjoin development at the Hunters Point Shipyard Project Area, which could include certain land in the Hunters Point Hill Residential District. See “CERTAIN RISK FACTORS – Hazardous Substances

India Basin Industrial Park Project Area. The India Basin Industrial Park Project Area encompasses approximately 126 acres of commercial and light industrial development in Bayview Hunters Point. It is bounded by Third Street on the west, Jennings Street on the east, Arthur Avenue on the north and Hudson Avenue and Galvez Avenue on the south. This project area includes a large United States Postal Service distribution facility, several light industrial, commercial service and multimedia businesses and some retail businesses.

Rincon Point-South Beach Project Area. The Rincon Point-South Beach Project Area is an approximately 115-acre area consisting of two noncontiguous subareas located within the northeastern waterfront area of San Francisco, immediately south of the Ferry Building. The major artery through this project area is the Embarcadero Roadway, which connects the project area to the City's financial district to the north and to the Mission Bay district to the south. Over 2,800 residential units and over one million square feet of mid- and high-rise office space have been constructed in this project area. In 2000, the approximately 43,000-seat major league baseball park for the San Francisco Giants (Oracle Park) opened in the project area on land owned by the Port of San Francisco (the "**Port**"). Public improvements completed in the project area include the 700-berth South Beach Harbor, two major waterfront parks and roadway and streetscape improvements.

South of Market Project Area. The South of Market Project Area, which is comprised of two areas: the Original Sub-Area and the Western Expansion Sub-Area, is approximately sixty-nine acres in size and located in the central city area of San Francisco. This project area is roughly bounded by Stevenson, Mission and Natoma Streets on the north, Fifth Street on the east, Harrison Street on the south and Seventh Street on the west. Its focus is the Sixth Street corridor, a mixed-use community located between Market and Harrison Streets.

Transbay Project Area. The Transbay Project Area is approximately 40 acres in size and roughly bounded by Mission Street on the north, Main Street on the east, Folsom Street on the south, and Second Street on the west. As described in "INTRODUCTION – Excluded Project Areas," State-Owned Parcel Net Tax Increment from the State-Owned Parcels, which total approximately 10 acres of land, is not pledged as security to pay debt service on the 2023A/B Bonds, because those revenues have been previously pledged to the TJPA to help pay the cost of replacing the former Transbay Terminal. However, the former State-Owned Parcels Housing Set-Aside and the Statutory Pass-Through Amounts are available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt, including the 2023A/B Bonds. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*"

The Transbay Project Area currently is composed of transportation-related infrastructure, high-rise and mid-rise commercial and residential development, and vacant public and private parcels entitled for high-rise and mid-rise commercial and residential development. The area currently includes a mix of market rate and affordable housing, new commercial buildings, one new park with another two in the predevelopment phase, and retail to serve residents and the larger community. Numerous major developments recently have been completed within the Transbay Project Area.

Western Addition Project Area A-2. The Western Addition Project Area A-2 is an approximately 277-acre area located in the northeast quadrant of San Francisco. It encompasses portions of the area bounded by Van Ness Avenue, Bush Street, Broderick Street and Grove Street. Its land uses are predominantly multi-family residential, with retail, commercial, public and institutional uses concentrated along the project area's main commercial corridors.

Yerba Buena Center Approved Project Area D-1. The Yerba Buena Center Approved Project Area D-1 consists of an approximately 87-acre area in the central city area of San Francisco. This project area contains the Moscone Center convention center, cultural institutions of regional importance, such as

the Yerba Buena Center for the Arts and the San Francisco Museum of Modern Art, as well as the Yerba Buena Gardens, recreational uses and the Children’s Creativity Museum. The project area is located in the southwest portion of San Francisco’s downtown office, hotel and retail district and is developed with high-rise and mid-rise hotels, and residential and commercial buildings. It extends from Market Street on the north to Harrison Street on the south, and from Second Street on the east to Fourth Street on the west, and includes the Emporium Sub-Area, which contains the Westfield San Francisco Centre regional shopping mall, located between Market Street and Mission Street and between Fourth Street and Fifth Street.

Assessed Valuation and Other Information Regarding the Project Areas

The assessed valuation of each of the Project Areas for the current Fiscal Year by land use category is set forth on the following Tables 1 and 2.

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Table 1
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Assessed Value by Land Use in the Project Areas, Fiscal Year 2023-24⁽¹⁾

Category by Value	Bayview Hunters Point Project Area B ⁽²⁾	Embarcadero- Lower Market ("Golden Gateway") Project Area	Bayview Hunters Point Project Area – Project Area A	Hunters Point Hill Residential District	India Basin Industrial Park Project Area	Rincon Point – South Beach Project Area	South of Market Project Area
Commercial	\$226,537,190	\$2,595,480,692	-	-	\$40,107,573	\$566,318,805	\$281,201,005
Industrial	1,834,169,183	-	-	-	105,076,556	-	143,259,284
Residential							
<i>Single-Family</i>	-	-	-	102,379,774	-	-	-
<i>Condominiums</i>	198,789,265	237,086,170	10,618,905	252,495,968	-	1,292,012,888	420,914,736
<i>Other</i>	948,860,135	86,604,724	185,161,048	8,421,159	-	390,138,579	658,203,782
Vacant	289,316,237	189	1,200,867	76,964,331	8,826,696	-	488,824,645
Other Secured ⁽³⁾	53,420,497	2,789,860	1,449,000	1,971,891	-	2,332,068	51,088,724
SBE-Assessed Utilities ⁽⁴⁾	392,040	298,757	-	-	-	935,000	-
Unsecured	258,828,626	562,771,427	206,609	909,456	40,473,036	788,759,599	40,286,561
Total	\$3,810,313,173	\$3,485,031,819	\$198,636,429	\$443,142,579	\$194,483,861	\$3,040,496,939	\$2,083,778,737
Acreage	1,361	51	137	N/A	126	115	69

Category by Value	Transbay Project Area ⁽⁵⁾	Western Addition Project Area A-2	Yerba Buena Center Approved Project Area D-1	Total Value⁽¹⁾	% of Total Value	Number of Properties Levied
Commercial	\$7,160,619,330	\$765,149,372	\$3,270,074,578	\$14,905,488,545	41.4%	635
Industrial	20,111,824	-	52,136,430	2,154,753,277	6.0%	872
Residential						
<i>Single-Family</i>	-	1,545,300	-	103,925,074	0.3%	1,887
<i>Condominiums</i>	1,885,125,283	1,603,096,063	1,946,617,558	7,846,756,836	21.8%	7,916
<i>Other</i>	1,176,412,254	1,380,424,132	535,542,665	5,369,768,478	14.9%	970
Vacant	321,626,740	5,395,079	38,955,462	1,231,110,246	3.4%	936*
Other Secured ⁽³⁾	1,138,200	24,382,533	25,547,274	164,120,047	0.5%	347
SBE-Assessed Utilities ⁽⁴⁾	-	-	16,962	1,642,759	0.0%	-
Unsecured	1,308,903,996	108,457,610	1,124,508,166	4,234,105,086	11.8%	3,222
Total	\$11,873,937,62	\$3,888,450,089	\$6,993,399,095	\$36,011,670,348	100.0%	16,785
Acreage	40	277	87	2,263		

⁽¹⁾ Assessed valuations are as of July 1, 2023.

⁽²⁾ Amounts shown here include assessed value of Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, in the amount of \$186.6 million, approximately fifty-five percent of which is paid annually under an existing obligation to the developer with the remainder applied to the Successor Agency's Statutory Pass-Through Amounts, City Controller Administration Fee and housing and infrastructure obligations. The excluded tax increment revenue totaled \$1.0 million in Fiscal Year 2023-24, which amounts are not available to pay debt service on the 2023A/B Bonds.

⁽³⁾ Includes other land use classifications and homeowner exemptions.

⁽⁴⁾ Non-unitary property assessed by the State Board of Equalization.

⁽⁵⁾ Amounts shown here include values for State-Owned Parcels, a portion of the tax increment from which is not available to pay debt service on the 2023A/B Bonds. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*"

* Of the 936 properties classified as vacant, 170 are located in Excluded Project Areas, of which 79 are in Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, one is in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and 90 are in the State-Owned Parcels. Any future property tax revenue from these properties will not be pledged revenue. Of the remaining 766 properties, 401 are within the Bayview Hunters Point Project Area – Zone 2 of Project Area B, 105 are within the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), 95 are within the Transbay Project Area and the remainder are distributed across the other seven Project Areas.

Sources: Assessor; Urban Analytics.

Table 2
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Commercial Land Use in the Project Areas, Fiscal Year 2023-24

Land Use	Total Value	% of Total Value	Number of Properties Levied
Office	\$11,698,505,312	32.5%	161
Hotel	1,354,961,870	3.8%	47
Retail	1,330,359,965	3.7%	282
Other	521,661,398	1.4%	145
Total Commercial	\$14,905,488,545	41.4%	635
Total, All Properties	\$36,011,670,348	100.0%	16,785

Sources: Assessor; Urban Analytics.

As shown in Table 1, commercial properties account for the largest percentage of assessed valuation, at 41.4% of total valuation in the Project Areas. Commercial land use in the Project Areas, shown in Table 2, consists largely of office properties with \$11.7 billion in assessed valuation across 161 properties representing 32.5% of the Project Areas' total valuation. Hotels total \$1.4 billion in assessed valuation over 47 properties for 3.8% of the Project Areas' total valuation, while retail use generates \$1.3 billion in assessed valuation across 282 properties representing 3.7% of the Project Areas' total valuation.

The ten largest taxpayers by assessed valuation in the Project Areas, in aggregate, in Fiscal Year 2023-24 are set forth below in Table 3. Ownership concentration for these top taxpayers is 24.5% of total assessed valuation and 26.2% of incremental assessed valuation in the Project Areas. See "CERTAIN RISK FACTORS – Concentration of Property Ownership."

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Table 3
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Top Ten Taxpayers By Assessed Valuation in the Project Areas, Fiscal Year 2023-24

Assessee Name ⁽¹⁾	Project Area	Use	Number of Parcels	Fiscal Year 2022-23 Value	Percent of Total Aggregate Value	Percent of Incremental Value
1. TRANSBAY TOWER LLC ²	Transbay	Office	1	\$1,876,176,439	5.2%	5.6%
2. BOSTON PROPERTIES	Golden Gateway	Office	5	1,641,803,816	4.6%	4.9%
3. PARK TOWER OWNER LLC ²	Transbay	Office	1	1,140,399,718	3.2%	3.4%
4. EMPORIUM MALL LLC * (2020-21, 2021-22) ³	YBC - Emporium	Commercial/ Retail	5	896,062,360	2.5%	2.7%
5. 706 MISSION STREET CO LLC	YBC - Original	Residential	133	715,643,973	2.0%	2.1%
6. UNION INVESTMENT REAL ESTATE G	Transbay	Office	1	539,098,145	1.5%	1.6%
7. MARRIOTT HOTEL * (2020-21, 2021-22)	YBC - Original	Hotel	1	522,244,045	1.5%	1.6%
8. CHINA BASIN BALLPARK CO	Rincon	Sports Facility	5	519,090,254	1.4%	1.5%
9. 181 FREMONT OFFICE LLC	Transbay	Office	1	514,905,912	1.4%	1.5%
10. PPF OFF ONE MARITIME PLAZA LP	Golden Gateway	Office	3	453,773,255	1.3%	1.4%
Totals			156	\$8,819,197,917	24.5%	26.2%

* The owner has one or more appeals pending in the years indicated.

(1) The Millennium Tower (defined herein) in the Transbay Project Area is assessed through its individual condominium owners, a number of whom have pending assessment appeals. The combined assessment for all condominiums in such building is \$668,932,373, or 1.9% of total aggregate value and 2.0% of incremental value. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

(2) The Transbay Tower and Park Tower properties are located on the State-Owned Parcels; approximately 55% of the tax increment revenue from these properties represents State-Owned Parcel Net Tax Increment and is therefore not available for debt service on the 2023A/B Bonds. See “Introduction – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*”

(3) Emporium Mall LLC, owner of the shopping center, Westfield San Francisco Centre, has announced that it had decided to surrender such shopping center to its lender. See below and “CERTAIN RISK FACTORS – Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues – *Retail Vacancy and Closures.*”

Sources: Assessor; Urban Analytics.

As set forth in Table 3, above, Emporium Mall LLC and Marriott Hotel are appealing their assessed valuations for certain Fiscal Years. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

In June 2023, Emporium Mall LLC announced that they had decided to begin the process of transferring management of the Westfield San Francisco Centre to their lender to allow the lender to appoint a receiver to operate the property going forward. The five parcels identified in Table 3, above, as being owned by Emporium Mall LLC make up the Westfield San Francisco Centre. News articles have reported that the owners cited as a reason for their decision the challenging operating conditions in downtown San Francisco, which have led to declines in sales, occupancy and foot traffic. Such mall includes 1.2 million square feet of retail space and 300,000 square feet of offices. Nordstrom, which occupies 312,000 square feet in the mall, has announced that it will close its store in the mall in August 2023 when its lease expires. After Nordstrom’s departure, the mall will be only 55% leased. In addition, Century Theaters, which is located in the mall, has permanently closed. According to news report, Century Theaters has a lease for 52,000 square feet in the mall expiring in September 2023 and H&M has a lease for 25,289 square feet that

will expire in January 2024. The Successor Agency cannot predict what impact the foregoing events will have on the mall's assessed value or the assessed values of other properties in the Project Areas. See "CERTAIN RISK FACTORS – Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues."

The assessed valuation of three residential condominium buildings in the Project Areas, when taking their individual owner's assessments as a whole, would appear among the top ten largest assesseees. These include 706 Mission, with an aggregate Fiscal Year 2023-24 valuation of \$782.3 million (2.2% and 2.3%, respectively, of the Project Areas' total and incremental assessed valuation) and 765 Market Street with an aggregate valuation of \$518.6 million (1.4% and 1.5%, respectively, of the Project Areas' total and incremental valuation); both are Four Seasons properties located in the Yerba Buena Center Approved Project Area D-1. The Millennium Tower (defined herein) condominium building in the Transbay Project Area also would appear among the top ten largest assesseees, with a Fiscal Year 2023-24 aggregate assessed valuation of \$668.9 million (1.9% and 2.0%, respectively, of the Project Areas' total and incremental assessed valuation). The Millennium Tower is not located on the State-Owned Parcels. Therefore, tax revenues from such building are included as security to pay debt service on the 2023A/B Bonds. As discussed under "PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals" below, the Millennium Tower is currently subject to assessment appeals related to the settling and tilting of the building.

The Transbay Towers property is located on the State-Owned Parcels. State-Owned Parcel Net Tax Increment is not available for payment of debt service on the Existing Senior Loan Agreements, the Second Lien Debt and the Third Lien Debt, including the 2023A/B Bonds. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels.*"

PLEDGED TAX REVENUES AND DEBT SERVICE

The Successor Agency has retained the Fiscal Consultant to provide projections of taxable assessed valuation and tax increment revenue from developments in the Project Areas.

Historical and Current Assessed Valuation and Tax Revenues

A summary of the projected total taxable valuation and tax increment for the Project Areas based on Fiscal Year 2023-24 roll data provided by the offices of the Assessor of the City (the "**Assessor**"), the City Controller and the State Board of Equalization is set forth in Table 4 below. Based on such roll, the total assessed valuation for Fiscal Year 2023-24 in the Project Areas, after deducting all exemptions, except the homeowner's exemption which is reimbursed by the State, is approximately \$36.0 billion. Deducting the base year valuation for the Project Areas of approximately \$2.4 billion produces an incremental assessed valuation amount of approximately \$33.6 billion. The largest contributor to incremental assessed valuation, at 32.7%, is the Transbay Project Area, followed by the Yerba Buena Center Approved Project Area D-1 at 17.7% and the Western Addition Project Area A-2 at 11.4%. Gross tax increment, calculated by applying a one percent tax rate to the incremental assessed valuation, is \$336.0 million for Fiscal Year 2023-24, prior to deductions for the Excluded Project Areas and senior obligations.

Table 4
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Tax Increment Estimates by Project Areas, Fiscal Year 2023-24

Project Area	Number of Acres	Total Assessed Valuation	Less Base Year Assessed Valuation	Incremental Valuation	% of Incremental Valuation	Gross Tax Increment
Bayview Hunters Point Project Area B ⁽¹⁾	1,361	\$3,810,313,173	\$1,165,228,645	\$2,645,084,528	7.9%	\$26,450,845
Embarcadero-Lower Market (“Golden Gateway”) Project Area ⁽¹⁾	51	3,485,031,819	21,172,000	3,463,859,819	10.3%	34,638,598
Bayview Hunters Point Project Area – Project Area A	137	198,636,429	2,847,427	195,789,002	0.6%	1,957,890
Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)	NA	443,142,579	6,526,793	436,615,786	1.3%	4,366,158
India Basin Industrial Park Project Area	126	194,483,861	13,691,137	180,792,724	0.5%	1,807,927
Rincon Point - South Beach Project Area	115	3,040,496,939	18,092,701	3,022,404,238	9.0%	30,224,042
South of Market Project Area ⁽¹⁾⁽²⁾						
<i>Original Area</i>	63	1,987,439,366	108,585,675	1,878,853,691	5.6%	18,788,537
<i>Western Expansion Area</i>	6	96,339,371	9,360,179	86,979,192	0.3%	869,792
Transbay Project Area ⁽¹⁾	40	11,873,937,627	880,853,389	10,993,084,238	32.7%	109,930,842
Western Addition Project Area A-2	277	3,888,450,089	61,239,180	3,827,210,909	11.4%	38,272,109
Yerba Buena Center Approved Project Area D-1 ⁽³⁾						
<i>Original Area</i>	74	6,015,545,132	52,656,706	5,962,888,426	17.7%	59,628,884
<i>Emporium Site Area</i>	13	977,853,963	69,957,924	907,896,039	2.7%	9,078,960
Total	2,263	\$36,011,670,348	\$2,410,211,756	\$33,601,458,592	100.0%	\$336,014,586

⁽¹⁾ In the Bayview Hunters Point Project Area B, project area tax increment revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, approximately fifty-five percent of which is paid annually under an existing obligation to the developer with the remainder applied to the Successor Agency’s Statutory Pass-Through Amounts, City Controller Administration Fee and housing and infrastructure obligations. The excluded tax increment revenue totaled \$1.0 million in Fiscal Year 2023-24, which is not available to pay debt service on the Second Lien Debt or the Third Lien Debt, including the 2023A/B Bonds. In the Transbay Project Area, approximately \$28.4 million of the State-Owned Parcel Not Tax Increment in Fiscal Year 2023-24 is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds. Tax increment revenue from the South of Market and Embarcadero-Lower Market (“Golden Gateway”) Project Areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building Redevelopment Project Area through a fiscal merger of these project areas.

⁽²⁾ In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 and the Santa Ana Section 33676 Decision.

⁽³⁾ In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that project area’s redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000.

Sources: Assessor, Successor Agency, and Urban Analytics,

The following Table 5 shows the historic and current assessed valuation for the Project Areas. Assessed valuation grew by 4.5% in Fiscal Year 2023-24, following increases of 5.3% in Fiscal Year 2022-23, 0.8% in Fiscal Year 2021-22, 13.0% in Fiscal Year 2020-21, and 13.2% in Fiscal Year 2019-20.

Fiscal Year 2023-24 assessed valuation increased by \$1.6 billion over Fiscal Year 2022-23. The Bayview Hunters Point Project Area – Zone 2 of Project Area B increased by \$404.8 million, including a gain of \$172.5 million from four properties owned by GIC San Francisco LLC located on Napoleon Street. The Yerba Buena Center Approved Project Area D-1 increased by \$320.4 million from gains posted across a number of properties as well as the removal of a \$59.2 million exemption on a parcel owned by Emporium Mall LLC. The Transbay Project Area assessed valuation increased by \$250.3 million, including an \$88.5 million valuation gain on properties owned by T8 Urban Housing Associates LLC. The Western Addition Project Area A-2 increased in valuation by \$248.4 million due in part to an \$85.3 million gain on properties

owned by Sutter Health and a \$42.0 million gain on a property owned by 830 Eddy Street LLC. The remaining six Project Areas grew by \$339.2 million for Fiscal Year 2023-24.

Net Available Tax Increment Revenue is determined by deducting from gross tax increment: the portion of tax increment attributable to Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, the State-Owned Parcel Net Tax Increment, the 2% Section 33676 Allocation, the 2% Emporium Amount, the Federal Building negative tax increment and the City Controller Administration Fee. Net Available Tax Increment Revenue as shown on Table 5 is the amount available for debt service on the Senior Obligations and Third Lien Debt, including the 2023A/B Bonds, and any subordinate obligations.

In California, a property's annual assessed value is determined as of January 1 of the year preceding the fiscal year for which taxes are billed and paid. Under Article XIII A of the State Constitution, known as Proposition 13, a property's annual assessed value is the lesser of (1) its base year value (fair market value as of the date of change in ownership or completion of new construction), factored for inflation at no more than two percent per year; or (2) its fair market value as of January 1 of the year preceding the fiscal year for which property taxes are billed and paid. If a property's fair market value falls below its factored base year value, the reduced value is enrolled on a temporary basis (for one year), and is commonly referred to as a "Proposition 8" reduction, after the 1978 initiative. However, if a property's base year value is reduced, then that reduced value carries forward for factoring purposes until the next change in ownership or completion of new construction. Assessors in California have the authority to use Proposition 8 criteria to apply reductions in valuation to classes of properties affected by any factors affecting value, including but not limited to negative economic conditions. See "LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution."

COVID-19's impact on San Francisco real property values first arose with respect to assessed valuations for Fiscal Year 2021-22, with an almost 4-times increase in the total count of Proposition 8 reductions granted compared to Fiscal Year 2020-21 (up from 2,154 to 8,305) and more than 6.5-times increase in the value of the reductions (up from \$359 million to \$2.45 billion). The two most significant factors driving these changes were values of hotels and condominiums. In response to COVID-19, the Assessor's office performed proactive reviews of commercial properties, which resulted in temporary reductions City-wide of \$1.26 billion for 31 hotel properties for Fiscal Year 2021-22 and \$1.1 billion for 19 hotel properties for Fiscal Year 2022-23. Apart from these reductions for hotels, condominiums accounted for the largest share of new reductions City-wide at over 40% of the total value of reductions in both years and over 60% of the total count—with the reductions relating to condominiums increasing by roughly 10 times and 8 times for Fiscal Years 2022-23 and 2021-22, respectively. Unlike the assessed valuation for Fiscal Year 2021-22, the Assessor's office did not do proactive Proposition 8 reductions for the Fiscal Year 2022-23 and 2023-24 assessed valuations.

Declines in values of condominiums also are reflected in recent sale prices. According to data from the San Francisco Association of Realtors, as of April 2023, the median sale price of condominiums in the downtown and South of Market area of San Francisco was less than every past April since 2014.

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Table 5
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Historical and Current Assessed Valuations and Net Available Tax Increment Revenue by Project Areas

Project Area	Fiscal Year				
	2019-20	2020-21	2021-22	2022-23	2023-24
Bayview Hunters Point Project Area B	\$ 2,646,387,244	\$ 3,094,567,609	\$ 3,180,947,910	\$ 3,405,413,544	\$ 3,810,313,173
Embarcadero-Lower Market (“Golden Gateway”) Project Area	3,120,024,522	3,284,546,125	3,237,894,690	3,398,391,691	3,485,031,819
Bayview Hunters Point Project Area – Project Area A	190,503,384	174,862,380	177,908,649	188,835,268	198,636,429
Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)	563,836,534	411,032,740	406,868,722	420,834,962	443,142,579
India Basin Industrial Park Project Area	142,543,978	150,361,395	163,869,889	163,930,340	194,483,861
Rincon Point - South Beach Project Area	2,776,555,071	2,895,125,534	2,915,318,545	3,007,379,931	3,040,496,939
South of Market Project Area	1,488,673,192	1,609,348,316	1,813,776,387	1,926,958,014	2,083,778,737
Transbay Project Area	8,878,757,711	10,473,093,339	10,976,063,961	11,623,662,722	11,873,937,627
Western Addition Project Area A-2	3,162,940,016	3,904,663,267	3,594,951,724	3,640,001,418	3,888,450,089
Yerba Buena Center Approved Project Area D-1	5,735,491,031	6,443,560,076	6,232,159,683	6,672,981,623	6,993,399,095
Total Value⁽¹⁾	\$ 28,705,712,683	\$ 32,441,160,781	\$ 32,699,760,160	\$ 34,448,389,513	\$ 36,011,670,348
<i>% Change</i>	<i>13.2%</i>	<i>13.0%</i>	<i>0.8%</i>	<i>5.3%</i>	<i>4.5%</i>
Less: Base Year Assessed Value	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)
Total Incremental Value	\$ 26,295,500,927	\$ 30,030,949,025	\$ 30,289,548,404	\$ 32,038,177,757	\$ 33,601,458,592
<i>% Change</i>	<i>14.6%</i>	<i>14.2%</i>	<i>0.9%</i>	<i>5.8%</i>	<i>4.9%</i>
Gross Tax Increment⁽²⁾	\$ 262,955,009	\$ 300,309,490	\$ 302,895,484	\$ 320,381,778	\$ 336,014,586
Less: Excluded Sub-Areas Revenue⁽³⁾					
Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B ⁽³⁾	(973,310)	(1,010,489)	(996,417)	(1,023,091)	(1,043,130)
State-Owned Parcel Net Tax Increment ⁽³⁾	(18,602,921)	(23,194,947)	(25,104,488)	(26,648,847)	(28,446,762)
Less: Negative Federal Office Building Revenue⁽⁴⁾	(47,177)	(47,380)	(48,059)	(48,059)	(48,059)
Less: Senior Obligations⁽⁵⁾	(425,397)	(454,234)	(478,477)	(505,367)	(532,474)
Net Available Tax Increment Revenue	\$ 242,906,204	\$ 275,602,441	\$ 276,268,042	\$ 292,156,412	\$ 305,944,161

Note: Columns may not add due to rounding

(1) Assessed valuations shown are “full cash value” and exclude homeowner subventions.

(2) Revenue numbers equal the tax rate times the increase over base year value and do not necessarily equal amounts collected.

(3) Revenue from Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B and from the State-Owned Parcel Net Tax Increment is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds.

(4) Revenue from the South of Market and Embarcadero-Lower Market (“Golden Gateway”) Project Areas is offset by negative revenue from the Federal Office Building Redevelopment Project Area through a fiscal merger of these project areas.

(5) In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that Project Area’s redevelopment plan. This (the 2% Emporium Amount) is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 of the Redevelopment Law and the Santa Ana Section 33676 Decision. The City Controller charges the City Controller Administration Fee pursuant to the Redevelopment Dissolution Act, of approximately 0.015% of tax increment. Amount does not reflect the bonds or loans (including the Existing Senior Loans and the Second Lien Debt) payable from tax increment revenues on a senior basis to the 2023A/B Bonds.

Source: Urban Analytics.

Projected Pledged Tax Revenues and Debt Service Coverage

Set forth below are tables showing net available tax increment revenues from the Project Areas on an aggregate basis, projected Pledged Tax Revenues and estimated debt service coverage for all Existing Senior Loan Agreements, Second Lien Debt, the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds. The below projections assume, with the exception of Table 7, approximately two percent (2%) annual growth in gross tax increment revenues beginning in Fiscal Year 2023-24 through the maturity of the 2023A/B Bonds. The projections do not take into consideration any changes in assessed valuation due to new construction, property sales, Proposition 8 reductions (other than those initiated by the Assessor for Fiscal Year 2022-23), assessment appeals or other factors. The actual growth rate in the Project Areas may differ from that which is projected.

The Successor Agency believes that the assumptions (including those in APPENDIX B – “FISCAL CONSULTANT REPORT”) upon which the projections are based are reasonable; however, some assumptions may not materialize and unanticipated events and circumstances may occur.

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Table 6
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Projected Net Available Tax Increment
(The Project Areas)
(in thousands)

Fiscal Year	Assessed Valuation ⁽¹⁾	Base Year Valuation	Incremental Valuation	Gross Tax Increment Revenues ⁽²⁾	Excluded Revenue ⁽³⁾	City Controller Admin Fee ⁽⁴⁾	Prior Obligations ⁽⁵⁾	Net Available Tax Increment Revenues
2023/24	\$36,011,670	\$2,410,212	\$33,601,459	\$336,015	\$(29,538)	\$(49)	\$(484)	\$305,944
2024/25	36,642,915	2,410,212	34,232,704	342,327	(30,113)	(50)	(509)	311,656
2025/26	37,286,785	2,410,212	34,876,573	348,766	(30,699)	(51)	(535)	317,481
2026/27	37,943,532	2,410,212	35,533,321	355,333	(31,297)	(52)	(561)	323,423
2027/28	38,613,414	2,410,212	36,203,203	362,032	(31,907)	(53)	(588)	329,484
2028/29	39,296,694	2,410,212	36,886,482	368,865	(32,529)	(54)	(615)	335,666
2029/30	39,993,640	2,410,212	37,583,428	375,834	(33,164)	(55)	(643)	341,972
2030/31	40,704,524	2,410,212	38,294,312	382,943	(33,811)	(56)	(672)	348,404
2031/32	41,429,626	2,410,212	39,019,414	390,194	(34,472)	(57)	(701)	354,965
2032/33	42,169,230	2,410,212	39,759,018	397,590	(35,145)	(58)	(731)	361,657
2033/34	42,923,626	2,410,212	40,513,414	405,134	(35,832)	(59)	(761)	368,482
2034/35	43,693,110	2,410,212	41,282,898	412,829	(36,533)	(60)	(792)	375,444
2035/36	44,477,984	2,410,212	42,067,772	420,678	(37,247)	(61)	(823)	382,546
2036/37	45,278,555	2,410,212	42,868,343	428,683	(37,926)	(62)	(855)	389,839
2037/38	46,095,138	2,410,212	43,684,926	436,849	(38,616)	(64)	(888)	397,281
2038/39	46,928,052	2,410,212	44,517,840	445,178	(39,320)	(65)	(922)	404,872
2039/40	47,777,624	2,410,212	45,367,413	453,674	(40,038)	(66)	(956)	412,614
2040/41	48,644,188	2,410,212	46,233,977	462,340	(40,770)	(67)	(990)	420,512
2041/42	49,528,084	2,410,212	47,117,872	471,179	(41,517)	(69)	(1,026)	428,567
2042/43	50,429,657	2,410,212	48,019,445	480,194	(42,279)	(70)	(1,062)	436,784
2043/44	51,349,261	2,410,212	48,939,050	489,390	(43,055)	(71)	(1,099)	445,165
2044/45	52,287,258	2,410,212	49,877,046	498,770	(43,848)	(73)	(1,137)	453,713
2045/46	53,244,015	2,410,212	50,833,803	508,338	(44,656)	(74)	(1,175)	462,433
2046/47	54,219,907	2,410,212	51,809,695	518,097	(45,480)	(75)	(1,214)	471,327
2047/48	55,215,316	2,410,212	52,805,105	528,051	(46,321)	(77)	(1,254)	480,399
2048/49	56,230,634	2,410,212	53,820,422	538,204	(47,178)	(78)	(1,295)	489,653
2049/50	57,266,258	2,410,212	54,856,047	548,560	(48,053)	(80)	(1,336)	499,091
2050/51	58,322,595	2,410,212	55,912,383	559,124	(48,945)	(81)	(1,379)	508,719
2051/52	59,400,058	2,410,212	56,989,847	569,898	(49,855)	(83)	(1,422)	518,539
2052/53	60,499,071	2,410,212	58,088,859	580,889	(50,783)	(85)	(1,466)	528,555
2053/54	61,620,064	2,410,212	59,209,852	592,099	(51,729)	(86)	(1,511)	538,772
Total	\$1,475,522,486	\$74,716,564	\$1,400,805,922	\$14,008,059	\$(1,232,659)	\$(2,039)	\$(29,401)	\$12,743,960

Note: Columns may not add due to rounding.

⁽¹⁾ Assessed valuation includes a growth factor of 2% per year. Assessed valuation for Fiscal Year 2023-24 is as of July 1, 2023, and includes the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area A, the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District, and the State-Owned Parcels. No reduction in assessed values from assessment appeals is assumed. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals” and “CERTAIN RISK FACTORS – Reduction in Tax Base and Assessed Values” and “ – Appeals to Assessed Values.”

⁽²⁾ Gross tax increment equals the tax rate times the increase over base year value and does not necessarily equal amounts collected.

⁽³⁾ In the Bayview Hunters Point Redevelopment Project Area B, revenue from the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, estimated to be \$1.0 million in Fiscal Year 2023-24, is not available to pay debt service on the Second Lien Debt or the Third Lien Debt, including the 2023A/B Bonds. In the Transbay Project Area, approximately \$28.4 million of State-Owned Parcel Net Tax Increment in Fiscal Year 2023-24 is not available to pay debt service on the Senior Obligations or the Third Lien Debt, including the 2023A/B Bonds. Revenue from the South of Market and Embarcadero-Lower Market (“Golden Gateway”) Project Areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building Redevelopment Project Area through a fiscal merger.

⁽⁴⁾ The City Controller charges the City Controller Administration Fee pursuant to the Redevelopment Dissolution Act, of approximately 0.015% of tax increment.

⁽⁵⁾ Consists of Project Area-specific prior obligations senior to the 2023A/B Bonds. In the Yerba Buena Center Approved Project Area D-1, a portion of the base-year value increases each year pursuant to that project area’s redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. The amount excluded from Fiscal Year 2023-24 in this manner is approximately \$404,000 in tax increment. In the South of Market Project Area, a portion of tax increment revenue, estimated to be \$80,000, is potentially allocable to school districts under Section 33676 and the Santa Ana Section 33676 Decision. Projections in this column do not include debt service for Existing Senior Loans or Second Lien Debt, which are payable from tax increment on a basis senior to the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Senior Obligations – Project Area-Specific Prior Obligations.”

Source: Urban Analytics.

Table 7
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Estimated All-In Debt Service Coverage – No Growth
(The Project Areas)
(dollar amounts in thousands)

Bond Year ending August 1	Net Available Tax Increment Revenues	Less: Existing Senior Loan Agreements and Second Lien Debt⁽¹⁾	Pledged Tax Revenues	2017A/B Bonds and 2021A Bonds⁽²⁾	2023A/B Bonds⁽²⁾	Total Payments for All-In Debt Service Coverage Calculation⁽³⁾	All-In Debt Service Coverage⁽⁴⁾
2024	\$305,944	\$48,361	\$257,583	\$8,750	\$3,996	\$61,107	5.0x
2025	305,944	32,523	273,421	19,261	3,997	55,781	5.5x
2026	305,944	31,862	274,082	18,727	3,995	54,584	5.6x
2027	305,944	31,873	274,071	18,431	3,997	54,301	5.6x
2028	305,944	31,848	274,097	18,568	3,996	54,412	5.6x
2029	305,944	31,828	274,116	18,754	3,997	54,579	5.6x
2030	305,944	31,348	274,596	18,948	3,995	54,291	5.6x
2031	305,944	28,501	277,443	22,600	4,000	55,101	5.6x
2032	305,944	28,479	277,465	23,429	3,995	55,903	5.5x
2033	305,944	28,473	277,471	1,802	3,996	34,271	8.9x
2034	305,944	28,440	277,505	1,802	3,998	34,240	8.9x
2035	305,944	24,262	281,682	1,802	3,999	30,063	10.2x
2036	305,944	23,176	282,768	1,802	3,999	28,977	10.6x
2037	305,944	17,792	288,153	1,802	3,996	23,590	13.0x
2038	305,944	7,741	298,203	1,802	3,999	13,542	22.6x
2039	305,944	7,727	298,218	1,802	3,995	13,524	22.6x
2040	305,944	5,760	300,184	1,802	3,996	11,558	26.5x
2041	305,944	3,258	302,686	2,342	3,995	9,595	31.9x
2042	305,944		305,944	8,468	3,998	12,466	24.5x
2043	305,944		305,944	8,491	3,998	12,489	24.5x
2044	305,944		305,944	8,514	3,997	12,511	24.5x
2045	305,944		305,944	9,024	3,996	13,020	23.5x
2046	305,944		305,944	9,025	3,999	13,024	23.5x
2047	305,944		305,944	0	3,995	3,995	76.6x
2048	305,944		305,944	0	3,995	3,995	76.6x
2049	305,944		305,944	0	3,997	3,997	76.5x
2050	305,944		305,944	0	3,995	3,995	76.6x
2051	305,944		305,944	0	3,999	3,999	76.5x
2052	305,944		305,944	0	3,999	3,999	76.5x
2053	305,944		305,944	0	4,000	4,000	76.5x

⁽¹⁾ Second Lien Debt consists of the 2014 Bonds and the 2017D/E Bonds.

⁽²⁾ Third Lien Debt.

⁽³⁾ Consists of debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Net available tax increment revenues divided by total debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

Source: Stifel, Nicolaus & Company, Incorporated, as to debt service and debt service coverage data and Urban Analytics, LLC, as to Net Available Tax Increment Revenues.

Table 8
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Estimated All-In Debt Service Coverage – 2% Growth
(The Project Areas)
(dollar amounts in thousands)

Bond Year ending August 1	Net Available Tax Increment Revenues	Less: Existing Senior Loan Agreements and Second Lien Debt⁽¹⁾	Pledged Tax Revenues	2017A/B Bonds and 2021A Bonds⁽²⁾	2023A/B Bonds⁽²⁾	Total Payments for All-In Debt Service Coverage Calculation⁽³⁾	All-In Debt Service Coverage⁽⁴⁾
2024	\$305,944	\$48,361	\$257,583	\$8,750	\$3,996	\$61,107	5.0x
2025	311,656	32,523	279,133	19,261	3,997	55,781	5.6x
2026	317,481	31,862	285,619	18,727	3,995	54,584	5.8x
2027	323,423	31,873	291,550	18,431	3,997	54,301	6.0x
2028	329,484	31,848	297,636	18,568	3,996	54,412	6.1x
2029	335,666	31,828	303,838	18,754	3,997	54,579	6.2x
2030	341,972	31,348	310,624	18,948	3,995	54,291	6.3x
2031	348,404	28,501	319,903	22,600	4,000	55,101	6.3x
2032	354,965	28,479	326,486	23,429	3,995	55,903	6.3x
2033	361,657	28,473	333,184	1,802	3,996	34,271	10.6x
2034	368,482	28,440	340,042	1,802	3,998	34,240	10.8x
2035	375,444	24,262	351,182	1,802	3,999	30,063	12.5x
2036	382,546	23,176	359,370	1,802	3,999	28,977	13.2x
2037	389,839	17,792	372,047	1,802	3,996	23,590	16.5x
2038	397,281	7,741	389,540	1,802	3,999	13,542	29.3x
2039	404,872	7,727	397,145	1,802	3,995	13,524	29.9x
2040	412,614	5,760	406,854	1,802	3,996	11,558	35.7x
2041	420,512	3,258	417,254	2,342	3,995	9,595	43.8x
2042	428,567		428,567	8,468	3,998	12,466	34.4x
2043	436,784		436,784	8,491	3,998	12,489	35.0x
2044	445,165		445,165	8,514	3,997	12,511	35.6x
2045	453,713		453,713	9,024	3,996	13,020	34.8x
2046	462,433		462,433	9,025	3,999	13,024	35.5x
2047	471,327		471,327	0	3,995	3,995	118.0x
2048	480,399		480,399	0	3,995	3,995	120.3x
2049	489,653		489,653	0	3,997	3,997	122.5x
2050	499,091		499,091	0	3,995	3,995	124.9x
2051	508,719		508,719	0	3,999	3,999	127.2x
2052	518,539		518,539	0	3,999	3,999	129.7x
2053	528,555		528,555	0	4,000	4,000	132.1x

⁽¹⁾ Second Lien Debt consists of the 2014 Bonds and the 2017D/E Bonds.

⁽²⁾ Third Lien Debt.

⁽³⁾ Consists of debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

⁽⁴⁾ Net available tax increment revenues divided by total debt service on all Existing Senior Loan Agreements, Second Lien Debt and Third Lien Debt, including the 2023A/B Bonds.

Source: Stifel, Nicolaus & Company Incorporated, as to debt service and debt service coverage data and Urban Analytics, LLC, as to Net Available Tax Increment Revenues.

Assessment Appeals

Appeals of assessments by property owners in the Project Areas can result in future reductions in assessed valuations that can affect the amount of Tax Revenues. It has been the practice of the City Controller to not deduct appeal-related tax refunds from the Successor Agency's tax increment. Instead, these refunds are apportioned to other Taxing Entities using the normal apportionment mechanism. While this practice is expected to continue indefinitely, the City Controller may choose to alter or eliminate it.

The most common type of appeal filed is known as a Proposition 8 appeal, in which the property owner seeks a reduction in a particular year's secured assessment based on the current economic value of the property. The Assessor may also adjust valuations based on Proposition 8 criteria. In past years, assessment reductions under Proposition 8 have been generally temporary in nature and were usually restored to their previous levels, as adjusted for inflation, as economic conditions improved. The Assessor's office has not indicated how many parcels are currently subject to Proposition 8 reductions in the Project Areas.

Property owners may also appeal the Proposition 13 base assessment of a property. Although less frequently filed, such appeals, if successful, can permanently reduce the enrolled valuation of a property and consequently affect the Successor Agency's annual revenue. The annual filing period for all appeals extends from July 2 to September 15. See "CERTAIN RISK FACTORS – Appeals to Assessed Values" and "LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution."

Appeal filings in the Project Areas for the past ten (10) years as of May 24, 2023, are shown in the table below for the secured and unsecured rolls. The table compares the Assessor's valuation with the applicant's opinion of the value of a property and show the resulting valuation for resolved appeals. Appeals are considered resolved when they are withdrawn by the applicant, denied a hearing by the City's Assessment Appeals Board ("**Assessment Appeals Board**"), granted a hearing but denied an adjustment in valuation, or granted an adjustment in valuation.

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Table 9
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Assessment Appeals in the Project Areas
as of May 24, 2023

Roll Year	Status	Number of Appeals	County Valuation	Applicant Opinion of Value	Valuation After Appeal	Retention Rate*
2022-23	Resolved	121	\$601,295,756	\$362,673,194	\$599,182,066	99.6%
2022-23	Pending	104	6,769,261,379	4,201,185,127	TBD	TBD
2021-22	Resolved	192	1,886,126,957	1,297,510,728	1,878,393,849	99.6%
2021-22	Pending	74	4,566,396,545	2,770,363,102	TBD	TBD
2020-21	Resolved	189	1,618,693,604	1,063,739,545	1,610,527,675	99.5%
2020-21	Pending	44	3,340,161,600	2,032,956,105	TBD	TBD
2019-20	Resolved	66	1,533,435,296	902,484,996	1,530,511,973	99.8%
2019-20	Pending	14	920,542,478	666,884,639	TBD	TBD
2018-19	Resolved	64	2,795,062,526	2,026,538,468	2,745,373,273	98.2%
2018-19	Pending	8	654,135,086	448,354,774	TBD	TBD
2017-18	Resolved	214	2,571,608,460	1,723,558,036	2,546,485,190	99.0%
2017-18	Pending	6	356,260,361	257,087,605	TBD	TBD
2016-17	Resolved	209	1,822,114,232	865,834,954	1,794,131,367	98.5%
2016-17	Pending	1	2,808,636	500,000	TBD	TBD
2015-16	Resolved	56	2,294,449,168	1,313,463,151	2,263,373,746	98.6%
2015-16	Pending	-	-	-	-	NA
2014-15	Resolved	113	3,554,601,518	2,421,450,703	3,509,619,762	98.7%
2014-15	Pending	-	-	-	-	NA
2013-14	Resolved	172	3,703,538,935	2,205,517,104	3,697,619,615	99.8%
2013-14	Pending	-	-	-	-	NA
All Years	Resolved	1,396	\$22,380,926,452	\$14,182,770,879	\$22,175,218,516	99.1%
All Years	Pending	251	\$16,609,566,085	\$10,377,331,352	TBD	TBD

* Retention Rate is the proportion of value retained after resolution of an appeal. The rate is calculated by dividing the "Valuation After Appeal" into the "County Valuation." For withdrawn and denied appeals, the "Valuation After Appeal" is the original County Valuation.

Source: San Francisco County Assessment Appeals Board. Data as of 5/24/2023.

Additionally, in the Transbay Project Area, a residential tower at 301 Mission Street (the **"Millennium Tower"**) is reported to have experienced greater settling than anticipated as well as tilting of the building. Such building has been undergoing repairs to address the settling and tilting after the settlement of multiple lawsuits related to such problems. The property consists of 419 residential condominiums and 2 commercial condominiums with a combined Fiscal Year 2023-24 assessed valuation of \$668.9 million, which represents approximately 1.9% of the aggregate assessed valuation of the properties in the Project Areas shown in Table 4. Of these condominium owners in Millennium Tower, 167 filed appeals in Fiscal Year 2016-17 on \$392.1 million in assessed valuation resulting in reductions of \$10.9 million and 169 filed appeals in Fiscal Year 2017-18 on \$374.4 million assessed valuation resulting in reductions of \$23.2 million. Fewer appeals were filed in subsequent years: 20 appeals in Fiscal Year 2018-19 resulting in \$1.6 million in reduced valuations with 4 still pending, 13 in Fiscal Year 2019-20 resulting in \$1.7 million in reduced valuations with 4 still pending, 7 in Fiscal Year 2020-21 resulting in no reductions in valuation with 2 still pending, and 8 in Fiscal Year 2021-22 resulting in \$0.5 million in reduced valuations with 4 still pending.

The potential exposure of the Successor Agency's tax increment revenue to appeals were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions may be seen by applying the overall retention rate for all years in the Project Areas to the amount of roll valuation in pending appeals for the Project Areas. Applying the retention rate of 99.1% set forth in Table 9 to the aggregate valuation subject to pending appeals in the Project Areas as of May 24, 2023, the Fiscal Consultant estimates a reduction in assessed valuation of approximately \$152.6 million or approximately \$1.5 million in gross tax increment revenues, which is 0.5% of the Project Areas' gross tax increment revenues in Fiscal Year 2023-24. As this includes properties with appeals in multiple years, it does not necessarily indicate an equivalent reduction in future revenue.

If the full amount of disputed valuations were to be granted by the Assessment Appeals Board across the Project Areas, and if the City Controller were to deduct the resulting tax refunds from the tax increment allocated to the Successor Agency, the Fiscal Consultant estimates a reduction in assessed valuation of approximately \$6.2 billion and a reduction in the gross tax increment revenue for the Project Areas of approximately \$62.3 million or 18.6% of gross tax increment in Fiscal Year 2023-24. Any such reductions in taxable values could cause a reduction in the Pledged Tax Revenues securing the 2023A/B Bonds. However, based on projected debt service coverage shown on Table 7, the Successor Agency does not expect Fiscal Year 2022-23 assessment appeals to impact its ability to pay debt service on the 2023A/B Bonds when due. See "PLEDGED TAX REVENUES AND DEBT SERVICE – Projected Pledged Tax Revenues and Debt Service Coverage."

CERTAIN RISK FACTORS

In addition to the information set forth elsewhere in this Official Statement, potential investors should consider the following matters in evaluating an investment in the 2023A/B Bonds. The following does not purport to be an exhaustive listing of risks and other considerations that may be relevant to investing in the 2023A/B Bonds. No assurance can be given that additional risk factors will not become evident at any future time. The order in which the following information is presented is not intended to reflect the relative importance of any such risks.

Recognized Obligation Payment Schedule

As described in greater detail above under the heading "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule," the Redevelopment Dissolution Act provides that only those payments listed in the ROPS may be made by the Successor Agency from the funds specified in the ROPS. Tax Revenues will not be distributed from the RPTTF by the City Controller to the Retirement Fund without a duly approved and effective ROPS obtained in sufficient time prior to the distribution date, unless a Last and Final ROPS is filed in which event no periodic filing requirements apply. In instances where a Last and Final ROPS is not filed, if the Successor Agency were to fail to submit an approved ROPS by the applicable date and the California Department of Finance does not provide a notice to the City Controller to withhold funds from distribution to Taxing Entities, amounts in the RPTTF for such period would be distributed to Taxing Entities and the availability of Pledged Tax Revenues for the Successor Agency to pay debt service on the 2023A/B Bonds could be adversely affected for such period. The Successor Agency does not currently plan to file a Last and Final ROPS. See "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Recognized Obligation Payment Schedule."

Certain Uncertainties Regarding the Redevelopment Dissolution Act

Prior to the dissolution of redevelopment agencies, tax increment revenues from one project area could not be used to repay indebtedness incurred for another project area. However, the Redevelopment Dissolution Act does not require funds derived from separate project areas of a former redevelopment

agency to be used only in the project areas from which the revenue was generated. Instead, the Redevelopment Dissolution Act requires that the county auditor-controller establish a single RPTTF with respect to each former redevelopment agency within the respective county and that the county auditor-controller deposit into the RPTTF all revenues equivalent to the amount that would have been allocated as tax increment to the former redevelopment agency. In effect, the Redevelopment Dissolution Act combines the property tax revenues derived from all project areas of a former redevelopment agency into a single trust fund, the RPTTF, to repay indebtedness of the successor agency. The only exception to this aggregation of property tax revenues is for those property tax revenues of a particular project area that have been contractually committed for certain enforceable obligations of a former redevelopment agency. To the extent the documents governing outstanding bonds of a redevelopment agency have pledged revenues derived from a specific project area, the Redevelopment Dissolution Act does not impair that pledge. Section 34175(a) of the California Health and Safety Code states, *“it is the intent... that pledges of revenues associated with enforceable obligations of the former redevelopment agencies are to be honored. It is intended that the cessation of any redevelopment agency shall not affect either the pledge, the legal existence of that pledge, or the stream of revenues available to meet the requirements of the pledge.”* Accordingly, the Pledged Tax Revenues securing the 2023A/B Bonds will be used for purposes consistent with the applicable bond covenants prior to being used for any other purpose, including payment of any other indebtedness of the Former Agency now being paid by the Successor Agency (excluding Senior Obligations).

Estimates of Tax Revenues

To estimate the Pledged Tax Revenues ultimately available to pay debt service on the 2017A/B Bonds, the 2021A Bonds and the 2023A/B Bonds, the Successor Agency has made certain assumptions with regard to the present and future assessed valuation of taxable property in the Project Areas, future tax rates, growth in tax revenues over time, percentage of taxes collected and other senior obligations. See APPENDIX B – “FISCAL CONSULTANT REPORT.” The Successor Agency believes these assumptions to be reasonable, but there is no assurance that these assumptions will be realized. To the extent that actual assessed valuation, tax rates or percentages collected are less than the Successor Agency’s assumptions, the Pledged Tax Revenues would be less than those projected and may be insufficient to pay debt service on the 2023A/B Bonds.

Concentration of Property Ownership

The risk of reduction in assessed value as a result of factors described herein may increase where the assessed value within the Project Areas is concentrated among a relatively few number of property owners. Ownership of property in the Project Areas is significantly concentrated, with the ten largest property owners by assessed valuation accounting for 24.5% of the Fiscal Year 2023-24 assessed valuation and 26.2% of the Project Areas’ incremental assessed value. Significant reduction in the assessed values of these properties could, by itself or in combination with other factors, have a material adverse effect on the Successor Agency’s ability to pay debt service on the 2023A/B Bonds as such payments become due and payable. See “THE PROJECT AREAS – Assessed Valuation and Other Information Regarding the Project Areas – Table 1, Assessed Value by Land Use in the Project Areas” and “– Table 3, Top Ten Taxpayers by Assessed Valuation in the Project Areas” and discussion thereafter about three residential condominium buildings, each of whose constituent condominium assessments would, if taken in the aggregate, be among the top ten taxpayers for Fiscal Year 2023-24.

Subordination of ERAF

The AB 1290 Statutory Pass-Through Amounts are, or are assumed to be, subordinate to the payment of debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Assembly Bill*

1290; Statutory Pass-Throughs” and “ – Statutory Pass-Through Amounts are Subordinated to Payment of Debt Service on the 2023A/B Bonds.” As ERAF is not an entity, but a fund, there is not a mechanism to seek affirmative approval of the subordination of monies payable to ERAF. The Successor Agency believes that the Statutory Pass-Through Amounts to be deposited in ERAF are subordinated if the Taxing Entities, to whom the amounts deposited in ERAF will be distributed, have approved, or are deemed to have approved, the subordination of the Statutory Pass-Through Amounts directly payable to them. Should a Taxing Entity or the State disagree with the Successor Agency’s position with regards to the subordination of the ERAF and determine that the Statutory Pass-Through Amounts due to ERAF cannot be subordinated, such amounts would be a senior obligation and payment thereof would have to be made prior to payment of debt service on the 2023A/B Bonds. The Statutory Pass-Through Amount for ERAF for Fiscal Year 2022-23 is approximately 25.3% of the total Statutory Pass-Through Amounts. The Successor Agency does not believe that an obligation to pay the ERAF amounts on a basis senior to the payment of debt service on the 2023A/B Bonds will have a materially adverse effect on its ability to pay debt service on the 2023A/B Bonds.

Reduction in Tax Base and Assessed Values

Pledged Tax Revenues constitute the ultimate source of payment for the 2017A/B Bonds, the 2021A Bonds, the 2023A/B Bonds and any other Third Lien Parity Debt issued in the future. Such tax revenues are determined by the amount of the incremental taxable value of property in the Project Areas, the current rate or rates at which property in the Project Areas is taxed and the percentage of taxes collected in the Project Areas. A reduction of the taxable values of property in the Project Areas could occur as a result of numerous factors beyond the Successor Agency’s control, including but not limited to, a general economic downturn, political and economic obstacles to additional development and redevelopment activities in the Project Areas, relocation out of the Project Areas by one or more major property owners or tenants, property becoming exempt from property taxes through condemnation or acquisition by certain entities such as nonprofit corporations, or the complete or partial destruction of property caused by, among other calamities, earthquake, fire, flood or other natural disaster. In addition, taxable values may be reduced pursuant to successful appeals of assessed valuations or by widespread temporary reduction in assessed valuation under Proposition 8. See also “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals” above.

Were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions, applying the overall retention rate of 99.1% set forth in Table 9 to the valuation subject to pending appeals as of May 24, 2023, the estimated reduction in prior-year assessed valuation would be approximately \$152.6 million, or approximately \$1.5 million in gross tax increment revenues in Fiscal Year 2023-24. If the full amount of such disputed valuation were to be granted by the Assessment Appeals Board across the Project Areas, and if the City Controller were to deduct the resulting tax refunds from the Successor Agency’s tax increment, the estimated reduction in prior-year assessed valuation would be approximately \$6.2 billion for the Project Areas and in gross tax increment revenues would be approximately \$62.3 million or 18% of gross tax increment in Fiscal Year 2023-24; this includes multi-year appeals and does not necessarily indicate an equivalent reduction in future revenue. See “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

The COVID-19 pandemic has had an adverse impact on property valuations in the Project Areas. As set forth in Table 5, the assessed valuations for Fiscal Year 2021-22 in the Embarcadero-Lower Market (“Golden Gateway”) Project Area, the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), the Western Addition Project Area A-2 and the Yerba Buena Center Approved Project Area D-1 declined from the respective assessed valuations for the previous fiscal year. However, such assessed valuations increased in Fiscal Years 2022-23 and 2023-24. While the State of California, the San Francisco Department of Public Health, the WHO and HHS have ended their respective COVID-19 public health emergency declarations, the impact of COVID-19 is ongoing and the economic effects are uncertain

in many respects. See “– Public Health Emergencies” and “PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals.”

In general, because property on the unsecured tax roll includes personal property and leasehold interests, the values of property on the unsecured roll are more likely to fluctuate and are more susceptible to reduction due to adverse economic circumstances affecting the owners of the properties. Accordingly, unsecured assessed valuation may present special risks and may be more susceptible to fluctuation from year to year than valuation reflected on the secured roll. According to the Fiscal Consultant, the unsecured roll represents approximately 11.8% of the overall assessed value in the Project Areas for Fiscal Year 2023-24.

Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a two percent (2%) increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such adjustments are computed on a calendar year basis. In projecting future Pledged Tax Revenues to be available to it to make payments with respect to the 2023A/B Bonds, the Successor Agency has assumed an annual two percent (2%) inflationary increase. The projected Pledged Tax Revenues are based on the latest actual amounts received by the Successor Agency. However, future deflation could cause decreases in property values, a reduction in tax revenues received by the Successor Agency and reduced Pledged Tax Revenues. See “– Reduction in Inflation Rate,” “PLEDGED TAX REVENUES AND DEBT SERVICE” and “LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution” herein.

In addition to the other limitations on and the required application under the Redevelopment Dissolution Act of tax revenues on deposit in the RPTTF, the State electorate or Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing tax revenues allocated to the RPTTF and available to the Successor Agency. Although the federal and State Constitutions include clauses generally prohibiting the Legislature’s impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could reduce Pledged Tax Revenues and adversely affect the source of repayment and security of the 2023A/B Bonds.

Appeals to Assessed Values

There are two basic types of assessment appeals provided for under California law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the Assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the Assessor is reduced, the valuation of the property cannot increase in subsequent years more than two percent (2%) annually unless and until another change in ownership and/or additional new construction activity occurs. The second type of appeal, commonly referred to as a Proposition 8 appeal, can result if factors occur causing a decline in the market value of the property to a level below the property’s then current taxable value (escalated base year value). Pursuant to California law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner’s property by filing a written application, in a form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board.

In the City, a property owner desiring a Proposition 8 reduction of the assessed value of such owner’s property in any one (1) year period must submit an application to the City’s Assessment Appeals Board. Applications for any tax year must be submitted, or postmarked if mailed, by September 15 of such tax year. Following a review of the application by the Assessor, the Assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Assessment

Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Assessment Appeals Board generally is required to determine the outcome of appeals within two (2) years of each appeal's filing date unless waived by the applicant. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than two percent (2%)) following the year for which the reduction application is filed. However, the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted. See "LIMITATIONS ON TAX REVENUES – Property Tax Collection Procedure" and "PLEDGED TAX REVENUES AND DEBT SERVICE."

An appeal may result in a reduction to the Assessor's original taxable value and a tax refund to the applicant property owner. A reduction in present or future taxable values within the Project Areas, which may arise out of successful appeals by property owners, will affect the amount of present or future Pledged Tax Revenues.

Two of the ten (10) largest property taxpayers in the Project Areas and the Millennium Tower, a condominium property in the Transbay Project Area, whose constituent condominium assessments would, if taken in the aggregate, be included among the ten (10) largest property taxpayers in the Project Areas for Fiscal Year 2023-24, have pending property tax appeals. See "THE PROJECT AREAS – Assessed Valuation and Other Information Regarding the Project Areas – Table 3, Top Ten Taxpayers by Assessed Valuation," and "PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals" for a description of pending appeals and the potential impact on allocable tax revenues if the appeals are granted.

Two office buildings in San Francisco, but outside of the Project Areas, reportedly were sold in June and August 2023 for prices substantially less than their assessed values. See "– Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues – *Office Vacancy*." The Successor Agency cannot predict what effect, if any, such sales will have on assessed values, or the number of appeals of assessed values, in the Project Areas. The deadline to file appeals of the Fiscal Year 2023-24 assessed values is September 15, 2023.

Property Foreclosures

Foreclosures primarily affect assessed valuations at the point at which the property foreclosed upon is sold to a third party, with the often significantly lower sale price determining the property's new assessed value. As available foreclosure data do not track properties through to the point of sale to third parties, the actual impact on assessed valuation cannot be reasonably determined.

State Budget Issues; Changes in State Law

In general terms, the Redevelopment Dissolution Act implemented a framework to transfer cash assets previously held by redevelopment agencies to cities, counties, and special districts to fund core public services, with assets transferred to schools offsetting State general fund costs (then projected savings of \$1.5 billion). Subsequently, SB 107 was enacted, making additional changes to the Redevelopment Dissolution Act.

There can be no assurance that additional legislation will not be enacted in the future to additionally implement provisions relating to the State budget or otherwise that may affect successor agencies or tax increment revenues, including Pledged Tax Revenues. There can be no assurance that the California electorate will not at some future time adopt initiatives or that the Legislature will not enact legislation that will amend the Redevelopment Law, the Redevelopment Dissolution Act or other laws or the Constitution

of the State resulting in a reduction of Pledged Tax Revenues, or that otherwise have an adverse effect on the Successor Agency's ability to pay debt service on the 2023A/B Bonds.

The Redevelopment Dissolution Act and implementation of its provisions have been and may continue to be subject to differing interpretations by different stakeholders, including the California Department of Finance, the State Controller, oversight boards, successor agencies, auditor-controllers, and others. Certain litigation is challenging some of the terms of the Redevelopment Dissolution Act and the Redevelopment Dissolution Act could be subject to further legislative or judicial review. The Successor Agency cannot predict the outcome or impact of any such litigation, interpretations or reviews on the availability of Pledged Tax Revenues to pay the 2023A/B Bonds.

Development Risks

Only a few undeveloped areas remain within the Project Areas, as the Project Areas are substantially developed. According to the Fiscal Consultant, of the 936 properties classified as vacant in Table 1, 170 are located in the Excluded Project Areas, of which 79 are in Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, 1 is in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and 90 are in the State-Owned Parcels. Any future property tax revenue from properties in the Excluded Project Areas will not be pledged revenue, except that tax increment revenues from the State-Owned Parcels in an amount equal to the former State-Owned Parcels Housing Set-Aside and the amount equal to the Statutory Pass-Through Amounts payable to taxing entities with respect to the State-Owned Parcels, to the extent subordinated, is anticipated to be available for payment of debt service on the Senior Obligations and the Third Lien Bonds, including the 2023A/B Bonds, as described in this Official Statement. See "INTRODUCTION – Excluded Project Areas – *Excluded Tax Increment from State-Owned Parcels*." Of the remaining 776 properties, 401 are within the Bayview Hunters Point Project Area – Zone 2 of Project Area B, 105 are within the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), 95 are within the Transbay Project Area and the remainder are distributed across the other seven Project Areas.

The developments within the Project Areas will be subject to all the risks generally associated with real estate development. Projected development within the Project Areas may be subject to unexpected delays, disruptions and changes. Real estate development operations may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development operations within the Project Areas could be adversely affected by future governmental policies, including governmental policies to restrict or control development. If projected development in the Project Areas is delayed or halted, the economy of the Project Areas could be affected. If such events lead to a decline in assessed values, they could cause a reduction in Pledged Tax Revenues. In addition, if there is a decline in the general economy of the Project Areas, the owners of property within the Project Areas may be less able or less willing to make timely payments of property taxes causing a delay or stoppage of the tax revenues received by the Successor Agency from the Project Areas. In addition, the insolvency or bankruptcy of one or more large owners of property within the Project Areas could delay or impair the receipt of tax revenues by the Successor Agency.

Natural Disasters

Real estate values can be adversely affected by a variety of natural events and conditions, including earthquakes, tsunamis, sea level rise and floods. The Successor Agency expects that one or more of these conditions may occur from time to time, and such conditions may result in delays in development or damage to property improvements. Any damage resulting from a natural disaster may entail significant repair or replacement costs, and repair or replacement may never occur. Under any of these circumstances, the value

of real estate within the Project Areas could depreciate substantially and owners of property may be less willing or able to pay property taxes.

Earthquake. The City is located in a seismically active region. Active earthquake faults underlie both the City and the surrounding Bay Area, including the San Andreas Fault, which passes about three miles to the southeast of the City's border, the Hayward Fault, which runs under Oakland, Berkeley and other cities on the east side of San Francisco Bay, about 10 miles away, and a number of other significant faults in the region. Significant seismic events include the 1989 Loma Prieta earthquake, centered about 60 miles south of the City, which registered 6.9 on the Richter scale of earthquake intensity. That earthquake caused fires, building collapses, and structural damage to buildings and highways in the City and surrounding areas. The San Francisco-Oakland Bay Bridge, the only east-west vehicle access into the City, was closed for a month for repairs, and several highways in the City were permanently closed and eventually removed. On August 24, 2014, the San Francisco Bay Area experienced a 6.0 earthquake centered near Napa along the West Napa Fault. The City did not suffer any material damage as a result of this earthquake.

In March 2015, the Working Group on California Earthquake Probabilities (a collaborative effort of the U.S. Geological Survey (U.S.G.S.), the California Geological Survey, and the Southern California Earthquake Center) reported that there is a 72% chance that one or more quakes of about magnitude 6.7 or larger will occur in the San Francisco Bay Area before the year 2045. Such earthquakes may be very destructive. In addition to the potential damage to City-owned buildings and facilities (on which the City does not generally carry earthquake insurance), due to the importance of San Francisco as a tourist destination and regional hub of commercial, retail and entertainment activity, a major earthquake anywhere in the Bay Area may cause significant temporary and possibly long-term harm to the City's economy, tax receipts, and residential and business real property values, including those located in the Project Areas.

In early 2016, the Port Commission of the City (the "**Port Commission**") commissioned an earthquake vulnerability study of the Northern Waterfront Seawall. The three-mile Seawall was constructed over 100 years ago and sits on reclaimed land, rendering it vulnerable to seismic risk. The Seawall provides flood and wave protection to downtown San Francisco, and stabilizes hundreds of acres of filled land. Preliminary findings of the study indicate that a strong earthquake may cause most of the Seawall to settle and move outward toward the Bay, which would significantly increase earthquake damage and disruption along the waterfront. The Successor Agency is unable to predict the impact, if any, on property tax revenues from the Project Areas if the Seawall were to be damaged. See "*Climate Change and Flooding*" below.

In September 2022, Port staff delivered a report on key findings from an initial assessment of seismic hazards and vulnerabilities to the City's southern waterfront facilities. It reported that the assessment identified several key earthquake hazards and vulnerabilities at facilities that were essential to the Port's maritime business line as well as critical for the City's emergency response and recovery operations that would cost over \$300 million to mitigate. It also reported that Port staff was actively pursuing next steps to further analyze, fund and mitigate the hazards and vulnerabilities identified.

Climate Change and Flooding. It is expected that sea levels will rise given the rising temperature of the oceans and an increase in ocean volume as land ice melts and runs off into the ocean. Over the past century, sea level has risen nearly eight inches along the California coast, and substantial increases in sea level rise are projected due to climate change over the coming century. In May 2009, the California Climate Change Center released a final paper, for informational purposes only, which was funded by the California Energy Commission, the California Environmental Protection Agency, the Metropolitan Transportation Commission, the California Department of Transportation and the California Ocean Protection Council. The title of the paper is "The Impacts of Sea-Level Rise on the California Coast." The paper posited that increases in sea level will be a significant consequence of climate change over the next century. The paper

evaluated the population, infrastructure, and property at risk from projected sea-level rise along the Pacific Coast and along the San Francisco Bay if no action is taken to protect the coasts. The paper estimated that if the sea level were to rise 1.4 meters, a 100-year flood along the Pacific Coast would increase the vulnerable population in the City from 4,800 under then-current sea level to 6,500 (all population numbers based on 2000 census) and the replacement value of buildings and contents at risk in the City would increase from \$670 million to \$890 million (all dollar amounts in year 2000 dollars). In addition, the paper estimated that a 100-year flood along the San Francisco Bay with sea level rises of 0.5 meter, 1.0 meter or 1.4 meters, would increase the vulnerable population in the City from 190, at then-current sea level, to 600, 1,600 or 3,800, respectively, and increase the replacement value of buildings and contents at risk in the City from \$110 million, at then-current sea level, to \$370 million, \$1.4 billion or \$4.0 billion, respectively. The paper further stated that the San Francisco Bay is particularly vulnerable to impacts associated with sea-level rise due to extensive development on the margins of the Bay. A wide range of critical infrastructure along the California Coast and in communities along the San Francisco Bay, such as roads, hospitals, schools, emergency facilities, wastewater treatment plants, power plants, and wetlands is also vulnerable. Continued development in vulnerable areas will put additional assets at risk and raise protection costs.

Sea level rise can lead not only to permanent inundation of land but it can also expand the 100-year floodplain. Land composed of fill near San Francisco Bay is at risk for inundation because of low elevation and subsidence over time due to compaction from buildings and soil desiccation.

In March 2016, the City released a report entitled “Sea Level Rise Action Plan,” which identified geographic zones at risk of sea level rise and provided a framework for devising adaption strategies to confront such risks. To implement such Plan, the Mayor’s Sea Level Rise Coordinating Committee, co-chaired by the Planning Department and Office of Resilience and Capital Planning, joined the Port, the Public Utilities Commission and other public agencies in moving several initiatives forward. This included a Citywide Sea Level Rise Vulnerability and Consequences Assessment to identify and evaluate sea level rise impacts across the City and in various neighborhoods that was released in February 2020.

In March 2020, a consortium of State and local agencies, led by the Bay Area Conservation and Development Commission, released a detailed study entitled, “Adapting to Rising Tides Bay Area: Regional Sea Level Rise Vulnerability and Adaptation Study,” on how sea level rise could alter the Bay Area. The study stated that a 48-inch increase in the bay’s water level in coming decades could cause more than 100,000 Bay Area jobs to be relocated, nearly 30,000 lower-income residents to be displaced, and 68,000 acres of ecologically valuable shoreline habitat to be lost. The study further argued that without a far-sighted, nine county response, the region’s economic and transportation systems could be undermined along with the environment. Runways at San Francisco International Airport could largely be under water.

The City has already incorporated site specific adaption plans in the conditions of approval for certain large waterfront development projects, such as the Candlestick/Hunters Point Shipyard, Treasure Island, Pier 70 and Mission Rock projects. Also, the City is in the process of planning to fortify the Port’s Bay shoreline against earthquakes, flooding, and sea level rise. In November 2018, voters of the City approved Proposition A, authorizing the issuance of up to \$425 million in general obligation bonds for seismic safety and disaster response improvements along the Seawall. The City has expended \$16.2 million through Fiscal Year 2020-21 and expects short-term upgrades to cost over \$500 million and long-term upgrades to cost more than \$5 billion. In August 2020, the Port released a multi-hazard seismic and flood risk assessment of Port and City infrastructure along the Embarcadero Seawall, which is being used as a guide to inform project planning. The Port and the United States Army Corps of Engineers have also partnered to study and develop coastal flood defenses to address the flooding and sea level rise along the Port’s Bay waterfront, which will yield a recommendation to Congress as to the federal interest in funding coastal flood defenses.

Portions of the San Francisco Bay Area, including the City, are built on fill that was placed over saturated silty clay known as “**Bay Mud.**” This Bay Mud is soft and compressible, and the consolidation of the Bay Mud under the weight of the existing fill is ongoing. A report issued in March 2018 by researchers at UC Berkeley and the University of Arizona suggested that flooding risk from climate change could be exacerbated in the San Francisco Bay Area due to the sinking or settling of the ground surface, known as subsidence. The study claimed that the risk of subsidence was more significant for certain parts of the City built on fill. The Transbay Project Area has property built on Bay Mud. The Successor Agency has not conducted any investigation as to whether any property in other Project Areas is on Bay Mud.

In October 2022, the Port announced that it, in partnership with the U.S. Army Corps of Engineers and City agencies, had developed seven Waterfront Adaptation Strategies, which are different ways for the City to create a resilient, sustainable, and equitable waterfront for the next 100 years. It indicated the intent was not to choose one of the strategies, but to use the best ideas from all of them to create a plan or approach to reduce flood risks from sea level rise and extreme storms and provide an opportunity to invest in and bring public benefits to the City’s waterfront.

Projections of the effects of global climate change on the City and the Successor Agency are complex and depend on many factors that are outside the control of the City or the Successor Agency. The various scientific studies that forecast climate change and its adverse effects, including sea level rise and flooding risk, are based on assumptions contained in such studies, but actual events may vary materially. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the Successor Agency is unable to forecast when sea level rise or other adverse effects of climate change (e.g., the occurrence and frequency of 100-year storm events and king tides) will occur. In particular, the Successor Agency cannot predict the timing or precise magnitude of adverse economic effects, including, without limitation, material adverse effects on the business operations or financial condition of the Successor Agency or the Project Areas or the local economy during the term of the 2023A/B Bonds. While the effects of climate change may be mitigated by past and future investment in adaptation strategies, the Successor Agency can give no assurance about the net effects of those strategies and whether additional adaptive mitigation measures will be required. If necessary, such additional measures could require significant capital resources.

Tsunamis. Tsunamis are large waves in the ocean generated by earthquakes, coastal or submarine landslides, or volcanoes. Damaging tsunamis are not common on the California coast. Most California tsunami are associated with distant earthquakes (most likely those in Alaska or South America, and recently in Japan), not with local earthquakes. Devastating tsunamis have not occurred in historic times in the San Francisco Bay Area. The Community Safety Element states that, because of the lack of reliable information about the kind of tsunami run-ups that have occurred in the prehistoric past, there is considerable uncertainty over the extent of tsunami run-up that could occur.

It should be assumed, therefore, that an earthquake or other natural event or man-made activity may occur and may cause damage to improvements on parcels in the Project Areas of varying degrees of severity, that such damage may entail significant repair or replacement costs and that repair or replacement may never occur either because of the cost or because repair or replacement will not facilitate usability or because other considerations may preclude such repair or replacement. Consequently, the occurrence of any of these conditions could result in a significant decrease in the assessed value of taxable values of property in the Project Areas and could result in a significant reduction in Pledged Tax Revenues. Such reduction of Pledged Tax Revenues could have an adverse effect on the Successor Agency’s payment of debt service on the 2023A/B Bonds.

Cybersecurity

The Successor Agency, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations, and faces multiple cybersecurity threats including, but not limited to, hacking, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, “**Systems Technology**”).

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Successor Agency’s Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. The Successor Agency participates in the City’s cybersecurity program, which invests in multiple forms of cybersecurity and operational safeguards to protect against such events and attacks.

While the Successor Agency’s cybersecurity and operational safeguards are periodically tested, no assurance can be given by the Successor Agency that such measures will ensure against cybersecurity threats and attacks. Cybersecurity breaches could damage the Successor Agency’s Systems Technology and cause material disruption to the Successor Agency’s operations. The costs of remedying any such damage or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose the Successor Agency to material litigation and other legal risks, which could cause the Successor Agency to incur material costs related to such legal claims or proceedings.

Public Health Emergencies

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. In February 2020, the WHO announced the official name for the outbreak of COVID-19, an upper respiratory tract illness. COVID-19 spread across the globe and has had significant adverse health and financial impacts throughout the world, including the City. States of emergency declared by the Mayor of the City and the Governor of the State were ended in February 2023 and the States of emergency declared by the WHO and the President of the United States were ended in May 2023.

While COVID-19 case rates have significantly declined, vaccination rates have increased, and the national and local economies have been improving, COVID-19 is an established and ongoing health issue according to the WHO, and its duration and severity and economic effects are uncertain in many respects. The ultimate impact of COVID-19 on the Successor Agency’s operations and finances and the economy, real estate market and development within the Project Areas, is not fully known, and it may be some time before the full adverse impact of the COVID-19 outbreak is known.

Further, there could be future COVID-19 outbreaks or other public health emergencies that could have material adverse effects on the Successor Agency’s operations and finances and on the economy, real estate market and development within the Project Areas.

Office Vacancy, Hotel Occupancy and Room Rate Declines, and Retail Vacancy and Closures in San Francisco; Impact on Property Taxes and Other Revenues

Office Vacancy. On October 19, 2022, the Chief Economist of the City Controller’s office released a memorandum (the “**Controller’s Memorandum**”) regarding the impact of remote work on commercial property and tax revenue in the City. The following summarizes certain portions of such memorandum.

According to the Controller’s Memorandum, the City has experienced the largest increase in office vacancy among major urban office markets in the United States, estimated at 24% in the 3rd quarter of 2022, from around 5% before the COVID-19 pandemic. Because of the prevalence of long-term leases in the commercial real estate industry, sudden reductions in demand often result in increases in sublease

vacancy, instead of direct vacancy. Sublease vacancy occurs when existing tenants vacate their space and seek to find sub-lessees, but continue to pay rent under the original lease. A direct vacancy occurs when the original lease has been broken, or has expired and not been renewed. In this case, the property's income declines until a new lease is signed. In San Francisco, sublease vacancies were a very high percentage (80-90%) of office vacancies during 2020 and 2021. In 2022, the sublease vacancy rate declined, while the direct vacancy rate continued to rise.

The Controller's Memorandum further reported that by mid-2022, direct vacancies accounted for most of the vacant office space in San Francisco, according to Jones Lang LaSalle IP, Inc. ("JLL"), and that JLL had developed a series of office vacancy rate forecasts for the City, through the year 2026. According to the Controller's Memorandum, JLL generally showed historically high office vacancy rates persisting throughout the forecast period and forecasted office vacancy in the City to remain between 19.5% and 25.3% by 2026, a range which would be as high as or higher than any previous peak in office vacancy dating back to the 1990s, and rents to rise again by the end of the forecast period, but at a slower rate than was seen in the 2010s. If vacancy rates remain at this elevated level, and a large share of these are direct vacancies, then the income, and market value, of office buildings in the City are likely to be negatively affected.

Since the release of the Controller's Memorandum, JLL and CBRE, Inc., have issued reports indicating the office vacancy rate in San Francisco in the second quarter of 2023 was 28.3% and 31.6%, respectively. In addition, local news outlets have reported recent sales of office buildings in downtown San Francisco at prices that were below the prices at which such properties were offered or purchased or below their assessed values. In May 2023, it was reported that a 22-story 300,000 square foot office building at 350 California Street, which previously was occupied by Union Bank and which had become vacant, sold for roughly 75% less than what it had been offered for in 2020. Such sale price was slightly less than the building's current assessed value, which was based on the building's last sale occurring around 2007. In June 2023, a 13-story office building at 550 California Street reportedly was sold by its owner, Wells Fargo Bank, for a price that was more than 70% less than its most recent assessed value and more than 70% less than the price for which it initially was offered a year earlier. The price also was less than half of what the owner paid for the building in 2005. In August 2023, an 11-story 157,000 square foot office building at 60 Spear Street that was 30% occupied, but was expected to be vacant by summer 2025, reportedly was sold for 66% less than its most recent assessed value. According to such report, 60 Spear Street was last purchased in 2014. None of such buildings is located in any of the Project Areas. However, 60 Spear Street is located next to the Transbay Project Area and the sales of such three buildings may be reflective of the current market values of certain of the office buildings in San Francisco, including those in Project Areas.

The Controller's Memorandum noted that "the prevalence of long-term leases, and the cushioning effect that Proposition 13 has provided San Francisco's property tax base, will be mitigating factors in the short term" with respect to reductions in property taxes from office buildings. However, as set forth above, in some cases where office buildings are sold, sale prices may be substantially less than current assessed values. The Successor Agency cannot predict the degree to which the sale prices of the office buildings set forth above are reflective of the value of the office buildings in the Project Areas, the impact such sale prices may have on the assessed values of office buildings in the Project Areas or whether assessed values of office buildings in the Project Areas will be lowered by the Assessor or through assessment appeals by property owners. In the City, a property owner desiring a reduction of the assessed value of such owner's property in any one (1) year period must submit an application to the City's Assessment Appeals Board by September 15 of such tax year, or if the application is mailed, it must be postmarked by such date. See "– Reductions in Tax Base and Assessed Values" and "– Appeals to Assessed Values."

Declines in Hotel Occupancy and Room Rates. On June 5, 2023, the owner of two major downtown San Francisco hotels, the 1,921-room Hilton San Francisco Union Square and the 1,024-room Parc 55 San Francisco, announced that it had ceased making payments toward a \$725 million non-recourse

loan secured by the two hotels that was scheduled to mature in November 2023. The owner's chairman and chief executive officer stated that they believed San Francisco's path to recovery remained clouded and elongated by major challenges, which included record high office vacancy, concerns over street conditions, lower return to office than peer cities and a weaker than expected citywide convention calendar through 2027 that will negatively impact business and leisure demand. He also indicated that the continued burden on the company's operating results and balance sheet was too significant to warrant continuing to subsidize and own such assets. Such hotels are not located in any of the Project Areas and thus their loan default does not have a direct impact on the assessed value of properties in the Project Areas. The Successor Agency cannot predict what, if any, indirect impact such loan default may have.

According to data posted by the City on its website, the seasonally adjusted hotel occupancy rate in June 2023 was 65.13%, down from 83.26% in June 2019 prior to the pandemic and 70.98% in June 2022 and the seasonally adjusted average daily rate in June 2023 was \$228.05, down from \$272.85 in June 2019 and \$275.58 in June 2022. The Successor Agency cannot predict what impact the decline in the hotel occupancy rate and average daily rate will have on the assessed value of properties in the Project Areas.

Retail Vacancy and Closures. Since the COVID-19 pandemic, some retail stores in San Francisco have closed, or have announced plans to close, after experiencing significant declines in foot traffic and sales. The real estate companies Cushman & Wakefield and Kidder Mathews reported in separate publications regarding the San Francisco retail industry that the overall retail vacancy rate in San Francisco in the second quarter of 2023 was recorded at 6.0% and 5.8%, respectively, up from 5.5% and 4.8%, respectively, a year ago. Cushman & Wakefield reported that the vacancy rate it cited for the second quarter of 2023, which was the same as that for the first quarter of 2023, was the highest vacancy rate in the City since 2006. It reported that downtown San Francisco continued to struggle with post-pandemic recovery: low foot traffic due to slow return of office employees and tourists, in addition to the lingering issues, such as homelessness, crime, high cost and changes in consumers' shopping habits. It also reported that the direct retail vacancy rate in the Union Square area was 13.8% in the second quarter of 2023, up from 13.5% in the first quarter of 2023, but down from 14.4% a year ago, and the overall vacancy rate, including sublease, was 16.2%, up from 15.5% the previous quarter. However, it also reported that Union Square had 920,400 visitors in the second quarter of 2023, a 7.2% increase from the previous quarter's figure of 858,300 and 5.3% higher than the year ago count of 873,800.

In June 2023, the owners of the Westfield San Francisco Centre, a shopping mall generally considered to be part of the Union Square area and located in the Yerba Buena Center Approved Project Area D-1, announced that they had decided to surrender the shopping mall to their lender. Such shopping mall, which is near the Hilton San Francisco Union Square and Parc 55 San Francisco hotels, is listed in Table 3, above, as being the fourth top taxpayer by assessed valuation in the Project Areas. The shopping mall includes 1.2 million square feet of retail space and 300,000 square feet of offices. Nordstrom, which occupied 312,000 square feet in the mall, closed its store in the mall on or about August 27, 2023. It previously was reported that after Nordstrom's departure, the mall will be only 55% leased. In addition, a movie theater that reportedly had a 52,000 square foot lease set to expire in September 2023 ceased operations in June 2023 and a lease for 25,289 square feet of retail space will expire in January 2024. See "The Project Areas – Assessed Valuation and Other Information Regarding the Project Areas." The Successor Agency cannot predict what impact the foregoing events will have on the mall's assessed value or the assessed values of other properties in the Project Areas.

Declines in Median Home Values and Sale Prices. Also posted on the City's website is information on San Francisco median home values based on data from Zillow, which includes single family residences and condominiums regardless of bedroom count. According to such data, the median home value in June 2023 was \$1,285,188, up from \$1,274,379 in May 2023, but, down from \$1,474,710 in June 2022 and \$1,379,710 in June 2021. In addition, according to Compass in its San Francisco Real Estate August 2023 Report, which provided data on house, condominium, co-op, tenancy-in-common and

townhouse sales, the 3-month rolling median house sales price in July 2023 was \$1,550,000, a decline of 16% from the same period in 2022 and the 3-month rolling median condominium price in July 2023 was \$1,150,000, down 7% from the same period in 2022. Compass's report did not define what was considered to be within the category of "house" for purpose of such report.

The market value of a property is important for property tax revenue, because a property's assessed value – the basis of its property tax liability – may not exceed its market value. If a property owner believes a property is assessed above its market value, they may request a temporary reduction in assessment from the Assessor, and/or appeal an assessment to the Assessment Appeals Board. See " – Reductions in Tax Base and Assessed Values" and "PLEDGED TAX REVENUES AND DEBT SERVICE – Assessment Appeals," above.

Neither the City's website nor any of the reports or publications referred to above is incorporated herein by reference.

Bond Insurance Risk Factors

In the event of default of the payment of principal or interest with respect to the 2023A/B Bonds when all or some becomes due, any owner of such 2023A/B Bonds will have a claim under the Insurance Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Insurance Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the 2023A/B Bonds by the Successor Agency, which is recovered by the Successor Agency from the bond owner as a voidable preference under applicable bankruptcy law, is covered by the Insurance Policy. However, such payments will be made by AGM at such time and in such amounts as would have been due absent such prepayment by the Successor Agency, unless AGM chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of AGM without appropriate consent. AGM may direct, and must consent to, any remedies and AGM's consent may be required in connection with amendments to any applicable bond documents.

In the event AGM is unable to make payment of principal or interest under the Insurance Policy, as such payments become due, the 2023A/B Bonds will be payable solely from the moneys received pursuant to the Indenture. In the event AGM becomes obligated to make payments with respect to any of the 2023A/B Bonds, no assurance is given that such event will not adversely affect the market price of the 2023A/B Bonds or the marketability (liquidity) of the 2023A/B Bonds.

The long-term ratings on the 2023A/B Bonds are dependent in part on the financial strength of AGM and its claim paying ability. AGM's financial strength and claims paying ability are predicated upon a number of factors, which could change over time. No assurance is given that the long-term ratings of AGM and of the ratings on the 2023A/B Bonds will not be subject to downgrade and such event could adversely affect the market price of the 2023A/B Bonds or the marketability (liquidity) of the 2023A/B Bonds. See "RATINGS."

The obligations of AGM are general obligations of AGM and in an event of default by AGM, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the Successor Agency nor the Underwriters have made independent investigation into the claims paying ability of AGM and no assurance or representation regarding the financial strength or projected financial strength of AGM is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Successor Agency to pay principal and interest on the 2023A/B Bonds and the claims paying ability of AGM, particularly over the life of the investment. See “INTRODUCTION – Bond Insurance” and “BOND INSURANCE” herein for further information provided by AGM and about the Insurance Policy, which includes further instructions for obtaining current financial information concerning AGM.

Reserve Policy Risk Factors

In the event of insufficient Pledged Tax Revenues to pay the scheduled principal of or interest on the 2023 Series A Taxable Bonds or the 2023 Series B Bonds when due, the Trustee will draw upon the applicable Reserve Policy for all or a portion of such payments. The obligations of AGM are unsecured contractual obligations and in an event of default by AGM, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

The long-term ratings on the 2023A/B Bonds are dependent in part on the financial strength of AGM and its claim paying ability. AGM’s financial strength and claims paying ability are predicated upon a number of factors, which could change over time. No assurance is given that the long-term ratings of AGM and of the ratings on the 2023A/B Bonds will not be subject to downgrade and such event could adversely affect the market price of the 2023A/B Bonds or the marketability (liquidity) of the 2023A/B Bonds. See “RATINGS.”

Neither the Successor Agency nor the Underwriters have made independent investigation into the claims paying ability of AGM and no assurance or representation regarding the financial strength or projected financial strength of AGM is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Successor Agency to pay principal of and interest on the 2023A/B Bonds and the claims paying ability of AGM, particularly over the life of the investment.

Hazardous Substances

An additional environmental condition that may result in the reduction in the assessed value of property would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within any of the Project Areas. In general, the owners and operators of a property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Areas be affected by a hazardous substance, could be to reduce the marketability (liquidity) and value of the property by the costs of remedying the condition.

In 1995, the United States Navy (the “Navy”) determined, and the United States Environmental Protection Agency (the “US EPA”), the State of California and the San Francisco Department of Public Health agreed, that the lands making up the Hunters Point Hill Residential District (Hunters Point Shipyard Project Area), which is part of the Project Areas, also referred to as “Parcel A” or “Shipyard Phase 1,” (which consisted of soldiers’ barracks and which was the site of accessory activities during its use as a military base) posed no threat to human health or the environment and required no further action. In 1999, the US EPA removed Parcel A from the National Priorities (Superfund) List and confirmed that the site was safe for its intended use as a residential community.

In 2004, the Navy conveyed Parcel A to the Former Agency after determinations by the Navy, the US EPA, the California Environmental Protection Agency and the San Francisco Department of Public Health that all necessary investigation and remediation of potential contamination had been completed for Parcel A, and that Parcel A was suitable for residential reuse. Thereafter, the Former Agency transferred Parcel A (with the exception of certain affordable housing sites, parks and roadway parcels retained by the Former Agency) to the master developer, who has commenced development. The master developer (or its assignees) has completed approximately 505 residential units within Parcel A-1 and broken ground on infrastructure or homesites for the remainder of its development on Parcel A, and continues to sell homes within Parcel A-1. The Successor Agency expects to use a portion of the proceeds from the sale of the 2023A/B Bonds to finance the development of affordable housing in Parcel A-1.

The Navy and its contractors have performed environmental remediation on other parcels making up the remainder of the Hunters Point Shipyard Project Area, referred to as “**Shipyard Phase 2**,” which are part of the Excluded Project Areas. Allegations of fraudulent testing have delayed the completion of such testing, and the Navy, with the oversight of federal, state and local environmental regulators, is currently implementing a review and focused retesting of previously remediated areas in Shipyard Phase 2. Under its agreement with the City and the Successor Agency, the Navy remains responsible for completing remediation activities on Shipyard Phase 2 lands prior to their transfer to the Successor Agency for use for their intended redevelopment purposes.

The allegations of fraud at Shipyard Phase 2 have resulted in litigation. A class action lawsuit¹ seeks damages against Navy contractors Tetra Tech EC, Inc. and Tetra Tech, Inc. (collectively, “**Tetra Tech**”) for, among other things, fraudulent performance of Tetra Tech’s environmental remediation work in the Hunters Point Shipyard Project Area and also names certain developers of property in the Hunters Point Shipyard Project Area as co-defendants. The case remains pending. Such lawsuit does not name the Successor Agency or the City as defendants. On August 10, 2023, the plaintiffs filed their Sixth Amended Complaint against Tetra Tech and the developers in which the plaintiffs, among other things, seek monetary damages and a preliminary injunction against development at the Hunters Point Shipyard Project Area, which could include remaining development at Parcel A, until independent verified reports can be obtained showing complete and total remediation of all alleged toxic substances. The Successor Agency cannot predict the outcome of such litigation.

In response to the allegations against Tetra Tech for its work in Shipyard Phase 2, the California Department of Public Health (“**CDPH**”) conducted a radiological survey of Parcel A at the behest of the City and federal and state representatives. CDPH performed a phased-approach radiological survey to assess the health and safety of the public and the environment at Parcel A. In its final report dated February 5, 2019, CDPH declared the first subphase of Parcel A (known as “**Parcel A-1**” or the “**Hilltop**”) to be free from radiological health and safety hazards. In its final report dated April 24, 2019, CDPH similarly declared the remainder of Parcel A (known as “**Parcel A-2**” or the “**Hillside**”) to be free from radiological health and safety hazards.

To address continued concerns and questions from the community regarding the testing conducted on Parcel A, experts from UC San Francisco and UC Berkeley conducted an impartial analysis of CDPH’s procedures for Parcel A. The report, released in December 2019, concluded that CDPH’s health and safety scan on Parcel A was appropriate as a health and safety survey. The panel of experts supported CDPH’s conclusion that no radiological health and safety hazards to the current residents of Parcel A were observed.

Lastly, at the request of community members and local representatives and out of abundance of caution, affordable housing developers’ environmental consultant collected soil samples and performed additional radiological soil testing at the Successor Agency’s three affordable housing parcels within Parcel

¹Summaries of the class action lawsuit included herein are based on publicly available information not confirmed for accuracy.

A-1 in advance of commencing construction thereon. Radiological testing results indicated no contamination and no risk to construction workers, the public or future residents.

Reduction in Inflation Rate

As described in greater detail below, Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflation rate, not to exceed a two percent (2%) increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the 2023A/B Bonds could reduce Pledged Tax Revenues. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The State Board of Equalization directed county assessors to use 1.036% as the inflation factor for purposes of preparing the 2021-22 tax roll and 2% as the inflation factor for purposes of preparing the 2022-23 tax roll and the 2023-24 tax roll. The Successor Agency is unable to predict future adjustments to the full cash value of real property within any of the Project Areas, whether an increase or a reduction. See “LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIII A of California Constitution.”

Delinquencies

The Successor Agency does not have any independent power to levy and collect property taxes. Delinquencies in the payment of property taxes could have an adverse effect on the Successor Agency’s ability to make timely debt service payments. However, the City has adopted the Teeter Plan and provides one hundred percent (100%) of tax revenues to the Successor Agency regardless of delinquencies. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Teeter Plan*.” Such plan may be discontinued at any time.

Investment Risk

As provided in the Indenture, moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account and the Redemption Account are required to be invested in Permitted Investments and moneys in the Special Fund into which Pledged Tax Revenues are initially deposited may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. All investments, including the Permitted Investments and those authorized by law from time to time for investments by municipalities, contain a certain degree of risk. Such risks include, but are not limited to, a lower rate of return than expected and loss or delayed receipt of principal. The occurrence of these events with respect to amounts held under the Indenture or the Special Fund could have a material adverse effect on the security for the 2023A/B Bonds.

Bankruptcy and Foreclosure

The payment of the property tax revenue from which Pledged Tax Revenues are derived and the ability of the City to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors’ rights (such as the Soldiers’ and Sailors’ Relief Act of 1940 discussed below) or by the laws of the State relating to judicial foreclosure.

The rights of the Owners of the 2023A/B Bonds and the enforceability of the obligation to make payments on the 2023A/B Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights under currently existing law or laws enacted in the future and may also be subject to the exercise of judicial discretion under certain circumstances. The various legal

opinions to be delivered concurrently with the delivery of the 2023A/B Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases. See APPENDIX E – "FORM OF BOND COUNSEL FINAL OPINION."

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of the principal of and interest on the 2023A/B Bonds and the possibility of delinquent tax installments not being paid in full. Moreover, if the value of the subject property is less than the lien of property taxes, such excess could be treated as an unsecured claim by the bankruptcy court. Further, should remedies be exercised under the federal bankruptcy laws, payment of property taxes may be subordinated to bankruptcy law priorities. Thus, certain claims may have priority over property taxes in a bankruptcy proceeding even though they would not outside of a bankruptcy proceeding.

In addition, the United States Bankruptcy Code might prevent moneys on deposit in the Retirement Fund from being applied to pay principal of, or interest on, the 2023A/B Bonds and/or to redeem the 2023A/B Bonds, if bankruptcy proceedings were brought by or against a landowner and if the court found that any of such landowner had an interest in such moneys within the meaning of Section 541(a)(1) of the United States Bankruptcy Code.

Other laws generally affecting creditors' rights or relating to judicial foreclosure may affect the ability to enforce payment of property taxes or the timing of enforcement thereof. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections such as a stay in enforcement of the foreclosure covenant, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax or assessment and a limitation on the interest rate on the delinquent tax or assessment to persons in military service if a court concludes that the ability to pay such taxes or assessments is materially affected by reason of such service.

As discussed under "SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Allocation of Taxes Pursuant to the Redevelopment Dissolution Act – *Teeter Plan*," under its current policies, the City Controller distributes one hundred percent (100%) of tax increment revenues allocated to the Successor Agency without regard to delinquencies in the payment of property taxes. However, there can be no assurance that such policies will not be changed in the future.

Levy and Collection of Taxes

The Successor Agency has no independent power to levy and collect property taxes. As discussed herein, the Successor Agency only receives, on an annual basis, that amount of tax increment revenue required for it to pay debt service, enforceable obligations and administrative expenses. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Pledged Tax Revenues, and accordingly, could have an adverse impact on the ability of the Successor Agency to pay debt service on the 2023A/B Bonds. Likewise, delinquencies in the payment of property taxes and the impact of bankruptcy proceedings on the legal ability of taxing agencies to collect property taxes could have an adverse effect on the Successor Agency's ability to make timely payments on the 2023A/B Bonds. The City allocates property taxes to the Successor Agency based on one hundred percent (100%) of the tax levy, notwithstanding any delinquencies. However, the City may discontinue such practice at any time. If there is a decline in the general economy of the Project Areas, the owners of property within the Project Areas may be less able or less willing to make timely payments of property taxes, causing a delay or stoppage of Pledged Tax Revenues received by the Successor Agency from the Project Areas.

Loss of Tax Exemption

In order to maintain the exclusion from gross income for federal income tax purposes of the interest on the 2023 Series B Bonds, the Successor Agency has covenanted in the Indenture to comply with the applicable requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”). The interest on the 2023 Series B Bonds could become includable gross income for purposes of federal income taxation retroactive to the date of issuance of the 2023 Series B Bonds as a result of acts or omissions of the Successor Agency in violation of these or other covenants in the Indenture applicable to the 2023 Series B Bonds. The 2023 Series B Bonds are not subject to redemption or any increase in interest rates should an event of taxability occur and will remain outstanding until maturity or prior redemption in accordance with the provisions contained in the Indenture. See “TAX MATTERS.”

Risk of Tax Audit

In December 1999, as a part of a larger reorganization of the Internal Revenue Service (the “**IRS**”), the IRS commenced operation of its Tax Exempt and Government Entities Division (the “**TE/GE Division**”), as the successor to its Employee Plans and Exempt Organizations division. The TE/GE Division has a subdivision that is specifically devoted to tax-exempt bond compliance. There is no assurance that if an IRS examination of the 2023 Series B Bonds was undertaken it would not adversely affect the market value of the 2023 Series B Bonds. See “TAX MATTERS.”

Secondary Market

There can be no guarantee that there will be a secondary market for the 2023A/B Bonds, or if a secondary market exists, that the 2023A/B Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

No assurance can be given that the marketability, liquidity or market price for the 2023A/B Bonds will not be affected by the introduction or enactment of any future legislation or executive order (including, without limitation, amendments to or repeal of any portions of the Tax Code), or by any state constitutional amendments, court decisions, changes in interpretation of the Tax Code, or actions of the IRS, including but not limited to the publication of proposed or final regulations, the issuance of rulings, the selection of the 2023 Series B Bonds for audit examination, or the course or result of any IRS audit or examination of the 2023 Series B Bonds or obligations that present similar tax issues as the 2023 Series B Bonds.

Senior Obligations

As discussed above, certain Project Areas have prior obligations to which tax increment from such Project Areas is committed on a basis senior to debt service on the 2023A/B Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Senior Obligations – *Project Area-Specific Prior Obligations*.” In addition, the payment of debt service on the 2023A/B Bonds from tax increment revenues from the Project Areas is subordinate to the Successor Agency’s obligations to pay debt service on the Existing Senior Loan Agreements and the Second Lien Debt. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Existing Senior Obligations.”

However, the Successor Agency has covenanted that, so long as Third Lien Bonds are Outstanding, the Successor Agency will not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues (as defined in the Existing Senior Loan Agreements) or Pledged Tax Revenues on a basis senior to the

payment of debt service on the Third Lien Bonds, including the 2023A/B Bonds, except for obligations issued to refund any of the Existing Senior Loan Agreements or Second Lien Debt, but only if the debt service in any Bond Year does not increase as a result of such refunding. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Senior Debt*.”

Parity Obligations

As described in “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS – Limitations on Additional Indebtedness – *Third Lien Parity Debt*,” the Successor Agency may issue or incur additional obligations secured by a lien on Pledged Tax Revenues on a parity with its pledge of the lien on Pledged Tax Revenues in favor of the 2023A/B Bonds subject to the satisfaction of certain conditions set forth in the Indenture. The existence of and the potential for additional Third Lien Parity Debt increases the risks associated with the Successor Agency’s payment of debt service on the 2023A/B Bonds in the event of a decrease in the Successor Agency’s collection of tax revenues. The Successor Agency currently anticipates needing to finance approximately \$170 million of infrastructure in the Transbay Project Area and approximately \$495 million of affordable housing by 2030 and anticipates doing so through the issuance of additional bonds on a parity with the 2023A/B Bonds. The amounts and time in the preceding sentence reflect current projections; no assurance can be given as to the exact timing or amount of any additional bond issuances.

2023A/B Bonds are Limited Obligations

The 2023A/B Bonds are special, limited obligations of the Successor Agency and as such are not debt of the City, the State or any of their political subdivisions other than the Successor Agency, and none of the City, the State or any of their political subdivisions other than the Successor Agency is liable for the payment thereof. The principal of, and premium, if any, and interest on, the 2023A/B Bonds are payable solely from Pledged Tax Revenues allocated to the Successor Agency and certain other funds pledged therefor under the Indenture. The 2023A/B Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. See “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS.” No Owner of the 2023A/B Bonds may compel exercise of the taxing power of the State, the City or any of their political subdivisions to pay the principal of, or premium, if any, or interest due on, the 2023A/B Bonds.

Limited Recourse on Default

If the Successor Agency defaults on its obligations under the Indenture, the Trustee has the right to accelerate the 2023A/B Bonds under certain circumstances. However, in the event of a default and such acceleration, there can be no assurance that the Trustee will have sufficient moneys available for payment of the 2023A/B Bonds.

LIMITATIONS ON TAX REVENUES

The 2023A/B Bonds are secured by a pledge of Pledged Tax Revenues described in this Official Statement. The Successor Agency does not have any independent power to levy and collect property taxes; accordingly, the amount of Pledged Tax Revenues available to the Successor Agency for payment of the principal of and interest on the 2023A/B Bonds is affected by several factors, including but not limited to those discussed below. See also “CERTAIN RISK FACTORS.”

Property Tax Collection Procedure

Classifications. In California, property that is subject to *ad valorem* taxes is classified as “secured” or “unsecured.” The secured classification includes property on which any property tax levied by a county becomes a lien on that property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against the unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax that becomes a lien on secured property has priority over all other liens arising pursuant to State law on the secured property, regardless of the time of creation of the other liens.

Generally, *ad valorem* taxes are collected by a county (the “**Taxing Authority**”) for the benefit of the various entities (cities, school districts and special districts) that share in the *ad valorem* tax (each, a taxing entity) and redevelopment agencies eligible to receive tax increment revenues.

Collections. Secured property and unsecured property are entered on separate parts of the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The Taxing Authority has four (4) ways of collecting unsecured personal property taxes in the case of delinquency: (i) initiating a civil action against the taxpayer; (ii) filing a certificate in the office of the clerk of the court specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (iii) filing a certificate of delinquency for record in the county recorder’s office to obtain a lien on certain property of the taxpayer; and (iv) seizing and selling the personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes for the amount of taxes that are delinquent.

Delinquencies. The valuation of property is determined as of January 1 each year and equal installments of taxes levied upon secured property become delinquent after the following December 10 and April 10. Taxes on unsecured property are due March 1. Unsecured taxes enrolled by July 31, if unpaid, are delinquent August 31 and are subject to penalty; unsecured taxes added to the roll after July 31, if unpaid, are delinquent on the last day of the month succeeding the month of enrollment.

Penalty. A ten percent (10%) penalty is added to delinquent taxes that have been levied with respect to property on the secured roll. In addition, on or about June 30 of the fiscal year, property on the secured roll on which taxes are delinquent is declared to be in default by operation of law and declaration of the tax collector. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of one and one-half percent (1.5%) per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county tax collector. A ten percent (10%) penalty also applies to the delinquent taxes on property on the unsecured roll, and further, an additional penalty of one and one-half percent (1.5%) per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date.

Supplemental Assessments. California Revenue and Taxation Code Section 75.70 provides for the supplemental assessment and taxation of property as of the occurrence of a change in ownership or completion of new construction. This statute provides increased revenue to the RPTTF to the extent that supplemental assessments as a result of new construction or changes of ownership occur within the boundaries of redevelopment project areas subsequent to the January 1 lien date. To the extent such supplemental assessments occur within the Project Areas, Tax Revenues may increase.

Property Tax Administrative Costs. In 1990, the Legislature enacted Senate Bill 2557 (Statutes of 1990, Chapter 466) which allows counties to charge for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each. Subsequent legislation clarified that the provisions of SB 2557 include redevelopment agencies as

a local government agency which must pay such administrative costs. In addition, Sections 34182(e) and 34183(a) of the Redevelopment Dissolution Act allow administrative costs of the county auditor-controller for the cost of administering the provisions of the Redevelopment Dissolution Act, as well as the foregoing SB 2557 amounts, to be deducted from property tax revenues before moneys are deposited into the RPTTF.

Taxation of Unitary Property

In California, certain properties are known as unitary property or operating nonunitary property. Such properties are properties of an assessee that are operated as a unit (consisting mostly of operational property owned by utility companies). Property tax revenue derived from assessed value attributable to unitary and operating nonunitary property that is assessed by the State Board of Equalization is to be allocated county-wide as follows: (i) each jurisdiction, including redevelopment project areas, will receive a percentage up to one hundred two percent (102%) of its prior year unitary and operating nonunitary revenue; (ii) if the amount of property tax revenue available for allocation is insufficient to make the allocation required by clause (i), above, the amount of revenue to be allocated to each jurisdiction will be prorated; and (iii) if county-wide revenues generated for unitary and operating nonunitary property are greater than one hundred two percent (102%) of the previous year's unitary revenues, each jurisdiction will receive a percentage share of the excess unitary revenue based on such jurisdiction's share of the county's total ad valorem tax levies for the secured roll for the prior year.

The City Controller, following guidance from the State Board of Equalization does not share any of the City-wide unitary revenue with the Successor Agency. No tax revenue derived from unitary property or operating nonunitary property is included in the projections of Pledged Tax Revenues.

Tax Limitations – Article XIII A of California Constitution

Article XIII A of the State Constitution, known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIII A limits the maximum *ad valorem* tax on real property to one percent (1%) of "full cash value," and provides that such tax will be collected by the counties and apportioned according to State statutes. Section 1(b) of Article XIII A provides that the one percent (1%) limitation does not apply to *ad valorem* taxes levied to pay interest or redemption charges on (1) indebtedness approved by the voters prior to July 1, 1978, and (2) any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition.

Section 2 of Article XIII A defines "full cash value" to mean the county assessor's valuation of real property as shown on the 1975-76 Fiscal Year tax bill, or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment. The full cash value may be adjusted annually to reflect inflation at a rate not to exceed two percent (2%) per year, or to reflect a reduction in the consumer price index or comparable data for the taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation enacted by the State Legislature to implement Article XIII A provides that, notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except to pay debt service on indebtedness approved by the voters as described above. Such legislation further provides that each county will levy the maximum tax permitted by Article XIII A, which is \$1.00 per \$100 of assessed market value. The legislation further establishes the method for allocating the taxes collected by each county among the taxing agencies in the county.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when purchased, newly constructed or a change in ownership has occurred. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age fifty-

five (55) and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in property tax revenues.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the no more than two percent (2%) annual adjustment (2% for Fiscal Year 2023-24) are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

The Successor Agency cannot predict whether there will be any future challenges or changes to California’s present system of property tax assessment or the effect of any such challenge or change on the Successor Agency’s receipt of Tax Revenues.

Article XIII B of California Constitution

On November 6, 1979, California voters approved Proposition 4, which added Article XIII B to the California Constitution. Article XIII B has been subsequently amended several times. The principal effect of Article XIII B is to limit certain annual appropriations of the State and any local government, which includes any city, county, special district, or other political subdivision of or within the State, to the level of appropriations for the prior fiscal year, subject to certain permitted annual adjustments. Appropriations of local government subject to Article XIII B is defined to mean generally any authorization to expend the proceeds of taxes levied by or for that entity and the proceeds of certain State subventions to that entity, exclusive of refunds of taxes. Permitted adjustments to the annual appropriations limit include adjustments for changes in the cost of living, population and services rendered by the government entity.

Effective September 30, 1980, the California Legislature added Section 33678 of the Redevelopment Law, which provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness will not be deemed the receipt by the agency of proceeds of taxes levied by or on behalf of the agency within the meaning of Article XIII B or any statutory provision enacted in implementation of Article XIII B. The constitutionality of Section 33678 has been upheld by the Second and Fourth District Courts of Appeal in two decisions: *Bell Community Redevelopment Agency v. Woosley* and *Brown v. Community Redevelopment Agency of the City of Santa Ana*.

Articles XIII C and XIII D of California Constitution

On November 5, 1996, California voters approved Proposition 218. Proposition 218 added Articles XIII C and XIII D to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. On November 2, 2010, California voters approved Proposition 26, the “Supermajority Vote to Pass New Taxes and Fees Act.” Proposition 26 amended Article XIII C of the California Constitution by adding an expansive definition for the term “tax,” which previously was not defined under the California Constitution. The 2023A/B Bonds are secured by sources of revenues that are not subject to limitation by Proposition 218 and are outside of the scope of taxes that are limited by Proposition 26.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D of the State Constitution and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to California’s initiative process. From time to time other initiative measures or other legislation could be adopted, further affecting the availability of tax increment revenues or the Successor Agency’s ability to expend tax increment revenue.

TAX MATTERS

2023 Series A Taxable Bonds

The interest on the 2023 Series A Taxable Bonds is not intended by the Successor Agency to be excluded from gross income for federal income tax purposes. However, in the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, interest on the 2023 Series A Taxable Bonds is exempt from California personal income taxes.

The proposed form of opinion of Bond Counsel with respect to the 2023 Series A Taxable Bonds to be delivered on the date of issuance of the 2023 Series A Taxable Bonds is set forth in APPENDIX E.

Owners of the 2023 Series A Taxable Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Series A Taxable Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Series A Taxable Bonds, the ownership, sale or disposition of the 2023 Series A Taxable Bonds, or the amount, accrual or receipt of interest on the 2023 Series A Taxable Bonds.

2023 Series B Bonds

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the 2023 Series B Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Interest on the 2023 Series B Bonds may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the Successor Agency comply with all requirements of the Tax Code that must be satisfied subsequent to the issuance of the 2023 Series B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Successor Agency has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023 Series B Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a 2023 Series B Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a 2023 Series B Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “bond premium” for purposes of federal income taxes and State of California personal income taxes.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of the subcaption “—Federal Tax Status,” above. The original issue discount accrues over the term to maturity of the 2023 Series B Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such 2023 Series B Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such 2023 Series B Bond. The Tax

Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the 2023 Series B Bonds who purchase the 2023 Series B Bonds after the initial offering of a substantial amount of such maturity. Owners of such 2023 Series B Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2023 Series B Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering to the public at the first price at which a substantial amount of such 2023 Series B Bonds is sold to the public.

Under the Tax Code, bond premium is amortized on an annual basis over the term of the 2023 Series B Bond (said term being the shorter of the 2023 Series B Bond's maturity date or its call date). The amount of bond premium amortized each year reduces the adjusted basis of the owner of the 2023 Series B Bond for purposes of determining taxable gain or loss upon disposition. The amount of bond premium on a 2023 Series B Bond is amortized each year over the term to maturity of the 2023 Series B Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized bond premium is not deductible for federal income tax purposes. Owners of premium 2023 Series B Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such 2023 Series B Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the 2023 Series B Bonds is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest on the 2023 Series B Bonds to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the 2023 Series B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to 2023 Series B Bonds issued prior to enactment.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Bond Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest on the 2023 Series B Bonds, or as to the consequences of owning or receiving interest on the 2023 Series B Bonds, as of any future date. Prospective purchasers of the 2023 Series B Bonds should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

Owners of the 2023 Series B Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the 2023 Series B Bonds may have federal or state tax consequences other than as described above. Other than as expressly described above, Bond Counsel expresses no opinion regarding other federal or state tax consequences arising with respect to the 2023 Series B Bonds, the ownership, sale or disposition of the 2023 Series B Bonds, or the amount, accrual or receipt of interest on the 2023 Series B Bonds.

LITIGATION

There is no litigation now pending or, to the best knowledge of the Successor Agency, threatened to restrain or enjoin the execution or delivery of the 2023A/B Bonds or the Indenture or in any way questioning or affecting the validity of the foregoing or any of the proceedings for the authorization, sale, execution or delivery of the 2023A/B Bonds. In the opinion of the Successor Agency's General Counsel,

there is no lawsuit or claim now pending against the Successor Agency, which if decided adversely to the Successor Agency would materially affect the Successor Agency's finances so as to impair the ability of the Successor Agency to pay debt service on the 2023A/B Bonds as it becomes due.

A number of other lawsuits have been filed in the State that challenge the Redevelopment Dissolution Act or the application of certain of its provisions, but none of them have to date impaired the Successor Agency's ability to issue, and make payments for, the type of bonds contemplated by the offering described in this Official Statement. The Successor Agency is unable to predict the likely outcome of any remaining lawsuits or the possible impact, if any, of their outcomes on the distribution of property tax revenues or other moneys to the Successor Agency under the Redevelopment Dissolution Act or on the Successor Agency's ability to make payments of principal of and interest on the 2023A/B Bonds.

CONTINUING DISCLOSURE

The Successor Agency has covenanted for the benefit of the Owners of the 2023A/B Bonds to provide certain financial information and operating data relating to the Successor Agency by not later than six (6) months after the end of the Successor Agency's Fiscal Year (presently June 30) in each year commencing with its Annual Report for the 2022-23 fiscal year and to provide notices of the occurrence of certain enumerated events. The Annual Report and the notices of events will be filed by the Successor Agency, or the Dissemination Agent, if any, on behalf of the Successor Agency, with the MSRB. The specific nature of the information to be contained in the Annual Report and the notices of events is summarized in APPENDIX D – "FORM OF CONTINUING DISCLOSURE CERTIFICATE."

LEGAL MATTERS

Jones Hall, A Professional Law Corporation, Bond Counsel to the Successor Agency, will render an opinion with respect to the validity and enforceability of the Indenture and as to the validity of the 2023A/B Bonds. A copy of the form of such approving opinion is attached hereto as Appendix E. Certain legal matters incident to the issuance of the 2023A/B Bonds will be passed upon for the Successor Agency by its General Counsel. Alexis S. M. Chiu, Esq., is acting as Disclosure Counsel to the Successor Agency. Certain legal matters will be passed upon for the Underwriters by their counsel, Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California.

Bond Counsel's engagement is limited to a review of the legal procedures required for the authorization, issuance and sale of the 2023A/B Bonds, the exemption of interest on the 2023 Series B Bonds from federal income taxation, and the exemption of interest on the 2023A/B Bonds from California personal income taxes. See "TAX MATTERS" herein and APPENDIX E – "FORM OF BOND COUNSEL FINAL OPINION." Bond Counsel has not undertaken any responsibility for the accuracy, completeness or fairness of the Official Statement or other offering materials relating to the 2023A/B Bonds and expresses no opinion relating thereto.

Disclosure Counsel has served as disclosure counsel to the Successor Agency for the 2023A/B Bonds and in such capacity has advised the Successor Agency with respect to applicable federal securities laws and participated with responsible Successor Agency officials and staff in conferences and meetings where information contained in this Official Statement was reviewed for accuracy, completeness and materiality. Disclosure Counsel is not responsible for independently verifying (through forensic audit or otherwise) the accuracy or completeness of the statements or information presented in this Official Statement. Rather, the Successor Agency is solely responsible for the accuracy and completeness of the statements and information contained in this Official Statement. Upon the issuance of the 2023A/B Bonds, Disclosure Counsel will deliver a letter to the Successor Agency, which advises the Successor Agency,

subject to the assumptions, exclusions, qualifications and limitations set forth therein, that no facts came to the attention of Disclosure Counsel, which caused him to believe that this Official Statement as of its date and as of the date of issuance of the 2023A/B Bonds contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect. No purchaser or holder of the 2023A/B Bonds, or other person or party other than the Successor Agency, will be entitled to or may rely on the letter from Disclosure Counsel addressed to the Successor Agency.

Fees payable to Bond Counsel, Disclosure Counsel and Underwriters' Counsel are contingent upon the sale and delivery of the 2023A/B Bonds.

MUNICIPAL ADVISOR

PFM California Advisors LLC has served as municipal advisor to the Successor Agency (the "**Municipal Advisor**") and provided advice with respect to the sale of the 2023A/B Bonds. The Municipal Advisor is a financial advisory and consulting organization and is not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiated instruments. The Municipal Advisor has assisted the Successor Agency in the review of this Official Statement and in other matters relating to the planning, structuring, and sale of the 2023A/B Bonds. The Municipal Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the Successor Agency to determine the accuracy or completeness of this Official Statement and assumes no responsibility for the accuracy or completeness of any of the information contained herein. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the 2023A/B Bonds.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC business ("**S&P**"), has assigned an underlying rating to the 2023A/B Bonds of "A." It is anticipated that S&P will assign the 2023A/B Bonds an insured rating of "AA" based upon the issuance of the Insurance Policy by AGM at the time of delivery of the 2023A/B Bonds. Such ratings reflect only the view of such organization, and an explanation of the significance of the ratings may be obtained by contacting S&P. Such ratings are not a recommendation to buy, sell or hold the 2023A/B Bonds. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by the rating agency, if, in the judgment of such agency, circumstances so warrant. Any such downward revision or withdrawal of a rating may have an adverse effect on the market price of the 2023A/B Bonds. The Successor Agency undertakes no responsibility to oppose any such downward revision, suspension or withdrawal.

FINANCIAL STATEMENTS

The audited financial statements of the Successor Agency for the Fiscal Year ended June 30, 2022, are included as part of APPENDIX A – "SUCCESSOR AGENCY'S AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022." Such financial statements have been audited by Macias Gini & O'Connell, LLP (the "**Auditor**"), independent certified public accountants, whose report also appears in Appendix A. The Auditor was not requested to consent to the inclusion of its report in Appendix A, nor has the Auditor undertaken to update its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event subsequent to the date of its report.

FISCAL CONSULTANT REPORT

In connection with the issuance of the 2023A/B Bonds, the Successor Agency has engaged Urban Analytics, LLC, San Francisco, California, to prepare a Fiscal Consultant Report. See APPENDIX B – “FISCAL CONSULTANT REPORT.”

UNDERWRITING

The 2023A/B Bonds will be sold to Stifel, Nicolaus & Company, Incorporated, as representative of itself and Backstrom McCarley Berry & Co., LLC (collectively, the “**Underwriters**”), pursuant to a bond purchase contract for the 2023A/B Bonds (the “**Purchase Contract**”) between the Successor Agency and the Underwriters. The Underwriters have agreed to purchase the 2023 Series A Taxable Bonds for \$24,396,281.25 (which amount represents the \$24,505,000.00 aggregate principal amount of the 2023 Series A Taxable Bonds, less an underwriters’ discount of \$108,718.75) and the 2023 Series B Bonds for \$37,637,611.85 (which amount represents the \$35,210,000.00 aggregate principal amount of the 2023 Series B Bonds, plus an original issue premium of \$2,539,811.85, less an underwriters’ discount of \$112,200.00).

The initial public offering prices of the 2023A/B Bonds may be changed from time to time by the Underwriters. The Purchase Contract for the 2023A/B Bonds provides that the Underwriters will purchase all (but not less than all) of the 2023A/B Bonds and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Contract including, among others, the approval of certain legal matters by counsel.

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MISCELLANEOUS

All the summaries contained herein of the Indenture, applicable legislation, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Successor Agency for further information in connection therewith. The Successor Agency will provide, upon request, annual audited financial statements when available.

Insofar as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of such statements made will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the Bondowners or Beneficial Owners.

The execution and delivery of this Official Statement have been duly authorized by the Successor Agency Commission.

SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO

By: /s/Rosa Torres
Deputy Director of Finance and Administration

APPENDIX A

**SUCCESSOR AGENCY'S AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Annual Financial Report

For the Year Ended June 30, 2022



Certified
Public
Accountants

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

For the Year Ended June 30, 2022

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Certified
Public
Accountants

Independent Auditor's Report

Commission on Community Investment and Infrastructure
Successor Agency to the Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the fiduciary activities of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Successor Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the fiduciary activities of the Successor Agency as of June 30, 2022, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Successor Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Successor Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Successor Agency's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Successor Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the Successor Agency's proportionate share of the net pension liability, the schedule of contributions – pension plan, the schedule of changes in net other postemployment benefits (OPEB) liability and related ratios, and the schedule of contributions – OPEB plan, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2022 on our consideration of the Successor Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Successor Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Successor Agency's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Walnut Creek, California
November 10, 2022

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

The Management's Discussion and Analysis presents a narrative overview and analysis of the financial activities of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency) for fiscal year ended June 30, 2022 (fiscal year 2021-22). We encourage readers to consider the information presented here in conjunction with the Successor Agency's financial statements, which follow this section.

As per California Redevelopment Dissolution law, the Successor Agency is the successor to the former Redevelopment Agency of the City and County of San Francisco (Redevelopment Agency). The Successor Agency has assumed the financial obligations of the former Redevelopment Agency and is tasked with completing the redevelopment activities of the former Redevelopment Agency, as they existed at the time of Dissolution and as approved as final and conclusive obligations by the California Department of Finance.

Financial Highlights

The Successor Agency's net position was a deficit of \$449.9 million at the end of fiscal year 2021-22. This is a net increase of \$0.5 million compared to a deficit of \$450.4 million in the prior fiscal year. The largest portion of the Successor Agency's liabilities is long-term obligations of \$937.7 million, which is primarily composed of tax allocation bonds issued to directly fund or reimburse private developers for construction of public infrastructure, or to directly fund construction of affordable housing. As the Successor Agency pays annual debt service with revenues, the net deficit is expected to decrease over time.

The Successor Agency's additions for fiscal year 2021-22 were \$146.2 million, an increase of \$1.5 million or one percent when compared to \$144.7 million in the prior fiscal year. The increase was mainly due to increases of \$4.9 million for Property tax revenues and \$2.9 million for Grants, offset by decreases of \$1.2 million for Developer payments and \$5.4 for Investment income. The increase in Property tax revenues was primarily due to the growth of property tax generated in the project area and pledged to the Transbay Joint Powers Authority (TJPA). The increase in Grants was due to the rehabilitation of Building 101 funded by a grant from the Economic Development Administration (EDA). The decrease in Developer payments was primarily due to a slow-down in the pace of development in Hunters Point Shipyard and Transbay project areas. The decrease in Investment income was primarily due to the impact of fair value adjustments for the Successor Agency's cash and investments upon the increase in interest rates towards the end of the year.

The Successor Agency's deductions for fiscal year 2021-22 were \$145.7 million, an increase of \$11.7 million or nine percent compared to \$133.9 million in the prior fiscal year. The increase was mainly due to increases of \$6.4 million for Salaries and benefits and \$3.9 million for Distribution of pledged revenues to TJPA. The increase in Salaries and benefits was primarily due to the recording of significant noncash pension and OPEB expenses based on actuarial valuations in accordance with the Government Accounting Standards Board (GASB) Statements No. 68 and 75 for the year. The increase in Distribution of pledged revenues to the TJPA is primarily due to the growth of property tax generated in the project area and pledged to the TJPA. Although net changes in Contracted services were not significant, changes in specific project areas were material. In Mission Bay North and South, Contracted services increased by \$13.1 million, primarily driven by higher reimbursements for completed public improvements. In Hunters Point Shipyard, Contracted services increased by \$2.3 million primarily due to rehabilitation of Building 101. These increases were offset by decreases in Contracted services of \$8.0 million in Transbay, primarily due to the completion of Folsom Street in the prior fiscal year and decreased payments for Under Ramp and Block 3 parks, and decreases of \$7.2 million in Other, due to a one-time \$7.9 million payment in the prior fiscal year to the Port of San Francisco. The payment to the Port reflected use of excess bond proceeds to fund the Ferry Terminal project in Mission Bay.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Successor Agency's basic financial statements. The Successor Agency's financial statements are comprised of two components: 1) basic financial statements including Statement of Fiduciary of Net Position and the Statement of Changes in Fiduciary Net Position, and 2) notes to the basic financial statements. The financial statements are prepared on the economic resources measurement focus and the accrual basis of accounting. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. In addition to the basic financial statements and accompanying notes, this report presents certain required supplemental information concerning the Successor Agency's pension and Other Postemployment Benefits (OPEB) plans.

Budgetary Control

The former Redevelopment Agency of the City and County of San Francisco and the Successor Agency issued bonds or incurred long-term debt pledged against future tax increment to finance redevelopment projects. The Successor Agency's assets can only be used to pay enforceable obligations in existence at the time of Dissolution, including the completion of any unfinished projects that were subject to legally enforceable contractual commitments. Some of these enforceable obligations require the Successor Agency to enter into new contracts that comply with, and are ancillary to, the pre-dissolution obligations of the Former Redevelopment Agency. California Redevelopment Dissolution Law requires that the Successor Agency transfer completed public projects to the appropriate public jurisdiction for their continued maintenance and operations. The Successor Agency will transfer completed public facilities such as parks, streets, and affordable housing to an appropriate public entity such as the City and County of San Francisco (City).

Pursuant to California Redevelopment Dissolution Law, the Successor Agency is required to adopt an annual Recognized Obligation Payments Schedule (ROPS). The ROPS lists all enforceable obligations due and payable during the fiscal year. The ROPS identifies enforceable obligations to be funded with tax increment and other sources and is the basis for the City Controller's distribution of tax increment from the Redevelopment Property Tax Trust Fund. Additionally, the ROPS contains the Successor Agency's administrative budget. The ROPS is presented to and approved by the Oversight Board, whose members are appointed by the Mayor of the City and the taxing entities. Following Oversight Board approval, the ROPS is submitted and approved by the California Department of Finance. California Redevelopment Dissolution Law also requires the Successor Agency to submit a Prior Period Adjustment form to demonstrate compliance with the ROPS. The City Controller annually reviews and confirms the accuracy of the Prior Period Adjustment form to the Department of Finance by February. In February 2022, the City Controller confirmed that the Successor Agency's fiscal year 2019-20 expenditures were compliant with the ROPS. The City Controller will evaluate fiscal year 2020-21 expenditures by February 2023.

In addition to the ROPS, the Successor Agency adopts an annual budget. The budget is consistent with the ROPS and is presented to and approved by the Successor Agency's Commission, whose members are appointed by the Mayor of the City and approved by the Board of Supervisors. Following Commission approval, the budget is submitted to and approved by the San Francisco Board of Supervisors during the City's annual budget process.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Analysis of Change Net Position

The Successor Agency's total net position, which may serve as a useful indicator of the Successor Agency's financial position, was a deficit of \$449.9 million at the end of fiscal year 2021-22. Shown below is a schedule that summarizes the Successor Agency's net position held in trust:

Condensed Statement of Fiduciary Net Position
(In thousands)

Assets	June 30, 2022	June 30, 2021	\$ Change
Restricted cash and investments with trustees	\$ 375,291	\$ 291,978	\$ 83,313
Cash and investments with City Treasury	171,460	178,730	(7,270)
Net OPEB asset	3,523	-	3,523
Other assets	8,687	7,646	1,041
Capital assets	4,152	4,152	-
Total assets	563,113	482,506	80,607
Deferred outflows of resources	43,691	47,483	(3,792)
Liabilities			
Accounts and other payables	21,072	15,173	5,899
Payable to the City	4,565	3,275	1,290
Developer payable	46,844	49,457	(2,613)
Long-term obligations	937,664	875,420	62,244
Net pension and OPEB liabilities	22,028	34,370	(12,342)
Total liabilities	1,032,173	977,695	54,478
Deferred inflows of resources	24,533	2,691	21,842
Total net position held in trust	\$ (449,902)	\$ (450,397)	\$ 495

Assets

The Successor Agency's assets at June 30, 2022 were \$563.1 million, an increase of \$80.6 million or 17 percent, when compared with \$482.5 million the prior fiscal year. The increase was primarily due to the following:

- Increase in Restricted cash and investments with trustees of \$83.3 million or 29 percent, from \$292.0 million at June 30, 2021 to \$375.3 million at June 30, 2022. The balance was primarily composed of bond proceeds issued by the Successor Agency to finance public infrastructure and affordable housing and held in trust as required by the bond documents. The increase was due to the issuance of \$127.2 million of Taxable Third Lien Tax Allocation Bonds, Affordable Housing Projects Series 2021 A (2021 Series A Bonds) to finance affordable housing. The increase was partially offset by expenditure of \$36.4 million for infrastructure and affordable housing.
- Decrease in Cash and investments with City Treasury of \$7.3 million or four percent, from \$178.7 million at June 30, 2021 to \$171.5 million at June 30, 2022. The decrease was mainly due to the timing of cash receipts and disbursements.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

- Increase in Net OPEB asset of \$3.5 million or 100 percent, from \$0 at June 30, 2021 to \$3.5 million at June 30, 2022. The increase was mainly due to favorable investment returns during the measurement period.
- Increase in Other assets of \$1.0 million or 14 percent, from \$7.6 million at June 30, 2021 to \$8.7 million at June 30, 2022. Other assets are primarily comprised of receivables for developer billing, grants, interest, and housing loans. The increase was mainly due to increase of intergovernmental receivables related to the rehabilitation of Building 101, which was funded by an EDA grant.

Liabilities

The Successor Agency's liabilities at June 30, 2022 were \$1,032.2 million, an increase of \$54.5 million or six percent when compared with \$977.7 million the prior fiscal year. The increase was primarily due to the following:

- Increase in Accounts and other payable of \$5.9 million or 39 percent from \$15.2 million at June 30, 2021 to \$21.1 million at June 30, 2022. The increase was mainly due to timing of payments.
- Increase in Payable to the City of \$1.3 million or 39 percent from \$3.3 million at June 30, 2021 to \$4.6 million at June 30, 2022. The increase was mainly due to timing of payments.
- Decrease in Developer payable of \$2.6 million or five percent from \$49.5 million at June 30, 2021 to \$46.8 million at June 30, 2022. The decrease was due to catch-up payments of pledged property tax made to the Hunters Point Shipyard/Candlestick Point developer during the year. Payments of pledged property tax were held for payment until the approval by the Department of Finance.
- Increase in Long-term obligations of \$62.2 million or seven percent, from \$875.4 million at June 30, 2021 to \$937.7 million at June 30, 2022. The increase was primarily due to the issuance of \$127.2 million of 2021 Series A Bonds to finance affordable housing, offset by annual scheduled principal payments made for tax allocation bonds issued by the Successor Agency in prior fiscal years.
- Decrease in Net pension and OPEB liabilities of \$12.3 million or 36 percent, from \$34.4 million at June 30, 2021 to \$22.0 million at June 30, 2022. The decrease was primarily due to decrease of net pension liability of \$10.3 million and the decrease of net OPEB liability (to a net OPEB asset) due to favorable investment return during the measurement period.

Deferred Outflows and Inflows of Resources

The Successor Agency's deferred outflows of resources at June 30, 2022 were \$43.7 million, a decrease of \$3.8 million or eight percent when compared with \$47.5 million at June 30, 2021. The decrease was primarily due to decreases of \$2.5 million in unamortized loss on refundings, \$0.4 million in pension items, and \$0.9 million in OPEB items.

The Successor Agency's deferred inflows of resources at June 30, 2022 were \$24.5 million, an increase of \$21.8 million or 812 percent when compared with \$2.7 million at June 30, 2021. The increase was primarily due to increase of \$19.2 million in pension items and \$2.6 million in OPEB items.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

The Successor Agency's net position increased by \$0.5 million for fiscal year 2021-22. Key elements of the Successor Agency's additions and deductions are presented below:

Statement of Changes in Fiduciary Net Position
(In thousands)

	Year Ended		
	June 30, 2022	June 30, 2021	\$ Change
Additions			
Property tax revenues	\$ 133,643	\$ 128,789	\$ 4,854
Developer payments	8,999	10,213	(1,214)
Charges for services	373	937	(564)
Hotel occupancy tax	4,505	4,497	8
Investment income	(5,587)	(216)	(5,371)
Grants	3,278	393	2,885
Other	963	65	898
Total additions	<u>146,174</u>	<u>144,678</u>	<u>1,496</u>
Deductions			
Salaries and benefits	19,804	13,447	6,357
Administrative and operating	1,307	188	1,119
Affordable housing loan program costs	18,047	18,185	(138)
Contracted services:			
Hunters Point Shipyard / Candlestick Point	6,164	3,859	2,305
Mission Bay North and South	27,228	14,157	13,071
Transbay	1,424	9,413	(7,989)
Other	973	8,207	(7,234)
Community based programs	461	610	(149)
Distribution of pledged revenues to			
Transbay Joint Powers Authority	28,294	24,375	3,919
Depreciation	-	4	(4)
Interest on debt	41,963	41,482	481
Other	14	10	4
Total deductions	<u>145,679</u>	<u>133,937</u>	<u>11,742</u>
Change in net position	495	10,741	(10,246)
Net position, beginning of year	(450,397)	(461,138)	10,741
Net position, end of year	<u>\$ (449,902)</u>	<u>\$ (450,397)</u>	<u>\$ 495</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Additions

The Successor Agency's additions to net position for the year ended June 30, 2022 were \$146.2 million, an increase of \$1.5 million or one percent when compared with \$144.7 million for the prior year. The increase was primarily due to the following:

- Increase in Property tax revenues of \$4.8 million or four percent, from \$128.8 million for the year ended June 30, 2021 to \$133.6 million for the year ended June 30, 2022. This was primarily due to the growth of property tax generated in the project area and pledged to the TJPA.
- Decrease in Developer payments of \$1.2 million or 12 percent, from \$10.2 million for the year ended June 30, 2021 to \$9.0 million for the year ended June 30, 2022. The decrease was primarily due to project completions and the impact of catch-up fees paid by developers in the prior fiscal year.
- Decrease in Charges for services of \$0.6 million or 60 percent, from \$0.9 million for the year ended June 30, 2021 to \$0.4 million for the year ended June 30, 2022. The decrease was primarily due to a development slow-down in the project areas. Slower development required fewer staff hours, reducing charges for service to developers for staff support.
- Decrease in Investment income of \$5.4 million or 2,487 percent from negative \$0.2 million for the year ended June 30, 2021 to negative \$5.6 million for the year ended June 30, 2022. The decrease was primarily due to the impact of fair value adjustments for the Successor Agency's cash and investments upon the increase in interest rates towards the end of the year.
- Increase in Grants of \$2.9 million or 734 percent, from \$0.4 million for the year ended June 30, 2021 to \$3.3 million for the year ended June 30, 2022. The increase was primarily due to project costs related to the rehabilitation of Building 101, which was funded by a grant from the EDA.
- Increase in Other of \$0.9 million or 1,382 percent, from \$0.1 million for the year ended June 30, 2021 to \$1.0 million for the year ended June 30, 2022. The increase was primarily due to the receipt of a repayment of the Mission Bay South block 3E housing project loan.

The Successor Agency's deductions to net position for the year ended June 30, 2022 were \$145.7 million, an increase of \$11.7 million or nine percent, when compared with \$133.9 million for the prior year. The decrease was primarily due to the following:

- Increase in Salaries and benefit of \$6.4 million or 47 percent, from \$13.4 million for the year ended June 30, 2021 to \$19.8 million for the year ended June 30, 2022. The increase was primarily due to the recording of significant noncash pension and OPEB expenses based on actuarial valuations in accordance with the GASB Statements No. 68 and 75 for the year, from \$4.7 million for the year ended June 30, 2021 to \$11.6 million for the year ended June 30, 2022.
- Increase in Administrative and operating of \$1.1 million or 595 percent, from \$0.2 million for the year ended June 30, 2021 to \$1.3 million for the year ended June 30, 2022. The increase was primarily due to a reduction in overhead recovery, consistent with a reduction in Charges for services, that offset administrative and operating costs in the prior year.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

- Increase in Contracted services of \$0.2 million or less than one percent from \$35.6 million for the year ended June 30, 2021 to \$35.8 million for the year ended June 30, 2022. The Successor Agency contracts with private developers to build public infrastructure such as streets, sewers, and parks in the project areas. As per development agreements signed with each developer, the developers build public infrastructure and the Successor Agency reimburses the developer for costs incurred. The decrease in contracted services was primarily due to the following:
 - Increase in Hunters Point Shipyard / Candlestick Point of \$2.3 million or 60 percent, from \$3.9 million for the year ended June 30, 2021 to \$6.2 million for the year ended June 30, 2022 primarily due to the wellness center and rehabilitation of Building 101.
 - Increase in Mission Bay North and South of \$13.1 million or 92 percent, from \$14.2 million for the year ended June 30, 2021 to \$27.2 million for the year ended June 30, 2022 primarily due to an increase in payments made to reimburse the developer for completed public improvements.
 - Decrease in Transbay of \$8.0 million or 85 percent, from \$9.4 million for the year ended June 30, 2021 to \$1.4 million for the year ended June 30, 2022 due to the completion of projects in the prior fiscal year.
 - Decrease in Other deductions of \$7.2 million or 88 percent from \$8.2 million for the year ended June 30, 2021 to \$1.0 million for the year ended June 30, 2022 due to a one-time \$7.9 million payment in the prior fiscal year to the Port of San Francisco. The payment to the Port reflected use of excess bond proceeds to fund the Ferry Terminal project in Mission Bay.
- Increase in Distribution of pledged revenues to TJPA of \$3.9 million or 16 percent, from \$24.4 million for the year ended June 30, 2021 to \$28.3 million for the year ended June 30, 2022 due to the growth of property tax generated in the project area and pledged to the TJPA. As per the Tax Increment Allocation and Sales Proceeds Pledge Agreement, tax increment generated by the formerly State-owned parcels in the Transbay Project Area is pledged to the TJPA to finance development of the Transbay Terminal Project.
- Increase in Interest on debt of \$0.5 million or one percent, from \$41.5 million for the year ended June 30, 2021 to \$42.0 million for the year ended June 30, 2022. The increase was primarily due to the issuance of \$127.2 million of 2021 Series A Bonds, offset by decrease in outstanding long-term debt balances following annual scheduled principal payments.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Capital Assets and Debt Administration

Capital Assets

The Successor Agency's capital assets remained at \$4.2 million at June 30, 2022 when compared to June 30, 2021. As of June 30, 2022, the Successor Agency's capital assets included land held for lease, furniture, and equipment. In fiscal year 2021-22 there were no purchases, sales, or transfers of capital assets.

Long-Term Debt

As of June 30, 2022, the Successor Agency had outstanding long-term debt of \$935.8 million. Of this amount, \$806.0 million was tax allocation bonds secured by property taxes generated in the redevelopment project areas and \$12.5 million was hotel occupancy tax revenue bonds secured by hotel occupancy tax revenues.

The breakdown of the long-term debt is as follows (in thousands):

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>\$ Change</u>
Long-Term Debt			
Bonds Payable			
Tax Allocation Bonds	\$ 806,046	\$ 738,897	\$ 67,149
Hotel Occupancy Tax Revenue Bonds	12,540	16,230	(3,690)
Subtotal - Bonds Payable	818,586	755,127	63,459
Accreted Interest Payable	80,746	77,636	3,110
SERAF Borrowing From the Primary Government	1,124	2,896	(1,772)
Unamortized Premiums and Discounts	35,366	37,770	(2,404)
Total Long-Term Debt	<u>\$ 935,822</u>	<u>\$ 873,429</u>	<u>\$ 62,393</u>

The Successor Agency's long-term debt increased by \$62.4 million when compared to the prior fiscal year. This increase was primarily due to the issuance of \$127.2 million of 2021 Series A Bonds to finance affordable housing, offset by annual scheduled principal payments of \$63.8 million made on tax allocation and hotel occupancy tax revenue bonds.

California Redevelopment Dissolution Law imposes limitations on the debt the Successor Agency can issue. The Successor Agency may only issue debt to refund outstanding debt, finance affordable housing, and fund public infrastructure.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2022

Bond Ratings

The table below shows the ratings for the Successor Agency's outstanding long-term debt as of June 30, 2022:

Credit	Rating	Rating Agency
RPTTF Senior /Cross Collateralized	AA Aa3	Standard and Poor's Moody's Investors Service
RPTTF Subordinate	AA-	Standard and Poor's
RPTTF Third Lien/"SB107"	A	Standard and Poor's
Mission Bay North Infrastructure	A	Standard and Poor's
Mission Bay South Infrastructure	A-	Standard and Poor's
Mission Bay North and South Housing	A	Standard and Poor's
Hotel Occupancy Tax Revenue	AA A1	Standard and Poor's Moody's Investors Service

Request for Information

This financial report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of Successor Agency's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to The Office of Community Investment and Infrastructure, One South Van Ness Avenue 5th Floor, San Francisco, California.

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**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Statement of Fiduciary Net Position

June 30, 2022

(In Thousands)

	Private Purpose Trust Fund	Custodial Fund
Assets		
Unrestricted cash and investments	\$ 171,460	\$ 38,350
Restricted cash and investments with trustees	375,291	28,055
Interest and other receivables	2,286	34
Intergovernmental receivables	2,668	-
Notes and mortgages receivable, net of allowance for uncollectible amounts of \$182,314	1,471	-
Other assets	2,262	-
Net OPEB asset	3,523	-
Non-depreciable capital assets	4,152	-
Total assets	<u>563,113</u>	<u>66,439</u>
Deferred outflows of resources		
Unamortized loss on refundings	36,388	-
Pension items	5,614	-
Other Postemployment Benefits (OPEB) items	1,689	-
Total deferred outflows of resources	<u>43,691</u>	<u>-</u>
Liabilities		
Accounts payable	6,343	80
Payable to the City	4,565	-
Accrued interest payable	13,688	-
Developer payable	46,844	-
Other liabilities	1,041	-
Long-term obligations:		
Due within one year	68,655	-
Due in more than one year	869,009	-
Net pension liability	22,028	-
Total liabilities	<u>1,032,173</u>	<u>80</u>
Deferred inflows of resources		
Pension items	21,758	-
OPEB items	2,775	-
Total deferred inflows of resources	<u>24,533</u>	<u>-</u>
Net position		
Restrictd for enforceable obligations held in trust	(449,902)	-
Restrictd for community facility districts	-	66,359
Total net position	<u>\$ (449,902)</u>	<u>\$ 66,359</u>

See accompanying notes to basic financial statements.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2022
(In Thousands)

	Private Purpose Trust Fund	Custodial Fund
Additions:		
Property tax revenues	\$ 133,643	\$ -
Special tax revenues for community facility district	-	17,874
Developer payments	8,999	-
Charges for services	373	-
Hotel occupancy tax	4,505	-
Investment income	(5,587)	(957)
Grants	3,278	-
Other	963	2,879
Total additions	<u>146,174</u>	<u>19,796</u>
Deductions:		
Salaries and benefits	19,804	-
Administrative and operating	1,307	-
Affordable housing loan program costs	18,047	-
Contracted services	35,789	-
Community based programs	461	-
Distribution of pledged revenue to Transbay Joint Powers Authority	28,294	-
Interest on debt	41,963	-
Distribution for community facility district activities	-	21,007
Other	14	-
Total deductions	<u>145,679</u>	<u>21,007</u>
Change in net position	495	(1,211)
Net position, beginning of year	<u>(450,397)</u>	<u>67,570</u>
Net position, end of year	<u><u>\$ (449,902)</u></u>	<u><u>\$ 66,359</u></u>

See accompanying notes to basic financial statements.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies

(a) General

The Redevelopment Agency of the City and County of San Francisco (Agency) was a public body, corporate and politic, organized and existed under the Community Redevelopment Law of the State of California. Until June 28, 2011, the Agency had the broad authority to acquire, rehabilitate, develop, administer, and sell or lease property in a “Redevelopment Project Area.”

On June 28, 2011, Assembly Bill X1 26 (AB X1 26) was enacted. This legislation is referred to herein as the Dissolution Law. On December 29, 2011, the California Supreme Court upheld the constitutionality of AB X1 26, and all redevelopment agencies in California were dissolved by operation of law effective February 1, 2012. The legislation provides for successor agencies and oversight boards that are responsible for overseeing the dissolution process and the wind-down of redevelopment activity. On January 24, 2012, the Board of Supervisors of the City and County of San Francisco (City) elected to become the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency) and elected to retain the former Agency’s housing assets and functions, rights, powers, duties and obligations, effective February 1, 2012.

On June 27, 2012, the Dissolution Law was revised pursuant to Assembly Bill 1484 (AB 1484 or Dissolution Law), in which the State clarified that successor agencies are separate political entities and that the successor agency succeeds to the organizational status of the former redevelopment agency with the legal authority to participate in redevelopment activities only to the extent that it is required to complete the work related to an approved enforceable obligation. Therefore, the Successor Agency is a separate public entity from the City, subject to the direction of an Oversight Board. The City remains the Housing Successor Agency. The Oversight Board is comprised of seven-member representatives from local government bodies: four representatives appointed by the Mayor of the City subject to confirmation by the Board of Supervisors of the City; and one appointee each from the San Francisco Community College District, the Bay Area Rapid Transit District, and the San Francisco Unified School District.

On October 2, 2012, the City’s Board of Supervisors created the Successor Agency Commission, commonly known as the Commission on Community Investment and Infrastructure (Commission), as the policy body of the Successor Agency and delegated to it the authority to implement the surviving redevelopment projects, the replacement housing obligations and other enforceable obligations, and the authority to take actions that the Dissolution Law requires or allows on behalf of the Successor Agency. The Commission is comprised of five members appointed by the Mayor and confirmed by the Board of Supervisors, with two of the seats held by residents of the two supervisorial districts with the largest amounts of the Major Approved Development Projects.

In September 2015, the State passed the Senate Bill 107 (Bill). The Bill contained additional provisions and provides specificity to existing law governing the dissolution of redevelopment agencies and the wind-down of their existing activities and obligations. The Bill included specific language to the Successor Agency that facilitates the issuance of bonds or other indebtedness for the purposes of low and moderate income housing and various infrastructure in the City, by allowing the pledge of revenues available in the Redevelopment Property Tax Trust Fund (RPTTF) that are not otherwise pledged, subject to the approval of the Oversight Board. The Bill also declares that the Mission Bay North, Mission Bay South, Hunters Point Shipyard Phase 1, Candlestick Point – Hunters Point Shipyard Phase 2, and Transbay projects are finally and conclusively approved as enforceable obligations.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). The Successor Agency is allocated revenue in the amount that is necessary to pay the estimated annual payments on enforceable obligations of the former Agency until all enforceable obligations of the former Agency have been paid in full and all assets have been liquidated. Based upon the nature of the Successor Agency's custodial role, the Successor Agency is reported as a fiduciary fund (private-purpose trust fund) of the City.

The financial statements present the Successor Agency and its component units, entities for which the Successor Agency is considered to be financially accountable.

The City and County of San Francisco Redevelopment Financing Authority (Financing Authority) is a joint powers authority formed between the former Agency and the City to facilitate the long-term financing of the former Agency activities. The Commission serves as the governing board of the Financing Authority and the Financing Authority provides services entirely to the Successor Agency. A financial benefit or burden relationship exists between the Successor Agency and the Financing Authority and thus the Financing Authority is included as a blended component unit in the Successor Agency's financial statements.

In order to facilitate construction and rehabilitation in the City, seven Community Facility Districts (CFDs) were formed by the former Agency or the Successor Agency. The Successor Agency can impose its will on the CFDs but does not have financial benefit or burden from the CFDs. The assets associated with the CFDs are for the benefit of the CFDs and are not derived from the Successor Agency's provision of services to the CFDs. The CFDs are fiduciary component units of the Successor Agency. The financial activities of the CFDs are included in the Custodial Fund. Custodial funds are fiduciary funds used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private purpose trust funds.

(b) Basis of Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP).

(c) Basis of Accounting

The financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

(d) Investments

The Successor Agency's investments are stated at fair value. Fair value has been obtained by using market quotes and reflects the values as if the Successor Agency were to liquidate the securities on that date. The Successor Agency's investments in the City's Treasurer's Pool and money market mutual funds are valued at amortized cost.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

(e) *Restricted Cash and Investments with Fiscal Agents*

Certain proceeds of the former Agency's and the Successor Agency's bonds, and resources set aside for their repayment, are classified as restricted assets on the statement of fiduciary net position because they are maintained in separate accounts and their use is limited by applicable bond covenants or for debt service payments.

(f) *Capital Assets*

Capital assets are defined as assets with an initial, individual cost of more than \$5 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Furniture and equipment are depreciated using the straight-line method over the estimated useful lives of three to twenty years.

(g) *Notes and Mortgages Receivable*

During the process of selling land to developers and issuing mortgage revenue bonds, the Successor Agency may defer receipt of land sale proceeds and mortgage revenue bond financing fees from various private developers in exchange for notes receivable, which aid the developers' financing arrangements. The Successor Agency recognizes all revenues and interest on the above-described arrangements when earned, net of any amounts deemed to be uncollectible. During the year ended June 30, 2022, the Successor Agency disbursed \$18,047 to the developers through this arrangement and recorded an allowance against the receivables as they are deemed to be uncollectible. This allowance is recorded as a deduction - affordable housing loan program costs - in the statement of changes in fiduciary net position. The Successor Agency also transferred fully-allowed receivables of \$33,686 to the City during the year. At June 30, 2022, the gross value of the notes and mortgages receivable was \$183,785 and the allowance for uncollectible amounts was \$182,314.

(h) *Accrued Vacation and Sick Leave*

It is the Successor Agency's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay are accrued when earned. For sick leave, all employees are allowed to accumulate up to 1,040 hours (130 days). For vacation, employees are allowed to accumulate up to the limit based on employees' service years as follows:

Employee Service years	Maximum number of hours
Less than 5 years	320
Between 5 to 15 years	360
More than 15 years	400

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

(i) Property Tax Revenues

Pursuant to the Dissolution Law, funds that would have been distributed to the former Agency as tax increment, hereafter referred to as property tax revenues, are deposited into the Successor Agency's RPTTF administered by the City's Controller for the benefit of holders of enforceable obligations and the taxing entities that receive pass-through payments. Any remaining funds in the RPTTF to the extent not necessary to pay enforceable obligations of the Successor Agency, plus any funds from asset sales are distributed by the City's Controller to the local agencies in the project area.

Distributions are scheduled to be made twice each year on the following cycles:

Distribution Dates	Covers Recognized Obligation Payment Schedules to be Paid
January 2	January 1 through June 30
June 1	July 1 through December 31

The amounts distributed for Recognized Obligation Payment Schedules (ROPS) are forward looking to the next six-month period.

(j) Bond Premium, Discounts, and Loss on Refundings

Premiums and discounts on debt instruments are reported as a component of long-term debt. Loss on refundings is reported as a component of deferred outflows of resources. The premiums and discounts are amortized as a component of the interest expense using the straight-line method over the remaining life of the debt instrument. The loss on refundings are amortized as a component of the interest expense using the straight-line method over the remaining life of the refunding or refunded debt, whichever is shorter.

(k) Pension and Other Postemployment Benefits (OPEB) Plans

For purposes of measuring the net pension liability and net OPEB liability, deferred outflows/inflows of resources related to pension and OPEB, and pension and OPEB expenses, information about the fiduciary net position of the Successor Agency's pension and OPEB plans and additions to/deductions from the plans' fiduciary net positions have been determined on the same basis as they are reported by the California Public Employees' Retirement System (CalPERS). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. CalPERS plan member contributions are recognized in the period in which the contributions are due. Investments are reported at fair value.

(l) Deferred Outflows and Inflows of Resources

In addition to assets, the statement of fiduciary net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (deduction) until then. At June 30, 2022, the Successor Agency reported pension items, OPEB items, and loss on refundings as deferred outflows of resources.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of fiduciary net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (addition) until that time. At June 30, 2022, the Successor Agency reported pension items and OPEB items as deferred inflows of resources.

(m) Effects of New Pronouncements

During the year ended June 30, 2022, the Successor Agency implemented the following Governmental Accounting Standards Board (GASB) Statements:

- In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Implementation of this statement did not have an impact on the Successor Agency's financial statements for the year ended June 30, 2022.
- In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this statement are 1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and 2) to simplify accounting for interest cost incurred before the end of a construction period. Implementation of this statement did not have an impact on the Successor Agency's financial statements for the year ended June 30, 2022.
- In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Implementation of this statement did not have a significant impact on the Successor Agency's financial statements for the year ended June 30, 2022.
- In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate. Implementation of this statement did not have an impact on the Successor Agency's financial statements for the year ended June 30, 2022.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (a) practice issues that been identified during implementation and application of certain GASB Statements and (b) accounting and financial reporting for financial guarantees. The requirements related to the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statements No. 53 and No. 63 are effective upon issuance. Implementation of these requirements did not have an significant impact on the Successor Agency's financial statements for the year ended June 30, 2022.

The Successor Agency is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

- In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with 1) commitments extended by issuers, 2) arrangements associated with conduit debt obligations, and 3) related note disclosure. The requirements of this statement are effective for the Successor Agency's financial statements for the year ending June 30, 2023.
- In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this statement are effective for the Successor Agency's financial statements for the year ending June 30, 2023.
- In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for the Successor Agency's financial statements for the year ending June 30, 2023.
- In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The requirements related to leases, public-private partnerships (PPPs), and SBITAs are effective for the Successor Agency's financial statements for the year ending June 30, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for the Successor Agency's financial statements for the year ending June 30, 2024.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(1) Summary of Significant Accounting Policies (Continued)

- In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for the Successor Agency’s financial statements for the year ending June 30, 2024.
- In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for the Successor Agency’s financial statements for the year ending June 30, 2025.

(n) Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(2) Cash and Investments

As of June 30, 2022, the Successor Agency follows the investment policy of the former Agency, which is governed by and is in compliance with the California Government Code (Code). On August 19, 2014, the Commission adopted an investment policy for the Successor Agency to reflect the use of the City Treasurer’s Pool to manage the Successor Agency’s funds. Investment of bond proceeds is limited to those investments permitted in the bond document or provided in the Code. Investments with trustees are restricted by various bond covenants and are pledged for payment of principal, interest and specified capital improvements.

At June 30, 2022, total cash and investments are reported as follows:

	Private Purpose Trust Fund	Custodial Fund	Total
Unrestricted cash and investments	\$ 171,460	\$ 38,350	\$ 209,810
Restricted cash and investments with trustees	375,291	28,055	403,346
Total cash and investments	<u>\$ 546,751</u>	<u>\$ 66,405</u>	<u>\$ 613,156</u>

The table on the next page identifies the investment types that are authorized for the Successor Agency by the California Government Code 53601 or the Successor Agency’s investment policy, where the policy is more restrictive. This table does not address investments of debt proceeds held by fiscal agents that are governed by the provisions of debt agreements of the Successor Agency, rather than the general provisions of the California Government Code or the Successor Agency’s investment policy.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(2) Cash and Investments (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Obligations	5 Years	None	None
Federal Agency or U.S. Government Sponsored Enterprise Obligations	5 Years	85% *	None
State of California and Local Government Agency Obligations	5 Years	20% *	5% *
Certificates of Deposit	13 months *	None	None
Negotiable Certificates of Deposits	5 Years	30%	None
Bankers' Acceptances	180 Days	40%	30%
Commercial Paper	270 Days	25%	10%
Medium-Term Notes	2 Years *	15% *	10% *
Repurchase Agreements	92 Days	None	None
Reverse Repurchase Agreements	45 Days *	Not to exceed \$75 million	None
Money Market Funds	N/A	None	None
State of California Local Agency Investment Fund (LAIF)	N/A	None	None
City Treasurer's Pool	N/A	None	None
Supranationals	5 Years	30%	None

* Represents restriction in which the Successor Agency's investment policy is more restrictive than the California Code.

Interest Rate Risk: Refers to the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity period of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Credit Risk: Refers to the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This risk is measured by the assignment of a rating by the nationally recognized statistical rating organizations.

The following is a summary of cash and investments as of June 30, 2022:

	Weighted Average Maturities for Investments			Total Fair Value	Credit Rating
	Less than 3 months	3 months to 1 year	1 to 5 years		
Unrestricted cash and investments:					
Cash and investments with the City Treasury:					
Investment in the City's Treasurer's Pool	\$ -	\$ -	\$ 209,810	\$ 209,810	Not rated
Restricted cash and investments with trustees:					
U.S. Treasury Notes	-	86,074	60,878	146,952	AA+
Commercial paper	17,984	-	-	17,984	A-1
Money market mutual funds	238,410	-	-	238,410	AAAm
Total restricted cash and Investments with trustees	256,394	86,074	60,878	403,346	
Total cash and investments	\$ 256,394	\$ 86,074	\$ 270,688	\$ 613,156	

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(2) Cash and Investments (Continued)

Custodial Credit Risk, Investments: Refers to the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The California Government Code and the Successor Agency's investment policy do not contain a legal or policy requirement that would limit the exposure to custodial credit risk for investments.

Fair Value Hierarchy

The Successor Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The inputs and techniques used for valuing securities are not necessarily an indication of risk associated with investing in those securities. The Successor Agency's investment in U.S. treasury notes and commercial paper are measured using level 2 inputs, while the Successor Agency's investment in the City's Treasurer's Pool and money market mutual funds are exempt from fair value measurement disclosures.

City's Treasurer's Pool

The Successor Agency maintains deposits and investments with the City and County of San Francisco Treasury Pool (Pool). As of June 30, 2022, the Successor Agency's deposits and investments in the Pool is \$209,810 and the total amount invested by all public agencies in the Pool is \$14.5 billion. The Successor Agency's investment in the Pool has a weighted average maturity of 569 days. The City's Treasurer Oversight Committee (Committee) has oversight responsibility for the Pool. The value of the Successor Agency's shares in the Pool, which may be withdrawn, is based on the book value of the Successor Agency's percentage participation, which is different than the fair value of the Successor Agency's percentage participation in the Pool. At June 30, 2022, the Pool consists of U.S. government and agency securities, public time deposits, negotiable certificates of deposit, commercial paper, supranationals, and money market mutual funds as authorized by State statutes and the City's investment policy. Additional information regarding deposit, investment risks (such as interest rate, credit, and concentration of credit risks), and fair value hierarchy for the City's Treasurer's Pool may be obtained by contacting the City's Controller's Office, 1 Dr. Carlton B. Goodlett Place, Room 316, San Francisco, CA 94102.

(3) Capital Assets

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 4,152	\$ -	\$ -	\$ 4,152
Capital assets being depreciated:				
Furniture and equipment	2,306	-	-	2,306
Less accumulated depreciation for:				
Furniture and equipment	(2,306)	-	-	(2,306)
Total capital assets being depreciated, net	-	-	-	-
Total capital assets, net	<u>\$ 4,152</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,152</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(4) Long-Term Obligations

(a) Long-Term Obligations Summary

The following is a summary of changes in long-term obligations for the year ended June 30, 2022:

	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Remaining Interest Rates</u>	<u>Balance, June 30, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2022</u>	<u>Due Within One Year</u>
Former Agency Bonds:								
Tax Allocation Revenue Bonds, San Francisco Redevelopment and Refunding Notes Series 1998C (1)	\$ 12,915	2025	5.40%	\$ 1,074	\$ -	\$ -	\$ 1,074	\$ -
Tax Allocation Revenue Bonds, San Francisco Redevelopment and Refunding Notes Series 1998D (1)	21,034	2025	5.20%	11,583	-	(1,165)	10,418	3,651
Taxable Tax Allocation Revenue Bonds, San Francisco Redevelopment Project Series 2006A (1)	50,731	2037	5.62% to 6.19%	25,468	-	(2,411)	23,057	2,276
Taxable Tax Allocation Revenue Bonds, San Francisco Redevelopment Project Series 2007A (1)	118,285	2038	5.50% to 5.75%	94,755	-	(1,195)	93,560	1,265
Tax Allocation Revenue Bonds, San Francisco Redevelopment Refunding Notes Series 2007B (1)	94,115	2023	Not Applicable	2,310	-	(2,310)	-	-
Taxable Tax Allocation Revenue Bonds, San Francisco Redevelopment Project Series 2009E (1)	72,565	2040	7.77% to 8.41%	55,820	-	-	55,820	-
Successor Agency Bonds:								
Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Projects Series 2014A (1)	56,245	2044	5.00%	51,565	-	(920)	50,645	965
Tax Allocation Refunding Bonds, San Francisco Redevelopment Projects Series 2014B (1)	67,955	2036	3.39% to 4.87%	22,820	-	(1,690)	21,130	1,705
Tax Allocation Refunding Bonds, San Francisco Redevelopment Projects Series 2014C (1)	75,945	2030	5.00%	14,935	-	(9,835)	5,100	2,305
Tax Allocation Refunding Bonds, Mission Bay North Redevelopment Projects Series 2016A (1)	73,890	2042	5.00%	68,545	-	(1,760)	66,785	1,845
Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Projects Series 2016B (1)	45,000	2044	5.00%	41,565	-	(1,115)	40,450	1,165
Tax Allocation Refunding Bonds, Mission Bay South Redevelopment Projects Series 2016C (1)	73,230	2042	5.00%	67,510	-	(1,845)	65,665	1,940

(Continued on next page)

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(4) Long-Term Obligations (Continued)

	<u>Original Issue Amount</u>	<u>Final Maturity</u>	<u>Remaining Interest Rates</u>	<u>Balance, June 30, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance, June 30, 2022</u>	<u>Due Within One Year</u>
Former Agency Bonds:								
Tax Allocation Revenue Bonds, Mission Bay South Redevelopment Projects Series 2016D (1)	74,652	2044	4.50% to 5.00%	64,152	-	(5,500)	58,652	4,421
Tax Allocation Revenue Bonds, Affordable Housing Projects Series 2017A (1)	89,765	2045	3.11% to 4.38%	55,045	-	(17,150)	37,895	13,395
Tax Allocation Revenue Bonds, Transbay Infrastructure Projects Series 2017B (1)	19,850	2047	5.00%	19,850	-	-	19,850	-
Tax Allocation Revenue and Refunding Bonds, Mission Bay New Money and Refunding Housing Project Series 2017C (1)	43,400	2044	3.00% to 4.38%	35,085	-	(1,850)	33,235	1,990
Tax Allocation Refunding Bonds, Redevelopment Projects Series 2017D (1)	116,665	2042	2.38% to 3.75%	89,170	-	(11,315)	77,855	12,085
Tax Allocation Refunding Bonds, Redevelopment Projects Series 2017E (1)	19,745	2042	3.00% to 5.00%	17,645	-	-	17,645	-
Tax Allocation Revenue Bonds, Affordable Housing Projects Series 2021A (1)	127,210	2033	1.01% to 2.74%	-	127,210	-	127,210	-
Agency Revenue Bonds:								
Hotel Tax Revenue Bonds, Series 2011 (2)	43,780	2025	5.00%	16,230	-	(3,690)	12,540	3,865
Subtotal Bonds Payable				755,127	127,210	(63,751)	818,586	52,873
Unamortized issuance premiums				40,433	-	(2,546)	37,887	-
Unamortized issuance discounts				(2,663)	-	142	(2,521)	-
Subtotal Bonds Payable, including unamortized premium and discounts				792,897	127,210	(66,155)	853,952	52,873
Accreted interest payable *				77,636	9,174	(6,064)	80,746	13,791
SERAF borrowing from the primary government				2,896	-	(1,772)	1,124	1,123
Accrued vacation and sick leave				1,991	868	(1,017)	1,842	868
Total long-term obligations				<u>\$ 875,420</u>	<u>\$ 137,252</u>	<u>\$ (75,008)</u>	<u>\$ 937,664</u>	<u>\$ 68,655</u>

*Amount represents interest accretion on Capital Appreciation Bonds.

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(4) Long-Term Obligations (Continued)

Debt service payments for long-term obligations are made from the following sources:

- (1) Property tax revenues from the Bayview Hunters Point, Western Addition, Rincon Point South Beach, Yerba Buena Center, India Basin, South of Market, Golden Gateway, Mission Bay South, Transbay and Mission Bay North project areas.
- (2) Hotel occupancy tax revenues from the occupancy of guest rooms in the hotels within the City.

The proceeds from the issuance of Financing Authority bonds were immediately loaned to the former Agency. Loan payments to the Financing Authority are equal to the debt service requirements of the underlying debt. The bonds are secured by property tax increment revenues. Since the loan transactions are entirely within the financial reporting entity, they have been eliminated in the financial statements.

Issuance of Successor Agency Bonds

Under the Dissolution Law, a successor agency is authorized to issue bonds to satisfy its obligations under certain enforceable obligations entered into by the former redevelopment agency prior to dissolution, subject to approval by the California Department of Finance (DOF). On December 24, 2013, the DOF released its letter approving the issuance of bonds by the Successor Agency.

On December 15, 2021, the Successor Agency issued \$127,210 of Taxable Third Lien Tax Allocation Bonds, Affordable Housing Projects Series 2021 A (2021 Series A Bonds). Bond proceeds will be used to finance the development and/or construction of affordable housing. The 2021 Series A Bonds bear fixed interest rates ranging from 1.01% to 2.74% and have a final maturity of August 1, 2032.

Events of Default and Acceleration Clause

For the Former Agency Bonds, the Successor Agency is considered to be in default if the Successor Agency fails to pay the due and punctual principal amount, redemption premium, or any installment of interest of any former agency bonds pursuant to the indenture, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise. Upon the occurrence of an event of default, the trustee may, subject to certain provisions of the indenture, pursue any available remedy at law or in equity to enforce the payment of the principal, interest and premium, if any, on the outstanding bonds, and to enforce any rights of the trustee under or with respect to the indenture.

For the Successor Agency Bonds, the Successor Agency is considered to be in default if the Successor Agency fails to pay the due and punctual principal of or interest or redemption premium on any bonds when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise. If an event of default has occurred and is continuing, the trustee may, and if requested in writing by the owners of a majority in aggregate principal amount of the bonds then outstanding, declare the principal of the bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable.

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Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(4) Long-Term Obligations (Continued)

For the Hotel Occupancy Tax Revenue Refunding Bonds, the Successor Agency is considered to be in default if the Successor Agency fails to pay the due and punctual principal or redemption price of any bonds, or any installment of interest of any bonds when become due and payable, whether at maturity as therein expressed, by proceedings for redemption, by declaration or otherwise, or default in the redemption from any sinking account of any bonds in the amounts and at the times provided therefor. If an event of default occurs and is continuing, the Successor Agency must immediately transfer to the trustee all revenues held and the trustee must apply all revenues and any other funds then held of thereafter received by the trustee under any of the provisions of the indenture for the payment of the following order: 1) any expenses necessary in the opinion of the trustee to protect the interests of the bondholders, and 2) all installments of interest and unpaid bond obligation or redemption price of any bonds which has become due.

Pledged Revenues for Bonds

The Tax Allocation Bonds are equally and ratably secured by the pledge and lien of the property tax revenues. These revenues have been pledged until the year 2047, the final maturity date of the bonds. The total principal and interest remaining on these bonds is approximately \$1,320,078. The property tax revenues recognized during the year ended June 30, 2022 was \$133,643 as against the total scheduled debt service payment of \$96,180.

The Hotel Occupancy Tax Revenue Refunding Bonds are secured by the pledge and lien of the hotel occupancy tax revenue received by the Successor Agency from the City. These revenues have been pledged until the year 2025, the final maturity date of the bonds. The total principal and interest remaining on the Hotel Occupancy Tax Revenue Refunding Bonds is approximately \$13,824. The hotel occupancy tax revenue recognized during the year ended June 30, 2022 was \$4,505 as against the total scheduled debt service payment of \$4,502.

Supplemental Education Revenue Augmentation Funds Borrowing from the City

During the year ended June 30, 2010, the former Agency borrowed \$16,483 from the City's Low and Moderate Income Housing Fund (LMIHF) as part of the funding to make a payment of \$28,733 to the Supplemental Education Revenue Augmentation Funds (SERAF) to meet the State's Proposition 98 obligations to schools. Upon the dissolution of the former Agency, the City elected to become the Housing Successor Agency and retain the former Agency's housing assets and functions, rights, powers, duties and obligations. Interest will be accrued quarterly at an annual rate of 3% on the principal balance due to the City in accordance with HSC Section 34191.4(b)(3). During the year ended June 30, 2018, the DOF determined that since the borrowing is not considered an agreement between the former Agency and the City that created the former Agency, the Successor Agency is not authorized to accrue interest on the borrowing. The Successor Agency made payments in the amount of \$1,772 to the City during the year ended June 30, 2022, and the outstanding payable balance was \$1,124.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(4) Long-Term Obligations (Continued)

(b) Repayment requirements

As of June 30, 2022, the debt service requirements to maturity, excluding accrued vacation and sick leave, are as follows:

June 30,	Tax Allocation Revenue Bonds		Hotel Occupancy Tax Revenue Refunding Bonds	
	Principal	Interest *	Principal	Interest
2023	\$ 49,008	\$ 45,517	\$ 3,865	\$ 627
2024	33,464	46,113	4,220	434
2025	36,896	45,784	4,455	223
2026	41,859	34,102	-	-
2027	42,547	32,850	-	-
2028-2032	232,553	143,752	-	-
2033-2037	176,415	104,268	-	-
2038-2042	127,302	47,411	-	-
2043-2047	66,002	14,235	-	-
TOTAL	\$ 806,046	\$ 514,032	\$ 12,540	\$ 1,284

* Including payment of accreted interest.

(c) Arbitrage

Under U.S. Treasury Department regulations, all governmental tax-exempt debt issued after August 31, 1986 is subject to arbitrage rebate requirements. The requirements stipulate, in general, that the earnings from the investment of tax-exempt bond proceeds that exceed related interest expenditures on the bonds must be remitted to the federal government on every fifth anniversary of each bond issue. The Successor Agency has evaluated each bond issue subject to the arbitrage rebate requirements and does not have a rebatable arbitrage liability as of June 30, 2022.

(5) Pension Plan

(a) General Information about the Pension Plan

Plan Description – Effective February 1, 2012, upon the operation of law to dissolve the former Agency, the Successor agency assumed the former Agency's Pension Plan. All qualified permanent and probationary employees are eligible to participate in the Successor Agency's Pension Plan (Pension Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Pension Plan are established by State statute and Successor Agency resolution. CalPERS issues publicly available reports that include a full description of the Pension Plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website www.calpers.ca.gov.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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Notes to Basic Financial Statements
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(Dollars in thousands)

(5) Pension Plan (Continued)

The State of California passed the Public Employees' Pension Reform Act (PEPRA), which became effective on January 1, 2013. PEPRA changes include the classification of active employees into two distinct classifications: classic members and new members. Classic members represent active members hired before January 1, 2013, and retain the pension plan benefits in effect. New members are active members hired on or after January 1, 2013, and are subject to PEPRA.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees, and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Classic members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits and new members with five years of total service are eligible to retire at age 52 with reduced benefits. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for the plan are applied as specified by the Public Employees' Retirement Law.

The Pension Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a percentage of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	6.91%	7.25%
Required employer contribution rates	74.75%	8.64%

Contributions – The Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Pension Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Successor Agency is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2022, the Successor Agency's actuarially determined contractually required contribution was \$2,611.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(5) Pension Plan (Continued)

(b) Net Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pension

The Successor Agency's net pension liability is measured as the proportionate share of the net pension liability of the cost-sharing plan. The net pension liability is measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The Successor Agency's proportion of the net pension liability was actuarial determined as of the valuation date. The Successor Agency's proportionate share of the net pension liability for the Pension Plan was 0.40730% or \$22,028, an increase of 0.11063% and a decrease of \$10,251 from the prior year.

For the year ended June 30, 2022, the Successor Agency recognized pension expense of \$11,983. At June 30, 2022, the Successor Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,611	\$ -
Difference between expected and actual experience	2,470	-
Net differences between projected and actual earnings on plan investments	-	19,229
Changes in employer's proportion	533	621
Differences between the employer's contributions and the employer's proportionate share of contributions	-	1,908
Total	<u>\$ 5,614</u>	<u>\$ 21,758</u>

At June 30, 2022, the Successor Agency reported \$2,611 as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension items will be recognized as pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (4,391)
2024	(4,423)
2025	(4,627)
2026	(5,314)
Total	<u>\$ (18,755)</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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Notes to Basic Financial Statements
For the Year Ended June 30, 2022
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(5) Pension Plan (Continued)

Actuarial Assumptions - The total pension liability in the June 30, 2020 actuarial valuation, which was rolled forward to June 30, 2021, was determined using the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Services
Investment Rate of Return	7.15% Net of Pension Plan Investment Expenses, includes Inflation.
Post Retirement Benefit Increase	The lessor of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.
Mortality	Derived using CalPERS Membership Data for all Funds. (1)

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates includes 15 years of projected mortality improvements using 90 percent of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the 2017 CalPERS Experience Study available on the CalPERS website.

All other actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the 2017 CalPERS Experience Study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. Further details of the 2017 CalPERS Experience Study can be found on the CalPERS website under Forms and Publications.

Discount Rate – The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that the contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

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(Dollars in thousands)

(5) Pension Plan (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound geometric returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated and adjusted to account for assumed administrative expenses.

The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The long-term expected real rate of return by asset class and the target allocation adopted by the CalPERS Board effective on July 1, 2020, are as follows:

Asset Class	New Strategic Allocation	Real Return Year 1-10 (a)	Real Return Year 11+ (b)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	<u>100.00%</u>		

(a) An expected inflation of 2.00% used for this period

(b) An expected inflation of 2.92% used for this period

On November 17, 2021, the CalPERS Board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expenses assumption support a discount rate of 6.90% (net of investment expenses but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the CalPERS Board. These new assumptions will be reflected in the accounting valuation reports for the June 30, 2022 measurement date.

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(5) Pension Plan (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the Successor Agency's proportionate share of the net pension liability of the plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the Successor Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Proportionate Share of Net Pension Liability	\$ 36,561	\$ 22,028	\$ 10,013

Pension Plan Fiduciary Net Position – Detailed information about the Pension Plan's fiduciary net position is available in the separately issued CalPERS financial report that can be found on the CalPERS website.

(6) Other Postemployment Benefits Plan

(a) General Information about the Pension Plan

Plan Description – Effective February 1, 2012, upon the operation of law to dissolve the former Agency, the Successor Agency assumed the former Agency's other postemployment benefits plan. The Successor Agency sponsors a defined benefit plan providing OPEB to employees who retire directly from the former Agency and/or the Successor Agency. The Successor Agency pays 100% of the premiums of CalPERS medical plan to eligible employees that satisfied the required services years and minimum age. The Successor Agency participates in the CalPERS California Employers' Retiree Benefit Trust Fund Program (CERBT), an agent multiple-employer OPEB plan administered by CalPERS, to fund the Successor Agency's OPEB liability. The CERBT fund financial statements are included in the CalPERS annual comprehensive financial report, which can be found on the CalPERS website www.calpers.ca.gov.

Employees Covered – The following employees were covered by the benefit terms for the OPEB Plan at June 30, 2021, the most recent information available:

Inactive employees or beneficiaries currently receiving benefits	105
Inactive employees entitled to but not yet receiving benefits	1
Active employees	43
Total	<u>149</u>

Contributions – The Successor Agency's OPEB funding policy is to contribute 100 percent or more of the actuarially determined contribution annually by contributing to the CERBT. For the year ended June 30, 2022, the Successor Agency's contributions totaled \$1,689. There are no employee contributions to the plan.

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For the Year Ended June 30, 2022

(Dollars in thousands)

(6) Other Postemployment Benefits Plan (Continued)

(b) Net OPEB Liability(Asset), OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

The Successor Agency's net OPEB liability (asset) is measured as the total OPEB liability, less the OPEB plan's fiduciary net position. The net OPEB liability (asset) is measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2021.

The change in the net OPEB liability (asset) for the Successor Agency's OPEB Plan is as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2020	\$ 12,419	\$ 10,328	\$ 2,091
Changes during the measurement period			
Service cost	348	-	348
Interest on the total OPEB liability	831	-	831
Differences between expected and actual experience	(1,337)	-	(1,337)
Change in assumptions	(164)	-	(164)
Contributions from the employer	-	2,259	(2,259)
Net investment income	-	3,039	(3,039)
Administrative expenses	-	(6)	6
Benefit payments	(880)	(880)	-
Net changes during measurement period	(1,202)	4,412	(5,614)
Balance at June 30, 2021	<u>\$ 11,217</u>	<u>\$ 14,740</u>	<u>\$ (3,523)</u>

OPEB Expense – For the year ended June 30, 2022, the Successor Agency recognized OPEB expense (income) of (\$441). At June 30, 2022, the Successor Agency reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 1,689	\$ -
Difference between expected and actual experience	-	(919)
Change in assumptions	-	(207)
Net differences between projected and actual earnings on plan investments	-	(1,649)
Total	<u>\$ 1,689</u>	<u>\$ (2,775)</u>

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
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Notes to Basic Financial Statements
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(6) Other Postemployment Benefits Plan (Continued)

At June 30, 2022, the Successor Agency reported \$1,689 as deferred outflows of resources related to contributions subsequent to the measurement date, which will be recognized as a reduction (addition) to net OPEB liability (asset) in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB items will be recognized as OPEB expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2023	\$ (945)
2024	(882)
2025	(488)
2026	(460)
Total	<u>\$ (2,775)</u>

Actuarial Assumptions - A summary of the actuarial assumptions and methods used to calculate the total OPEB liability as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry age normal cost
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	2.75%; Merit based on 2017 CalPERS Experience Study
Healthcare Cost Trend Rate	Non-Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Non-Kaiser)- 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Kaiser)- 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076.
Mortality and other actuarial assumptions	Derived using CalPERS 2017 Experience Study for the period 1997 to 2015 Post-retirement mortality projected fully generational with Scale MP-2020.

Change in Assumptions – During measurement period ended June 30, 2021, the discount rate was decreased from 6.75% to 6.25%, inflation rate was reduced from 2.75% to 2.50%. and salary increases were reduced from 3.00% to 2.75%. Healthcare cost trend rates were also updated.

Discount Rate – The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that the Successor Agency's contribution will be made equal to the actuarially determined contribution. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments is applied to all periods of projected benefit payments to determine the total OPEB liability.

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Notes to Basic Financial Statements

For the Year Ended June 30, 2022

(Dollars in thousands)

(6) Other Postemployment Benefits Plan (Continued)

The long-term expected rate of return for OPEB plan investments is 6.25%. Using historical returns of all the asset classes, expected compound geometric returns were calculated using a building-block approach. The long-term expected real rate of return by asset class and the target allocation are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.0%	4.82%
Fixed Income	25.0%	1.47%
REITS	8.0%	3.76%
TIPS	5.0%	1.29%
Commodities	3.0%	0.84%
Total	<u>100.0%</u>	

Sensitivity of the Net OPEB Liability (Asset) to Changes in Discount Rate – The following presents the Successor Agency’s net OPEB liability (asset) as of the measurement date, calculated using the discount rate of 6.25%, as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

Discount Rate	Current Discount Rate	Discount Rate
-1% (5.25%)	(6.25%)	+1% (7.25%)
\$ (2,377)	\$ (3,523)	\$ (4,495)

Sensitivity of the Net OPEB Liability (Asset) to Changes in Healthcare Cost Trend Rates – The following presents the Successor Agency’s net OPEB liability (asset) as of the measurement date, as well as what the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current rate:

Healthcare Cost Trend Rate -1%	Current Healthcare Cost Trend Rate	Healthcare Cost Trend Rate +1%
\$ (4,565)	\$ (3,523)	\$ (2,289)

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued CalPERS annual comprehensive financial report that can be found on the CalPERS website.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(7) Mortgage Revenue Bonds and Other Conduit Debt

In order to facilitate construction and rehabilitation in the City, various community district facility bonds and mortgage revenue bonds have been issued by the former Agency and the Successor Agency on behalf of various developers and property owners who retain full responsibility for the repayment of the debt. When these obligations are issued, they are secured by the related mortgage indebtedness and special assessment taxes, and, in the opinion of management, are not considered obligations of the Successor Agency or the City and are therefore not included in the accompanying financial statements. Debt service payments will be made by developers or property owners. At June 30, 2022, the outstanding community district facility bonds totaling \$147.2 million.

(8) Commitments and Contingent Liabilities

(a) Insurance, Claims and Litigation

The Successor Agency obtained coverage for personal injury, automobile liability, public official errors and omissions and employment practices liability with limits of \$10,000 per occurrence (\$5,000 for employment practices liability) and a \$25 deductible per occurrence. The limit for automobile liability is \$5,000 per occurrence, with a \$25 deductible. The annual aggregate limit for employment practices liability is \$5,000, with a \$25 deductible.

The Successor Agency has been named as defendant in several legal actions. In the opinion of the Successor Agency's management and legal counsel, the outcome of these actions will not have a material adverse effect on the financial position of the Successor Agency.

(b) Transbay Transit Center Agreements

In July 2003, the City, the Transbay Joint Powers Authority (TJPA), and the State of California acting through its Department of Transportation (Caltrans) entered into the Transbay Transit Terminal Cooperative Agreement (Cooperative Agreement) in which Caltrans agreed to transfer approximately 10 acres of State-owned property in and around the then-existing Transbay Terminal to the City and the TJPA to help fund the development of the Transbay Transit Center (TTC). The Cooperative Agreement requires that the TJPA sell certain State-owned parcels and use the revenues from the sales and the net tax increments to finance the TTC.

In 2008, the City and the former Agency entered into a binding agreement with the TJPA that irrevocably pledges all sales proceeds and net tax increments from the State-owned parcels to the TJPA for a period of 45 years (Transbay Redevelopment Project Tax Increment Allocation and Sales Proceeds Agreement). At the same time, the City, the TJPA and the former Agency entered into an Option Agreement, which grants options to the former Agency to acquire the State-owned parcels, arrange for development of the parcels, and distribute the net tax increments to the TJPA to use for the TTC. During the year ended June 30, 2022, the Successor Agency distributed pledged revenue in the amount of \$28,294 to the TJPA. The payment was recorded as a deduction – distribution of pledged revenue to TJPA on the statement of changes in fiduciary net position.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Notes to Basic Financial Statements
For the Year Ended June 30, 2022
(Dollars in thousands)

(8) Commitments and Contingent Liabilities (Continued)

(c) *Encumbrances*

The Successor Agency uses encumbrances to control expenditure commitments for the year. Encumbrances represent commitments related to executed contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of funds are encumbered to allocate a portion of applicable appropriations. Encumbrances still open at period end are not accounted for as expenses and liabilities. At June 30, 2022, the Successor Agency had outstanding encumbrances totaling \$10,463.

(9) Related Party Transactions

(a) *Due to the City and County of San Francisco*

At June 30, 2022, the Successor Agency has payables to the City in the amount of \$4,565 for services provided. The balance is recorded as payable to the City on the statement of net position.

(b) *Payments to the City and County of San Francisco*

A variety of City departments provide administrative services to the Successor Agency and charge amounts designed to recover costs. These charges, totaling \$12,275 for the year ended June 30, 2022, have been included in various deduction line items on the statement of changes in fiduciary net position.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Required Supplementary Information (Unaudited)
Schedule of the Successor Agency's Proportionate Share of the Net Pension Liability
June 30, 2022
Last 10 Years *
(Dollars In Thousands)

Fiscal year	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Measurement period	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Proportion of net pension liability	0.25504%	0.24131%	0.26905%	0.27508%	0.28203%	0.29084%	0.29667%	0.40730%
Proportionate share of the net pension liability	\$ 15,870	\$ 16,563	\$ 23,281	\$ 27,280	\$ 27,178	\$ 29,803	\$ 32,279	\$ 22,028
Covered payroll	\$ 3,962	\$ 3,427	\$ 3,769	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430
Proportionate share of the net pension liability as a percentage of covered payroll	400.56%	483.31%	617.70%	541.06%	473.32%	466.84%	478.56%	296.47%
CalPERS Plan's fiduciary net position as a percentage of total pension liability	80.43%	78.40%	74.06%	73.31%	75.26%	75.26%	75.10%	88.29%

Notes to Schedule:

Change in benefit terms - The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2020 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change in assumptions - During measurement period 2014, the discount rate was 7.50%. During measurement period 2015, the discount rate was increased from 7.50 percent to 7.65 percent. There was no change in discount rate during measurement period 2016. During measurement period 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. During measurement period 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no change in assumptions during measurement periods 2019, 2020 and 2021.

* Fiscal year 2014-15 was the first year of implementation of GASB Statement No. 68, therefore only eight years of information are shown.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Required Supplementary Information (Unaudited)

Schedule of Contributions - Pension Plan

June 30, 2022

Last 10 Years *

(Dollars In Thousands)

Fiscal year	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Contractually required contribution (actuarially determined)	\$ 591	\$ 598	\$ 828	\$ 970	\$ 1,283	\$ 1,637	\$ 2,012	\$ 2,299	\$ 2,611
Contributions in relation to the actuarially determined contributions	(591)	(598)	(828)	(970)	(1,283)	(1,637)	(2,012)	(2,299)	(2,611)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,962	\$ 3,427	\$ 3,769	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430	\$ 6,633
Contributions as a percentage of covered payroll	14.92%	17.45%	21.97%	19.24%	22.34%	25.64%	29.83%	30.94%	39.36%

Notes to Schedule:

The actuarial methods and assumptions used to determine the fiscal year 2021-22 contribution rates are as follows:

Valuation date:	6/30/2019
Actuarial Cost Method	Entry age normal cost method
Asset Valuation Method	Actuarial value of assets
Inflation	2.50%
Salary Increases	Varies by entry age and services
Payroll Growth	2.75%
Investment Rate of Return	7.00%, net of pension plan investment and administrative expenses, includes inflation.
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and post-retirement mortality rates includes 15 years of projected mortality improvements using 90% of Scale MP-2016 published by the Society of Actuaries.

* Fiscal year 2014-15 was the first year of implementation of GASB Statement No. 68, therefore only nine years of information are shown.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**
Required Supplementary Information (Unaudited)
Schedule of the Changes in the Net OPEB Liability and Related Ratios
June 30, 2022
Last 10 Years *
(Dollars In Thousands)

Fiscal Year	2017-18	2018-19	2019-20	2020-21	2021-22
Measurement period	2016-17	2017-18	2018-19	2019-20	2020-21
Total OPEB liability					
Service cost	\$ 159	\$ 164	\$ 335	\$ 344	\$ 348
Interest on the total OPEB liability	692	701	812	830	831
Changes of assumptions	-	1,572	-	(248)	(164)
Differences between expected and actual experience	-	267	-	-	(1,337)
Benefit payments	(797)	(812)	(906)	(902)	(880)
Net change in total OPEB liability	54	1,892	241	24	(1,202)
Total OPEB liability, beginning	10,208	10,262	12,154	12,395	12,419
Total OPEB liability, ending	\$ 10,262	\$ 12,154	\$ 12,395	\$ 12,419	\$ 11,217
Plan fiduciary net position					
Contributions, employer	\$ 1,097	\$ 2,145	\$ 2,967	\$ 2,901	\$ 2,259
Investment income	353	339	407	285	3,039
Benefit payments	(797)	(812)	(906)	(902)	(880)
Administrative expenses	(3)	(11)	(3)	(7)	(6)
Net change in plan fiduciary net position	650	1,661	2,465	2,277	4,412
Plan fiduciary net position, beginning	3,275	3,925	5,586	8,051	10,328
Plan fiduciary net position, ending	\$ 3,925	\$ 5,586	\$ 8,051	\$ 10,328	\$ 14,740
Plan net OPEB liability (asset)	\$ 6,337	\$ 6,568	\$ 4,344	\$ 2,091	\$ (3,523)
Plan fiduciary net position as a percentage of the total OPEB liability	38.2%	46.0%	65.0%	83.2%	131.4%
Covered-employee payroll	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430
Plan net OPEB liability (asset) as a percentage of covered-employee payroll	125.68%	114.39%	68.05%	31.00%	-47.42%

Note to schedule:

Change in assumptions - During measurement period 2018, the discount rate was decreased from 7.00% to 6.75%. Demographic assumptions were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. Healthcare cost trend rates were also updated. There was no change in assumptions during measurement period 2019. During measurement period 2020, the 2% PPACA excise tax load was removed. During measurement period 2021, the discount rate was decreased from 6.75% to 6.25%, inflation rate was reduced from 2.75% to 2.50%, and salary increases were reduced from 3.00% to 2.75%. Healthcare cost trend rates were also updated.

* Fiscal year 2017-18 was the first year of implementation of GASB Statement No. 75, therefore only five years of information is shown.

**SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO**

Required Supplementary Information (Unaudited)

Schedule of Contributions - OPEB Plan

June 30, 2022

Last 10 Years *

(Dollars In Thousands)

Fiscal year	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Actuarially determined contributions (ADC)	\$ 804	\$ 813	\$ 812	\$ 802	\$ 813	\$ 824
Contributions in relation to the ADC	(1,097)	(2,145)	(2,967)	(2,901)	(2,259)	(1,689)
Contribution deficiency (excess)	<u>\$ (293)</u>	<u>\$ (1,332)</u>	<u>\$ (2,155)</u>	<u>\$ (2,099)</u>	<u>\$ (1,446)</u>	<u>\$ (865)</u>
Covered-employee payroll	\$ 5,042	\$ 5,742	\$ 6,384	\$ 6,745	\$ 7,430	\$ 6,633
Contributions as a percentage of covered-employee payroll	21.76%	37.36%	46.48%	43.01%	30.40%	25.46%

Notes to Schedule:

The actuarial methods and assumptions used to determine the fiscal year 2021-22 contribution rates are as follows:

Valuation date:	6/30/2021
Actuarial Cost Method	Entry age normal cost method
Asset Valuation Method	Actuarial value of assets
Inflation	2.50%
Salary Increases	2.75%; Merit based on 2017 CalPERS Experience Study for the period 1997 to 2015.
Healthcare Cost Trend Rate	Non-Medicare - 6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Non-Kaiser)- 5.85% for 2022, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Kaiser)- 4.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076.
Investment Rate of Return	6.25%
Mortality	Derived using CalPERS 2017 Experience Study for the period 1997 to 2015 Post-retirement mortality projected fully generational with Scale MP-2020.

* Fiscal year 2017-18 was the first year of implementation of GASB Statement No. 75, therefore only six years of information is shown.



**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance With *Government Auditing Standards***

Commission on Community Investment and Infrastructure
Successor Agency to the Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the fiduciary activities of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Successor Agency), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Successor Agency's basic financial statements, and have issued our report thereon dated November 10, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Successor Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Successor Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Successor Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Successor Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in dark ink that reads "Macias Gini & O'Connell LLP". The signature is written in a cursive, flowing style.

Walnut Creek, California
November 10, 2022

APPENDIX B

FISCAL CONSULTANT REPORT

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**FISCAL CONSULTANT REPORT
FOR THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
AND
2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)**

AUGUST 22, 2023

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INTRODUCTION

In preparation for the issuance of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (together, the "Bonds"), the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Agency") has retained Urban Analytics as fiscal consultant (the "Consultant") to evaluate available tax revenue for the Agency's redevelopment project areas that are applicable to the Bonds and provide a Fiscal Consultant Report (the "Report").

This report includes information regarding the following project areas, subproject areas and land use districts therein, as applicable: Bayview Hunters Point Redevelopment Project, Zone 2 of Project Area B (the "Bayview Hunters Point Project Area – Zone 2 of Project Area B"); Embarcadero-Lower Market ("Golden Gateway") Approved Redevelopment Project Area E-1 (the "Embarcadero-Lower Market ('Golden Gateway') Project Area"); Bayview Hunters Point Redevelopment Project Area - Project Area A, (the "Bayview Hunters Point Project Area - Project Area A"); India Basin Industrial Park Redevelopment Project Area (the "India Basin Industrial Park Project Area"); Rincon Point-South Beach Redevelopment Project Area (the "Rincon Point-South Beach Project Area"); South of Market Redevelopment Project Area (the "South of Market Project Area"); Transbay Redevelopment Project Area (the "Transbay Project Area"); Western Addition Redevelopment Project Area A-2 (the "Western Addition Project Area A-2"); Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area (the "Hunters Point Hill Residential District (Hunters Point Shipyard Project Area)"); and the Yerba Buena Center Approved Redevelopment Project Area D-1 (the "Yerba Buena Center Approved Project Area D-1") (together, the "Project Areas").

The Agency has three additional redevelopment project areas whose tax increment revenue is not pledged to the payment of the Bonds nor, except as noted, included in this Report: Mission Bay South Project Area, Mission Bay North Project Area and Federal Office Building Project Area (negative tax increment from the Federal Office Building Project Area is applied to tax increment from the Project Areas due to a merger of three project areas).

Tax increment revenues from three sub-areas of the Project Areas are excluded from the revenue pledged to the Bonds. These sub-areas, referred to in this Report as the "Excluded Sub-Areas", are the Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B, the tax increment from which is wholly excluded from the revenue pledged to the Bonds and is excluded from the tax increment calculations used in this Report (as described further under the *Bayview Hunters Point Area B* section of *The Redevelopment Plans*); certain parcels (the "State-Owned Parcels") within the Transbay Project Area, a portion of the tax increment from which is paid to the Transbay Joint Powers Authority (the "TJPA") for infrastructure financing and is excluded from the tax increment calculations used in this Report (as described further under the *Transbay* section of *The Redevelopment Plans*); and tax increment from that portion of the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District is wholly excluded from the revenue pledged to the Bonds and is excluded from the tax increment calculations used in this Report. These three sub-areas, together with the three redevelopment project areas noted above, are together referred to as the Excluded Project Areas.

The Report is based in part on assessed valuation information provided by the City and County of San Francisco (the "City"), on the City's assessment and apportionment practices, on base year assessed valuation for the Project Areas as reported by the City, and on information

regarding pass-through calculation methods, redevelopment plan terms and existing contractual agreements provided by Agency and City staff.

The Report provides a review of various matters affecting the Agency's receipt of tax increment in the Project Areas. The County Controller (the "Controller") tabulates and reports tax increment from the Project Areas using a fixed base year assessment.

The Report also presents projections of tax increment available to the Agency over the life of the Bonds. This projection incorporates the Agency's obligations toward other taxing jurisdictions and projects assessed valuation at a two percent growth rate.

THE ALLOCATION OF TAX INCREMENT REVENUE TO THE AGENCY

Under California redevelopment law, the Controller allocates to the Agency that portion of locally assessed secured and unsecured property tax revenue and state-assessed utility revenue collected within a project area above the project area's base year assessed valuation required to pay its annual obligations. The Controller also apportions to the Agency a share of state-assessed unitary revenue as well as revenue from supplemental assessments.

Tax revenue deriving from the base year assessed valuation is distributed to all other taxing entities within the tax rate area comprising the Project Areas. The distribution of the base year tax revenue is accomplished using the same property tax apportionment factors used to allocate property tax revenue in non-redevelopment tax rate areas.

As described further under "*Redevelopment Dissolution*", tax revenue derived from assessed valuation in a project area in excess of the base year assessed valuation is allocated annually by the Controller to the Redevelopment Property Tax Trust Fund (the "RPTTF"). This allocation of tax increment ("Tax Revenue") is the maximum that the Agency may receive in a fiscal year. The Tax Revenue is applied, in order of priority, to any administrative costs of the Controller associated with Redevelopment Dissolution and any costs associated with property tax administration, to pass-through payments, to debt service and enforceable obligations of the Agency, and to administrative costs of the Agency; funds remaining in the RPTTF are then distributed to the taxing entities. To the extent the funds in the RPTTF are insufficient to meet these obligations, the Controller will withhold Agency administrative costs; if an insufficiency remains, subordinated pass-through payments would then be deferred upon certain steps having been taken by the Agency.

Annual debt service on indebtedness of the Agency and contractual obligations are identified on a Recognized Obligation Payment Schedule (ROPS) that is approved by the Agency's Oversight Board and by the state Department of Finance. The Agency prepares a single ROPS each year, covering payments due in the subsequent fiscal year. In order to have sufficient funds available in a subsequent period, the Agency may identify on its ROPS an amount necessary to be reserved in the RPTTF to be applied to obligations shown on a subsequent ROPS. If necessary, the Agency may submit a single amendment to the annual ROPS by October 1 which, if approved, is effective for the subsequent January 1 to June 30 period. The Controller deposits funds into the RPTTF, and disburses funds from the RPTTF, twice each year, once on January 2 and again on June 1. Any amount remaining in the RPTTF after payment of administrative costs, pass-through payments and ROPS obligations is immediately distributed to other taxing entities.

While it had previously been the Controller's practice to not deduct any prior-year tax refunds paid to property owners in a project area from the Agency's tax revenue due to software

limitations, a property tax software system implemented in FY 2020-21 now allows the Controller to make such adjustments.

Unitary roll revenue is derived from utility properties including pipelines and other properties that are assessed on a countywide basis as a unit; these utility properties are distinguished from non-unitary utility properties that are assessed within their tax rate area. Property taxes on these unitary assessments are distributed to jurisdictions in the City using an allocation formula similar to the regular apportionment mechanism. While a portion of this revenue is received by the Agency, the tax increment calculations used in this report do not incorporate the amount of unitary revenue that may be apportioned to the Project Areas. The Agency has received approximately \$270,000 in unitary revenue annually in all project areas in prior years.

The State Board of Equalization separately assesses non-unitary utility properties by their location within each county. Non-unitary property assessed by the State Board in the Project Areas has an assessed valuation of \$1.6 million in FY 2023-24.

The City utilizes a device known as the Teeter Plan (Section 4701 et seq. of the California Revenue and Taxation Code) to distribute secured property tax revenue to all jurisdictions, including the Agency, without regard to delinquencies. Pursuant to this mechanism, the City maintains a reserve fund to cover delinquencies and allocate revenue based on the original secured roll, retaining all delinquent tax payments and penalties. Consequently, the Agency is not affected by delinquent tax payments. However, the Board of Supervisors may discontinue the Teeter Plan prior to the commencement of any fiscal year. There can be no assurance that the Teeter Plan will remain in effect throughout the life of the Bonds. The overall delinquency rate for the 2022-23 fiscal year for all secured properties in the Project Areas was 1.6% as of May 15, 2023.

The Controller charges the Agency an administrative fee as permitted under Redevelopment Dissolution Law; this fee is estimated to be 0.015% of tax increment.

The Controller deducts from the Project Areas' tax increment approximately \$48,000 in negative tax increment from one of the Excluded Project Areas due to a fiscal merger. The South of Market and Embarcadero-Lower Market ('Golden Gateway') project areas are components of the Project Areas and are fiscally merged with the Federal Office Building project area (one of the Excluded Project Areas). The Controller's office aggregates tax increment from all three areas when calculating tax increment. The Federal Office Building project area consists of tax-exempt secured property with an annual assessed valuation of zero and no unsecured property. The project area has a base year assessed valuation of \$4.8 million associated with unsecured assessments on the property at the time the project area was created. As this base year valuation is greater than the current assessed valuation the project area generates negative incremental assessed valuation. The resulting negative tax increment from the Federal Office Building of approximately \$48,000 in FY 2023-24 is included in the tax increment calculations by the Controller because of the fiscal merger, and is applied to the Agency's tax increment in the Project Areas even though the Federal Office Building is an Excluded Project Area. This negative tax increment is included in the calculations of available tax increment revenue used in this Report.

Tax increment calculations made in this Report use revenue from the secured, unsecured and non-unitary utility rolls. Supplemental roll revenues, derived from new construction and sales added to the rolls after the January 1st lien date, are subject to substantial annual variance and are not included in tax increment calculations used in the Report.

Assessed valuations are as of July 1, 2023 and include the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and the State-Owned Parcels.

HOUSING FUND

California redevelopment law formerly required that agencies maintain a low- and moderate-income housing fund, into which at least 20% of gross tax increment revenues was required to be deposited annually. Under the Dissolution Act that requirement is no longer in effect; all gross tax increment revenues are deposited into the RPTTF.

THE REDEVELOPMENT PLANS

The Project Areas consist of ten redevelopment project areas established through separate redevelopment plans. Key information pertaining to each constituent project area (and any excluded sub-areas) is shown in Table 1. Additional information regarding land usage in the Project Areas is shown in Table 2 and Table 3.

Table 1
Redevelopment Plans Comprising the Project Areas

Project Area	Date of Adoption	Ordinance Number
Bayview Hunters Point Project Area – Zone 2 of Project Area B ⁽¹⁾	06/01/06	113-06
Embarcadero-Lower Market (“Golden Gateway”)	05/25/59	301-59
Bayview Hunters Point Project Area - Project Area A	01/20/69	25-69
Hunters Point Hill Residential District ⁽²⁾	07/14/97	285-97
India Basin Industrial Park	01/20/69	26-69
Rincon Point-South Beach	01/05/81	14-81
South of Market:		
<i>Original Area</i>	06/11/90	234-90
<i>Western Expansion Area</i>	12/16/05	276-05
Transbay	06/21/05	124-05
Western Addition Project Area A-2	10/13/64	273-64
Yerba Buena Center:		
<i>Original Area</i>	04/25/66	98-66
<i>Emporium Site Area</i>	10/13/00	236-00

(1) The redevelopment plan for the Bayview Hunters Point Redevelopment Project Area was amended on August 3, 2010. This amendment, among other things, divided the Bayview Hunters Point Redevelopment Project Area, Project Area B, into two sub-areas: Zone 1, which is the same as the Candlestick Site and is one of the Excluded Sub-Areas, and Zone 2.

(2) The redevelopment plan of Hunters Point Shipyard was amended on August 3, 2010.

Source: The Agency

Table 2
Land Use in the Project Areas, FY 2023-24

Category by Value	Bayview Hunters Point Project Area B	Golden Gateway Project Area	Bayview Hunters Point Project Area A	Hunters Point Shipyard Project Area Hill District	India Basin Industrial Park Project Area	Rincon Point - South Beach Project Area	South of Market Project Area
Commercial	226,537,190	2,595,480,692	-	-	40,107,573	566,318,805	281,201,005
Industrial	1,834,169,183	-	-	-	105,076,556	-	143,259,284
<i>Residential</i>							
Single-Family	-	-	-	102,379,774	-	-	-
Condominiums	198,789,265	237,086,170	10,618,905	252,495,968	-	1,292,012,888	420,914,736
Apartments	948,860,135	86,604,724	185,161,048	8,421,159	-	390,138,579	658,203,782
Vacant	289,316,237	189	1,200,867	76,964,331	8,826,696	-	488,824,645
Other Secured ¹	53,420,497	2,789,860	1,449,000	1,971,891	-	2,332,068	51,088,724
SBE-Assessed Utilities ²	392,040	298,757	-	-	-	935,000	-
Unsecured	258,828,626	562,771,427	206,609	909,456	40,473,036	788,759,599	40,286,561
Total ³	3,810,313,173	3,485,031,819	198,636,429	443,142,579	194,483,861	3,040,496,939	2,083,778,737
Acreage	1,361	51	137	NA	126	115	69

Category by Value	Transbay Project Area	Western Addition Project Area A-2	Yerba Buena Center Project Area D-1	Total Value	% of Total Value	Number of Properties Levied
Commercial	7,160,619,330	765,149,372	3,270,074,578	14,905,488,545	41.4%	635
Industrial	20,111,824	-	52,136,430	2,154,753,277	6.0%	872
<i>Residential</i>						
Single-Family	-	1,545,300	-	103,925,074	0.3%	1,887
Condominiums	1,885,125,283	1,603,096,063	1,946,617,558	7,846,756,836	21.8%	7,916
Apartments	1,176,412,254	1,380,424,132	535,542,665	5,369,768,478	14.9%	970
Vacant	321,626,740	5,395,079	38,955,462	1,231,110,246	3.4%	936 *
Other Secured ¹	1,138,200	24,382,533	25,547,274	164,120,047	0.5%	347
SBE-Assessed Utilities ²	-	-	16,962	1,642,759	0.0%	-
Unsecured	1,308,903,996	108,457,610	1,124,508,166	4,234,105,086	11.8%	3,222
Total ³	11,873,937,627	3,888,450,089	6,993,399,095	36,011,670,348	100.0%	16,785
Acreage	40	277	87	2,263		

(1) Includes other land use classifications and homeowner exemptions.

(2) Non-unitary property assessed by the State Board of Equalization.

(3) Assessed valuations are as of July 1, 2023 and include the Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area A and the State-Owned Parcels in the Transbay Project Area; revenue from these Excluded Sub-Areas is deducted from the tax increment calculations used in this Report.

* Of the 936 properties classified as vacant, 170 are located in sub-areas of the Project Areas within the Excluded Project Areas, of which 79 are in Zone 1-Candlestick Point Site of the Bayview Hunters Point Project Area B, 1 is in the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District and 90 are in the State-Owned Parcels. Any future property tax revenue from these properties will not be pledged revenue. Of the remaining 766 properties, 401 are within the Bayview Hunters Point Project Area - Zone 2 of Project Area B, 105 are within the Hunters Point Hill Residential District of the Hunters Point Shipyard Project Area, 95 are within the Transbay Project Area and the remainder are distributed across the other seven project areas.

Source: San Francisco County Assessor; Urban Analytics

Table 3
Commercial Land Use in the Project Areas, FY 2023-24

Land Use	Total Value	% of Total Value	Number of Properties Levied
Office	11,698,505,312	32.5%	161
Hotel	1,354,961,870	3.8%	47
Retail	1,330,359,965	3.7%	282
Other	521,661,398	1.4%	145
Total Commercial	14,905,488,545	41.4%	635
Total, All Properties	36,011,670,348	100.0%	16,785

Source: San Francisco County Assessor; Urban Analytics

As shown in Table 2, commercial properties account for the largest percentage of assessed valuation, at 41.4% of total valuation in the Project Areas. Commercial land use in the Project Areas, shown in Table 3, is comprised largely of office properties with \$11.7 billion in assessed valuation across 161 properties representing 32.5% of the Project Areas' total valuation. Hotels total \$1.4 billion in assessed valuation over 47 properties for 3.8% of the Project Areas' total valuation, while retail use generates \$1.3 billion in assessed valuation across 282 properties representing 3.7% of the Project Areas' total valuation.

Prior to the passage of SB107 in September 2015, the Agency could not receive tax revenue to repay debt beyond the limits set in the redevelopment plans, except in those areas amended under Sections 33333.7 and 33333.8. Under Section 34189 of the Health and Safety Code, these limits no longer apply to the repayment of enforceable obligations such as the Bonds.

Bayview Hunters Point Area B: The Bayview Hunters Point Redevelopment Project Area was adopted by Ordinance 113-06 on June 1, 2006 as an amendment to the Hunters Point Redevelopment Plan. Area B of the Bayview Hunters Point Redevelopment Project Area is exclusive of the Area A portion of the Bayview Hunters Point Redevelopment Plan, originally known as the Hunters Point Redevelopment Project Area. Tax increment revenue from the Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B, as defined in the Disposition and Development Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard, is not available for debt service on the Bonds; it is treated as an Excluded Sub-Area in this Report. The Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B area has \$186.6 million in FY 2023-24 assessed valuation; approximately fifty-five percent is paid annually under an existing obligation to the developer with the remainder applied to the Agency's pass-through, property tax administration fee and housing and infrastructure obligations; this excluded tax increment revenue totaled \$1.0 million in FY 2023-24. The Agency had \$11.9 million in principal outstanding on Existing Loan Agreements secured by tax increment from Area B of the Bayview Hunters Point Redevelopment Project Area Project Area as of August 1, 2022.

Embarcadero-Lower Market ("Golden Gateway"): The Embarcadero-Lower Market ("Golden Gateway") Approved Redevelopment Project Area E-1 was adopted by Ordinance 301-59 on May 25, 1959. The Project Area extends from the foot of Market Street north approximately six blocks to Broadway, and includes the four Embarcadero Center office buildings, the Hyatt Hotel on Market Street, the Golden Gateway Commons and the Alcoa office building.

The Embarcadero-Lower Market (“Golden Gateway”) Approved Redevelopment Project Area E-1 was merged for fiscal purposes with the South of Market Redevelopment Project Area on November 20, 1995. The redevelopment plan for the Federal Office Building Project Area, one of the Excluded Project Areas, was adopted on October 14, 1997 and was simultaneously fiscally merged with the South of Market and Embarcadero-Lower Market (“Golden Gateway”) project areas; negative tax increment from the Federal Office Building Project Area of approximately \$48,000 is deducted from increment in the South of Market and Embarcadero-Lower Market (“Golden Gateway”) project areas due to this merger.

The Agency had \$20.7 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022 and an additional \$0.35 million in principal outstanding on Existing Loan Agreements that is secured by a pledge of tax increment from both this project area and the South of Market Redevelopment Project Area as of August 1, 2022.

Bayview Hunters Point Project Area - Project Area A: The Bayview Hunters Point Project Area - Project Area A, adopted by Ordinance 25-69 on January 20, 1969, is comprised of a residential community located in the southeast portion of the City on a site formerly occupied by temporary federal wartime housing. The Agency had \$263,625 in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Hunters Point Hill Residential District: The Hunters Point Shipyard Redevelopment Project Area, adopted by Ordinance 285-97 on July 14, 1997, is comprised of several land use districts, including the Hunters Point Hill Residential District, on and adjacent to the former Hunters Point Shipyard in the southeast portion of the City. Certain portions of the Hunters Point Shipyard Redevelopment Project Area other than the Hunters Point Hill Residential District are subject to Disposition and Development Agreements pursuant to which tax increment from such portions are pledged for the purpose of financing certain infrastructure; revenue from this Excluded Sub-Area is not pledged as security for the Bonds. Tax increment from the Hunters Point Hill Residential District is pledged for such purpose and is available to pay debt service on the Bonds, a portion of which may be applied to infrastructure in that portion of the Hunters Point Shipyard Redevelopment Project Area other than the Hunters Point Hill Residential District.

India Basin: The India Basin Industrial Park Redevelopment Project Area, adopted by Ordinance 26-69 on January 20, 1969, is an industrial area located at Third Street and Evans. The project area includes a large United States Postal Service distribution facility that is exempt from property taxes, several light industrial, commercial service and multimedia businesses and some retail businesses; no residential uses are allowed in the project area. The Agency had no principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Rincon Point-South Beach: The Rincon Point-South Beach Redevelopment Project Area, adopted January 5, 1981 by Ordinance 14-81, includes two areas along the waterfront south of the Bay Bridge. The South Beach portion of the project area includes the Giants ballpark. The Agency had \$70.9 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

South of Market: The South of Market Redevelopment Project Area includes two sub-areas. The original sub-area is roughly bounded by Fifth and Seventh Streets between Harrison Street and Mission Street and is largely residential. The Western Expansion sub-area includes mainly commercial and industrial properties in the blocks bounded by Harrison Street, Seventh Street,

Folsom Street and Columbia Square. The original sub-area was adopted June 11, 1990 and the Western Expansion sub-area of the South of Market project area was adopted on December 16, 2005.

The Agency had \$5.4 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022 and \$0.35 million in principal outstanding on Existing Loan Agreements secured by tax increment from both this project area and the Embarcadero-Lower Market (“Golden Gateway”) Approved Redevelopment Project Area E-1 as of August 1, 2022.

The South of Market Redevelopment Project Area was merged for fiscal purposes with the Embarcadero-Lower Market (Golden Gateway) Approved Redevelopment Project Area E-1 on November 20, 1995. The redevelopment plan for the Federal Office Building Project Area, one of the Excluded Project Areas, was adopted on October 14, 1997 and was simultaneously fiscally merged with the South of Market and Embarcadero-Lower Market (“Golden Gateway”) project areas; as noted under *Embarcadero-Lower Market (“Golden Gateway”)*, above, approximately \$48,000 in negative tax increment from the Federal Office Building Project Area is deducted from these two project areas due to the merger.

Transbay: The Transbay Redevelopment Project Area includes the area around the Transbay Terminal roughly bounded by Mission Street, Main Street, Folsom Street and Second Street, with a portion extending to Harrison Street. The project area was adopted on June 21, 2005.

The redevelopment plan requires that tax increment from certain parcels, designated as the State Parcels and including land previously occupied by the Transbay Terminal and related freeway ramps, less the amount required to meet the Agency’s pass-through payment obligations, property tax administration fees and housing and infrastructure obligations, be paid to the Transbay Joint Powers Authority (TJPA) for construction costs associated with the new Transbay Terminal. Approximately fifty-five percent of the revenue from the State Parcels is paid annually to the TJPA under the redevelopment plan, with the remainder applied to the Agency’s pass-through, property tax administration fee and housing and infrastructure obligations. These parcels include the Transbay Tower office building at 415 Mission Street, with an FY 2023-24 assessed valuation of \$1.9 billion, and the Park Tower office building at 250 Howard Street, with an FY 2023-24 assessed valuation of \$1.1 billion; the TJPA has issued bonds secured by a portion of the tax increment from these parcels. The total FY 2023-24 assessed valuation from the State Parcels is \$5.1 billion and the estimated tax increment allocable to the TJPA from these parcels is \$28.4 million in FY 2023-24. The Agency retains the remainder of the tax increment from these parcels for payment of required County administration fees, pass-through payments and housing and infrastructure obligations. The Agency had \$4.2 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Western Addition A-2: The Western Addition Redevelopment Project Area A-2 was established October 13, 1964. It encompasses portions of the area bounded by Van Ness Avenue, Bush Street, Broderick Street and Grove Street. A large hospital facility owned by Sutter Health is located in the project area with a taxable valuation of \$111.9 million in FY 2023-24 and exemptions of \$2.7 billion. The Agency had \$32.0 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Yerba Buena Center: The redevelopment plan for the Yerba Buena Center Redevelopment Project Area D-1 was adopted on April 25, 1966 and encompasses the area around the Convention

Center. An amendment to the plan on October 13, 2000 added the Emporium Site area to the project area, now the location of a shopping center on Market Street.

The redevelopment plan for the Emporium Site sub-area specifies that tax revenue deriving from a fixed 2% growth rate applied to the sub-area's base year assessed valuation is distributed to taxing entities and not to the Agency; this is deducted from tax increment prior to calculating the revenue available for debt service. The Agency had \$20.53 million in principal outstanding on Existing Loan Agreements secured by tax increment from this project area as of August 1, 2022.

Tax Increment Caps

Of the ten areas that comprise the Project Areas, seven were established prior to the statutory changes brought about by AB1290 in 1994. These pre-1994 project areas initially had separate tax increment caps (limitations on the amount of tax increment the Agency could receive from the project area during the redevelopment plan's duration); with Redevelopment Dissolution these limits no longer apply to the Agency's ability to repay enforceable obligations such as the Bonds.

Statutory Pass-through Payments

In 1994, all new redevelopment plans - and all existing plans amending certain fiscal terms or adding territory - became subject to a statutorily-defined set of pass-through requirements and plan limitations generally known as AB1290 requirements. This legislation replaced a system of negotiated pass-through agreements with a specific pass-through formula applied to all taxing jurisdictions. The Transbay Project Area, Bayview Hunters Point Area B Project Area, the Western Addition portion of the South of Market Project Area and the Emporium Site Area of the Yerba Buena Center Project Area were formed after the passage of AB1290 and have been subject to statutory pass-throughs since their formation. The remaining Project Areas as well as the Original Area of the Yerba Buena Center Project Area and the Original Area of the South of Market Project Area became subject to statutory pass-throughs when certain fiscal limits in their redevelopment plans were amended. There are no negotiated pass-through agreements in the Project Areas.

Under the AB1290 mechanism, pass-through payments are made to all jurisdictions receiving a portion of the basic one percent levy, except jurisdictions having pre-existing contractual pass-through agreements. The pass-through payments are made in three periods, or tiers, each beginning in a different year - years one, eleven, and thirty-one - and extending through the plan's remaining duration. The payments received by each jurisdiction are based on a specified percentage of the growth in assessed valuation over a base (the assessed valuation in the year prior to the beginning of a period), multiplied by the property tax apportionment factor for the jurisdiction. The City is entitled to pass-through payments from the first tier only. In the case of those project areas formed after 1994, the first year of pass-throughs is the first year in which tax increment is collected in the project area; in the case of project areas formed prior to 1994 and subsequently amended the base year is the year in which the earliest amended fiscal limit is reached and the first year is the subsequent year.

Although Redevelopment Dissolution removed the distinction between tax increment committed to a low- and moderate-income housing fund and tax increment available for other purposes, statutory pass-through payments are calculated based on the 80% of tax increment formerly available for infrastructure financing and not from the 20% of tax increment formerly required to fund housing.

The initial statutory payments are a percentage of the tax increment received by the Agency. For payments under tiers two and three, payments derive from future base levels of assessed valuation. Under redevelopment law, the initial base year for the tier two payments was set in the tenth year in which the Agency received tax increment payments or, for the older amended plans, the tenth year after the earliest amended fiscal limit is reached.

The payments are limited to fixed percentages of those increases (25% of tier one increases, 21% of tier two increases and 14% of tier three increases; all percentages are calculated on tax increment after the deposits to the housing fund formerly required by the Community Redevelopment Law). In those project areas where initial year for statutory passthroughs was established after the project area's base year was set, the Agency continues to receive its full share of tax revenue from assessed valuation above the project area base year assessed valuations (with certain exceptions, noted below) and below the assessed valuation in the initial year for statutory passthrough payments. It also receives its share of the tax increment remaining after payment of the statutory pass-throughs.

There are nine taxing entities within the Project Areas. Four of these are entities of the City and County of San Francisco: the General Fund, the Children's Fund, the Library Fund, and the Open Space Fund. The remaining five taxing entities are: the San Francisco Community College District, the San Francisco Superintendent of Schools, the San Francisco Unified School District, the Bay Area Air Quality Management District, and the Bay Area Rapid Transit District. In addition to the taxing entities, the Controller allocates a portion of revenue to the Educational Revenue Augmentation Fund (ERAF) for distribution to schools. As discussed further under *ERAF Legislation*, ERAF was established by the State in FY 1992-93 to receive a portion of property tax revenue shifted from cities, counties and special districts for subsequent allocation to schools. The proportion of pass-through payments received by each of these taxing entities and ERAF and is shown in Table 4. The total amount of pass-through payments in FY 2023-24 is estimated to be \$71.6 million.

Table 4
Pass-through Shares By Taxing Entity

Taxing Entity	Pass-through Share
General Fund	0.55588206
Children's Fund	0.04000000
Library Fund	0.02500000
Open Space Fund	0.02500000
S.F. Community College District	0.01444422
S.F. Schools Superintendent	0.00097335
S.F. Unified School District	0.07698857
Bay Area Air Quality Management District	0.00208539
BART	0.00632528
ERAF *	0.25330113
Total	1.00000000

* The Educational Revenue Augmentation Fund (ERAF) is not itself a taxing entity; revenue deposited to ERAF is distributed to schools under statutory formulae with any excess distributed to the City and County.

Source: Office of the Controller

An appellate court decision in the Second Appellate District in southern California may affect the proportionate distribution of statutory pass-through payments to school districts and other taxing entities. The decision held that the school districts' share, for pass-through payment

calculation purposes, should take into account the amount the school districts receive from the ERAF fund. The decision was appealed to the California Supreme Court but the petition for review was denied. The City is not within the legal jurisdiction of the Second Appellate District. However, if the Agency's proportionate distribution of statutory pass-through payments to the school district and other taxing entities is challenged in court, the court may decide to follow the Second Appellate Court decision and require the Controller to pay a higher amount to the school districts in statutory pass-through payments, and a correspondingly lower amount to the ERAF fund. The total amount of statutory pass-through payments would not change.

Under redevelopment law, the Agency is permitted to subordinate its statutory pass-through payments to the payment of debt service after notification of the taxing entities of its intention to do so, and after demonstrating to those entities that it has sufficient tax increment to meet its pass-through obligation after debt service payments. After a 45-day period, and in the absence of any disapproval by a taxing entity based on substantial evidence that the Agency will not be able to pay its pass-through obligation and the debt service payments, the subordination request is deemed approved. The Agency notified the taxing entities of its intent to subordinate the statutory pass-through payments to debt service on the Bonds. The 45-day period expired on June 22, 2023. All of the pass-through payments are assumed to have been subordinated to debt service on the Bonds. Pass-through payments paid through ERAF to the schools are subordinated with the pass-through payments paid directly to the schools.

Senior Obligations

The redevelopment plan for the Emporium Site Area of the Yerba Buena Center Project Area specifies that tax revenue deriving from a fixed 2% growth rate applied to the Emporium Site Area's base year assessed valuation is distributed to taxing entities and not to the Agency; this is deducted from tax increment prior to calculating the revenue available for debt service. The amount excluded from FY 2023-24 tax increment in this manner is approximately \$404,000.

The Original Area of the South of Market Project Area was adopted at a time when redevelopment law included language in Section 33676 allowing taxing entities to claim their share of inflationary growth in base year assessed valuation from real property, rather than have that share paid to redevelopment agencies as tax increment. Those entities not claiming their share did not receive the annual payment. As described further below under *Santa Ana Section 33676 Decision*, a 2002 court decision in Santa Ana found that school districts and community college districts that, between January 1, 1985 and December 31, 1993, had not proactively elected to receive those payments were entitled to receive them regardless. The Original Area portion of the South of Market Redevelopment Project Area is the only project area established by the Agency during that period and so is the only one subject to Section 33676 payments under the Santa Ana decision. The amount of tax revenue payable to the school entities is estimated to be \$80,000 for FY 2023-24.

The Controller charges the Agency an administrative fee related to Redevelopment Dissolution which is senior to the Bonds. This amount is estimated to be 0.015% of tax increment.

As noted under *The Redevelopment Plans* above, the Agency has Existing Loan Agreements with the City and County of San Francisco Redevelopment Financing Authority for debt service payments on existing bonds that are senior to the Bonds, as well as outstanding bonds issued by the Agency that are senior to the Bonds.

Excluded Sub-Areas

The Agency has three sub-areas within the Project Areas whose tax increment revenue is designated for specific uses. The assessed valuation of both sub-areas is included with the assessed valuation for their respective project areas as reported by the Controller and is included in the assessed valuations used in this report. The excluded revenue from these sub-areas, consisting of the one percent tax levy less approximately 20% for passthrough payments and 20% for the housing set-aside, is deducted from gross tax increment when calculating the amount of revenue available for debt service on the Bonds.

In the Bayview Hunters Point Area B Project Area, tax revenue from the Zone 1 - Candlestick Site portion of the project area, as defined in the Disposition and Development Agreement for Candlestick Point, is not available to pay debt service on the Bonds. This area includes an estimated \$186.6 million in assessed valuation in FY 2023-24, or approximately \$1.0 million in excluded revenue paid to the developer and approximately \$823,000 in revenue to the RPTTF for passthrough payment and housing and infrastructure obligations. The \$1.0 million in excluded revenue from the Zone 1 - Candlestick Site is treated as Excluded Sub-Areas Revenue in this report.

The redevelopment plan for the Transbay Terminal Project Area requires that tax increment from certain parcels designated as the State Parcels (generally those parcels comprising the former Transbay Terminal site and connecting freeway ramps), less the amount required to meet the Agency's pass-through payment obligations, County administration fees and infrastructure and housing obligations, be paid to the TJPA for construction costs associated with the new Transbay Terminal. The assessed valuation from these State Parcels was \$5.1 billion in FY 2023-24, approximately 43% of the \$11.9 billion assessed valuation of the Transbay Terminal Project Area. This \$5.1 billion in assessed valuation generates approximately \$51.3 million in tax increment, from which approximately \$28.4 million in excluded revenue is expected to be paid to the TJPA and \$22.9 million in tax increment is expected to be applied to passthrough payments, county administration fees and infrastructure and housing obligations. The \$28.4 million in excluded revenue from the State Parcels is treated as Excluded Sub-Areas Revenue in this report; the TJPA has issued bonds secured by the revenue from the State Parcels that is required to be paid to the TJPA.

The portion of the Hunters Point Shipyard Project Area other than the Hunters Point Hill Residential District, an Excluded Sub-Area, is subject to an agreement that commits all of the tax increment from that portion of the project area to specific purposes and is not pledged as security for debt service on the Bonds. This excluded portion of the Hunters Point Shipyard Project Area is currently comprised of a single publicly-owned parcel and generates no tax increment revenue.

LEGISLATION AND COURT ACTIONS

Redevelopment Dissolution

The state's redevelopment program was fundamentally changed as part of the 2011-12 budget package. Legislation dissolving redevelopment agencies and replacing them with successor agencies, AB1x26, took effect June 29, 2011, with the dissolution of all redevelopment agencies in the state effective as of February 1, 2012. Additional clarifying legislation, AB1484 and SB 107, became effective on June 28, 2012 and September 22, 2015, respectively. ABx1 26, AB1482 and SB107 are jointly referred to here as Redevelopment Dissolution Law.

The legislation created successor agencies to pay off existing debt of the former redevelopment agencies and to wind down the former agency's operations. Successor agencies are governed by seven-member oversight boards representing the taxing entities that share in the property tax revenues of an agency (the city, county, schools, community college districts and special districts) as well as an employee representative of the former redevelopment agency. Successor agencies are subject to a number of proscriptions intended to limit the scope of their actions, including incurring new debt (as noted below, subsequent legislation added the ability to refund existing debt).

The dissolution bill did not change the constitutional basis for the collection of property tax increment revenue in California contained in Article 16, Section 16. Property tax increment revenue continues to be calculated and allocated to a special fund for all project areas within an account of the successor agency (now termed the Redevelopment Property Tax Trust Fund, or RPTTF).

The dissolution bill did substantially change the mechanism used to distribute tax increment revenue to the successor agencies. Successor agencies are now required to create a schedule of payments (Recognized Obligation Payment Schedule, or ROPS) which serves as the basis for the distribution of property tax increment revenue to the successor agencies. The obligations appearing on the ROPS are limited to items deemed to be "enforceable" under the legislation. These include debt service and contractual obligations entered into prior to June 29, 2011; it explicitly excludes contracts and agreements between the former redevelopment agency and its sponsoring city or county except those that were entered into prior to January 1, 2011 for purposes of securing debt obligations and those established in the first two years of an agency's existence.

The ROPS is prepared once each year and covers obligations coming due in the subsequent fiscal year. Agencies that have received a finding of completion from the California Department of Finance may file a Last and Final ROPS listing all enforceable obligations, which, if accepted by the California Department of Finance, will serve as the basis for all future distributions by the Controller (the Agency has not filed a Last and Final ROPS).

The distribution of funds from the RPTTF is limited to the obligations listed on the ROPS for each period. Distributions of RPTTF property tax increment revenue for each fiscal year are made twice each calendar year, on January 2 and June 1, with the January distribution applied to obligations due in the following January-June period and the June distribution applied to obligations due in the following July-December period.

Pass-through payments are calculated and paid by the Controller rather than by the Agency. The dissolution bill established a hierarchy of payments to be made from the RPTTF in each period, a mechanism informally referred to as "the waterfall".

The first payment from the RPTTF is made to the Controller to recover the cost of administering the Redevelopment Dissolution Law; this payment is not subordinated to the Agency's outstanding bonds or other debt obligations. The second tier of payments is pass-through payments to taxing entities, which may be subordinated to the Agency's outstanding bonds. The third payment tier is to the successor agency for the obligations on the ROPS for the payment period. A hierarchy of payments within the ROPS obligations is specified in the law, with debt service on tax allocation bonds first, revenue bonds second, and all other obligations third. The fourth payment is an administrative cost allowance for the successor agency, specified in the legislation as the greater of \$250,000 or three percent of the property tax revenue allocated to

the successor agency. The fifth and final payment is a distribution of all remaining property tax increment revenue in the RPTTF to the local taxing entities. No funds are retained in the RPTTF.

In the event that there are insufficient funds available in the RPTTF to meet the successor agency's obligations for a given period, the legislation requires the Controller to, first, reduce or eliminate the residual payments to taxing entities; second, reduce or eliminate the administrative cost allowance to the successor agency; and third, deduct from any subordinated pass-through payments the debt service obligations to which they were made subordinate. If there is still an insufficiency, the legislation permits, but does not require, a loan to be made from the county treasury to the successor agency.

There is a complex system of oversight and approvals in the Redevelopment Dissolution Law. The oversight boards are charged with approving ROPS of the successor agency, which are then submitted to the state Department of Finance for review. The Department of Finance can reject some or all of the obligations on the ROPS, which then returns to the successor agency and the oversight board for revision. Since the Controller cannot make a payment to the successor agency without an approved ROPS, this approval process is a critical element in the process. Additional oversight is provided by the Office of the State Controller, charged with overseeing the actions of the county auditor-controllers.

On September 22, 2015, as part of the Proposed Budget for FY 2015-16, the Governor signed legislation that established an annual (rather than biannual) ROPS process (beginning in FY 2016-17), as well as establishing (beginning in FY 2018-19) a single county oversight board for all successor agencies in a county (counties with more than 40 successor agencies may have five oversight boards). The legislation also amends Section 34189 of the Health and Safety Code to include language stating that the payment of enforceable obligations is not subject to the temporal limits and tax increment caps in redevelopment plans. Additionally, the legislation establishes a "Last and Final" ROPS process that would, for qualifying agencies, establish a schedule of enforceable obligations covering the duration of those obligations and turn the final ROPS over to the Controller to serve as the basis of all subsequent RPTTF distributions.

Prior to the passage of the Redevelopment Dissolution Law, a minimum of twenty percent of the tax increment revenue received by the Agency was required to be set aside and utilized to increase, improve and preserve the community's supply of very low-, low- and moderate-income housing (the "Low and Moderate Income Housing Fund" or "Housing Fund"). Although the Redevelopment Dissolution Law eliminated this requirement, the Agency has affordable housing obligations through the Disposition and Development Agreement for Hunters Point Shipyard Phase 1, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, and the Transbay Implementation Agreement. The Transbay Implementation Agreement also obligates the Agency to finance certain infrastructure in the Transbay Project Area.

Also prior to the passage of the Redevelopment Dissolution Law, the allocation of tax increment revenue to redevelopment agencies was dependent on each agency demonstrating that it required the tax increment revenue to repay its indebtedness through an annual Statement of Indebtedness filed by all agencies with their county controller. As described above, redevelopment agencies are now required to list all obligations payable from tax increment revenue on a Recognized Obligation Payment Schedule and may only receive the amount of tax increment revenue required to meet those listed obligations. The Agency had regularly filed the previously-required Statement of Indebtedness to claim the amount of tax increment revenue required to meet its obligations. Since passage of the Redevelopment Dissolution Law it has filed

the required ROPS showing its obligations, including debt service on the Bonds, and expects to continue to do so in a timely manner.

The Controller charges an administration fee to recover property tax administration costs from the Agency authorized under the Redevelopment Dissolution Law. Under the Dissolution Act, the fee is calculated on an Agency-wide basis based on the added cost burden imposed on that office by the Dissolution Act and is deducted from the total amount of tax increment for all project areas deposited in the RPTTF. The allocation of the fee among project areas is at the discretion of Agency staff. The administration fee reported as deducted from total Agency tax increment for FY 2022-23 was approximately 0.015% of tax increment, or \$62,000 of revenue in the Project Areas.

Tax increment revenue calculations made in this Report use revenue from the secured, unsecured and utility rolls.

AB 1290

In 1994, all new redevelopment plans - and all existing plans amending certain fiscal terms or adding territory - became subject to a new set of pass-through requirements and plan limitations generally known as AB1290 requirements. Among the most significant changes was the replacement of a system of negotiated pass-through agreements with a specific pass-through formula applied to all taxing jurisdictions. The law also required existing plans to conform to certain time limits. The Agency brought its existing redevelopment plans into conformance with AB1290 through Ordinance 750, adopted November 29, 1994.

The Project Areas are subject to AB1290 pass-through payments, as described under *Statutory Pass-through Payments*, above.

ERAF Legislation

AB1389, effective with the 2008-09 fiscal year, required all agencies to 1) make a payment to the Educational Revenue Augmentation Fund (ERAF) fund for 2008-09 by May 10, 2009; 2) to have obtained the concurrence of the county auditor with the amount of pass-through payments for the 2003-04 through 2007-08 years as set forth in a report of the county auditor submitted on or before February 1, 2009; and 3) obtain the concurrence of the county auditor with the amount of the 2008-09 pass-through payments.

With respect to the pass-through payment requirements, redevelopment agencies failing to obtain concurrence of their county auditor were subject to significant penalties, including a prohibition on the issuance of new debt. The Agency obtained the concurrence of the Controller with the amounts of pass-through payments for the 2003-04 through 2007-08 period and the 2008-09 fiscal year and is not subject to penalties.

A Superior Court decision (*CRA vs. Genest*) on April 30, 2009 found the 2008-09 payment to the ERAF fund to be unconstitutional and invalidated the Health and Safety code section requiring the payment. On September 28, 2009 the state Attorney General's office notified the court that the state would not pursue an appeal of that ruling. Consequently, the May 10, 2009 ERAF payment was not required. However, state budget legislation (ABX4-26) for 2009 required redevelopment agencies to make a contribution to the Supplemental Educational Revenue Augmentation Fund (SERAF) for the 2009-10 and 2010-11 fiscal years.

The Agency funded its FY 2009-10 and FY 2010-11 SERAF obligations using available funds and by borrowing from the Housing Fund, as permitted under redevelopment law. The law requires agencies to repay by June 30, 2015 any amounts borrowed from its housing fund to meet the FY 2009-10 SERAF obligation and by June 30, 2016 for the FY 2010-11 SERAF obligation. The law also established a penalty of a 5% increase in the required contribution to the housing fund for those agencies not reimbursing their housing fund by those dates. The Redevelopment Dissolution Law subsequently established an annual limit on the amount of all redevelopment loan repayments, including those for SERAF-related housing fund borrowings. With the elimination of the 20 percent housing set-aside by the Dissolution Law and the annual limit on loan repayments also imposed by the Dissolution Law, it is not clear how or if the original 5% penalty requiring increased contributions to the Housing Fund could be implemented. The Agency reports that the outstanding balance for the SERAF-related Housing Fund borrowing was paid off in January 2023.

Santa Ana Section 33676 Decision

For plans adopted between January 1, 1985 and December 31, 1993, all affected taxing entities could elect to receive a payment equal to the increase in tax increment revenue attributable to inflationary adjustments under Proposition 13. Under a 1993 Attorney General's opinion these payments are not considered tax increment and, where they occur, are deducted from redevelopment agency revenue prior to apportionment to the agency. The payments, established under language previously included in Section 33676, are sometimes referred to as 2% or 33676 payments and are generally distributed directly to taxing entities by the county controller.

A 2002 court decision involving Santa Ana Unified School District regarding statutory payments made to taxing entities under the pre-1994 Section 33676 found that school districts and community college districts that had failed to elect to receive payments under that section were entitled to collect them. As discussed under *Senior Obligations* above, the redevelopment plan for the Original Area of the South of Market Project Area is the sole plan adopted during the applicable time period and is subject to the Santa Ana decision.

Orange County Reassessment Decision

A court case regarding the proper method of reassessing properties once they received a temporary reduction in valuation (a Proposition 8 adjustment) was resolved on appeal in favor of the County of Orange. In that case, the assessor was found to have properly returned a property to its statutory base valuation adjusted for inflation once the Proposition 8 adjustment terminated, rather than apply only the Proposition 13 inflation limit to the reduced Proposition 8 valuation once terminated. The assessment practice that was validated by the court is one used in San Francisco and most other counties in the state.

TAX RATES

The tax rate applicable to redevelopment incremental assessed valuation includes the basic one percent levy. In addition, redevelopment agencies receive tax revenue from debt service override levies except those that are imposed to repay indebtedness approved by voters on or after January 1, 1989. As there are no pre-1989 override levies imposed in the Project Areas, Agency does not receive any such override levies.

The Agency has no power to levy a property tax itself, has no control over the override levy, and may not receive tax revenue from any levy for voter-approved indebtedness incurred after January 1, 1989. The projections incorporated into this Report assume a one percent tax rate.

PROPOSITION 13 INFLATION ADJUSTMENT

Under Section 51 of the Revenue and Taxation Code the annual increase in assessed valuation for real property is limited to the lesser of two percent or the October-to-October change in the California Consumer Price Index (CCPI) preceding the January 1 lien date. The figure is reported annually by the State Board of Equalization in early December and are shown in Table 5 below. This factor, referred to at times in this Report as the Proposition 13 inflation factor, is applied to land and improvements where the property has not been sold or, in the case of improvements, newly constructed. Properties whose valuations have been reduced under Proposition 8 continue to receive an inflationary adjustment under Proposition 13 on the reduced valuation.

Table 5
Proposition 13 Inflation Adjustments

FY	Proposition 13 Inflation Factor
2016-17	1.525%
2017-18	2.000%
2018-19	2.000%
2019-20	2.000%
2020-21	2.000%
2021-22	1.036%
2022-23	2.000%
2023-24	2.000%

ASSESSMENT APPEALS

Appeals of assessments by property owners in the Project Areas can result in future reductions in assessed valuations that affect the Agency.

The most common type of appeal filed is known as a Proposition 8 appeal, in which the property owner seeks a reduction in a particular year's secured assessment based on the current economic value of the property (the assessor may also adjust valuations based on Proposition 8 criteria). In past years, assessment reductions under Proposition 8 have been generally temporary in nature and were usually restored to their previous levels, as adjusted for inflation, as economic conditions improved. The San Francisco county assessor's office has not indicated how many parcels are currently subject to Proposition 8 reductions in the Project Areas.

Property owners may also appeal the Proposition 13 base assessment of a property. Although less frequently filed, such appeals, if successful, can permanently reduce the enrolled valuation of a property and consequently affect the Agency's annual revenue. The annual filing period for all appeals extends from July 2 to September 15.

In the Transbay Project Area, a residential tower at 301 Mission Street (the "Millennium Towers") is reported to have experienced greater settling than anticipated as well as tilting of the building. The property consists of 419 residential condominiums and 2 commercial condominiums with a combined FY 2023-24 assessed valuation of \$668.9 million, which represents approximately 1.9% of the aggregate assessed valuation of the properties in the Project Areas shown in Table

8. Of these condominium owners, 167 filed appeals in FY 2016-17 on \$392.1 million in assessed valuation resulting in reductions of \$10.9 million and 169 filed appeals in FY 2017-18 on \$374.4 million assessed valuation resulting in reductions of \$23.2 million. Fewer appeals were filed in subsequent years: 20 appeals in FY 2018-19 resulting in \$1.6 million in reduced valuations with 4 still pending, 13 in FY 2019-20 resulting in \$1.7 million in reduced valuations with 4 still pending, 7 in FY 2020-21 resulting in no reductions in valuation with 2 still pending and 8 in FY 2021-22 resulting in \$0.5 million in reduced valuations with 4 still pending.

Appeal filings for the past ten years are shown in Table 6 for the secured and unsecured rolls as of May 24, 2023. The tables compare the county assessor's valuation with the applicant's opinion of the value of a property, and show the resulting valuation for resolved appeals. Appeals are considered resolved when they are withdrawn by the applicant, denied a hearing by the board of assessment appeals, granted a hearing but denied an adjustment in valuation, or granted an adjustment in valuation.

Table 6
Assessment Appeals in the Project Areas
As Of May 24, 2023

Roll Year	Status	Number of Appeals	County Valuation	Applicant Opinion of Value	Valuation After Appeal	Retention Rate *
2022-23	Resolved	121	601,295,756	362,673,194	599,182,066	99.6%
2022-23	Pending	104	6,769,261,379	4,201,185,127	TBD	TBD
2021-22	Resolved	192	1,886,126,957	1,297,510,728	1,878,393,849	99.6%
2021-22	Pending	74	4,566,396,545	2,770,363,102	TBD	TBD
2020-21	Resolved	189	1,618,693,604	1,063,739,545	1,610,527,675	99.5%
2020-21	Pending	44	3,340,161,600	2,032,956,105	TBD	TBD
2019-20	Resolved	66	1,533,435,296	902,484,996	1,530,511,973	99.8%
2019-20	Pending	14	920,542,478	666,884,639	TBD	TBD
2018-19	Resolved	64	2,795,062,526	2,026,538,468	2,745,373,273	98.2%
2018-19	Pending	8	654,135,086	448,354,774	TBD	TBD
2017-18	Resolved	214	2,571,608,460	1,723,558,036	2,546,485,190	99.0%
2017-18	Pending	6	356,260,361	257,087,605	TBD	TBD
2016-17	Resolved	209	1,822,114,232	865,834,954	1,794,131,367	98.5%
2016-17	Pending	1	2,808,636	500,000	TBD	TBD
2015-16	Resolved	56	2,294,449,168	1,313,463,151	2,263,373,746	98.6%
2015-16	Pending	-	-	-	-	NA
2014-15	Resolved	113	3,554,601,518	2,421,450,703	3,509,619,762	98.7%
2014-15	Pending	-	-	-	-	NA
2013-14	Resolved	172	3,703,538,935	2,205,517,104	3,697,619,615	99.8%
2013-14	Pending	-	-	-	-	NA
All Years	Resolved	1,396	22,380,926,452	14,182,770,879	22,175,218,516	99.1%
All Years	Pending	251	16,609,566,085	10,377,331,352	TBD	TBD

* Retention Rate is the proportion of value retained after resolution of an appeal. The rate is calculated by dividing the 'Valuation After Appeal' into the 'County Valuation'. For withdrawn and denied appeals, the 'Valuation After Appeal' is the original County valuation.

Source: San Francisco County Assessment Appeals Board. Data as of 5/24/2023.

An indicator of the potential exposure of Agency tax increment revenue to appeals – were the Assessor to extend Proposition 8 reductions to future rolls for properties granted prior-year reductions – may be seen by applying the overall retention rate for all years in the Project Areas

to the amount of roll valuation in pending appeals for the Project Areas. Applying the retention rate of 99.1% to the valuation subject to pending appeals as of May 24, 2023, the estimated reduction in prior-year assessed valuation would be approximately \$152.6 million, or approximately \$1.5 million (0.5%) of the Project Areas' FY 2023-24 gross tax increment revenue. As this includes properties with appeals in multiple years it does not necessarily indicate an equivalent reduction in future revenue.

If the full amount of disputed valuation were to be granted by the assessment appeals board across the Project Areas, and if the Controller's office were to deduct the resulting tax refunds from Agency tax increment, the estimated reduction in prior-year assessed valuation would be \$6.2 billion and FY 2023-24 gross tax increment revenue for the Project Areas could be reduced by approximately \$62.3 million (18.6%); this also includes multi-year appeals and does not necessarily indicate an equivalent reduction in future revenue.

ASSESSED VALUATION AND TAX INCREMENT

Based on assessment roll data provided by the offices of the San Francisco Assessor, the Controller, and State Board of Equalization, the total assessed valuation for FY 2023-24 in the Project Areas, after deducting all exemptions except the homeowner's exemption which is reimbursed by the state, is \$36.0 billion (see Table 7). Deducting the \$2.4 billion base year valuation for the Project Areas produces an incremental assessed valuation amount of \$33.6 billion. The largest contributor to incremental assessed valuation, at 32.7%, is the Transbay Project Area, followed by Yerba Buena Center - Original Area at 17.7% and Western Addition at 11.4%. Gross tax increment, calculated by applying a one percent tax rate to the incremental assessed valuation, is \$336.0 million for FY 2023-24, prior to deductions for the Excluded Sub-Areas and senior obligations.

Table 8 presents historical and current valuation and tax revenue for the Project Areas. Assessed valuation grew by 4.5% in FY 2023-24, following increases of 5.3% in FY 2022-23, 0.8% in FY 2021-22, 13.0% in FY 2020-21, and 13.2% in FY 2019-20.

FY 2023-24 assessed valuation increased by \$1.6 billion over FY 2022-23. The Bayview Hunters Point Project Area B increased by \$404.8 million, including a gain of \$172.5 million from four properties owned by GIC San Francisco LLC located on Napoleon Street. The Yerba Buena Center Project Area D-1 increased by \$320.4 million from gains posted across a number of properties as well as the removal of a \$59.2 million exemption on a parcel owned by Emporium Mall LLC.

Transbay Project Area assessed valuation increased by \$250.3 million, including an \$88.5 million valuation gain on properties owned by T8 Urban Housing Associates LLC. The Western Addition Project Area A-2 increased in valuation by \$248.4 million due in part to an \$85.3 million gain on properties owned by Sutter Health and a \$42.0 million gain on a property owned by 830 Eddy Street LLC. The remaining six project areas grew by \$339.2 million for FY 2023-24.

Net Available Tax Increment Revenue is determined by deducting from gross tax increment: the Excluded Sub-Areas (but only the portion of tax increment payable to the Transbay Joint Powers Authority under the redevelopment plan for the Transbay Project Area and the tax increment from the Zone 1 - Candlestick Point Site of the Bayview Hunters Point Project Area B); the payments to school districts under Section 33676 in the Original Area of the South of Market Project Area; the revenue derived from a 2% inflation factor applied to the base year valuation in the Emporium Site Area of the Yerba Buena Center Project Area; the negative tax increment from

the Federal Office Building project area; and the fee charged by the Controller for the administration of property taxes under the Dissolution Law. Net Available Tax Increment Revenue as shown on Table 8 is the amount available for debt service on the Agency's Senior Loan Agreements and other bonds issued by the Agency that are payable on a senior basis to the Bonds, the Bonds and any subordinate obligations.

TEN LARGEST ASSESSEES

The ten largest assessees in the Project Areas are shown in Table 9 for FY 2023-24. The table includes the assessed valuations for each of the top ten property owners, the valuation for all other owners, and the total valuation for the Project Areas (valuations exclude homeowner's exemptions). The percentage of total valuation accounted for by each owner is calculated by dividing the owner's valuation into the total valuation for the Project Areas. An additional calculation showing the ten largest property owners as a percentage of incremental assessed valuation is also included.

Ownership concentration for the top ten largest assessees is 24.5% of total assessed valuation and 26.2% of incremental assessed valuation in the Project Areas. The assessed valuation of three residential condominium buildings in the Project Areas, when taking their individual owner's assessments as a whole, would appear among the top ten largest assessees. These include 706 Mission, with an aggregate FY 2023-24 valuation of \$782.3 million (2.2% and 2.3%, respectively, of the Project Areas' total and incremental assessed valuation) and 765 Market Street with an aggregate valuation of \$518.6 million (1.4% and 1.5%, respectively, of the Project Areas' total and incremental valuation); both are Four Seasons properties in the Yerba Buena Center Project Area D-1. The Millennium Towers condominium building in the Transbay Project Area would also appear among the top ten largest assessees, with an FY 2023-24 aggregate assessed valuation of \$668.9 million (1.9% and 2.0%, respectively, of the Project Areas' total and incremental assessed valuation). As discussed under "*Assessment Appeals*", above, certain condominiums in the Millennium Towers are currently subject to assessment appeals related to the settling of the building.

The Transbay Towers property is located on the State Parcels. That portion of tax increment that is allocable to infrastructure (approximately 55% after the housing obligation of 20%, the pass-through payments of 25% during the first tier of payments and the County administration fee of 0.015%) is obligated to the Transbay Joint Powers Authority.

TAX INCREMENT PROJECTION

Allocable tax increment is projected over the duration of the plans in the Project Areas, as shown in Table 10. As described previously under "*The Allocation of Tax Increment Revenue to the Agency*", the Agency does not claim all Net Available Tax Increment Revenue in any given year; rather, it claims sufficient revenue to meet its debt service payments and other obligations identified on the ROPS; Net Available Tax Increment Revenue is also applied to pass-through obligations and project and administrative expenses as described previously under "*The Allocation of Tax Increment Revenue to the Agency*".

The projection uses a growth rate of 2.00% for real property in FY 2024-25 and later, holding secured personal property and unsecured valuations constant. The projection does not take into consideration any changes in assessed valuation due to new construction, property sales, Proposition 8 reductions, assessment appeals or other factors. The actual growth rate may be

less than the projected rate in the Project Areas. The tax rate used in the analysis for both the secured and unsecured roll is the one percent levy; the Agency does not receive revenue from any pre-1989 levies.

LIMITATIONS OF REPORT

The calculation of assessed valuations and tax increment shown in this Report are based on information believed to be complete, current and reliable at the time of this Report. Projections of tax increment are based on reasonable assumptions and may not reflect actual future revenue received by the Agency. Information regarding the practices and methods used by the City in assessing and allocating property tax revenue has been obtained from City staff and analysis of City records, while information concerning the Project Areas, their constituent redevelopment plans, their amendments and the pass-through obligations has been obtained through discussions with Agency staff and through review of the plan documents made available to the Consultant.

While the Consultant has made reasonable efforts to verify the accuracy of the figures and information presented in this Report and presumes that the information relied upon is correct, the Consultant makes no warranty as to its accuracy.

Table 7
Tax Increment Estimate by Project Area, FY 2023-24

Project Area	Number of Acres	Total Valuation	Less Base Year Valuation	Incremental Valuation	% of Incremental Valuation	Gross Tax Increment
Bayview Hunters Point-Zone 2 of Project Area B	1,361	3,810,313,173	1,165,228,645	2,645,084,528	7.9%	26,450,845
Embarcadero-Lower Market ("Golden Gateway")	51	3,485,031,819	21,172,000	3,463,859,819	10.3%	34,638,598
Bayview Hunters Point Project Area A	137	198,636,429	2,847,427	195,789,002	0.6%	1,957,890
Hunters Point Hill Residential District	NA	443,142,579	6,526,793	436,615,786	1.3%	4,366,158
India Basin Industrial Park	126	194,483,861	13,691,137	180,792,724	0.5%	1,807,927
Rincon Point - South Beach	115	3,040,496,939	18,092,701	3,022,404,238	9.0%	30,224,042
South of Market						
<i>Original Area</i>	63	1,987,439,366	108,585,675	1,878,853,691	5.6%	18,788,537
<i>Western Expansion Area</i>	6	96,339,371	9,360,179	86,979,192	0.3%	869,792
Transbay	40	11,873,937,627	880,853,389	10,993,084,238	32.7%	109,930,842
Western Addition Project Area A-2	277	3,888,450,089	61,239,180	3,827,210,909	11.4%	38,272,109
Yerba Buena Center Project Area D-1						
<i>Original Area</i>	74	6,015,545,132	52,656,706	5,962,888,426	17.7%	59,628,884
<i>Emporium Site Area</i>	13	977,853,963	69,957,924	907,896,039	2.7%	9,078,960
Total	2,263	36,011,670,348	2,410,211,756	33,601,458,592	100.0%	336,014,586

Source: County Assessor; Successor Agency; Urban Analytics

Table 8
Historical Assessed Valuations and Net Available Tax Revenues by Project Area

Project Area	Fiscal Years				
	2019-20	2020-21	2021-22	2022-23	2023-24
Bayview Hunters Point Project Area B	\$ 2,646,387,244	\$ 3,094,567,609	\$ 3,180,947,910	\$ 3,405,413,544	\$ 3,810,313,173
Golden Gateway Project Area	3,120,024,522	3,284,546,125	3,237,894,690	3,398,391,691	3,485,031,819
Hunters Point Project Area	190,503,384	174,862,380	177,908,649	188,835,268	198,636,429
Hunters Point Shipyard Project Area Hill District	563,836,534	411,032,740	406,868,722	420,834,962	443,142,579
India Basin Industrial Park Project Area	142,543,978	150,361,395	163,869,889	163,930,340	194,483,861
Rincon Point - South Beach Project Area	2,776,555,071	2,895,125,534	2,915,318,545	3,007,379,931	3,040,496,939
South of Market Project Area	1,488,673,192	1,609,348,316	1,813,776,387	1,926,958,014	2,083,778,737
Transbay Project Area	8,878,757,711	10,473,093,339	10,976,063,961	11,623,662,722	11,873,937,627
Western Addition Project Area A-2	3,162,940,016	3,904,663,267	3,594,951,724	3,640,001,418	3,888,450,089
Yerba Buena Center Project Area D-1	5,735,491,031	6,443,560,076	6,232,159,683	6,672,981,623	6,993,399,095
Total Value	\$ 28,705,712,683	\$ 32,441,160,781	\$ 32,699,760,160	\$ 34,448,389,513	\$ 36,011,670,348
% Change	13.2%	13.0%	0.8%	5.3%	4.5%
Less: Base Year Assessed Value	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)	(2,410,211,756)
Total Incremental Value	\$ 26,295,500,927	\$ 30,030,949,025	\$ 30,289,548,404	\$ 32,038,177,757	\$ 33,601,458,592
% Change	14.6%	14.2%	0.9%	5.8%	4.9%
Gross Tax Increment	\$ 262,955,009	\$ 300,309,490	\$ 302,895,484	\$ 320,381,778	\$ 336,014,586
Less: Excluded Sub-Areas Revenue (3)					
Candlestick Site (Zone 1)	(973,310)	(1,010,489)	(996,417)	(1,023,091)	(1,043,130)
State-Owned Parcels	(18,602,921)	(23,194,947)	(25,104,488)	(26,648,847)	(28,446,762)
Less: Negative Federal Office Building Revenue	(47,177)	(47,380)	(48,059)	(48,059)	(48,059)
Less: Senior Obligations (4)	(425,397)	(454,234)	(478,477)	(505,367)	(532,474)
Net Available Tax Increment Revenue	\$ 242,906,204	\$ 275,602,441	\$ 276,268,042	\$ 292,156,412	\$ 305,944,161

(1) Assessed valuations shown are "full cash value" and exclude homeowner subventions.

(2) Revenue numbers equal the tax rate times the increase over base year value and do not necessarily equal amounts collected.

(3) Revenue from the Candlestick Site (Zone 1) portion of the Bayview Hunters Point Area B Project Area and from the State-Owned Parcels portion of the Transbay Terminal Project Area is not available to pay debt service on the Bonds.

(4) Revenue from the South of Market and Golden Gateway project areas is offset by negative revenue from the Federal Office Building project area through a fiscal merger of these project areas.

(5) In the Yerba Buena Center Project Area, a portion of the base-year value increases each year pursuant to that project area's redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 and a court decision. The Controller charges a property tax administration fee, per the Dissolution Law, of approximately 0.015% of tax increment. Does not include bonds or loans payable from tax increment revenues senior to the Bonds.

Source: City and County of San Francisco; Urban Analytics.

Table 9
Ten Largest Property Owners By Valuation in the Project Areas, FY 2023-24

Assessee Name ¹	Project Area	Use	Number of Parcels	Fiscal Year 2022-23 Value	Percent of Total Aggregate Value	Percent of Incremental Value
TRANSBAY TOWER LLC ²	Transbay	Office	1	1,876,176,439	5.2%	5.6%
BOSTON PROPERTIES	Golden Gateway	Office	5	1,641,803,816	4.6%	4.9%
PARK TOWER OWNER LLC ²	Transbay	Office	1	1,140,399,718	3.2%	3.4%
EMPORIUM MALL LLC * (2020-21, 2021-22)	YBC - Emporium	Commercial/Retail	5	896,062,360	2.5%	2.7%
706 MISSION STREET CO LLC	YBC - Original	Residential	133	715,643,973	2.0%	2.1%
UNION INVESTMENT REAL ESTATE G	Transbay	Office	1	539,098,145	1.5%	1.6%
MARRIOTT HOTEL * (2020-21, 2021-22)	YBC - Original	Hotel	1	522,244,045	1.5%	1.6%
CHINA BASIN BALLPARK CO	Rincon	Sports Facility	5	519,090,254	1.4%	1.5%
181 FREMONT OFFICE LLC	Transbay	Office	1	514,905,912	1.4%	1.5%
PPF OFF ONE MARITIME PLAZA LP	Golden Gateway	Office	3	453,773,255	1.3%	1.4%
Totals			156	8,819,197,917	24.5%	26.2%

* The owner has one or more appeals pending in the years indicated.

(1) The Millennium Towers in the Transbay Project Area is assessed through its individual condominium owners, a number of whom have pending assessment appeals. The combined assessment for all condominiums in the building is \$668,932,373, or 1.9% of total aggregate value and 2.0% of incremental value. See "Assessment Appeals".

(2) The Transbay Tower and Park Tower properties are located on the State Parcels; approximately 55% of the tax increment revenue from these properties is obligated to the Transbay Joint Powers Authority to fund infrastructure and is therefore not available for debt service on the Bonds.

Source: County Assessor; Urban Analytics.

Table 10
Projection of Net Available Tax Increment Revenues for the Project Areas (X \$1,000)

	Assessed Valuation ¹	Base Year Valuation	Incremental Valuation	Gross Tax Increment Revenues ²	Excluded Revenue ³	County Admin Charge ⁴	Senior Obligations ⁵	Net Available Revenue
2023/24	36,011,670	2,410,212	33,601,459	336,015	(29,538)	(49)	(484)	305,944
2024/25	36,642,915	2,410,212	34,232,704	342,327	(30,113)	(50)	(509)	311,656
2025/26	37,286,785	2,410,212	34,876,573	348,766	(30,699)	(51)	(535)	317,481
2026/27	37,943,532	2,410,212	35,533,321	355,333	(31,297)	(52)	(561)	323,423
2027/28	38,613,414	2,410,212	36,203,203	362,032	(31,907)	(53)	(588)	329,484
2028/29	39,296,694	2,410,212	36,886,482	368,865	(32,529)	(54)	(615)	335,666
2029/30	39,993,640	2,410,212	37,583,428	375,834	(33,164)	(55)	(643)	341,972
2030/31	40,704,524	2,410,212	38,294,312	382,943	(33,811)	(56)	(672)	348,404
2031/32	41,429,626	2,410,212	39,019,414	390,194	(34,472)	(57)	(701)	354,965
2032/33	42,169,230	2,410,212	39,759,018	397,590	(35,145)	(58)	(731)	361,657
2033/34	42,923,626	2,410,212	40,513,414	405,134	(35,832)	(59)	(761)	368,482
2034/35	43,693,110	2,410,212	41,282,898	412,829	(36,533)	(60)	(792)	375,444
2035/36	44,477,984	2,410,212	42,067,772	420,678	(37,247)	(61)	(823)	382,546
2036/37	45,278,555	2,410,212	42,868,343	428,683	(37,926)	(62)	(855)	389,839
2037/38	46,095,138	2,410,212	43,684,926	436,849	(38,616)	(64)	(888)	397,281
2038/39	46,928,052	2,410,212	44,517,840	445,178	(39,320)	(65)	(922)	404,872
2039/40	47,777,624	2,410,212	45,367,413	453,674	(40,038)	(66)	(956)	412,614
2040/41	48,644,188	2,410,212	46,233,977	462,340	(40,770)	(67)	(990)	420,512
2041/42	49,528,084	2,410,212	47,117,872	471,179	(41,517)	(69)	(1,026)	428,567
2042/43	50,429,657	2,410,212	48,019,445	480,194	(42,279)	(70)	(1,062)	436,784
2043/44	51,349,261	2,410,212	48,939,050	489,390	(43,055)	(71)	(1,099)	445,165
2044/45	52,287,258	2,410,212	49,877,046	498,770	(43,848)	(73)	(1,137)	453,713
2045/46	53,244,015	2,410,212	50,833,803	508,338	(44,656)	(74)	(1,175)	462,433
2046/47	54,219,907	2,410,212	51,809,695	518,097	(45,480)	(75)	(1,214)	471,327
2047/48	55,215,316	2,410,212	52,805,105	528,051	(46,321)	(77)	(1,254)	480,399
2048/49	56,230,634	2,410,212	53,820,422	538,204	(47,178)	(78)	(1,295)	489,653
2049/50	57,266,258	2,410,212	54,856,047	548,560	(48,053)	(80)	(1,336)	499,091
2050/51	58,322,595	2,410,212	55,912,383	559,124	(48,945)	(81)	(1,379)	508,719
2051/52	59,400,058	2,410,212	56,989,847	569,898	(49,855)	(83)	(1,422)	518,539
2052/53	60,499,071	2,410,212	58,088,859	580,889	(50,783)	(85)	(1,466)	528,555
2053/54	61,620,064	2,410,212	59,209,852	592,099	(51,729)	(86)	(1,511)	538,772
Total	1,475,522,486	74,716,564	1,400,805,922	14,008,059	(1,232,659)	(2,039)	(29,401)	12,743,960

(1) FY 2023-24 assessed valuations are as of July 1, 2023.

(2) Gross tax increment equals the tax rate times the increase over base year value and does not necessarily equal amounts collected.

(3) In the Bayview Hunters Point Area B Project Area revenue from the Candlestick Site (Zone 1) portion of the Project Area, estimated to be \$1.0 million in FY 2023-24, is not available to pay debt service on the Bonds. In the Transbay Terminal Project Area, revenue estimated to be \$28.4 million in FY 2023-24 from the State-Owned Parcels is not available to pay debt service on the Bonds. Revenue from the South of Market and Golden Gateway project areas is offset by negative revenue of approximately \$48,000 from the Federal Office Building project area through a fiscal merger of these project areas.

(4) The Controller charges a property tax administration fee, per the Dissolution Law, of approximately 0.015% of tax increment.

(5) In the Yerba Buena Center Project Area, a portion of the base-year value increases each year pursuant to that project area's redevelopment plan. This is calculated as a two percent (2%) increase per annum on the base year assessed value of the Westfield multi-use commercial development in the Emporium Site Area added to the Yerba Buena Center Redevelopment Project Area pursuant to a plan amendment dated August 3, 2000. In the South of Market Project Area, a portion of revenue is potentially allocable to school districts under Section 33676 and a court decision. Does not include bonds or loans payable from tax increment revenues senior to the Bonds.

Source: Urban Analytics

Table 11
Projection of Net Available Tax Increment Revenues By Redevelopment Project Area (X \$1,000)

Fiscal Year	Bayview Hunters Point Project Area B	Golden Gateway Project Area	Bayview Hunters Point Project Area A	Hunters Point Shipyard Project Area Hill District	India Basin Industrial Park Project Area	Rincon Point - South Beach Project Area	South of Market Project Area	Transbay Project Area	Western Addition Project Area A- 2	Yerba Buena Center Project Area D-1	Total Net Available Tax Increment Revenues
2023/24	\$ 25,404	\$ 34,585	\$ 1,958	\$ 4,366	\$ 1,808	\$ 30,220	\$ 19,575	\$ 81,468	\$ 38,267	\$ 68,294	\$ 305,944
2024/25	26,092	35,169	1,997	4,454	1,838	30,664	19,980	83,025	39,001	69,435	311,656
2025/26	26,794	35,764	2,038	4,544	1,870	31,117	20,393	84,612	39,751	70,598	317,481
2026/27	27,510	36,371	2,079	4,636	1,902	31,580	20,814	86,232	40,516	71,784	323,423
2027/28	28,240	36,990	2,121	4,730	1,934	32,052	21,244	87,884	41,295	72,994	329,484
2028/29	28,985	37,621	2,164	4,826	1,968	32,533	21,682	89,569	42,091	74,228	335,666
2029/30	29,745	38,265	2,208	4,923	2,002	33,023	22,129	91,288	42,902	75,487	341,972
2030/31	30,519	38,922	2,252	5,023	2,036	33,524	22,585	93,041	43,730	76,771	348,404
2031/32	31,310	39,592	2,298	5,125	2,072	34,034	23,050	94,829	44,574	78,081	354,965
2032/33	32,116	40,276	2,344	5,228	2,108	34,555	23,524	96,653	45,435	79,417	361,657
2033/34	32,938	40,973	2,392	5,334	2,144	35,086	24,008	98,514	46,313	80,780	368,482
2034/35	33,777	41,684	2,440	5,442	2,182	35,628	24,501	100,411	47,209	82,170	375,444
2035/36	34,633	42,409	2,489	5,552	2,220	36,181	25,005	102,347	48,123	83,588	382,546
2036/37	35,505	43,149	2,540	5,664	2,259	36,745	25,518	104,371	49,055	85,034	389,839
2037/38	36,398	43,903	2,591	5,778	2,299	37,320	26,042	106,436	50,005	86,509	397,281
2038/39	37,308	44,673	2,643	5,895	2,339	37,906	26,576	108,543	50,975	88,014	404,872
2039/40	38,236	45,458	2,697	6,014	2,381	38,504	27,121	110,691	51,964	89,548	412,614
2040/41	39,183	46,259	2,751	6,135	2,423	39,114	27,676	112,883	52,973	91,114	420,512
2041/42	40,149	47,076	2,807	6,259	2,466	39,737	28,243	115,119	54,002	92,710	428,567
2042/43	41,134	47,909	2,863	6,385	2,510	40,372	28,821	117,399	55,051	94,339	436,784
2043/44	42,139	48,759	2,921	6,514	2,555	41,019	29,411	119,725	56,122	96,000	445,165
2044/45	43,164	49,626	2,980	6,646	2,600	41,680	30,013	122,097	57,214	97,694	453,713
2045/46	44,209	50,510	3,040	6,780	2,647	42,353	30,626	124,518	58,328	99,423	462,433
2046/47	45,276	51,411	3,102	6,916	2,694	43,040	31,252	126,986	59,464	101,186	471,327
2047/48	46,363	52,331	3,164	7,056	2,743	43,741	31,890	129,504	60,623	102,984	480,399
2048/49	47,472	53,270	3,228	7,198	2,792	44,456	32,541	132,073	61,805	104,818	489,653
2049/50	48,604	54,227	3,293	7,343	2,843	45,185	33,205	134,692	63,010	106,688	499,091
2050/51	49,758	55,203	3,359	7,491	2,894	45,929	33,883	137,365	64,240	108,597	508,719
2051/52	50,935	56,198	3,427	7,642	2,947	46,688	34,574	140,091	65,495	110,543	518,539
2052/53	52,136	57,214	3,496	7,796	3,000	47,462	35,278	142,871	66,774	112,528	528,555
2053/54	53,360	58,250	3,566	7,953	3,055	48,251	35,997	145,707	68,079	114,553	538,772
Totals	\$1,179,392	\$1,404,046	\$ 83,250	\$ 185,648	\$ 73,530	\$1,189,699	\$ 837,159	\$3,420,944	\$1,604,385	\$2,765,908	\$ 12,743,960

Source: Urban Analytics

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

The following is a brief summary of certain provisions of the Indenture of Trust, dated as of March 1, 2017, by and between the Successor Agency to the Redevelopment Agency for the City and County of San Francisco (the “Successor Agency”) and U.S. Bank National Association, as trustee, as amended by that certain First Supplement to Indenture of Trust dated as of December 1, 2021, and as amended by that certain Second Supplement to Indenture of Trust dated as of September 1, 2023, by and between the Successor Agency and U.S. Bank National Association, as trustee (as so supplemented and as further supplemented from time to time, the “Indenture”) relating to the 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and the 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects). Such summary is not intended to be definitive, and reference is made to the actual Indenture (copies of which may be obtained from the Trustee) for the complete terms thereof.

Definitions

Except as otherwise defined in this summary, the terms previously defined in this Official Statement have the respective meanings previously given. In addition, the following terms have the following meanings when used in this summary:

“Affordable Housing Obligations” means the affordable housing required by the Hunters Point Shipyard Phase 1 Disposition and Development Agreement, the Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement, the Mission Bay North Owner Participation Agreement, the Mission Bay South Owner Participation Agreement, and the Transbay Implementation Agreement.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any other Parity Debt in such Bond Year, and (b) the principal amount of the Outstanding Bonds (including the aggregate principal amount of the Term Bonds required to be redeemed pursuant to a Supplemental Indenture) and any other Parity Debt payable by their terms in such Bond Year. For purposes of such calculation, the amount of interest on any Bonds or other Parity Debt that is payable from the proceeds of such Bonds or Parity Debt that is set aside solely for such purpose shall not be included in the calculation of Annual Debt Service, and there also shall be excluded payments with respect to the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any Parity Debt to the extent that amounts due with respect to the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or such Parity Debt are prepaid or otherwise discharged in accordance with the Indenture or the relevant Parity Debt Instrument or to the extent the proceeds thereof are then deposited in an escrow fund from which amounts may not be released to the Successor Agency unless the amount of Pledged Tax Revenues available for debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt for the most recent Fiscal Year (as evidenced in a written document from an appropriate official of the City and County), at least equals one hundred twenty-five percent (125%) of the amount of Maximum Annual Debt Service which would result if any such moneys on deposit in such escrow fund were to be released and deposited in the project fund established in connection with such Parity Debt.

“Authority” means the City and County of San Francisco Redevelopment Financing Authority.

“Bonds” means the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt issued as bonds pursuant to a Supplemental Indenture.

“Bond Counsel” means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

“Bond Year” means each twelve (12) month period extending from August 2 in one calendar year to August 1 of the succeeding calendar year, both dates inclusive; provided that the first Bond Year with respect to the Bonds shall commence on the Closing Date and end on August 1, 2017; provided further that the first Bond Year with respect to the 2021 Bonds shall commence on the Closing Date and end on August 1, 2022; and provided further that the first Bond Year with respect to the 2023 Bonds shall commence on the Closing Date and end on August 2, 2024.

“Business Day” means any day, other than a Saturday or Sunday or a day on which commercial banks in New York, New York, or any other city or cities where the Principal Corporate Trust Office of the Trustee is located are required or authorized by law to close or a day on which the Federal Reserve System is closed.

“Candlestick Point-Hunters Point Shipyard Phase 2 Disposition and Development Agreement” means the Disposition and Development Agreement (Candlestick Point and Phase 2 of the Hunters Point Shipyard), dated for reference purposes only as of June 3, 2010, between CP Development Co. LP, and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended in accordance with the Law.

“City” and **“City and County”** means the City and County of San Francisco, a chartered city and municipal corporation organized and existing under the Constitution and laws of the State.

“Closing Date” means the date on which a series of Bonds is delivered by the Successor Agency to the original purchaser thereof. The Closing Date with respect to the 2017 Bonds is March 29, 2017. The Closing Date with respect to the 2021 Bonds is December 15, 2021. The Closing Date with respect to the 2023 Bonds is September 14, 2023.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced in the Indenture) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2017 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to printing expenses, bond insurance and surety bond premiums, if any, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds, administrative costs of the Successor Agency and the City and County incurred in connection with the issuance of the Bonds, expenses of the underwriters of the Bonds, the fees and expenses of counsel to the underwriters of the Bonds, and any other cost, charge or fee in connection with the original issuance of the Bonds.

“Costs of Issuance Fund” means the fund by that name established and held by the Trustee pursuant to the Indenture.

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to the Indenture.

“Defeasance Obligations” means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency’s investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency’s investment policies then in effect), but only to the extent the same are acquired at Fair Market Value if required by the Code:

- (a) Cash;
- (b) Federal Securities, including direct obligations of the Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities;
- (c) The interest component of Resolution Funding Corporation strips which have been stripped by request to the Federal Reserve Bank of New York in book-entry form;
- (d) Pre-refunded municipal bonds rated “Aaa” by Moody’s and “AAA” by S&P, provided that, if the issue is rated only by S&P (i.e., there is no Moody’s rating), then the pre-refunded municipal bonds must have been pre-refunded with cash, direct U.S. or U.S. guaranteed obligations, or AAA rated pre-refunded municipals; and
- (e) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) participation certificates of the General Services Administration; (iv) Federal Financing Bank bonds and debentures; (v) guaranteed Title XI financings of the U.S. Maritime Administration; and (vi) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development.

“Department of Finance” means the Department of Finance of the State of California.

“Dissolution Act” means California Assembly Bill X1 26 approved by the Governor of the State of California on June 28, 2011, as it has before been amended and as it may thereafter be amended.

“Event of Default” means any of the events described in the Indenture.

“Existing Loan Agreements” means the loan agreements listed in the Indenture that remain outstanding at any time.

“Existing Loans” means the loans made by the Authority to the Successor Agency pursuant to the Existing Loan Agreements.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Successor Agency and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of the investment.

“Federal Securities” means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are directly or indirectly guaranteed by the United States of America.

“First Supplement” means the First Supplement to Indenture of Trust, dated as of December 1, 2021, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“Fiscal Year” means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

“Former Agency” means the now dissolved Redevelopment Agency of the City and County of San Francisco.

“Hunters Point Shipyard Phase 1 Disposition and Development Agreement” means the Disposition and Development Agreement Hunters Point Shipyard Phase 1 dated as of December 2, 2003 between Lennar/BVHP, LLC, a California limited liability company doing business as Lennar/BVHP Partners, as succeeded by HPS Development Co., L.P., and the Former Agency, as succeeded by the Successor Agency, as heretofore amended and as hereafter may be amended in accordance with the Law.

“Indenture” means the Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions of the Indenture.

“Independent Accountant” means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

(a) is in fact independent and not under domination of the Successor Agency or the City and County;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(c) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

“Independent Redevelopment Consultant” means any consultant or firm of such consultants appointed by the Successor Agency (who may be an underwriter of bonds of the Successor Agency or the City and County), and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Pledged Tax Revenues or otherwise with respect to the financing of Redevelopment Projects;

(b) is in fact independent and not under domination of the Successor Agency or the City and County;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency or the City and County; and

(d) is not connected with the Successor Agency or the City and County as an officer or employee of the Successor Agency or the City and County, but who may be regularly retained to make reports to the Successor Agency or the City and County.

“Insurer” means the 2017 Insurer, the 2021 Insurer, the 2023 Insurer, and, as applicable, the provider of a municipal bond or financial guaranty insurance policy with respect to Parity Debt.

“Interest Account” means the account by that name established and held by the Trustee pursuant to the Indenture.

“Interest Payment Date” means each February 1 and August 1, commencing August 1, 2017 with respect to the 2017 Bonds, commencing on August 1, 2021 with respect to the 2021 Bonds, commencing February 1, 2024 with respect to the 2023 Bonds, for so long as any of the Bonds remain Outstanding under the Indenture.

“Law” means the Community Redevelopment Law of the State, constituting Part 1 of Division 24 of the Health and Safety Code of the State, and the acts amendatory thereof and supplemental thereto (including the Dissolution Act).

“Maximum Annual Debt Service” means, as of the date of calculation, the largest amount for the current or any future Bond Year payable on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt in such Bond Year and, in the case of Section 3.05, shall also mean the largest amount for the current or any future Bond Year (as such term is defined herein) payable on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt.

“Mission Bay North Owner Participation Agreement” means Mission Bay North Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

“Mission Bay South Owner Participation Agreement” means the Mission Bay South Owner Participation Agreement, dated as of November 16, 1998, between the Former Agency, as succeeded by the Successor Agency, and Catellus Development Corporation, a Delaware corporation, as succeeded by FOCIL-MB, LLC, a Delaware limited liability company, as heretofore amended and as hereafter may be amended in accordance with the Law.

“Moody’s” means Moody’s Investors Service and its successors.

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of the Indenture) all Bonds except:

- (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;
- (b) Bonds paid or deemed to have been paid within the meaning of the Indenture; and
- (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant to the Indenture.

“Oversight Board” means the Oversight Board of the Successor Agency established pursuant to the Section 34179 of the Dissolution Act.

“Owner” or **“Bondowner”** means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

“Parity Debt” means any additional bonds, loans, advances or indebtedness issued or incurred by the Successor Agency on a parity with the 2017 Bonds, the 2021 Bonds, and the 2023 Bonds pursuant to the Indenture.

“Parity Debt Instrument” means resolution, indenture of trust, supplemental indenture of trust, loan agreement, trust agreement or other instrument authorizing the issuance of any Parity Debt.

“Participating Underwriter” has the meaning ascribed thereto in the Continuing Disclosure Certificate.

“Permitted Investments” means any of the following which, at the time of investment, are legal investments under the laws of the State for the moneys proposed to be invested therein and are in compliance with the Successor Agency’s investment policies then in effect (provided that the Trustee shall be entitled to rely upon any investment direction from the Successor Agency as conclusive certification to the Trustee that investments described therein are legal and are in compliance with the Successor Agency’s investment policies then in effect), but only to the extent the same are acquired at Fair Market Value if required by the Code:

- (a) Federal Securities;
- (b) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii)

certificates of beneficial ownership of the Farmers Home Administration; (iii) Federal Housing Administration debentures; (iv) participation certificates of the General Services Administration; (v) Federal Financing Bank bonds and debentures; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of Ginnie Mae (formerly known as the Government National Mortgage Association); (vii) guaranteed Title XI financings of the U.S. Maritime Administration; and (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) Bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities only as stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of Fannie Mae; (iv) senior debt obligations of Sallie Mae (formerly known as the Student Loan Marketing Association); (v) obligations of the Resolution Funding Corporation; and (vi) consolidated system-wide bonds and notes of the Farm Credit System;

(d) Money market funds registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of at least AAAm-G, AAAm or AAm, and a rating by Moody's of Aaa, Aa1 or Aa2 (such funds may include funds for which the Trustee, its affiliates, parent or subsidiaries provide investment advisory or other management services);

(e) Certificates of deposit (including those of the Trustee, its parent and its affiliates) secured at all times by collateral described in (a) or (b) above or by collateral that may be used by a national bank for purposes of satisfying its obligations to collateralize pursuant to federal law, which have a maturity not greater than one year from the date of investment and which are issued by commercial banks, savings and loan associations or mutual savings banks;

(f) Certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates), but only to the extent that the amount being invested in such certificates of deposit, savings accounts, deposit accounts or money market deposits are fully insured by FDIC, including BIF and SAIF;

(g) Investment agreements, including guaranteed investment contracts, forward purchase agreements, reserve fund put agreements and collateralized investment agreements with an entity rated "Aa" or better by Moodys' and "AA" or better by S&P, or unconditionally guaranteed by an entity rated "Aa" or better by Moodys' and "AA" or better by S&P;

(h) Commercial paper rated, at the time of purchase, "Prime-1" by Moody's and "A-1+" or better by S&P;

(i) Bonds or notes issued by any state or municipality which are rated by Moody's and S&P in one of the two highest rating categories assigned by such agencies;

(j) Federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “Prime-1” or “A3” or better by Moody’s, and “A-1+” by S&P;

(k) The Local Agency Investment Fund that is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided that for investment of funds held by the Trustee, the Trustee is entitled to make investments and withdrawals in its own name as Trustee; and

(j) With respect to any funds deposited in the 2021 Project Fund and the 2023 Project Fund and any other project fund established pursuant to a Supplemental Indenture with respect to any Parity Debt issued as bonds in the future thereunder, any obligations or investments in which the Treasurer of the City and County of San Francisco may legally invest the Successor Agency’s funds.

“Pledged Tax Revenues” means all taxes that were eligible for allocation to the Former Agency with respect to the Project Areas and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws and that are deposited in the RPTTF, excluding (i) amounts payable pursuant to the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt, but only to the extent such amounts are pledged as security therefor, (ii) all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless such payments are subordinated to payments on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any additional Bonds or to the payments owed under any Parity Debt Instrument pursuant to Section 33607.5(e) of the Law and 34177.5(c) of the Dissolution Act, and (iii) amounts required to be paid to the Transbay Joint Powers Authority in accordance with Section 5.7 of the Redevelopment Plan - Transbay Redevelopment Project Area.

“Project Areas” means the following redevelopment project areas, subproject areas or land use zones (collectively, the “Project Areas”) of the Former Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (formerly known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and

- Yerba Buena Center Approved Redevelopment Project Area D-1;

“Qualified Reserve Account Credit Instrument” means (i) the 2017 Reserve Policy and (ii) an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) S&P or Moody’s have assigned a long-term credit rating to such bank or insurance company of “A” (without regard to modifier) or higher; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit, insurance policy or surety bond has a stated amount at least equal to the portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to the Indenture.

“Second Supplement” means the Second Supplement to Indenture of Trust, dated as of September 1, 2023, by and between the Successor Agency and the Trustee, as the same may be amended from time to time in accordance with the terms of the Original Indenture.

“Recognized Obligation Payment Schedule” means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the California Health and Safety Code.

“Redemption Account” means the account by that name established and held by the Trustee pursuant to the Indenture.

“Redevelopment Obligation Retirement Fund” means the fund by that name established pursuant to California Health and Safety Code Section 34170.5(b) and administered by the Successor Agency.

“Redevelopment Plan - Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B” means the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area, as such redevelopment plan relates to Zone 2 of Project Area B, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 1, 2006, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area” means the Redevelopment Plan for the Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County on May 25, 1959, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Hunters Point Redevelopment Project Area” means the Redevelopment Plan for the Hunters Point Redevelopment Project Area (also known as the Bayview Hunters Point Redevelopment Project Area – Project Area A), approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 20, 1969, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Hunters Point Shipyard Redevelopment Project Area” means the Redevelopment for the Hunters Point Redevelopment Project Area, approved by ordinance of the Board

of Supervisors of the City and County of San Francisco on July 14, 1997, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - India Basin Industrial Park Redevelopment Project Area” means the Redevelopment Plan for the India Basin Industrial Park Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 20, 1969, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Rincon Point - South Beach Redevelopment Project Area” means the Redevelopment Plan for the Rincon Point - South Beach Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on January 5, 1981, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - South of Market Redevelopment Project Area” means the Redevelopment Plan for the South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area), approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 11, 1990, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Transbay Redevelopment Project Area” means the Redevelopment Plan for the Transbay Redevelopment Project Area, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on June 21, 2005, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Western Addition Redevelopment Project Area A-2” Redevelopment Plan for the Western Addition Redevelopment Project Area A-2, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on October 13, 1964, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plan - Yerba Buena Center Approved Redevelopment Project Area D-1” means the Redevelopment Plan for the Yerba Buena Center Approved Redevelopment Project Area D-1, approved by ordinance of the Board of Supervisors of the City and County of San Francisco on April 26, 1966, as subsequently amended through the date of the Indenture, and as may thereafter be further amended at any time pursuant to the Law.

“Redevelopment Plans” means, collectively, the following:

- the Redevelopment Plan - Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B,
- the Redevelopment Plan - Embarcadero-Lower Market (“Golden Gateway”) Redevelopment Project Area,
- the Redevelopment Plan - Hunters Point Redevelopment Project Area,
- the Redevelopment Plan - Hunters Point Shipyard Redevelopment Project Area,

- the Redevelopment Plan - India Basin Industrial Park Redevelopment Project Area,
- the Redevelopment Plan - Rincon Point - South Beach Redevelopment Project Area,
- the Redevelopment Plan - South of Market Redevelopment Project Area,
- the Redevelopment Plan - Transbay Redevelopment Project Area,
- the Redevelopment Plan - Western Addition Redevelopment Project Area A-2, and
- the Redevelopment Plan - Yerba Buena Center Approved Redevelopment Project Area D-1.

“Redevelopment Projects” means the undertaking of the Successor Agency pursuant to the Redevelopment Plans and the Law for the redevelopment of the Project Areas.

“Redevelopment Property Tax Trust Fund” or **“RPTTF”** means the fund by that name established pursuant to California Health & Safety Code Sections 34170.5(b) and 34172(c) and administered by the Auditor-Controller of the City and County of San Francisco.

“Registration Books” means the records maintained by the Trustee pursuant to the Indenture for the registration and transfer of ownership of the Bonds.

“Report” means a document in writing signed by an Independent Redevelopment Consultant and including:

- (a) a statement that the person or firm making or giving such Report has read the pertinent provisions of the Indenture to which such Report relates;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and
- (c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

“Reserve Account” means the account by that name established and held by the Trustee pursuant to the Indenture.

“Reserve Requirement” means, subject to the Indenture, with respect to the 2017 Series A Taxable Bonds, the 2017 Series B Bonds, and each series of Parity Debt issued in the form of Bonds, the lesser of

- (i) 125% of the average Annual Debt Service with respect to that series of the Bonds,
- (ii) Maximum Annual Debt Service with respect to that series of the Bonds, or
- (iii) with respect to an individual series of Bonds, 10% of the original principal amount of a series of Bonds (or, if such series of Bonds has more than a de minimis amount of original issue discount or premium, 10% of the issue price of such series of Bonds);

provided, that the Reserve Requirement may be determined on a combined or individual basis for two or more series of Bonds, as determined by the Successor Agency, and that in no event shall the Successor Agency, in connection with the issuance of Parity Debt in the form of Bonds pursuant to a Supplemental Indenture be obligated to deposit an amount in the Reserve Account which is in excess of the amount permitted by the applicable provisions of the Code to be so deposited from the proceeds of tax-exempt bonds without having to restrict the yield of any investment purchased with any portion of such deposit and, in the event the amount of any such deposit into the Reserve Account is so limited, the Reserve Requirement shall, in connection with the issuance of such Parity Debt issued in the form of Bonds, be increased only by the amount of such deposit as permitted by the Code; and, provided further that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of the Indenture.

In the event a Qualified Reserve Account Credit Instrument is delivered at any time to meet the entirety of the Reserve Requirement with respect to one or more series of Bonds (that is, no cash is being deposited or will remain deposited in the Reserve Account with respect to those series of Bonds), then, notwithstanding the foregoing definition, the Reserve Requirement will, with respect to those series of Bonds, be determined only at the time of the delivery of the Qualified Reserve Account Credit Instrument and will not be subject to increase or decrease at a later date.

“S&P” means Standard & Poor’s Financial Services LLC, a division of McGraw Hill Financial, and its successors.

“Serial Bonds” means all Bonds other than Term Bonds.

“Special Fund” means the fund held by the Successor Agency established pursuant to the Indenture.

“State” means the State of California.

“Subordinate Debt” means any loans, advances or indebtedness issued or incurred by the Successor Agency pursuant to the Indenture, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Tax Revenues; or (b) secured by a pledge of or lien upon the Pledged Tax Revenues which is expressly subordinate to the pledge of and lien upon the Pledged Tax Revenues under the Indenture for the security of the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt.

“Supplemental Indenture” means any resolution, agreement or other instrument which has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized under the Indenture.

“Tax Revenues” shall have the meanings assigned to such terms in the Existing Loan Agreements.

“Term Bonds” means (i) the 2017 Series A Taxable Bonds maturing on August 1, 2044, (ii) the 2017 Series B Bonds maturing on August 1, 2046, (iii) the 2023A Bonds maturing on August 1, 2041, (iv) the 2023B Bonds maturing on August 1, 2043, August 1, 2048 and August 1, 2053, and (v) that portion of any other Bonds payable from mandatory sinking account payments.

“Transbay Implementation Agreement” means the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005 between the Former Agency, as succeeded by the Successor Agency, and the Transbay Joint Powers Authority.

“Transbay Infrastructure Obligation” means the infrastructure required by the Transbay Implementation Agreement.

“Trustee” means U.S. Bank National Association, as trustee under the Indenture, or any successor thereto appointed as trustee thereunder in accordance with the provisions of the Indenture.

“2014 Bonds” means, collectively, the \$67,955,000 initial aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) and the \$75,945,000 initial aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects).

“2014 Indenture” means the Indenture of Trust dated as of December 1, 2014 by and between the Successor Agency and the Trustee, pursuant to which the 2014 Bonds were issued, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions of the Indenture.

“2014 Parity Debt” means any indebtedness incurred on a parity with the 2014 Bonds in accordance with the 2014 Indenture.

“2017 Bonds” means, collectively, the 2017 Series A Taxable Bonds and the 2017 Series B Bonds.

“2017 Bond Insurance Policy” means the insurance policy issued by the 2017 Insurer guaranteeing the scheduled payment of principal of and interest on the 2017 Insured Bonds when due.

“2017 Insured Bonds” means the 2017 Series A Taxable Bonds maturing August 1 in each of the years 2025, 2026 and 2044, and the 2017 Series B Bonds maturing August 1, 2046.

“2017 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2017 Bond Insurance Policy and the 2017 Reserve Policy.

“2017 Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2017 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds as provided in such policy.

“2017 Series A Taxable Bonds” means the \$89,795,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects).

“2017 Series A Taxable Project Fund” means the fund by that name established pursuant to the Indenture.

“2017 Series B Bonds” means the \$19,850,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

“2021 Bonds” means the \$127,210,000 aggregate original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).

“2021 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2021 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2021 Bonds Insurance Policy” means the insurance policy issued by the 2021 Insurer guaranteeing the scheduled payment of principal of and interest on the 2021 Bonds when due.

“2021 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2021 Bonds Insurance Policy and the 2021 Reserve Policy.

“2021 Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2021 Insurer guaranteeing payments to be applied to the payment of principal and interest on the 2021 Bonds as provided in such policy.

“2021 Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee.

“2021 Project Fund” means the fund by that name established pursuant to the First Supplement.

“2023 Bonds” means, collectively, the 2023A Bonds and the 2023B Bonds.

“2023 Bonds Continuing Disclosure Certificate” means that certain Continuing Disclosure Certificate, with respect to the 2023 Bonds, executed by the Successor Agency, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“2023 Bonds Insurance Policy” means the insurance policy issued by the 2023 Insurer guaranteeing the scheduled payment of principal of and interest on the 2023 Bonds when due.

“2023 Insurer” means Assured Guaranty Municipal Corp., a New York stock insurance company, or its successors and assigns, as issuer of the 2023 Bonds Insurance Policy, the 2023A Reserve Policy and the 2023B Reserve Policy.

“2023A Bonds” means the \$24,505,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds).

“2023A Bonds Project Fund” means the fund by that name established pursuant to the Second Supplement.

“2023A Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2023 Insurer, in the stated amount of \$2,407,970, guaranteeing payments to be applied to the payment of principal and interest on the 2023A Bonds as provided in such policy.

“2023A Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee pursuant to the Second Supplement.

“2023B Bonds” means the \$35,210,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects).

“2023B Bonds Project Fund” means the fund by that name established pursuant to the Second Supplement.

“2023B Reserve Policy” means Municipal Bond Debt Service Reserve Policy issued by the 2023 Insurer, in the stated amount of \$3,360,434, guaranteeing payments to be applied to the payment of principal and interest on the 2023B Bonds as provided in such policy.

“2023B Reserve Subaccount of the Reserve Account” means the subaccount in the Reserve Account established and held by the Trustee.

“Written Request of the Successor Agency” or **“Written Certificate of the Successor Agency”** means a request or certificate, in writing signed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency, or the designee of either, or by any other officer of the Successor Agency or the City and County duly authorized by the Successor Agency for that purpose.

Pledge of Tax Revenues

Security of Bonds; Equal Security. Except as may otherwise be provided in in the Indenture, and subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt shall be equally secured by a pledge of, security interest in and lien on all of the Pledged Tax Revenues and the moneys in the Special Fund, and the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any additional Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest or redemption premium (if any) on the Bonds.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, the Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements set forth in the Indenture to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or in the Indenture.

Issuance of Parity Debt

In addition to the 2017 Bonds, the 2021 Bonds, the 2023 Bonds, the Successor Agency may issue additional bonds (including pursuant to a Supplemental Indenture) or incur other loans, advances or indebtedness payable from Pledged Tax Revenues on a parity with the 2017 Bonds, the 2021 Bonds, the 2023 Bonds for any purpose provided for in the Dissolution Act, including, but not limited to, refunding existing indebtedness of the Successor Agency in accordance with Section 34177.5(a) of the California Health and Safety Code, funding the Affordable Housing Obligations, and funding the infrastructure described in Section 34177.7(a)(1)(B) of the California Health and Safety Code, in such principal amount as shall be determined by the Successor Agency. The Successor Agency may issue and deliver any such Parity Debt subject to the following specific conditions all of which are conditions precedent to the issuance and delivery of such Parity Debt:

(a) No event of default under the Indenture or under any Parity Debt Instrument shall have occurred and be continuing unless such event of default will be cured by the issuance of such Parity Debt;

(b) Pledged Tax Revenues after adding back amounts payable pursuant to the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and 2014 Parity Debt received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Areas as evidenced in a written document from an appropriate official of the City and County, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, shall be at least equal to one hundred twenty five percent (125%) of Maximum Annual Debt Service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt that will be outstanding immediately following the issuance of such Parity Debt, provided that, in the case of a refunding, in whole or in part, of the Existing Loans, the 2014 Bonds, 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any Parity Debt, the requirements of the Indenture described in this subparagraph (b) do not need to be met if the debt service on the Parity Debt in each bond year either will be less than the debt service in each bond year on the Existing Loans, the 2014 Bonds, 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds or any Parity Debt being refunded;

(c) In the event the Successor Agency issues additional Bonds pursuant to a Supplemental Indenture, the Successor Agency shall cause the amount on deposit in the Reserve Account to equal the Reserve Requirement; and

(d) The Successor Agency shall deliver to the Trustee a Written Certificate of the Successor Agency certifying that the conditions precedent to the issuance of such Parity Debt set forth above have been satisfied.

Establishment of Funds and Accounts; Flow of Funds

2021 Costs of Issuance Fund. There is established under the Indenture a separate fund to be known as the “2021 Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2021 Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2021 Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2021 Bonds, or upon the earlier

Written Request of the Successor Agency, all amounts (if any) remaining in the 2021 Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2021 Bonds, and the 2021 Bonds Costs of Issuance Fund shall be closed.

2023 Costs of Issuance Fund. There is established under the Indenture a separate fund to be known as the “2023A Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023A Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023A Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023A Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023A Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023A Bonds, and the 2023A Bonds Costs of Issuance Fund shall be closed.

There is established under the Indenture a separate fund to be known as the “2023B Bonds Costs of Issuance Fund,” which shall be held by the Trustee in trust. The moneys in the 2023B Bonds Costs of Issuance Fund shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance with respect to the 2023B Bonds upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is three (3) months following the Closing Date of the 2023B Bonds, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the 2023B Bonds Costs of Issuance Fund shall be withdrawn therefrom by the Trustee and transferred to the Interest Account within the Debt Service Fund to pay debt service on the 2023B Bonds, and the 2023B Bonds Costs of Issuance Fund shall be closed.

2017 Project Funds. (a)(i) There is established under the Indenture a separate and segregated fund to be known as the “2017 Series A Taxable Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2017 Series A Taxable Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2017 Series A Taxable Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance and capitalized interest on the 2017 Series A Bonds. The Successor Agency covenants that no funds on deposit in the 2017 Series A Taxable Project Fund shall be applied for any purpose not authorized by the Law.

(ii) The Trustee shall disburse amounts at any time on deposit in the 2017 Series A Taxable Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached to the Indenture. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration, of the Successor Agency or her or his designee.

(iii) At such time as no amounts remain on deposit in the 2017 Series A Taxable Project Fund, the 2017 Series A Taxable Project Fund shall be closed.

(b)(i) There is established under the Indenture a separate and segregated fund to be known as the “2017 Series B Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor

Agency. The moneys in the 2017 Series B Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2017 Series B Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligation including, without limitation, the payment of any unpaid Costs of Issuance and capitalized interest on the 2017 Series B Bonds. The Successor Agency covenants that no funds on deposit in the 2017 Series B Project Fund shall be applied for any purpose not authorized by the Law.

(ii) The Trustee shall disburse amounts at any time on deposit in the 2017 Series B Project Fund upon receipt of a disbursement request of the Successor Agency substantially in the form attached to the Indenture. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration, of the Successor Agency or her or his designee.

(iii) At such time as no amounts remain on deposit in the 2017 Series B Project Fund, the 2017 Series B Project Fund shall be closed.

2021 Project Fund. (a) There is established under the Indenture a separate and segregated fund to be known as the “2021 Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2021 Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2021 Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2021 Bonds. The Successor Agency covenants that no funds on deposit in the 2021 Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2021 Bonds nor any other Bonds are secured by amounts on deposit in the 2021 Project Fund.

(b) The Trustee shall disburse amounts at any time on deposit in the 2021 Project Fund upon receipt of a disbursement request of the Successor Agency. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

(c) At such time as no amounts remain on deposit in the 2021 Project Fund, the 2021 Project Fund shall be closed.

2023 Bonds Project Funds. (a) There is established under the Indenture a separate and segregated fund to be known as the “2023A Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023A Bonds Project Fund shall be maintained separate and apart from other moneys of the Successor Agency. The moneys on deposit in the 2023A Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Affordable Housing Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023A Bonds. The Successor Agency covenants that no funds on deposit in the 2023A Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023A Bonds Project Fund.

(b) There is established under the Indenture a separate and segregated fund to be known as the “2023B Bonds Project Fund,” which the Trustee shall hold in trust for the benefit of the Successor Agency. The moneys in the 2023B Bonds Project Fund shall be maintained separate and apart from other

moneys of the Successor Agency. The moneys on deposit in the 2023B Bonds Project Fund shall be used in the manner provided by the Law solely for the purpose of aiding in financing of the Transbay Infrastructure Obligations including, without limitation, the payment of any unpaid Costs of Issuance on the 2023B Bonds. The Successor Agency covenants that no funds on deposit in the 2023B Bonds Project Fund shall be applied for any purpose not authorized by the Law. For the avoidance of doubt, neither the 2023 Bonds nor any other Bonds shall be secured by amounts on deposit in the 2023B Bonds Project Fund.

(c) The Trustee shall disburse amounts at any time on deposit in the 2023A Bonds Project Fund and the 2023B Bonds Project Fund upon receipt of a disbursement request of the Successor Agency. In no event shall the Trustee be responsible for the manner in which the Successor Agency applies the moneys disbursed to it by the Trustee in accordance with any such disbursement request. Such requisition shall be executed by the Executive Director or the Deputy Director of Finance and Administration of the Successor Agency or their designee.

Special Fund; Deposit of Pledged Tax Revenues. There is established under the Indenture a special fund to be known as the “Third Lien Special Fund” which is to be held by the Successor Agency within the Redevelopment Obligation Retirement Fund and which shall be known as the “Special Fund”. The Successor Agency agrees to hold and maintain the Third Lien Special Fund as long as any Bonds are Outstanding under the Indenture or any amounts are due and owing to the 2017 Insurer in respect of the 2017 Bond Insurance Policy or the 2017 Reserve Policy or any other Insurer with respect to any other insurance policy or financial guaranty. The Third Lien Special Fund shall be held by the Successor Agency separate and apart from other funds of the Successor Agency. On each January 2, commencing January 2, 2022, the Successor Agency shall transfer all of the Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on a pro rata basis to the Special Fund and to any other special fund created with respect to any additional Parity Debt that is not issued as Bonds under the Indenture, promptly upon receipt thereof by the Successor Agency, until such time as the amounts on deposit in the Special Fund equal the aggregate amounts required to be transferred in the Bond Year commencing on the immediately preceding August 2 (i) for deposit into the Interest Account, the Principal Account, the Reserve Account and the Redemption Account in such Bond Year pursuant to Section 4.03 of the Indenture and, if applicable, (ii) with respect to any additional Parity Debt (other than additional Bonds issued pursuant to a Supplemental Indenture) for deposit into the funds and accounts that may be required pursuant to the applicable Parity Debt Instruments. If the amount of Pledged Tax Revenues received in connection with the Recognized Obligation Payment Schedule on January 2 shall be insufficient to deposit the full amount required to be deposited pursuant to subsections (i) and (ii) of this paragraph, then the Successor Agency shall deposit the Pledged Tax Revenues received in connection with the succeeding June 1 in the Special Fund in order to make the remainder of the transfers and deposits described above. If there nonetheless remains insufficient Pledged Tax Revenues to make the transfers and deposits required above, then the Successor Agency shall transfer such Pledged Tax Revenues for deposit pro rata based on the full amounts required to be so deposited. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Bonds, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Loan Agreements, the 2014 Bonds, the 2014 Parity Debt, the Bonds, any other Parity Debt and any Subordinated Debt; provided, however, the Successor Agency will not be obligated to collect any such reserve.

All Pledged Tax Revenues received by the Successor Agency with respect to any Bond Year in excess of the amount required to be deposited in the Special Fund and the other special funds mentioned in the preceding paragraph during such Bond Year pursuant to the preceding paragraph shall be released from the pledge, security interest and lien under the Indenture for the security of the Bonds and any additional Parity Debt and may be applied by the Successor Agency for any lawful purpose of the

Successor Agency, including but not limited to the payment of Subordinate Debt, or the payment of any amounts due and owing to the United States of America pursuant to the Indenture. Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Bonds and the payment in full of all other amounts payable under the Indenture and under any Supplemental Indenture or Parity Debt Instrument, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Special Fund, except as may be provided in the Indenture and in any Supplemental Indenture or Parity Debt Instrument.

Deposit of Amounts by Trustee. There is established under the Indenture a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee in trust. Moneys in the Special Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are established in the Debt Service Fund, and in the following order of priority (provided that, if on the date the Successor Agency is required to transfer amounts on deposit in the Special Fund to the Trustee there are not amounts on deposit therein sufficient to make the following deposits, taking into account amounts required to be transferred with respect to Parity Debt other than Bonds, the Successor Agency shall immediately notify the Trustee of the amount of any such insufficiency):

Interest Account. On or before the fifth (5th) Business Day preceding each Interest Payment Date, commencing with the Interest Payment Date of August 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee, for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such transfer and deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable (including accrued interest on any Bonds redeemed prior to maturity pursuant to the Indenture).

Principal Account. On or before the fifth (5th) Business Day preceding August 1 in each year beginning August 1, 2017, the Successor Agency shall withdraw from the Special Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then contained in the Principal Account, will be equal to the principal becoming due and payable on the Outstanding Serial Bonds and Outstanding Term Bonds, including pursuant to mandatory sinking account redemption, on the next August 1. No such transfer and deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next August 1 on all of the Outstanding Serial Bonds and Term Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Serial Bonds and the Term Bonds, including by mandatory sinking account redemption, as the same shall become due and payable.

Reserve Account and Subaccounts. (A) The Trustee shall establish a “2017 Reserve Subaccount” within the Reserve Account for the 2017 Bonds, and the determination of the Reserve Requirement will be calculated on the 2017 Series A Taxable Bonds and the 2017 Series B Bonds on a combined basis.

The Reserve Requirement for the 2017 Bonds shall be satisfied by the delivery of the 2017 Reserve Policy by the 2017 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2017 Reserve Policy to the 2017 Reserve Subaccount. The Trustee shall draw on the 2017 Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in

order to pay debt service on the 2017 Bonds. Notwithstanding anything in the Indenture to the contrary, the Successor Agency will have no obligation to replace the 2017 Reserve Policy, or to fund the Reserve Account with cash if, at any time that the 2017 Series A Taxable Bonds or the 2017 Series B Bonds are Outstanding, amounts are not available under the 2017 Reserve Policy, other than in connection with the replenishment of a draw on the 2017 Reserve Policy.

The amounts available under the 2017 Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2017 Bonds.

The Trustee shall comply with all documentation relating to the 2017 Reserve Policy as shall be required to maintain the 2017 Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

(B) The Trustee shall establish a “2021 Reserve Subaccount” within the Reserve Account solely as security for the 2021 Bonds. The Reserve Requirement for the 2021 Bonds will be calculated for the 2021 Bonds without regard to the 2017 Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2021 Bonds shall be satisfied by the delivery of the 2021 Reserve Policy by the 2021 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2021 Reserve Policy to the 2021 Reserve Subaccount. The Trustee shall draw on the 2021 Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in order to pay debt service on the 2021 Bonds.

The amounts available under the 2021 Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2021 Bonds. Amounts on deposit in the 2021 Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2021 Bonds.

The Trustee shall comply with all documentation relating to the 2021 Reserve Policy as shall be required to maintain the 2021 Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

Notwithstanding anything to the contrary in the Indenture, the Successor Agency will have no obligation to replace the 2021 Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2021 Reserve Subaccount, with cash if, at any time that the 2021 Bonds are Outstanding, amounts are not available under the 2021 Reserve Policy, other than in connection with the replenishment of a draw on the 2021 Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2021 Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2021 Reserve Subaccount, or to take any other action with respect to the 2021 Reserve Policy in the event that any rating assigned to the 2021 Insurer is downgraded, suspended or withdrawn.

(C) The Trustee shall establish a “2023A Reserve Subaccount” within the Reserve Account solely as security for the 2023A Bonds. The Reserve Requirement for the 2023A Bonds will be calculated for the 2023A Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023A Bonds shall be satisfied by the delivery of the 2023A Reserve Policy by the 2023 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023A Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in order to pay debt service on the 2023A Bonds.

The amounts available under the 2023A Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the 2023A Bonds. Amounts on deposit in the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023B Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023A Bonds.

The Trustee shall comply with all documentation relating to the 2023A Reserve Policy as shall be required to maintain the 2023A Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023A Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023A Bonds are Outstanding, amounts are not available under the 2023A Reserve Policy, other than in connection with the replenishment of a draw on the 2023A Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023A Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023A Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023A Reserve Policy in the event that any rating assigned to the 2023 Insurer is downgraded, suspended or withdrawn.

(D) The Trustee shall establish a “2023B Reserve Subaccount” within the Reserve Account solely as security for the 2023B Bonds. The Reserve Requirement for the 2023B Bonds will be calculated for the 2023B Bonds without regard to the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any Parity Debt issued in the future.

The Reserve Requirement for the 2023B Bonds shall be satisfied by the delivery of the 2023B Reserve Policy by the 2023 Insurer to the Trustee on the Closing Date, and the Trustee shall credit the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account. The Trustee shall draw on the 2023B Reserve Policy in accordance with its terms and conditions and the terms of the Indenture in order to pay debt service on the 2023B Bonds.

The amounts available under the 2023B Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such

accounts with respect to the payment of debt service on the 2023B Bonds. Amounts on deposit in the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds or any other Parity Debt. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023B Bonds.

The Trustee shall comply with all documentation relating to the 2023B Reserve Policy as shall be required to maintain the 2023B Reserve Policy in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture.

Notwithstanding anything herein to the contrary, the Successor Agency will have no obligation to replace the 2023B Reserve Policy or to fund the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, with cash if, at any time that the 2023B Bonds are Outstanding, amounts are not available under the 2023B Reserve Policy, other than in connection with the replenishment of a draw on the 2023B Reserve Policy. Additionally, the Successor Agency will have no obligation to replace the 2023B Reserve Policy, to deposit any cash in the Reserve Account or any subaccount therein, including without limitation the 2023B Reserve Subaccount of the Reserve Account, or to take any other action with respect to the 2023B Reserve Policy in the event that any rating assigned to the 2023 Insurer is downgraded, suspended or withdrawn.

(E) Except as provided above, in the event that the amount on deposit in the Reserve Account or any subaccount therein at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Promptly upon receipt of any such notice, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. If there shall then not be sufficient Pledged Tax Revenues to transfer an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Pledged Tax Revenues become available in the Special Fund until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts, or for the retirement or defeasance of the Bonds then Outstanding (as may be permitted in the Indenture), except that so long as the Successor Agency is not in default under the Indenture, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before the fifth (5th) Business Day preceding each February 1 and August 1, and the date of redemption or defeasance of any Bonds, by the Trustee and deposited in the Interest Account or, in the case of the redemption or defeasance of Bonds, also in the Principal Account or an escrow account established for the defeasance of any of the Bonds. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred either (i) to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to the Indenture or, (ii) if the Successor Agency shall have caused to be transferred to the Trustee an amount sufficient to make the deposits required by the Indenture, then to the Successor Agency.

(F) If at any time any portion of the Reserve Requirement is satisfied with cash or Permitted Investments that meet the requirements of the Indenture, the Successor Agency shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the 2017 Series B Bonds or any other Bonds the interest on which is excluded from gross income of the owners thereof for federal income tax purposes to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be used for any lawful purpose that does not adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under the Indenture. Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first available Pledged Tax Revenues.

(G) The Successor Agency shall also have the option to establish a separate subaccount in the Reserve Account that secures only one or more particular series of Bonds issued as Parity Debt, and the calculation of the Reserve Requirement with respect to all other Bonds shall exclude the debt service on such series of Bonds. Additionally, Bonds secured by a Qualified Reserve Account Credit Instrument or a separate subaccount within the Reserve Account shall not have access to any other amounts on deposit in the Reserve Account except as expressly provided in the Indenture or in any applicable Supplemental Indenture. Additionally, the Reserve Account may be maintained in the form of one combined Reserve Account or in the form of one more separate sub-accounts which are established for the purpose of holding the proceeds of separate series of Bonds in conformity with applicable provisions of the Code to the extent directed by the Successor Agency in writing to the Trustee.

If the Reserve Requirement with respect to a series of Bonds is being maintained partially in cash and Permitted Investments and partially with a Qualified Reserve Account Credit Instrument, the cash and Permitted Investments shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to the Indenture. If the Reserve Requirement with respect to a series of Bonds is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to the Indenture shall be pro-rata with respect to each such instrument.

Prior to drawing on the Reserve Account in order to make a payment of debt service on the Bonds, the Trustee shall notify the Successor Agency.

Redemption Account. On or before the Business Day preceding any date on which Bonds are to be redeemed pursuant to the Indenture, the Trustee shall withdraw from the Debt Service Fund any amount transferred by the Successor Agency pursuant to the Indenture for

deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds and other Bonds to be redeemed on such date pursuant to the Indenture or a similar provision of a Supplemental Indenture. All moneys in the Redemption Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of and premium, if any, on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds and such other Bonds to be redeemed pursuant to the Indenture or a similar provision of a Supplemental Indenture on the date set for such redemption. Interest due on the 2017 Series A Taxable Bonds, the 2017 Series B Bonds or such other Bonds to be redeemed on the date set for redemption shall, if applicable, be paid from funds available therefor in the Interest Account. Notwithstanding the foregoing, at any time prior to giving notice of redemption of any such 2017 Series A Taxable Bonds or 2017 Series B Bonds or such other Bonds, the Trustee may, at the direction of the Successor Agency, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of all or a portion of the 2017 Series A Taxable Bonds, the 2017 Series B Bonds or such other Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such 2017 Series A Taxable Bonds, such 2017 Series B Bonds or such other Bonds, which is payable from the Interest Account) as shall be directed by the Successor Agency.

Claims Upon the 2017 Bond Insurance Policy; Rights of the 2017 Insurer

So long as the 2017 Bond Insurance Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the 2017 Insured Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2017 Insurer and to its designated agent (if any) (the “2017 Insurer's Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2017 Insured Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2017 Bond Insurance Policy and give notice to the 2017 Insurer and the 2017 Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2017 Insured Bonds and the amount required to pay principal of the 2017 Insured Bonds, confirmed in writing to the 2017 Insurer and the 2017 Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2017 Bond Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2017 Insured Bonds paid by the 2017 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2017 Insured Bonds registered to the then current Owner of 2017 Insured Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2017 Insured Bond to the 2017 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2017 Insured Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2017 Insured Bond or the subrogation rights of the 2017 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2017 Insurer into the 2017 Policy Payments Account (defined below) and the allocation of such funds to

payment of interest on and principal of any 2017 Insured Bond. The 2017 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2017 Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2017 Insured Bonds referred to herein as the “2017 Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2017 Bond Insurance Policy in trust on behalf of Owners of the 2017 Insured Bonds and shall deposit any such amount in the 2017 Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2017 Insured Bonds in the same manner as principal and interest payments are to be made with respect to the 2017 Insured Bonds under the sections of the Indenture regarding payment of 2017 Insured Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2017 Insurer (i) a sum equal to the total of all amounts paid by the 2017 Insurer under the 2017 Bond Insurance Policy (the “2017 Insurer Advances”); and (ii) interest on such 2017 Insurer Advances from the date paid by the 2017 Insurer until payment thereof in full, payable to the 2017 Insurer at the Late Payment Rate per annum (collectively, the “2017 Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2017 Insured Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2017 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2017 Insured Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2017 Insurer Reimbursement Amounts (including any amounts due the 2017 Insurer pursuant to item (n) below) are paid to the 2017 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2017 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2017 Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2017 Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2017 Insurer.

(g) The following terms and provisions summarized below will govern with respect to the 2017 Bond Insurance Policy, notwithstanding anything in the Indenture to the contrary:

(i) The 2017 Insurer shall be deemed to be the sole Owner of the 2017 Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2017 Insured Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2017 Insured Bond, the Trustee and each of the Owners of 2017 Insured Bonds appoint the 2017 Insurer as their agent and attorney-in-fact with respect to the 2017 Insured Bonds and agree that the 2017 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under

the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Owner of a 2017 Insured Bond delegate and assign to the 2017 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2017 Insured Bond with respect to the 2017 Insured Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Owners of the 2017 Insured Bonds shall include mandamus.

(ii) The rights granted to the 2017 Insurer under the Indenture to request, consent to or direct any action are rights granted to the 2017 Insurer in consideration of its issuance of the 2017 Bond Insurance Policy. Any exercise by the 2017 Insurer of such rights is merely an exercise of the 2017 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2017 Insured Bonds and such action does not evidence any position of the 2017 Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2017 Insurer. Each obligation of the Successor Agency to the 2017 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(iii) The Successor Agency shall pay or reimburse the 2017 Insurer any and all charges, fees, costs and expenses that the 2017 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2017 Insurer to honor its obligations under the 2017 Bond Insurance Policy. The 2017 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account to the Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of the Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2017 Insurer shall be subject to the prior written consent of the 2017 Insurer.

(vi) The 2017 Insurer shall be entitled to pay principal or interest on the 2017 Insured Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such term is defined in the 2017 Bond Insurance Policy) by the Successor Agency, and any amounts due on the 2017 Insured Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2017 Insurer has received a Notice of Nonpayment (as such term is defined in the 2017 Bond Insurance Policy) or a claim upon the 2017 Bond Insurance Policy.

(vii) The 2017 Insurer shall, to the extent it makes any payment of principal of or interest on the 2017 Insured Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2017 Bond Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2017 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2017 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2017 Bond Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2017 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2017 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2017 Insurer.

(h) The 2017 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rule Making Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2017 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default under the Indenture), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2017 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2017 Reserve Subaccount within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of the 2017 Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding or redemption of any of the 2017 Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any proceeding by or against the Successor Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”).

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2017 Insured Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of the Indenture.

(x) All information furnished by the Successor Agency pursuant to the Continuing Disclosure Certificate with respect to the 2017 Bonds.

(xi) The 2017 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2017 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2017 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2017 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2017 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under the Indenture.

(i) The maturity of the 2017 Insured Bonds shall not be accelerated without the consent of the 2017 Insurer and in the event the maturity of the 2017 Insured Bonds is accelerated, the 2017 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2017 Insurer's obligations under the 2017 Bond Insurance Policy with respect to such 2017 Insured Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2017 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2017 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(l) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of 2017 Insured Bonds to be redeemed shall be subject to the approval of the 2017 Insurer. The exercise of any provision of the Indenture which permits the purchase of 2017 Insured Bonds in lieu of redemption shall require the prior written approval of the 2017 Insurer if any 2017 Insured Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities herein, only (1) cash, (2) non-callable direct obligations of the United States of America (“Treasures”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasures held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasures are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2017 Insurer, pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2017 Insurer, securities eligible for “AAA” defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2017 Insured Bonds unless the 2017 Insurer otherwise approves.

To accomplish defeasance of the 2017 Insured Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2017 Insurer (“Accountant”) verifying the sufficiency of the escrow established to pay the 2017 Insured Bonds in full on the maturity or redemption date (“Verification”), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2017 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2017 Insured Bonds are no longer “Outstanding” under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2017 Insured Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2017 Insurer. The 2017 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2017 Insured Bonds shall be deemed “Outstanding” under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2017 Insurer under the 2017 Bond Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2017 Insured Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2017 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

Provisions Relating to 2017 Reserve Policy

So long as the 2017 Reserve Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2017 Reserve Policy and pay all related reasonable expenses incurred by the 2017 Insurer and shall pay interest thereon from the date of payment by the 2017 Insurer at the Late Payment Rate. “Late Payment Rate” means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2017 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360

days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2017 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding under the Indenture to the extent that interest otherwise due under the Indenture for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2017 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2017 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "2017 Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2017 Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2017 Policy Costs paid to the 2017 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2017 Insurer on account of principal due, the coverage under the 2017 Reserve Policy will be increased by a like amount, subject to the terms of the 2017 Reserve Policy. The obligation to pay 2017 Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2017 Reserve Subaccount shall be transferred to the Debt Service Fund for payment of debt service on 2017 Bonds before any drawing may be made on the 2017 Reserve Policy or any Qualified Reserve Account Credit Instrument credited to the 2017 Reserve Subaccount in lieu of cash. The prior written consent of the 2017 Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument credited to the 2017 Reserve Subaccount in lieu of cash. Payment of any 2017 Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2017 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2017 Reserve Subaccount. Payment of 2017 Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2017 Policy Costs in accordance with the requirements of the indenture, the 2017 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2017 Bonds or (ii) remedies which would adversely affect owners of the 2017 Bonds.

(c) The Indenture shall not be discharged until all 2017 Policy Costs owing to the 2017 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2017 Bonds.

(d) The Successor Agency shall include any 2017 Policy Costs then due and owing the 2017 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of the Indenture

(e) The Trustee shall ascertain the necessity for a claim upon the 2017 Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2017 Insurer in accordance with the terms of the 2017 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2017 Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2017 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2017 Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2017 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2017 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2017 Series A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2017 Reserve Policy whether or not executed or completed, or (v) any action taken by the 2017 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2017 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2017 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency under the Indenture shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the 2017 Insurer until the date the 2017 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2017 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of the Indenture summarized under this section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2017 Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2017 Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2017 Bonds or the Indenture; (iv) whether or not such 2017 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2017 Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2017 Insurer, whether in connection with the transactions contemplated herein or any unrelated

transactions; (vii) any statement or any other document presented under or in connection with the 2017 Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2017 Insurer under the 2017 Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2017 Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2017 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into the Indenture by reference solely for the benefit of the 2017 Insurer as if set forth directly herein. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency under the Indenture or the priority accorded to the reimbursement of 2017 Policy Costs under the Indenture, without the prior written consent of the 2017 Insurer. The 2017 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2017 Insurer, promptly upon request, any information regarding the 2017 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2017 Insurer. The Successor Agency will permit the 2017 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2017 Insurer may reasonably request regarding the security for the 2017 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2017 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Claims Upon the 2021 Bonds Insurance Policy; Rights of the 2021 Insurer

So long as the 2021 Bonds Insurance Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2021 Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2021 Insurer and to its designated agent (if any) (the “2021 Insurer's Fiscal Agent”) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2021 Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2021 Bonds Insurance Policy and give notice to the 2021 Insurer and the 2021 Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2021 Bonds and the amount required to pay principal of the 2021 Bonds, confirmed in writing to the 2021 Insurer and the 2021 Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2021 Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2021 Bonds paid by the 2021 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2021 Bonds registered to the then current Owner of 2021 Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2021 Bond to the 2021 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized

denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2021 Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2021 Bond or the subrogation rights of the 2021 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2021 Insurer into the 2021 Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2021 Bond. The 2021 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2021 Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2021 Bonds referred to in the Indenture as the "2021 Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2021 Bonds Insurance Policy in trust on behalf of Owners of the 2021 Bonds and shall deposit any such amount in the 2021 Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2021 Bonds in the same manner as principal and interest payments are to be made with respect to the 2021 Bonds under the sections of the Indenture regarding payment of 2021 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything in the Indenture to the contrary, the Successor Agency agrees to pay to the 2021 Insurer (i) a sum equal to the total of all amounts paid by the 2021 Insurer under the 2021 Bonds Insurance Policy (the "2021 Insurer Advances"); and (ii) interest on such 2021 Insurer Advances from the date paid by the 2021 Insurer until payment thereof in full, payable to the 2021 Insurer at the Late Payment Rate per annum (collectively, the "2021 Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2021 Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Successor Agency hereby covenants and agrees that the 2021 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2021 Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2021 Insurer Reimbursement Amounts (including any amounts due the 2021 Insurer pursuant to item (g)(iii) below) are paid to the 2021 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2021 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2021 Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2021 Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2021 Insurer.

(g) The following terms and provisions summarized below will govern with respect to the 2021 Bonds Insurance Policy, notwithstanding anything in the Indenture to the contrary:

(i) The 2021 Insurer shall be deemed to be the sole Owner of the 2021 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking

any other action that the Owners of the 2021 Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2021 Bond, each of the Owners of 2021 Bonds appoints the 2021 Insurer as its agent and attorney-in-fact with respect to the 2021 Bonds and agrees that the 2021 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2021 Bond delegates and assigns to the 2021 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2021 Bond with respect to the 2021 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2021 Bond for the 2021 Insurer's benefit, and agrees to cooperate with the 2021 Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2021 Bonds shall include mandamus.

(ii) The rights granted to the 2021 Insurer under the Indenture to request, consent to or direct any action are rights granted to the 2021 Insurer in consideration of its issuance of the 2021 Bonds Insurance Policy. Any exercise by the 2021 Insurer of such rights is merely an exercise of the 2021 Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2021 Bonds and such action does not evidence any position of the 2021 Insurer, affirmative or negative, as to whether the consent of the Bondowners or any other person is required in addition to the consent of the 2021 Insurer. Each obligation of the Successor Agency to the 2021 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(iii) The Successor Agency shall pay or reimburse the 2021 Insurer any and all charges, fees, costs and expenses that the 2021 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2021 Insurer to honor its obligations under the 2021 Bonds Insurance Policy. The 2021 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts required to restore the Reserve Account to the Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of the Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2021 Insurer shall be subject to the prior written consent of the 2021 Insurer.

(vi) The 2021 Insurer shall be entitled to pay principal or interest on the 2021 Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such term is defined in the 2021 Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2021 Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2021 Insurer has received a Notice of Nonpayment (as such term is defined in the 2021 Bonds Insurance Policy) or a claim upon the 2021 Bonds Insurance Policy.

(vii) The 2021 Insurer shall, to the extent it makes any payment of principal or interest on the 2021 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2021 Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2021 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account is fully funded at the Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2021 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2021 Bonds Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2021 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2021 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2021 Insurer.

(h) The 2021 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rule Making Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2021 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual budget within 30 days after the approval thereof together with such other information, data or reports as the 2021 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2021 Reserve Subaccount within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of the 2021 Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2021 Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any proceeding by or against the Successor Agency commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding").

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2021 Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of the Indenture.

(x) All information furnished by the Successor Agency pursuant to the Continuing Disclosure Certificate with respect to the 2021 Bonds.

(xi) The 2021 Insurer shall have the right to receive such additional information as it may reasonably request.

(xi) The Successor Agency will permit the 2021 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2021 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2021 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xii) The Trustee shall notify the 2021 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under the Indenture.

(i) The maturity of the 2021 Bonds shall not be accelerated without the consent of the 2021 Insurer and in the event the maturity of the 2021 Bonds is accelerated, the 2021 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the 2021 Insurer's obligations under the 2021 Bonds Insurance Policy with respect to such 2021 Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2021 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2021 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(l) The exercise of any provision of the Indenture which permits the purchase of 2021 Bonds in lieu of redemption shall require the prior written approval of the 2021 Insurer if any 2021 Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities in the Indenture, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2021 Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (5) subject to the prior written consent of the 2021 Insurer, securities eligible for "AAA" defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the 2021 Bonds unless the 2021 Insurer otherwise approves.

To accomplish defeasance of the 2021 Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2021 Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the 2021 Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2021 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2021 Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2021 Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2021 Insurer. The 2021 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2021 Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2021 Insurer under the 2021 Bonds Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2021 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2021 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

Provisions Relating to 2021 Reserve Policy

So long as the 2021 Reserve Policy remains in force and effect, the following provisions summarized below govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2021 Reserve Policy and pay all related reasonable expenses incurred by the 2021 Insurer and shall pay interest thereon from the date of payment by the 2021 Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (x) the

greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the 2021 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2021 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created in the Indenture, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2021 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2021 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created in the Indenture exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "2021 Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2021 Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2021 Policy Costs paid to the 2021 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2021 Insurer on account of principal due, the coverage under the 2021 Reserve Policy will be increased by a like amount, subject to the terms of the 2021 Reserve Policy. The obligation to pay 2021 Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2021 Reserve Subaccount shall be transferred to the Debt Service Fund for payment of debt service on 2021 Bonds before any drawing may be made on the 2021 Reserve Policy or any Qualified Reserve Account Credit Instrument credited to the 2021 Reserve Subaccount in lieu of cash. The prior written consent of the 2021 Insurer shall be a condition precedent to the deposit of any Qualified Reserve Account Credit Instrument credited to the 2021 Reserve Subaccount in lieu of cash. Payment of any 2021 Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2021 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2021 Reserve Subaccount. Payment of 2021 Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro rata basis prior to replenishment of any cash drawn from the Reserve Account. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2021 Policy Costs in accordance with the requirements of the Indenture, the 2021 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2021 Bonds or (ii) remedies which would adversely affect owners of the 2021 Bonds.

(c) The Indenture shall not be discharged until all 2021 Policy Costs owing to the 2021 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2021 Bonds.

(d) The Successor Agency shall include any 2021 Policy Costs then due and owing the 2021 Insurer in the calculation of the additional Parity Debt test in the Indenture

(e) The Trustee shall ascertain the necessity for a claim upon the 2021 Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2021 Insurer in accordance with the terms of the 2021 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2021 Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2021 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2021 Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2021 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2021 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2021 Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2021 Reserve Policy whether or not executed or completed, or (v) any action taken by the 2021 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2021 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2021 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by the 2021 Insurer until the date the 2021 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2021 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2021 Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2021 Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2021 Bonds or the Indenture; (iv) whether or not such 2021 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to

departure from the 2021 Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2021 Insurer, whether in connection with the transactions contemplated in the Indenture or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2021 Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2021 Insurer under the 2021 Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2021 Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2021 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2021 Insurer as if set forth directly in the Indenture. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2021 Policy Costs under the Indenture, without the prior written consent of the 2021 Insurer. The 2021 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2021 Insurer, promptly upon request, any information regarding the 2021 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2021 Insurer. The Successor Agency will permit the 2021 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2021 Insurer may reasonably request regarding the security for the 2021 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2021 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Claims Upon the 2023 Bonds Insurance Policy: Rights of the 2023 Insurer. So long as the 2023 Bonds Insurance Policy remains in force and effect, the following provisions summarized below shall govern, notwithstanding anything to the contrary contained in the Indenture:

(a) If, on the third Business Day prior to an Interest Payment Date, there is not on deposit with the Trustee, after making all transfers and deposits required hereunder, moneys sufficient to pay the principal of and interest on the 2023 Bonds due on such Interest Payment Date, the Trustee shall give notice to the 2023 Insurer and to its designated agent (if any) (the “2023 Insurer’s Fiscal Agent”) by telephone or teletype of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Interest Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the 2023 Bonds due on such Interest Payment Date, the Trustee shall make a claim under the 2023 Bonds Insurance Policy and give notice to the 2023 Insurer and the 2023 Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the 2023 Bonds and the amount required to pay principal of the 2023 Bonds, confirmed in writing to the 2023 Insurer and the 2023 Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the 2023 Bonds Insurance Policy.

(b) The Trustee shall designate any portion of payment of principal on 2023 Bonds paid by the 2023 Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of 2023 Bonds registered to

the then current Owner of 2023 Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement 2023 Bond to the 2023 Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement 2023 Bond shall have no effect on the amount of principal or interest payable by the Successor Agency on any 2023 Bond or the subrogation rights of the 2023 Insurer.

(c) The Trustee shall keep a complete and accurate record of all funds deposited by the 2023 Insurer into the 2023 Bonds Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any 2023 Bond. The 2023 Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(d) Upon payment of a claim under the 2023 Bonds Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the 2023 Bonds referred to herein as the "2023 Bonds Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the 2023 Bonds Insurance Policy in trust on behalf of Owners of the 2023 Bonds and shall deposit any such amount in the 2023 Bonds Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the 2023 Bonds in the same manner as principal and interest payments are to be made with respect to the 2023 Bonds under the sections of the Indenture regarding payment of 2023 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Successor Agency agrees to pay to the 2023 Insurer (i) a sum equal to the total of all amounts paid by the 2023 Insurer under the 2023 Bonds Insurance Policy (the "2023 Insurer Advances"); and (ii) interest on such 2023 Insurer Advances from the date paid by the 2023 Insurer until payment thereof in full, payable to the 2023 Insurer at the 2023 Late Payment Rate per annum (collectively, the "2023 Insurer Reimbursement Amounts"). "2023 Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the applicable series of 2023 Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023 Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023 Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. The Successor Agency hereby covenants and agrees that the 2023 Insurer Reimbursement Amounts are secured by a lien on and pledge of the Pledged Tax Revenues and payable from such Pledged Tax Revenues on a parity with debt service due on the 2023 Bonds.

(e) The Successor Agency shall take all actions required by the Dissolution Act to ensure that all 2023 Insurer Reimbursement Amounts (including any amounts due the 2023 Insurer pursuant to item (g)(iii) below) are paid to the 2023 Insurer when due, including the submission of Recognized Obligation Payment Schedules providing for 2023 Insurer Reimbursement Amounts and such other amounts.

(f) Funds held in the 2023 Bonds Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the 2023 Bonds Policy Payments Account following an Interest Payment Date shall promptly be remitted to the 2023 Insurer.

(g) The following terms and provisions summarized below will govern with respect to the 2023 Bonds Insurance Policy, notwithstanding anything in the Indenture to the contrary:

(i) The 2023 Insurer shall be deemed to be the sole Owner of the 2023 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the 2023 Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each 2023A Bond, each of the Owners of 2023 Bonds appoints the 2023 Insurer as its agent and attorney-in-fact with respect to the 2023 Bonds and agrees that the 2023 Insurer may at any time during the continuation of any proceeding by or against the Successor Agency under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner of a 2023 Bond delegates and assigns to the 2023 Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner of a 2023 Bond with respect to the 2023 Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner of a 2023 Bond for the 2023 Insurer’s benefit, and agrees to cooperate with the 2023 Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners of the 2023 Bonds shall include mandamus.

(ii) The rights granted to the 2023 Insurer under the Indenture to request, consent to or direct any action are rights granted to the 2023 Insurer in consideration of its issuance of the 2023 Bonds Insurance Policy. Any exercise by the 2023 Insurer of such rights is merely an exercise of the 2023 Insurer’s contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners of the 2023 Bonds and such action does not evidence any position of the 2023 Insurer, affirmative or negative, as to whether the consent of the Owners of the 2023 Bonds or any other person is required in addition to the consent of the 2023 Insurer. Each obligation of the Successor Agency to the 2023 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(iii) The Successor Agency shall pay or reimburse the 2023 Insurer any and all charges, fees, costs and expenses that the 2023 Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or the transactions contemplated hereby, other than costs resulting from the failure of the 2023 Insurer to honor its obligations under the 2023 Bonds Insurance Policy. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(iv) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Successor Agency or rebate only after the payment of past due and current debt service on the Bonds and amounts

required to restore the Reserve Account and the respective subaccounts therein to their respective Reserve Requirement.

(v) Any amendment, supplement, modification to or waiver of the Indenture that requires the consent of the Bond Owners or adversely affects the rights and interests of the 2023 Insurer shall be subject to the prior written consent of the 2023 Insurer.

(vi) The 2023 Insurer shall be entitled to pay principal or interest on the 2023 Bonds that become Due for Payment but are unpaid by reason of Nonpayment (as such terms are defined in the 2023 Bonds Insurance Policy) by the Successor Agency, and any amounts due on the 2023 Bonds as a result of acceleration of the maturity thereof in accordance with the Indenture, whether or not the 2023 Insurer has received a Notice of Nonpayment (as such term is defined in the 2023 Bonds Insurance Policy) or a claim upon the 2023 Bonds Insurance Policy.

(vii) The 2023 Insurer shall, to the extent it makes any payment of principal or interest on the 2023 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the 2023 Bonds Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Successor Agency to the 2023 Insurer under the Indenture shall survive discharge or termination of the Indenture.

(viii) Notwithstanding satisfaction of the other conditions to the issuance of any additional notes, bonds or other obligations on a parity with the Bonds under Section 3.05, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Reserve Account and the respective subaccounts therein are fully funded at their respective Reserve Requirement (including the proposed issue) upon the issuance of such Parity Debt, in either case unless otherwise permitted by the 2023 Insurer.

(ix) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Bonds or the rights of the Bond Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no 2023 Bonds Insurance Policy.

(x) No contract shall be entered into or any action taken by which the rights of the 2023 Insurer or security for or sources of payment of the Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the 2023 Insurer.

(xi) The Successor Agency shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Tax Revenues without the prior written consent of the 2023 Insurer.

(h) The 2023 Insurer shall be provided with the following information by the Successor Agency or Trustee, as the case may be:

(i) To the extent not otherwise filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system, annual audited financial statements of the Successor Agency within 210 days (or such longer period agreed to by the 2023 Insurer) after the end of each Fiscal Year (together with a certification of the Successor Agency that it is not aware of any default or Event of Default hereunder), and, upon request, the Successor Agency's annual

budget within 30 days after the approval thereof together with such other information, data or reports as the 2023 Insurer shall reasonably request from time to time.

(ii) Notice of any draw upon the 2023A Reserve Subaccount of the Reserve Account or the 2023B Reserve Subaccount of the Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the respective Reserve Requirement for the 2023A Bonds and the 2023B Bonds and (ii) withdrawals in connection with a refunding of the 2023A Bonds and the 2023B Bonds.

(iii) Notice of any default known to the Trustee or the Successor Agency within five Business Days after knowledge thereof.

(iv) Prior notice of the advance refunding of any of the 2023 Bonds, including the principal amount, maturities and CUSIP numbers thereof.

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto.

(vi) Notice of the commencement of any Insolvency Proceeding.

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of or interest on the 2023 Bonds.

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Indenture.

(ix) All reports, notices and correspondence to be delivered to Bond Owners under the terms of the Indenture.

(x) All information furnished by the Successor Agency pursuant to the 2023 Bonds Continuing Disclosure Certificate.

(xi) The 2023 Insurer shall have the right to receive such additional information as it may reasonably request.

(xii) The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

(xiii) The Trustee shall notify the 2023 Insurer of any known failure of the Successor Agency to provide notices, certificates and other information to the Trustee under the Indenture.

(i) The maturity of the 2023 Bonds shall not be accelerated without the consent of the 2023 Insurer and in the event the maturity of the 2023 Bonds is accelerated, the 2023 Insurer may elect, in its sole discretion, to pay accelerated principal and interest accrued, on such principal to the date of acceleration (to the extent unpaid by the Successor Agency) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as

provided above, the 2023 Insurer's obligations under the 2023 Bonds Insurance Policy with respect to such 2023 Bonds shall be fully discharged.

(j) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the 2023 Insurer. No grace period shall be permitted for payment defaults.

(k) The 2023 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(l) The exercise of any provision of the Indenture which permits the purchase of 2023 Bonds in lieu of redemption shall require the prior written approval of the 2023 Insurer if any 2023A Bond so purchased is not cancelled upon purchase.

(m) Notwithstanding the definition of Defeasance Securities in the Indenture, only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the 2023 Insurer, pre-refunded municipal obligations rated in the then highest rating category by S&P and Moody's for such obligations, or (5) subject to the prior written consent of the 2023 Insurer, any other type of security or obligation which S&P and Moody's have determined to be permitted defeasance securities, shall be used to effect defeasance of the 2023 Bonds unless the 2023 Insurer otherwise approves.

To accomplish defeasance of the 2023 Bonds, the Successor Agency shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the 2023 Insurer verifying the sufficiency of the escrow established to pay the 2023 Bonds in full on the maturity date ("Verification"), (ii) an escrow deposit agreement or other written instructions to the Trustee (which shall be acceptable in form and substance to the 2023 Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the 2023 Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the 2023 Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Successor Agency, the Trustee and the 2023 Insurer. The 2023 Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

2023 Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(n) Amounts paid by the 2023 Insurer under the 2023 Bonds Insurance Policy shall not be deemed paid for purposes of the Indenture and the 2023 Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Successor Agency in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the 2023 Insurer have been paid in full or duly provided for.

(o) The Successor Agency covenants and agrees to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Pledged Tax Revenues under applicable law.

Provisions Relating to 2023A Reserve Policy. So long as the 2023A Reserve Policy remains in force and effect, the following provisions summarized below shall govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2023A Reserve Policy and pay all related reasonable expenses incurred by the 2023 Insurer and shall pay interest thereon from the date of payment by the 2023 Insurer at the 2023A Late Payment Rate. "2023A Late Payment Rate" means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023A Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023A Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023A Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023A Late Payment Rate (collectively, "2023A Policy Costs") from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023A Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023A Policy Costs paid to the 2023 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023 Insurer on account of principal due, the coverage under the 2023A Reserve Policy will be increased by a like amount, subject to the terms of the 2023A Reserve Policy. The obligation to pay 2023A Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2023A Reserve Subaccount of the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of debt service on 2023A Bonds before any drawing may be made on the 2023A Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023 Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023A Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023A Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023A Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023A Reserve Subaccount of the Reserve Account. Payment of 2023A Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023A

Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023A Reserve Subaccount of the Reserve Account. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023A Policy Costs in accordance with the requirements of the Indenture, the 2023 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2023A Bonds or (ii) remedies which would adversely affect owners of the 2023A Bonds.

(c) The Indenture shall not be discharged until all 2023A Policy Costs owing to the 2023 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023A Bonds.

(d) The Successor Agency shall include any 2023A Policy Costs then due and owing the 2023 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of the Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023A Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023 Insurer in accordance with the terms of the 2023A Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023A Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023A Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2023 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023A Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2023A Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023A Late Payment Rate from the date such amount is paid or incurred by the 2023 Insurer until the date the 2023 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023A Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023A Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023 Bonds or the Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023A Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023 Insurer, whether in connection with the transactions contemplated herein or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the 2023A Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023 Insurer under the 2023A Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023A Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023 Insurer as if set forth directly herein. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023A Policy Costs under the Indenture, without the prior written consent of the 2023 Insurer. The 2023 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2023 Insurer, promptly upon request, any information regarding the 2023 Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023 Insurer. The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the 2023 Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Provisions Relating to 2023B Reserve Policy. So long as the 2023B Reserve Policy remains in force and effect, the following provisions summarized below shall govern, notwithstanding anything to the contrary contained in the Indenture:

(a) The Successor Agency shall repay any draws under the 2023B Reserve Policy and pay all related reasonable expenses incurred by the 2023 Insurer and shall pay interest thereon from the date of payment by the 2023 Insurer at the 2023B Late Payment Rate. "2023B Late Payment Rate" means the lesser of (x) the greater of (i) the Prime Rate plus 3%, and (ii) the then applicable highest rate of interest on the 2023B Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The 2023B Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce the Prime Rate publicly, for purposes of determining the 2023B Late Payment Rate, the Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the 2023 Insurer shall specify. If the interest provisions of this subparagraph (a) result in an effective rate of interest which, for

any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the 2023 Insurer, with the same force and effect as if the Successor Agency had specifically designated such extra sums to be so applied and the 2023 Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

The Successor Agency shall diligently make repayments for draws and payments of expenses and the interest accrued thereon at the 2023B Late Payment Rate (collectively, “2023B Policy Costs”) from funds available to the Successor Agency and hereby agrees to amend its then current Recognized Obligation Payment Schedule to the extent permitted by law in order to include any 2023B Policy Costs not so included on such Recognized Obligation Payment Schedule.

Amounts in respect of 2023B Policy Costs paid to the 2023 Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the 2023 Insurer on account of principal due, the coverage under the 2023B Reserve Policy will be increased by a like amount, subject to the terms of the 2023B Reserve Policy. The obligation to pay 2023B Policy Costs shall be secured by a valid lien on the Pledged Tax Revenues (subject only to the priority of payment provisions set forth under the Indenture).

All cash and investments in the 2023B Reserve Subaccount of the Reserve Account, if any, shall be transferred to the Debt Service Fund for payment of debt service on 2023B Bonds before any drawing may be made on the 2023B Reserve Policy or any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. The prior written consent of the 2023 Insurer shall be a condition precedent to the deposit of any other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash. Payment of any 2023B Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Qualified Reserve Account Credit Instruments (including the 2023B Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the 2023B Reserve Subaccount of the Reserve Account. Payment of 2023B Policy Costs and reimbursement of amounts with respect to other Qualified Reserve Account Credit Instrument credited to the 2023B Reserve Subaccount of the Reserve Account in lieu of cash shall be made on a pro rata basis prior to replenishment of any cash drawn from the 2023B Reserve Subaccount of the Reserve Account. For the avoidance of doubt, “available coverage” means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) If the Successor Agency fails to pay any 2023B Policy Costs in accordance with the requirements of the Indenture, the 2023 Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the 2023B Bonds or (ii) remedies which would adversely affect owners of the 2023B Bonds.

(c) The Indenture shall not be discharged until all 2023B Policy Costs owing to the 2023 Insurer have been paid in full. The Successor Agency's obligation to pay such amounts shall expressly survive payment in full of the 2023B Bonds.

(d) The Successor Agency shall include any 2023B Policy Costs then due and owing the 2023 Insurer in the calculation of the additional Parity Debt test in Section 3.05 of the Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the 2023B Reserve Policy in accordance with the provisions of the foregoing subparagraph (a) and to provide notice to the 2023 Insurer in accordance with the terms of the 2023B Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the 2023B Bonds. Where deposits are required to be made by the Successor Agency with the Trustee to the Debt Service Fund more often than semiannually, the Trustee shall give notice to the 2023 Insurer of any failure of the Successor Agency to make timely payment in full of such deposits within two Business Days of the date due.

(f) The 2023B Reserve Policy is a Qualified Reserve Account Credit Instrument under the Indenture.

(g) The Successor Agency will pay or reimburse the 2023 Insurer any and all charges, fees, costs, losses, liabilities and expenses which the 2023 Insurer may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the 2023B Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of the Indenture, including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the Successor Agency) relating to the Indenture, any party to the Indenture or the transactions contemplated by the Indenture, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under the Indenture, if any, or the pursuit of any remedies under the Indenture, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect to, or related to the Indenture, the 2023B Reserve Policy whether or not executed or completed, or (v) any action taken by the 2023 Insurer to cure a default or termination or similar event (or to mitigate the effect thereof) under the Indenture; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of the 2023 Insurer spent in connection with the actions described in clauses (ii) through (v) above. The 2023 Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture. Amounts payable by the Successor Agency hereunder shall bear interest at the 2023B Late Payment Rate from the date such amount is paid or incurred by the 2023 Insurer until the date the 2023 Insurer is paid in full.

(h) The obligation of the Successor Agency to pay all amounts due to the 2023 Insurer shall be an absolute and unconditional obligation of the Successor Agency and will be paid or performed strictly in accordance with the provisions of this Section, irrespective of: (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the 2023B Bonds or the Indenture; (ii) any amendment or other modification of, or waiver with respect to the 2023B Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the 2023B Bonds or the Indenture; (iv) whether or not such 2023 Bonds are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from the 2023B Reserve Policy or the Indenture; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the Successor Agency may have at any time against the Trustee or any other person or entity other than the 2023 Insurer, whether in connection with the transactions contemplated herein or any unrelated

transactions; (vii) any statement or any other document presented under or in connection with the 2023B Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by the 2023 Insurer under the 2023B Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the 2023B Reserve Policy.

(i) The Successor Agency shall fully observe, perform, and fulfill each of the provisions (as each of those provisions may be amended, supplemented, modified or waived with the prior written consent of the 2023 Insurer) of the Indenture applicable to it, each of the provisions thereof being expressly incorporated into this Section by reference solely for the benefit of the 2023 Insurer as if set forth directly herein. No provision of the Indenture shall be amended, supplemented, modified or waived in any material respect or otherwise in a manner that could adversely affect the payment obligations of the Successor Agency hereunder or the priority accorded to the reimbursement of 2023B Policy Costs under the Indenture, without the prior written consent of the 2023 Insurer. The 2023 Insurer is hereby expressly made a third party beneficiary of the Indenture.

(j) The Successor Agency covenants to provide to the 2023 Insurer, promptly upon request, any information regarding the 2023B Bonds or the financial condition and operations of the Successor Agency as reasonably requested by the 2023 Insurer. The Successor Agency will permit the 2023 Insurer to discuss the affairs, finances and accounts of the Successor Agency or any information the 2023 Insurer may reasonably request regarding the security for the 2023B Bonds with appropriate officers of the Successor Agency and will use commercially reasonable efforts to enable the 2023 Insurer to have access to the facilities, books and records of the Successor Agency on any Business Day upon reasonable prior notice.

Deposit and Investment of Moneys in Funds

Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account, the Redemption Account and the Costs of Issuance Fund shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee, except that moneys in the Reserve Account shall not be invested in Permitted Investments having a maturity of more than five (5) years, unless any such Permitted Investment is described in clause (g) of the definition thereof. In the absence of any such Written Request of the Successor Agency, the Trustee shall invest any such moneys in Permitted Investments described in clause (e) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out under the Indenture. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. With respect to any restrictions set forth in the above list which embody legal conclusions (e.g., the existence, validity and perfection of security interests in collateral), the Trustee shall be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the Successor Agency's expense. Moneys in the Special Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee under the Indenture shall be deposited in the Interest Account; *provided, however*, that all interest or gain from the investment of amounts in the Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the Reserve Account to equal the Reserve Requirement. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any

investments made at the direction of the Successor Agency or otherwise made in accordance with the Indenture. For investment purposes only, the Trustee may commingle the funds and accounts established under the Indenture, but shall account for each separately.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency monthly cash transaction statements which shall include detail for all investment transactions made by the Trustee under the Indenture.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by the Indenture. Except as specifically provided in the Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to the Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by the Indenture or the Code) at Fair Market Value if required by the Code.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code shall be valued by the Successor Agency at their present value (within the meaning of section 148 of the Code). Investments on deposit in the Reserve Account shall be valued on June 30 of each year at their market value.

Other Covenants of the Successor Agency

Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues or Pledged Tax Revenues on a basis senior to the payment of debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt, except for obligations issued to refund any of the Existing Loan Agreements, the 2014 Bonds or any 2014 Parity Debt, but only if the debt service in any Bond Year does not increase as a result of such refunding. Further, the Successor Agency covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Pledged Tax Revenues, excepting only the 2017 Series A Taxable Bonds, the 2017 Series B Bonds, any Parity Debt meeting the requirements of the Indenture and any Subordinate Debt. The Successor Agency will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Tax Revenues or other amounts pledged to the Bonds superior or equal to the pledge and lien created in the Indenture for the benefit of the Bonds.

Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default under the Indenture, to

the benefits of the Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Pledged Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing in the Indenture contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Books and Accounts; Financial Statements. The Successor Agency shall keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Successor Agency and the City and County, in which complete and correct entries shall be made of all transactions relating to the Redevelopment Projects, the Pledged Tax Revenues and the Special Fund. Such books of record and accounts shall at all times during business hours be subject to the inspection of the 2017 Insurer, any other Insurer and the Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The Successor Agency will cause to be prepared, within one hundred and eighty (180) days after the close of each Fiscal Year so long as the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year showing the Pledged Tax Revenues, all disbursements of Pledged Tax Revenues and the financial condition of the Redevelopment Projects, including the balances in all funds and accounts relating to the Redevelopment Projects, as of the end of such Fiscal Year. The Successor Agency shall promptly furnish a copy of such financial statements to the Trustee, the 2017 Insurer and any other Insurer at no expense and to any Owner upon reasonable request and at the expense of such Owner.

The Successor Agency agrees, consents and will cooperate in good faith to provide information reasonably requested by the 2017 Insurer and will further provide appropriately designated individuals and officers to discuss the affairs, finances and accounts of the Successor Agency or any other matter as the 2017 Insurer may reasonably request.

Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the respective Closing Dates with respect to the 2017 Bonds, 2021 Bonds, and the 2023 Bonds, such Bonds shall be incontestable by the Successor Agency.

Taxation of Leased Property. All amounts derived by the Successor Agency pursuant to Section 33673 of the Law with respect to the lease of property for redevelopment shall be treated as Tax Revenues for all purposes of the Indenture.

Disposition of Property. The Successor Agency will not participate in the disposition of any land or real property in a Project Area to anyone which will result in such property becoming exempt from taxation because of public ownership or use or otherwise (except property dedicated for public right-of-way and except property planned for public ownership or use by a Redevelopment Plan in effect on the date of issuance of the 2017 Bonds) so that such disposition shall, when taken together with other such dispositions, aggregate more than ten percent (10%) of the land area in the applicable Project Area unless such disposition is permitted as provided in the Indenture. If the Successor Agency proposes to participate in such a disposition, it shall thereupon appoint an Independent Redevelopment Consultant to report on the effect of said proposed disposition. If the Report of the Independent Redevelopment

Consultant concludes that the security of the Bonds, or the rights of the Successor Agency, the Bondowners and the Trustee under the Indenture will not be materially impaired by said proposed disposition, the Successor Agency may thereafter make such disposition. If said Report concludes that such security will be materially impaired by said proposed disposition, the Successor Agency shall disapprove said proposed disposition.

Maintenance of Pledged Tax Revenues. The Successor Agency shall comply with all requirements of the Law and the Dissolution Act to ensure the allocation and payment to it of the Pledged Tax Revenues. The Successor Agency shall not undertake proceedings for amendment of any of the Redevelopment Plans if such amendment shall result in payments to one or more taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless the Successor Agency shall first obtain a written opinion of an Independent Redevelopment Consultant that such payments will not adversely impair the Successor Agency's ability to pay debt service on the Bonds.

No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2017 Series B Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2017 Series B Bonds would have caused the 2017 Series B Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code.

Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the 2017 Series B Bonds are not so used as to cause the 2017 Series B Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Federal Guarantee Prohibition. The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the 2017 Series B Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code.

Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2017 Series B Bonds.

Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the 2017 Series B Bonds from the gross income of the Owners of the 2017 Series B Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2017 Series B Bonds.

Continuing Disclosure. The Successor Agency covenants and agrees in the Indenture that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of the Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriter (as defined in the Continuing Disclosure Certificate) or the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

The Successor Agency further covenants that it will comply with and carry out all of the provisions of the 2021 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of the Indenture, failure of the Successor Agency to comply with the 2021 Bonds Continuing Disclosure

Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2021 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2021 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

The Successor Agency further covenants that it will comply with and carry out all of the provisions of the 2023 Bonds Continuing Disclosure Certificate. Notwithstanding any other provision of the Indenture, failure of the Successor Agency to comply with the 2023 Bonds Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee at the request of any Participating Underwriters (as defined in the 2023 Bonds Continuing Disclosure Certificate) or the holders of at least 25% aggregate principal amount of Outstanding 2023 Bonds, shall, but only to the extent the Trustee has been indemnified from and against any loss, liability, cost or expense, including, without limitation, fees and expenses of its attorneys and advisors and additional fees and expenses of the Trustee, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Compliance with the Dissolution Act. The Successor Agency shall comply with all of the requirements of the Law and the Dissolution Act. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Act to assure compliance by the Successor Agency with its covenants under the Indenture.

Further, it will take all actions required under the Dissolution Act to include

(i) scheduled debt service on the Existing Loans, the 2014 Bonds, any 2014 Parity Debt, and any amounts required to replenish any reserve account established under an Existing Loan Agreement, the 2014 Indenture or any instrument pursuant to which 2014 Parity Debt is issued,

(ii) scheduled debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt and any amount required under the Indenture or any Parity Debt Instrument to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument, and

(iii) amounts due to any Insurer under the Indenture or under an insurance or surety bond agreement, including the 2017 Bonds Insurance Policy and the 2017 Reserve Policy,

in each annual Recognized Obligation Payment Schedule so as to enable the Auditor-Controller of the City and County of San Francisco to distribute from the Redevelopment Property Tax Trust Fund to the Successor Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay principal of, and interest on, the Bonds coming due in the respective six-month period and to pay amounts owed to any Insurer, as well as the other amounts set forth above.

These actions will include, without limitation, placing on the periodic Recognized Obligation Payment Schedule for approval by the Oversight Board and State Department of Finance the amounts to be held by the Successor Agency as a reserve until the next six-month period, as contemplated by paragraph (1)(A) of subdivision (d) of Section 34171 of the Dissolution Act, that are necessary to comply with the Indenture. In particular, the Successor Agency shall, not later than April 30, 2017, submit to the

State Department of Finance and to the Auditor-Controller of the City and County of San Francisco an Oversight Board-approved amendment to the Recognized Obligation Payment Schedule previously submitted by the Successor Agency relating to the June 1, 2017 and January 2, 2018 disbursement dates, amending the amounts to be distributed on (i) June 1, 2017 to include all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient for the payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on August 1, 2017 and (ii) January 2, 2018 to include all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient for the payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on February 1, 2018 and August 1, 2018. Not later than February 1, 2018 and each February 1 thereafter (or at such other time as may be required by the Dissolution Act) for so long as any of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt or the Bonds remain outstanding or any amounts owing to an Insurer remain unpaid, (a) the Successor Agency will place on the Recognized Obligation Payment Schedules relating to the January 2 disbursement date all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt or on deposit in the Special Fund or in the special fund relating to such other debt, are sufficient to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on the immediately succeeding February 1 and August 1, and (b) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on a timely basis, the Successor Agency will place on Recognized Obligation Payment Schedules relating to the June 1 disbursement date amounts required to pay debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on the next succeeding August 1. Additionally, if the Successor Agency determines it is necessary to ensure timely payment of debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt, the Successor Agency may also collect on each January 2 a reserve to be held for debt service on the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds, the 2023 Bonds and any Parity Debt on February 1 and August 1 of the next succeeding calendar year. Further, the Successor Agency will place any amounts required to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument and any amounts owing to any Insurer under the Indenture or under an insurance or surety bond agreement, including the 2017 Bond Insurance Policy and the 2017 Reserve Policy, on its next Recognized Obligation Payment Schedule upon any such amounts becoming owing.

The Successor Agency further covenants that it will, on or before May 1 and December 1 of each year, file a Notice of Insufficiency with the County Auditor-Controller if the amount of Pledged Tax

Revenues available to the Successor Agency from the RPTTF on the upcoming June 1 or January 2, as applicable, is insufficient to pay debt service on the 2017 Bonds, the 2021 Bonds, the 2023 Bonds, to pay debt service on any Parity Debt to replenish the Reserve Account established under the Indenture or the reserve account established under any Parity Debt Instrument and to pay any Insurer any amounts owing under the Indenture or under an insurance or surety bond agreement, including the 2017 Bond Insurance Policy or the 2017 Reserve Policy.

Without in any way limiting the provisions summarized above, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2022 and January 2, 2023 disbursement dates, (i) all amounts required to pay debt service on the 2021 Bonds on August 1, 2022 for distribution to the Successor Agency on June 1, 2022, and (iii) all amounts that, together with other amounts on deposit in the RPTTF reserved for payment of debt service on the 2021 Bonds, are sufficient for the payment of debt service on the 2021 Bonds on February 1, 2022 and August 1, 2023 for distribution to the Successor Agency on January 2, 2023.

Without in any way limiting the provisions summarized above, the Successor Agency covenants to place on the Recognized Obligation Payment Schedule relating to the June 1, 2024 and January 2, 2025 disbursement dates, (i) if the Successor Agency determines it is necessary to do so to ensure receiving sufficient tax increment revenues from the Project Areas to pay debt service on the 2023 Bonds, all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient to pay debt service on the 2023 Bonds on August 1, 2024, for distribution to the Successor Agency on June 1, 2024, and (ii) all amounts that, together with other amounts then on deposit in the RPTTF reserved for payment of debt service on the 2023 Bonds, are sufficient for the payment of debt service on the 2023 Bonds on February 1, 2025 and August 1, 2025 for distribution to the Successor Agency on January 2, 2025. The Successor Agency previously placed on the Recognized Obligation Payment Schedule relating to the June 1, 2023 and January 2, 2024 disbursement dates, amounts sufficient to pay debt service on the 2023 Bonds on February 1, 2024 and August 1, 2024 for distribution to the Successor Agency on January 2, 2024.

If any amounts then due and payable to the 2017 Insurer, the 2021 Insurer, and/or the 2023 Insurer under the Indenture are not included on any current Recognized Obligation Payment Schedule and the Successor Agency is then legally permitted to amend such Recognized Obligation Payment Schedule, the Successor Agency will submit to the Oversight Board and the State Department of Finance a request to amend such Recognized Obligation Payment Schedule to include such amounts then due and payable to the 2017 Insurer, the 2021 Insurer, and the 2023 Insurer, as applicable.

The Successor Agency will not submit to the Oversight Board and the State Department of Finance a request for the final amendment permitted for its Last and Final Recognized Obligation Payment Schedule pursuant to Section 34191.6 of the Dissolution Act without the prior written consent of the 2017 Insurer, the 2021 Insurer, and the 2023 Insurer, unless all amounts that could become due and payable to the 2017 Insurer, the 2021 Insurer, and the 2023 Insurer under the Indenture would be included as a line item on the Last and Final Recognized Obligation Payment Schedule following approval of the requested amendment.

Further Assurances. The Successor Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Owners of the Bonds the rights and benefits provided in the Indenture.

Amendment of Indenture

Amendment With And Without Consent of Owners. The Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption without the consent of any Owners, to the extent permitted by law, but only for any one or more of the following purposes –

- (a) to add to the covenants and agreements of the Successor Agency in the Indenture contained, other covenants and agreements thereafter to be observed, including any covenant or agreement that provides for additional security for the Bonds, or to limit or surrender any rights or powers in the Indenture reserved to or conferred upon the Successor Agency; or
- (b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in the Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or
- (c) to provide for the issuance of Parity Debt in accordance with the Indenture; or
- (d) to amend any provision of the Indenture relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of Bond Counsel; or
- (e) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument.

Except as set forth in the preceding paragraph, the Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding when the written consent of any Insurer (but only with respect to any Bonds insured by such Insurer) and the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal, interest, or redemption premiums (if any) at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of any Insurer or the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In no event shall any Supplemental Indenture modify any of the rights or obligations of any Insurer without its prior written consent.

Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to the Indenture, the Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties to the Indenture or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification of the Indenture pursuant to the Indenture, the Successor Agency may, with the prior written consent of any Insurer, determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Principal Corporate Trust Office of the Trustee, without cost to such Owners.

Amendment by Mutual Consent. The provisions of the Indenture shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond and, provided further that written consent to such amendment shall first be obtained from any Insurer.

Opinion of Counsel. Prior to executing any Supplemental Indenture, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such Supplemental Indenture under the Indenture have been satisfied and such Supplemental Indenture is authorized and permitted under the Indenture and does not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes or adversely affect the exemption of interest on the Bonds from personal income taxation by the State.

Copy of Supplemental Indenture to S&P and Moody's. The Successor Agency shall provide to S&P and Moody's, for so long as S&P and Moody's, as the case may be, maintain a rating on any of the Bonds (without regard to any municipal bond or financial guaranty insurance), a copy of any Supplemental Indenture at least fifteen (15) days prior to its proposed effective date.

Events of Default and Remedies

Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default under the Indenture:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in the Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of thirty (30) days following receipt by the Successor Agency of written notice from the Trustee or any Insurer or written notice from any Owner (with a copy of said notice delivered to the Trustee and any Insurer) of the occurrence of such default, provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such thirty (30) day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency (with the prior written consent of any Insurer) within such thirty (30) day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time as approved by any Insurer; or

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition by the Successor Agency seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition by the Successor Agency, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

In determining whether an Event of Default has occurred under (a) above, no effect shall be given to payments made under any municipal bond insurance policy, financial guaranty insurance policy or Qualified Reserve Account Credit Instrument.

If an Event of Default has occurred under the Indenture and is continuing, the Trustee, may, and, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (y) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in the Indenture or in the Bonds to the contrary notwithstanding, and (z) subject to the provisions of the Indenture, exercise any other remedies available to the Trustee and the Bondowners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to any Insurer and to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in subsections (a) or (c) above the Trustee shall, and with respect to any Event of Default described in subsection (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall, with the written consent of a majority in aggregate principal amount of the Owners of the Bonds then Outstanding, deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to any Insurer and the Owners of all Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds then Outstanding, rescind and annul such

declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Application of Funds Upon Acceleration. All amounts received by the Trustee pursuant to any right given or action taken by the Trustee under the provisions of the Indenture (including the Trustee's share of any Pledged Tax Revenues) and all sums in the funds and accounts established and held by the Trustee under the Indenture upon the date of the declaration of acceleration as provided in the Indenture, and all sums thereafter received by the Trustee thereunder, shall be applied by the Trustee in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in the Indenture, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees and expenses of the Trustee;

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, as applicable, with interest on the overdue principal, and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest; and

Third, any amount due and owing to any Insurer under the Indenture.

Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties under the Indenture, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however*, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds under the Indenture opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Limitation on Owner's Right to Sue. No Owner of any Bond issued under the Indenture shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Indenture, unless (a) such Owner shall have previously given to the Successor Agency, the Trustee and any Insurer written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are in the Indenture declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy under the Indenture; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under the Indenture, except in the manner provided in the Indenture, and that all proceedings at law or in equity to enforce any provision of the Indenture shall be instituted, had and maintained in the manner therein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of (and premium, if any) and interest on such Bond as provided in the Indenture, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of the Indenture.

Non-Waiver. Nothing in the Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Pledged Tax Revenues and other amounts pledged under the Indenture, the principal of and interest and redemption premium (if any) on the Bonds to the respective Owners on the respective Interest Payment Dates, as provided in the Indenture, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by the Indenture may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy under the Indenture may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is appointed (and the successive respective Owners by taking and holding the Bonds or Parity Debt shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however*, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Remedies Not Exclusive. No remedy in the Indenture conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given under the Indenture or on or after the date thereof existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

Determination of Percentage of Bondowners. Whenever in the Indenture the consent, direction or other action is required or permitted to be given or taken by a percentage of the Owners of an aggregate principal amount of Outstanding Bonds (including by the Owners of a majority in aggregate principal amount of the Outstanding Bonds), such percentage shall be calculated on the basis of the principal amount of the Outstanding Bonds determined as of the next succeeding Interest Payment Date.

Discharge of Indenture

Discharge of Indenture. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

(i) by well and truly paying or causing to be paid the principal of and interest and premium (if any) on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable;

(ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to the Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Bonds, including all principal, interest and redemption premiums, or;

(iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to the Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given pursuant to the Indenture or provision satisfactory to the Trustee shall have been made for the giving of such notice, then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Pledged Tax Revenues and other funds provided for in the Indenture and all other obligations of the Trustee and the Successor Agency under the Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (A) the covenants of the Successor Agency under the Indenture with respect to the Code, (B) the obligation of the Trustee to transfer and exchange Bonds under the Indenture, (C) the obligations of the Successor Agency under the Indenture, and (D) the obligation of the Successor Agency to pay or cause to be paid to the Owners (or any Insurer), from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee and any Insurer all fees, expenses and costs of the Trustee and any Insurer. In the event the Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to the Indenture shall be paid over to the Successor Agency. Notwithstanding anything in the Indenture to the contrary, in the event that the principal and/or interest due of the Bonds is paid by any

Insurer pursuant to its municipal bond or financial guaranty insurance policy, such Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Successor Agency, and the assignment and pledge of the Pledged Tax Revenues and other assets under the Indenture and all covenants, agreements and other obligations of the Successor Agency to the Bondowners so paid shall continue to exist and shall run to the benefit of such Insurer, and such Insurer shall be subrogated to the rights of such Bondowners, as applicable.

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APPENDIX D

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) in connection with its issuance of \$24,505,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2023 Series A Taxable Bonds”) and \$35,210,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Project) (the “2023 Series B Bonds” and, together with the 2023 Series A Taxable Bonds, the “Bonds”). The Bonds are being issued in accordance with Sections 34177.7(a)(1)(A) and (B) of the California Health and Safety Code (the “Redevelopment Law”), the resolution of the Successor Agency adopted on July 20, 2021 (the “Resolution”), and the Indenture of Trust, dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the “Trustee”), as amended and supplemented prior to the date hereof and as further amended and supplemented by a Second Supplement to Indenture of Trust, dated as of September 1, 2023 (as so amended and supplemented, the “Indenture”), by and between the Successor Agency and the Trustee. The Successor Agency covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Indenture described in the Official Statement (defined below), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Annual Report Date” means the date that is six months after the end of the Successor Agency’s fiscal year (currently December 31 based on the Successor Agency’s fiscal year end of June 30).

“Dissemination Agent” means the Successor Agency, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency and the Trustee a written acceptance of such designation.

“EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the internet at <https://emma.msrb.org>.

“Financial Obligation” means “financial obligation” as such term is defined in the Rule.

“Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the

Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Official Statement” means the final Official Statement dated August 30, 2023, relating to the Bonds.

“Participating Underwriters” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Project Areas” means the Project Areas as defined in the Official Statement.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than each Annual Report Date, commencing December 31, 2023, with respect to the report for the 2022-23 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to the Annual Report Date, the Successor Agency shall provide the Annual Report to the Dissemination Agent, if other than the Successor Agency. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the financial information regarding each of the Project Areas may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date if not available by that date. If the Successor Agency’s or any of the Project Area’s Fiscal Year changes, the Successor Agency, upon becoming aware of such change, shall give notice of such change in the same manner as for a Listed Event under Section 5(c) below. The Successor Agency shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the Successor Agency and shall have no duty or obligation to review such Annual Report.

(b) If, by fifteen (15) business days prior to the Annual Report Date, the Dissemination Agent (if other than the Successor Agency) has not received a copy of the Annual Report, the Dissemination Agent shall notify the Successor Agency of such non-receipt.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the Annual Report Date, the Dissemination Agent in a timely manner shall provide to the MSRB a notice, in substantially the form attached hereto as Exhibit A.

(d) Unless the Successor Agency has done so pursuant to Section 3(a) above, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a certificate with the Successor Agency to the effect that the Annual Report has been provided pursuant to

this Disclosure Certificate, stating, to the extent it can confirm such filing of the Annual Report, the date it was provided.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the Successor Agency's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the usual format utilized by the Successor Agency, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the Successor Agency for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

1. Description of any parity debt (date, amount, term, rating, insurance) issued by the Successor Agency in the fiscal year to which the Annual Report pertains and the amount of all Successor Agency debt outstanding payable with tax increment revenue from the Project Areas as of the end of the fiscal year to which the Annual Report pertains;

2. The top ten taxpayers by assessed valuation in the Project Areas for the fiscal year to which the Annual Report pertains in a form substantially similar to Table 3 of the Official Statement;

3. Assessed valuations and tax increment for the fiscal year to which the Annual Report pertains, by means of an update to the "Historical and Current Assessed Valuations and Net Available Tax Increment Revenue by Project Areas" table as shown in Table 5 of the Official Statement;

4. Estimated all-in debt service coverage for obligations of the Successor Agency for the fiscal year to which the Annual Report pertains by means of an update to the "Estimated All-In Debt Service Coverage" table shown in Table 7 and Table 8 of the Official Statement; and

5. Assessment appeals for the fiscal year to which the Annual Report pertains by means of an update to the "Assessment Appeals in the Project Areas" table shown in Table 9 of the Official Statement.

Any or all of the items above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which are available to the public on the MSRB's internet website, currently EMMA, or filed with the Securities and Exchange Commission. The Successor Agency shall clearly identify each such other document so included by reference.

The Trustee shall have no responsibility for the content of the Annual Report, or any part thereof.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposal Issue (IRS Form 5701-TEB);
6. Tender Offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the obligated person;
10. Default, event of acceleration, termination event, modifications of terms, or other similar events under the terms of a Financial Obligation of the Successor Agency, any of which reflect financial difficulties; and
11. The issuance of any private placement bonds or the entering into any bank loan of the type, in each case, that would constitute Third Lien Parity Debt as defined in the Indenture, including the related debt service schedule, to the extent this is not already disclosed on EMMA.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority; or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten (10) business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to the rights of Bondholders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving the Successor Agency or the sale of all or substantially all of the assets of the Successor Agency, other than in the ordinary course of business, the entry into a definitive

agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

7. Appointment of a successor or additional trustee or the change of the name of a trustee; and
8. Incurrence of a Financial Obligation of the Successor Agency, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Successor Agency, any of which affect security holders.

(c) Whenever the Successor Agency obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the Successor Agency shall determine if such event would be material under applicable federal securities laws.

(d) If the Successor Agency learns of the occurrence of a Listed Event described in Section 5(a) or determines that knowledge of the occurrence of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, and if the Dissemination Agent is other than the Successor Agency, the Successor Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to file a notice of such occurrence with EMMA in a timely manner not more than ten (10) business days after the event.

(e) The Successor Agency hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the Successor Agency and, if the Dissemination Agent is other than the Successor Agency, the Dissemination Agent shall not be responsible for determining whether the Successor Agency's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The obligations of the Successor Agency, the Trustee and the Dissemination Agent under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. From time to time, the Successor Agency may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. If at any time there is not a designated Dissemination Agent, the Successor Agency shall be the Dissemination Agent. The Dissemination Agent may resign by providing sixty (60) days prior written notice to the Successor Agency.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- (a) If the amendment or waiver relates to the provisions of Section 3(a), 4, 5(a) or 5(b), it may be made only in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) The undertakings herein, as proposed to be amended or waived, in the opinion of nationally recognized bond counsel, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) in the opinion of nationally recognized bond counsel, does not materially impair the interests of the holders or beneficial owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Successor Agency shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Successor Agency to comply with any provision of this Disclosure Certificate, the Trustee may (and, at the request of any Participating Underwriter or the holders of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall), after receiving indemnification satisfactory to the Trustee, or any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent and the Trustee shall be entitled to the protections and limitations from liability afforded to the Trustee in Article 6 of the Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and hold harmless the Dissemination Agent, its officers, directors, employees and agents, against any loss, expense and liabilities which the Dissemination Agent may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Trustee shall not be required to consent to any amendment which would impose any greater duties or risk of liability on the Trustee. No person shall have any right to commence any action against the Trustee seeking any remedy other than to compel specific performance of this Disclosure Certificate. The Trustee shall not be liable under any circumstances for monetary damages to any person for any breach of this Disclosure Certificate.

Section 13. Notices. Any notice or communications to be given under this Disclosure Certificate may be given as follows:

To the Successor Agency: Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Fax: (415) 749-2527
Attention: Deputy Director of Finance and
Administration

To the Participating Underwriters: Stifel, Nicolaus & Company, Incorporated
2121 Avenue of the Stars, Suite 2150
Los Angeles, CA 90067
Fax: (213)-443-5023
Attention: Public Finance Department

To the Trustee: U.S. Bank Trust Company, National Association
One California Street, Suite 1000
Mail Code: SF-CA-SFCT
San Francisco, CA 94111
Fax: (415) 677-3769
Attention: Global Corporate Trust and Escrow Services

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Trustee, the Dissemination Agent, the Participating Underwriters and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: ____ __, 2023

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: _____
Deputy Director of
Finance and Administration

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Names of Issues: Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Date of Issuance: _____, 2023

NOTICE IS HEREBY GIVEN that the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate dated _____, 2023, of the Successor Agency. The Successor Agency anticipates that the Annual Report will be filed by _____.

Dated: _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____

APPENDIX E
FORM OF BOND COUNSEL FINAL OPINION

[Closing Date]

Successor Agency to the
Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

OPINION: \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and \$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) of its \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2023A Bonds”) and its \$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds” and together with the 2023A Bonds, the “2023 Bonds”), pursuant to the Community Redevelopment Law, constituting Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (collectively, the “Law”), resolutions of the Successor Agency adopted on March 21, 2023, and June 20, 2023, a resolution of the Oversight Board for the Successor Agency adopted on April 7, 2023, and an Indenture of Trust dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust dated as of December 1, 2021, and as further supplemented and amended by the Second Supplement to Indenture of Trust dated as of September 1, 2023 (the “Second Supplement”), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor trustee (as so supplemented and amended, the “Indenture”). Capitalized terms used but not defined herein have the meanings given to such terms in the Indenture.

In our capacity as bond counsel, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied on representations of the Successor Agency contained in the Indenture, and on the certified proceedings and other certifications of public officials

furnished to us, without undertaking to verify the same by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of the General Counsel to the Successor Agency, and others, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Successor Agency is validly existing as a public entity, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the 2023 Bonds.

2. The Second Supplement has been duly executed and delivered by the Successor Agency and the Indenture constitutes the valid and binding obligation of the Successor Agency enforceable upon the Successor Agency.

3. The Indenture creates a valid lien on the funds pledged by the Indenture for the security of the 2023 Bonds, subject to no prior lien granted under the law, except as provided therein.

4. The 2023 Bonds have been duly authorized, executed and delivered by the Successor Agency and are valid and binding special obligations of the Successor Agency payable, on a parity with any Parity Debt, solely from the sources provided therefor in the Indenture.

5. The interest on the 2023A Bonds is not intended to be excluded from gross income for federal income tax purposes.

6. The interest on the 2023B Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted, however, that interest on the 2023B Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the 2023B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Successor Agency has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023B Bonds.

7. The interest on the 2023 Bonds is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any federal tax consequences arising with respect to the 2023A Bonds and no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the 2023 Bonds.

The rights of the owners of the 2023 Bonds and the enforceability of the 2023 Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by the exercise of judicial discretion in appropriate cases, by limitations on legal remedies imposed on actions against public entities, by laws relating to conflicts of interest, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes

in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any courts; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the certifications, representations, covenants and opinions referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

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APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The information in this Appendix F concerning The Depository Trust Company, New York, New York (“DTC”) and DTC’s book-entry system has been obtained from DTC and the Successor Agency takes no responsibility for the completeness or accuracy thereof. Accordingly, the DTC Participants, the Indirect Participants and the Beneficial Owners should not rely on the information in this Appendix F with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be. The Successor Agency cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2023A/B Bonds, (b) certificates representing ownership interest in or other confirmation of ownership interest in the 2023A/B Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2023A/B Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the 2023A/B Bonds. The 2023A/B Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each Series of the 2023A/B Bonds. The 2023A/B Bonds will be deposited with DTC.

DTC, the world’s largest Securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity and corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to DTC’s system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

Purchases of 2023A/B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2023A/B Bonds on DTC’s records. The ownership interest of each actual purchaser of each 2023A/B Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of

their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2023A/B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2023A/B Bonds, except in the event that use of the book-entry system for the 2023A/B Bonds is discontinued.

To facilitate subsequent transfers, all 2023A/B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2023A/B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2023A/B Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such 2023A/B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2023A/B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2023A/B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2023A/B Bond documents. For example, Beneficial Owners of 2023A/B Bonds may wish to ascertain that the nominee holding the 2023A/B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2023A/B Bonds of like maturity of a Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2023A/B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Successor Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2023A/B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal of, and premium, if any, and interest on, the 2023A/B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Successor Agency or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Successor Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of, and premium, if any, and interest on, the 2023A/B Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Successor Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and

disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the 2023A/B Bonds at any time by giving reasonable notice to the Successor Agency or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, 2023A/B Bond certificates are required to be printed and delivered.

The Successor Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2023A/B Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Successor Agency believes to be reliable, but the Successor Agency takes no responsibility for the accuracy thereof.

BENEFICIAL OWNERS WILL NOT RECEIVE PHYSICAL DELIVERY OF 2023A/B BONDS AND WILL NOT BE RECOGNIZED BY THE TRUSTEE AS OWNERS THEREOF, AND BENEFICIAL OWNERS WILL BE PERMITTED TO EXERCISE THE RIGHTS OF OWNERS ONLY INDIRECTLY THROUGH DTC AND THE DTC PARTICIPANTS.

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APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: \$ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: \$

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

Form 500NY (5/90)



MISCELLANEOUS

All the summaries contained herein of the Indenture, applicable legislation, agreements and other documents are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the Successor Agency for further information in connection therewith. The Successor Agency will provide, upon request, annual audited financial statements when available.

Insofar as any statements made in this Official Statement involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. No representation is made that any of such statements made will be realized. Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the Bondowners or Beneficial Owners.

The execution and delivery of this Official Statement have been duly authorized by the Successor Agency Commission.

SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO



By: /s/Rosa Torres
Deputy Director of Finance and Administration

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Successor Agency”) in connection with its issuance of \$24,505,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2023 Series A Taxable Bonds”) and \$35,210,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Project) (the “2023 Series B Bonds” and, together with the 2023 Series A Taxable Bonds, the “Bonds”). The Bonds are being issued in accordance with Sections 34177.7(a)(1)(A) and (B) of the California Health and Safety Code (the “Redevelopment Law”), the resolution of the Successor Agency adopted on July 20, 2021 (the “Resolution”), and the Indenture of Trust, dated as of March 1, 2017 (the “Original Indenture”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor-in-interest to U.S. Bank National Association, as trustee (the “Trustee”), as amended and supplemented prior to the date hereof and as further amended and supplemented by a Second Supplement to Indenture of Trust, dated as of September 1, 2023 (as so amended and supplemented, the “Indenture”), by and between the Successor Agency and the Trustee. The Successor Agency covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Indenture described in the Official Statement (defined below), which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Annual Report Date” means the date that is six months after the end of the Successor Agency’s fiscal year (currently December 31 based on the Successor Agency’s fiscal year end of June 30).

“Dissemination Agent” means the Successor Agency, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency and the Trustee a written acceptance of such designation.

“EMMA” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System for municipal securities disclosures, maintained on the internet at <https://emma.msrb.org>.

“Financial Obligation” means “financial obligation” as such term is defined in the Rule.

“Listed Events” means any of the events listed in Sections 5(a) and (b) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

“Official Statement” means the final Official Statement dated August 30, 2023, relating to the Bonds.

“Participating Underwriters” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Project Areas” means the Project Areas as defined in the Official Statement.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than each Annual Report Date, commencing December 31, 2023, with respect to the report for the 2022-23 Fiscal Year, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to the Annual Report Date, the Successor Agency shall provide the Annual Report to the Dissemination Agent, if other than the Successor Agency. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the financial information regarding each of the Project Areas may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date if not available by that date. If the Successor Agency’s or any of the Project Area’s Fiscal Year changes, the Successor Agency, upon becoming aware of such change, shall give notice of such change in the same manner as for a Listed Event under Section 5(c) below. The Successor Agency shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by it hereunder. The Dissemination Agent may conclusively rely upon such certification of the Successor Agency and shall have no duty or obligation to review such Annual Report.

(b) If, by fifteen (15) business days prior to the Annual Report Date, the Dissemination Agent (if other than the Successor Agency) has not received a copy of the Annual Report, the Dissemination Agent shall notify the Successor Agency of such non-receipt.

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the Annual Report Date, the Dissemination Agent in a timely manner shall provide to the MSRB a notice, in substantially the form attached hereto as Exhibit A.

(d) Unless the Successor Agency has done so pursuant to Section 3(a) above, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a certificate with the Successor Agency to the effect that the Annual Report has been provided pursuant to this Disclosure Certificate, stating, to the extent it can confirm such filing of the Annual Report, the date it was provided.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) Audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and as further modified according to applicable State law. If the Successor Agency's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the usual format utilized by the Successor Agency, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the Successor Agency for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

1. Description of any parity debt (date, amount, term, rating, insurance) issued by the Successor Agency in the fiscal year to which the Annual Report pertains and the amount of all Successor Agency debt outstanding payable with tax increment revenue from the Project Areas as of the end of the fiscal year to which the Annual Report pertains;

2. The top ten taxpayers by assessed valuation in the Project Areas for the fiscal year to which the Annual Report pertains in a form substantially similar to Table 3 of the Official Statement;

3. Assessed valuations and tax increment for the fiscal year to which the Annual Report pertains, by means of an update to the "Historical and Current Assessed Valuations and Net Available Tax Increment Revenue by Project Areas" table as shown in Table 5 of the Official Statement;

4. Estimated all-in debt service coverage for obligations of the Successor Agency for the fiscal year to which the Annual Report pertains by means of an update to the "Estimated All-In Debt Service Coverage" table shown in Table 7 and Table 8 of the Official Statement; and

5. Assessment appeals for the fiscal year to which the Annual Report pertains by means of an update to the "Assessment Appeals in the Project Areas" table shown in Table 9 of the Official Statement.

Any or all of the items above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which are available to the public on the MSRB's internet website, currently EMMA, or filed with the Securities and Exchange Commission. The Successor Agency shall clearly identify each such other document so included by reference.

The Trustee shall have no responsibility for the content of the Annual Report, or any part thereof.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not more than ten (10) business days after the occurrence of the event:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposal Issue (IRS Form 5701-TEB);
6. Tender Offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the obligated person;
10. Default, event of acceleration, termination event, modifications of terms, or other similar events under the terms of a Financial Obligation of the Successor Agency, any of which reflect financial difficulties; and
11. The issuance of any private placement bonds or the entering into any bank loan of the type, in each case, that would constitute Third Lien Parity Debt as defined in the Indenture, including the related debt service schedule, to the extent this is not already disclosed on EMMA.

Note: For the purposes of the event identified in subparagraph (9), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority; or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

(b) Pursuant to the provisions of this Section 5, the Successor Agency shall give, or cause to be given, to the MSRB, in an electronic format as prescribed by the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material, in a timely manner not later than ten (10) business days after the occurrence of the event:

1. Unless described in Section 5(a)(5), other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
2. Modifications to the rights of Bondholders;
3. Optional, unscheduled or contingent Bond calls;
4. Release, substitution or sale of property securing repayment of the Bonds;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving the Successor Agency or the sale of all or substantially all of the assets of the Successor Agency, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
7. Appointment of a successor or additional trustee or the change of the name of a trustee; and
8. Incurrence of a Financial Obligation of the Successor Agency, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a

Financial Obligation of the Successor Agency, any of which affect security holders.

(c) Whenever the Successor Agency obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the Successor Agency shall determine if such event would be material under applicable federal securities laws.

(d) If the Successor Agency learns of the occurrence of a Listed Event described in Section 5(a) or determines that knowledge of the occurrence of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, and if the Dissemination Agent is other than the Successor Agency, the Successor Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to file a notice of such occurrence with EMMA in a timely manner not more than ten (10) business days after the event.

(e) The Successor Agency hereby agrees that the undertaking set forth in this Disclosure Certificate is the responsibility of the Successor Agency and, if the Dissemination Agent is other than the Successor Agency, the Dissemination Agent shall not be responsible for determining whether the Successor Agency's instructions to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The obligations of the Successor Agency, the Trustee and the Dissemination Agent under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. From time to time, the Successor Agency may appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. If at any time there is not a designated Dissemination Agent, the Successor Agency shall be the Dissemination Agent. The Dissemination Agent may resign by providing sixty (60) days prior written notice to the Successor Agency.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4, 5(a) or 5(b), it may be made only in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) The undertakings herein, as proposed to be amended or waived, in the opinion of nationally recognized bond counsel, would have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) in the opinion of nationally recognized bond counsel, does not materially impair the interests of the holders or beneficial owners of the Bonds.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Successor Agency shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. In the event of a failure of the Successor Agency to comply with any provision of this Disclosure Certificate, the Trustee may (and, at the request of any Participating Underwriter or the holders of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall), after receiving indemnification satisfactory to the Trustee, or any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent and the Trustee shall be entitled to the protections and limitations from liability afforded to the Trustee in Article 6 of the Indenture. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and hold harmless the Dissemination Agent, its officers, directors, employees and agents, against any loss, expense and liabilities which the Dissemination Agent may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. The Trustee shall not be required to consent to any amendment which would impose any greater duties or risk of liability on the Trustee. No person shall have any right to commence any action against the Trustee seeking any remedy other than to compel specific performance of this Disclosure Certificate. The Trustee shall not be liable under any circumstances for monetary damages to any person for any breach of this Disclosure Certificate.

Section 13. Notices. Any notice or communications to be given under this Disclosure Certificate may be given as follows:

To the Successor Agency:

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Fax: (415) 749-2527
Attention: Deputy Director of Finance and
Administration

To the Participating Underwriters: Stifel, Nicolaus & Company, Incorporated
2121 Avenue of the Stars, Suite 2150
Los Angeles, CA 90067
Fax: (213)-443-5023
Attention: Public Finance Department

To the Trustee: U.S. Bank Trust Company, National Association
One California Street, Suite 1000
Mail Code: SF-CA-SFCT
San Francisco, CA 94111
Fax: (415) 677-3769
Attention: Global Corporate Trust and Escrow Services

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Trustee, the Dissemination Agent, the Participating Underwriters and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: September 14, 2023

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

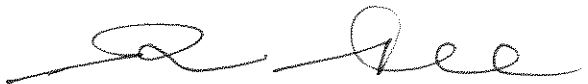
By: 
Deputy Director of
Finance and Administration

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Names of Issues: Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Date of Issuance: _____, 2023

NOTICE IS HEREBY GIVEN that the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate dated _____, 2023, of the Successor Agency. The Successor Agency anticipates that the Annual Report will be filed by _____.

Dated: _____

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: _____
Title: _____



Issuance

Issuer Name: Successor Agency to the San Francisco City & County
Redevelopment Agency

Issue Name: 2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects) (Social Bonds)

Project Name: 2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects) (Social Bonds)

Principal: \$24,505,000.00

Original Issue Premium: \$0.00

Original Premium Discount: \$0.00

Net Original Issue Premium/Discount: \$0.00

Is any portion of the principal to refund, redeem, paydown,
or refinance outstanding debt? No

Issuer certifies that it has complied with Gov. Code section
8855(i) with respect to local debt policies: Yes

Environmental / Social Impact Type	Amount
No Data available to display.	

Marks-Roos Authority/TRAN Pool Authority: No

Marks-Roos Local Obligor/TRAN Participant: No

Maturity Structure: Serial and Term Bonds

Dates

Proposed Sale Date: 08/17/2023

Actual Sale Date: 08/30/2023

Settlement Date: 09/14/2023

Dated Date: 09/14/2023

Final Maturity Date: 08/01/2041

First Optional Call Date: 08/01/2033

Issuance Authorization

Authorization (1):



Authorization Name:	Resolution No. 02- 2023
Original Authorized Amount:	\$30,000,000.00
Authorization Date (MM/DD/YYYY):	03/21/2023
Amount Authorization Replenished (By this Issue):	\$0.00
Amount Authorization Reduced (By this Issue):	\$24,505,000.00
Net Change:	\$-24,505,000.00

Statutory Authority

Will a Validation Action be Pursued? No

Statutory Authorities

Statute (1):

Statute: HSC - (33000-34191.6) - Redevelopment Agencies and
Designation of Successor Agencies

Credit

Credit Enhancement/Guaranty:	Insurance
Enhancement Expiration Date	08/01/2041
Credit Rating:	Rated
Standard & Poor:	AA
Fitch:	
Moody's:	
Other:	

Financing Participants/Costs

Underwriter	
Management Fee:	\$0.00
Total Takedown Amount:	\$108,718.75
Underwriter Expense:	\$0.00



REPORT OF FINAL SALE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1274
Status: Submitted
10/11/2023

Organization Name	Contact First Name	Contact Last Name
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Stifel Nicolaus & Company Inc

Backstrom McCarley Berry & Co

Bond Counsel:	\$34,850.00
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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Jones Hall A Professional Law Corp			\$34,850.00
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Borrower Counsel:	\$0.00
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Co-Bond Counsel:	\$0.00
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Credit Enhancement:	\$164,833.37
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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Assured Guaranty Municipal Corporation			\$164,833.37
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Disclosure Counsel:	\$23,780.00
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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Law Offices of Alexis S M Chiu			\$23,780.00
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Financial/Municipal Advisor:	\$34,881.10
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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PFM California Advisors LLC			\$34,881.10
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Lender:	\$0.00
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Placement Agent:	\$0.00
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Purchaser:	\$0.00
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Credit Rating Agency:	\$18,056.10
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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S&P Global Ratings			\$18,056.10
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Trustee/Paying Agent:	\$3,077.74
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REPORT OF FINAL SALE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1274
Status: Submitted
10/11/2023

Organization Name	Contact First Name	Contact Last Name	Fee Amount
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U.S. Bank Trust Company, National Association			\$3,077.74
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Other Expenses Amount:	\$116,802.94
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Total Additional Fees and Expenses:	\$396,281.25
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Total Costs of Issuance:	\$505,000.00
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Other Contacts:

Role	Organization	Contact First Name	Contact Last Name
1_Issuer Main Contact			
Filing Contact	Jones Hall A Professional Law Corp		
2_Invoice Contact	Stifel Nicolaus & Company Inc		

Tax Status/Interest

Under State Law:	Tax-Exempt
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State Taxable Principal Amount:

State Tax-Exempt Principal Amount:	\$24,505,000.00
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Under Federal Law:	Taxable
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Federal Taxable Principal Amount:	\$24,505,000.00
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Federal Tax-exempt (No AMT) Principal Amount:

Federal Tax-exempt (AMT) Principal Amount:

Net Interest Cost (NIC):	5.821
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True Interest Cost (TIC):	5.819
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Capital Appreciation Debt:	No
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Type of Debt Instrument

Tax Allocation Bond

Source of Repayment



Source of Repayment Types:

Tax Increment

Is debt repayable in non-US currency? No

Senior Structure: No

Subordinate Structure: No

Purpose(s) of Financing

Purpose Name	Percentage
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Multifamily Housing	100
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Type of Sale

Type: Negotiated

Is financing a private placement? No

Reason(s) for Negotiated Sale:

No data available to display.

Document Submittal

Official Statements/Offering Memorandum: Enclosed

Maturity Schedule: Included in official Statement

Document Type	Document Name	File Upload Date
Official Statement	A12 Final OS.pdf	10/11/2023
Supplemental Indenture	A11 Second Supplement to Indenture (2023 Affordable Housing and Transbay).pdf	10/11/2023
Bond Purchase Contract	A08 EXECUTED - Bond Purchase Contract (San Francisco OCII 2023 Bonds).pdf	10/11/2023
Resolution	A02 RESO 02-2023 - Approving Bonds_with Exh_adopted.pdf	10/11/2023

Submission of Report of Proposed Debt Issuance

no-reply-cdiac@treasurer.ca.gov <no-reply-cdiac@treasurer.ca.gov>

Wed 10/11/2023 11:41 AM

To:Mike Kelley <mkelley@joneshall.com>

The California Debt and Investment Advisory Commission acknowledges receipt of the following Report of Proposed Debt Issuance:

CDIAC #: 2023-1274

Issuer: Successor Agency to the San Francisco City & County Redevelopment Agency

Issue Name: 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)

Project/Series: 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)

Proposed Principal Sale Amount: \$30,000,000.00

Proposed Sale Date: 08/17/2023

Date Submitted: 10/11/2023

This Report of Proposed Debt Issuance (RPDI) will display a status of Submitted in the Data Portal until CDIAC completes its review.

CDIAC must review and accept this RPDI before a Report of Final Sale can be created and submitted.



REPORT OF PROPOSED DEBT ISSUANCE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1274
Status: Submitted
10/11/2023

Issuance

Issuer Name:	Successor Agency to the San Francisco City & County Redevelopment Agency
Issue Name:	2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)
Project Name:	2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)
Proposed Sale Date:	08/17/2023
Principal to be Sold:	\$30,000,000.00
Is any portion of the principal to refund, redeem, paydown, or refinance outstanding debt?	No
Issuer certifies that it has complied with Gov. Code section 8855(i) with respect to local debt policies:	Yes
Marks-Roos Authority/TRAN Pool Authority:	No
Marks-Roos Local Obligor/TRAN Participant:	No

Issuance Authorization

Authorization (1):	
Authorization Name:	Resolution No. 2023- XXXX
Original Authorized Amount:	\$30,000,000.00
Authorization Date (MM/DD/YYYY):	03/21/2023
Amount Authorization Replenished (By this Issue):	\$0.00
Amount Authorization Reduced (By this Issue):	\$30,000,000.00
Net Change (By this Issue):	\$-30,000,000.00

Statutory Authority

Will a Validation Action be Pursued?	No
Statutory Authorities	
Statute (1):	



REPORT OF PROPOSED DEBT ISSUANCE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1274
Status: Submitted
10/11/2023

Statute: HSC - (33000-34191.6) - Redevelopment Agencies and
Designation of Successor Agencies

Tax Status/Interest

Under State Law:	Tax-Exempt
Taxable Principal Amount:	
Tax-Exempt Principal Amount:	\$30,000,000.00
Under Federal Law:	Taxable
Taxable Principal Amount:	\$30,000,000.00
Tax-exempt (No AMT) Principal Amount:	
Tax-exempt (AMT) Principal Amount:	

Type of Debt Instrument

Tax Allocation Bond

Source of Repayment

Is debt repayable in non-US currency? No

Source of Repayment Type

Tax Increment

Purpose of Financing

Purpose Name	Percentage
Multifamily Housing	100

Financing Participants

Role	Organization	Contact First Name	Contact Last Name
1_Issuer Main Contact			
Bond Counsel	Jones Hall A Professional Law Corp		



REPORT OF PROPOSED DEBT ISSUANCE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1274
Status: Submitted
10/11/2023

Financial Advisor	PFM California Advisors LLC
Lead Underwriter	Stifel Nicolaus & Company Inc
Disclosure Counsel	Law Offices of Alexis S M Chiu
Filing Contact	Jones Hall A Professional Law Corp
Other Underwriter (in addition to the Lead Underwriter)	Backstrom McCarley Berry & Co

Type of Sale

Type:	Negotiated
Is financing a private placement?	No

Reason(s) for Negotiated Sale:

No data available to display.

Document Submittal

Document Type	Document Name	File Upload Date
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No data available to display.

Submission Date	10/11/2023
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Issuance

Issuer Name:	Successor Agency to the San Francisco City & County Redevelopment Agency
Issue Name:	2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)
Project Name:	2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)
Principal:	\$35,210,000.00
Original Issue Premium:	\$2,539,811.85
Original Premium Discount:	\$0.00
Net Original Issue Premium/Discount:	\$2,539,811.85
Is any portion of the principal to refund, redeem, paydown, or refinance outstanding debt?	No
Issuer certifies that it has complied with Gov. Code section 8855(i) with respect to local debt policies:	Yes

Environmental / Social Impact Type	Amount
No Data available to display.	

Marks-Roos Authority/TRAN Pool Authority:	No
Marks-Roos Local Obligor/TRAN Participant:	No
Maturity Structure:	Term

Dates

Proposed Sale Date:	08/17/2023
Actual Sale Date:	08/30/2023
Settlement Date:	09/14/2023
Dated Date:	09/14/2023
Final Maturity Date:	08/01/2053
First Optional Call Date:	08/01/2033

Issuance Authorization

Authorization (1):



REPORT OF FINAL SALE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1275
Status: Submitted
10/11/2023

Authorization Name:	Resolution No. 02- 2023
Original Authorized Amount:	\$45,000,000.00
Authorization Date (MM/DD/YYYY):	03/21/2023
Amount Authorization Replenished (By this Issue):	\$0.00
Amount Authorization Reduced (By this Issue):	\$35,210,000.00
Net Change:	\$-35,210,000.00

Statutory Authority

Will a Validation Action be Pursued? No

Statutory Authorities

Statute (1):

Statute: HSC - (33000-34191.6) - Redevelopment Agencies and
Designation of Successor Agencies

Credit

Credit Enhancement/Guaranty:	Insurance
Enhancement Expiration Date	08/01/2053
Credit Rating:	Rated
Standard & Poor:	AA
Fitch:	
Moody's:	
Other:	

Financing Participants/Costs

Underwriter	
Management Fee:	\$0.00
Total Takedown Amount:	\$112,200.00
Underwriter Expense:	\$0.00



REPORT OF FINAL SALE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1275
Status: Submitted
10/11/2023

Organization Name	Contact First Name	Contact Last Name
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Stifel Nicolaus & Company Inc

Backstrom McCarley Berry & Co

Bond Counsel:	\$50,150.00
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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Jones Hall A Professional Law Corp			\$50,150.00
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Borrower Counsel:	\$0.00
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Co-Bond Counsel:	\$0.00
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Credit Enhancement:	\$307,828.41
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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Assured Guaranty Municipal Corporation			\$307,828.41
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Disclosure Counsel:	\$34,220.00
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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Law Offices of Alexis S M Chiu			\$34,220.00
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Financial/Municipal Advisor:	\$50,118.90
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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PFM California Advisors LLC			\$50,118.90
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Lender:	\$0.00
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Placement Agent:	\$0.00
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Purchaser:	\$0.00
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Credit Rating Agency:	\$25,943.90
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Organization Name	Contact First Name	Contact Last Name	Fee Amount
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S&P Global Ratings			\$25,943.90
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Trustee/Paying Agent:	\$4,422.26
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REPORT OF FINAL SALE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1275
Status: Submitted
10/11/2023

Organization Name	Contact First Name	Contact Last Name	Fee Amount
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U.S. Bank Trust Company, National Association			\$4,422.26
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Other Expenses Amount:	\$164,928.38
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Total Additional Fees and Expenses:	\$637,611.85
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Total Costs of Issuance:	\$749,811.85
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Other Contacts:

Role	Organization	Contact First Name	Contact Last Name
1_Issuer Main Contact			
Filing Contact	Jones Hall A Professional Law Corp		
2_Invoice Contact	Stifel Nicolaus & Company Inc		

Tax Status/Interest

Under State Law:	Tax-Exempt
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State Taxable Principal Amount:

State Tax-Exempt Principal Amount:	\$35,210,000.00
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Under Federal Law:	Tax Exempt, No AMT
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Federal Taxable Principal Amount:

Federal Tax-exempt (No AMT) Principal Amount:	\$35,210,000.00
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Federal Tax-exempt (AMT) Principal Amount:

Net Interest Cost (NIC):	4.861
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True Interest Cost (TIC):	4.657
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Capital Appreciation Debt:	No
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Type of Debt Instrument

Tax Allocation Bond

Source of Repayment



Source of Repayment Types:

Tax Increment

Is debt repayable in non-US currency? No

Senior Structure: No

Subordinate Structure: No

Purpose(s) of Financing

Purpose Name	Percentage
Redevelopment, Multiple Purposes	100

Type of Sale

Type: Negotiated

Is financing a private placement? No

Reason(s) for Negotiated Sale:

No data available to display.

Document Submittal

Official Statements/Offering Memorandum: Enclosed

Maturity Schedule: Included in official Statement

Document Type	Document Name	File Upload Date
Official Statement	A12 Final OS.pdf	10/11/2023
Supplemental Indenture	A11 Second Supplement to Indenture (2023 Affordable Housing and Transbay).pdf	10/11/2023
Bond Purchase Contract	A08 EXECUTED - Bond Purchase Contract (San Francisco OCII 2023 Bonds).pdf	10/11/2023
Resolution	A02 RESO 02-2023 - Approving Bonds_with Exh_adopted.pdf	10/11/2023

Submission of Report of Proposed Debt Issuance

no-reply-cdiac@treasurer.ca.gov <no-reply-cdiac@treasurer.ca.gov>

Wed 10/11/2023 11:55 AM

To:Mike Kelley <mkelley@joneshall.com>

The California Debt and Investment Advisory Commission acknowledges receipt of the following Report of Proposed Debt Issuance:

CDIAC #: 2023-1275

Issuer: Successor Agency to the San Francisco City & County Redevelopment Agency

Issue Name: 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Project/Series: 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Proposed Principal Sale Amount: \$45,000,000.00

Proposed Sale Date: 08/17/2023

Date Submitted: 10/11/2023

This Report of Proposed Debt Issuance (RPDI) will display a status of Submitted in the Data Portal until CDIAC completes its review.

CDIAC must review and accept this RPDI before a Report of Final Sale can be created and submitted.



REPORT OF PROPOSED DEBT ISSUANCE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1275
Status: Submitted
10/11/2023

Issuance

Issuer Name:	Successor Agency to the San Francisco City & County Redevelopment Agency
Issue Name:	2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)
Project Name:	2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)
Proposed Sale Date:	08/17/2023
Principal to be Sold:	\$45,000,000.00
Is any portion of the principal to refund, redeem, paydown, or refinance outstanding debt?	No
Issuer certifies that it has complied with Gov. Code section 8855(i) with respect to local debt policies:	Yes
Marks-Roos Authority/TRAN Pool Authority:	No
Marks-Roos Local Obligor/TRAN Participant:	No

Issuance Authorization

Authorization (1):	
Authorization Name:	Resolution No. 2023-XXXX
Original Authorized Amount:	\$45,000,000.00
Authorization Date (MM/DD/YYYY):	03/21/2023
Amount Authorization Replenished (By this Issue):	\$0.00
Amount Authorization Reduced (By this Issue):	\$45,000,000.00
Net Change (By this Issue):	\$-45,000,000.00

Statutory Authority

Will a Validation Action be Pursued?	No
Statutory Authorities	
Statute (1):	



REPORT OF PROPOSED DEBT ISSUANCE
California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1275
Status: Submitted
10/11/2023

Statute: HSC - (33000-34191.6) - Redevelopment Agencies and
Designation of Successor Agencies

Tax Status/Interest

Under State Law: Tax-Exempt

Taxable Principal Amount:

Tax-Exempt Principal Amount: \$45,000,000.00

Under Federal Law: Tax Exempt, No AMT

Taxable Principal Amount:

Tax-exempt (No AMT) Principal Amount: \$45,000,000.00

Tax-exempt (AMT) Principal Amount:

Type of Debt Instrument

Tax Allocation Bond

Source of Repayment

Is debt repayable in non-US currency? No

Source of Repayment Type

Tax Increment

Purpose of Financing

Purpose Name	Percentage
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Redevelopment, Multiple Purposes	100
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Financing Participants

Role	Organization	Contact First Name	Contact Last Name
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Filing Contact	Jones Hall A Professional Law Corp		
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1_Issuer Main Contact



REPORT OF PROPOSED DEBT ISSUANCE

California Debt and Investment Advisory Commission, 915 Capitol Mall,
Room 400, Sacramento, CA 95814 P.O. Box 942809, Sacramento, CA
94209-0001 Tel.: (916) 653-3269 Fax: (916) 654-7440

CDIAC # : 2023-1275
Status: Submitted
10/11/2023

Bond Counsel	Jones Hall A Professional Law Corp
Financial Advisor	PFM California Advisors LLC
Lead Underwriter	Stifel Nicolaus & Company Inc
Other Underwriter (in addition to the Lead Underwriter)	Backstrom McCarley Berry & Co
Disclosure Counsel	Law Offices of Alexis S M Chiu

Type of Sale

Type:	Negotiated
Is financing a private placement?	No

Reason(s) for Negotiated Sale:

No data available to display.

Document Submittal

Document Type	Document Name	File Upload Date
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No data available to display.

The Depository Trust Company

A subsidiary of the Depository Trust & Clearing Corporation

BLANKET ISSUER LETTER OF REPRESENTATIONS

[To be completed by Issuer and Co-Issuer(s), if applicable]

Successor Agency to the Redevelopment Agency of the City and County of San Francisco

[Name of Issuer and Co-Issuer(s), if applicable]

January 31, 2013

[Date]

Attention: Underwriting Department
The Depository Trust Company
55 Water Street, 15L
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request to be made eligible for deposit by The Depository Trust Company ("DTC").

Issuer is: *[Note: Issuer shall represent one and cross out the other.]*

~~[incorporated in]~~ [formed under the laws of] California

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Received and Accepted
THE DEPOSITORY TRUST COMPANY

By: *Jeannie Maurer*



The Depository Trust &
Clearing Corporation

Very truly yours,

Successor Agency to the Redevelopment Agency of the City and County of San Francisco

(Issuer)

By: *Leo Levenson*

(Authorized Officer's Signature)

Leo Levenson, Deputy Executive Director

(Print Name)

One South Van Ness Ave, 5th Floor

(Street Address)

San Francisco CA USA 94103

(City) (State) (Country) (Zip Code)

(415) 749-2516

(Phone Number)

catherine.reilly@sfgov.org

(E-mail Address)

BLOR 03/25/08

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

OFFICER'S CERTIFICATE OF THE SUCCESSOR AGENCY

The undersigned hereby state and certify that:

(i) the undersigned are the duly appointed, qualified and acting Executive Director and Deputy Director of Finance and Administration, respectively, of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency"), a public body, corporate and politic, duly existing under the laws of the State of California, and as such, are familiar with the facts herein certified and are authorized and qualified to certify the same on behalf of the Successor Agency;


(ii) the Successor Agency has been created pursuant to Section 34173 of the Health and Safety Code of the State of California, as the successor to the former Redevelopment Agency of the City and County of San Francisco;

(iii) the signatures set forth opposite the names and titles of the following persons are the true and correct specimens of, or are, the genuine signatures of such persons, each of whom holds the office designated:

Name and Title

Signature

Thor Kaslofsky, Executive Director

DocuSigned by:

B10961FA8449406

Rosa Torres, Deputy Director of
Finance and Administration

DocuSigned by:

D936B4B127CC42F...

Jaimie Cruz, Commission
Secretary

DocuSigned by:

848EAF3C6114479...

(iv) the bonds issued by the Successor Agency designated "Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)" and "Successor Agency to the Redevelopment Agency of the City and County of San Francisco, 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)," in the aggregate principal amounts of \$24,505,000 and \$35,210,000, respectively, all dated September 14, 2023 (collectively, the "Bonds"), have been executed on behalf of the Successor Agency by the facsimile signature of the within-named Executive Director and attested to by the facsimile signature of the within-named Commission Secretary of the Successor Agency;

(v) the members of the Successor Agency duly adopted the following resolutions (collectively, the "Resolutions"), at open public meetings which were called, noticed and conducted in accordance with all applicable requirements of California law, at which a quorum was present and acting throughout, and the Resolutions have not been amended, supplemented, modified, rescinded or repealed and remain in full force and effect as of the date hereof:

- (a) Resolution No. 02-2023 entitled "Authorizing the Issuance of New Money Tax Allocation Bonds, Subject to Oversight Board and Department of Finance Approval, as Permitted in Sections 34177.7(a)(1)(A) and 34177.7(a)(1)(B) of the California Health And Safety Code to Finance (I) Affordable Housing Obligations in an Aggregate Principal Amount Not-to-Exceed \$30,000,000 and (II) Infrastructure Obligations in the Transbay Redevelopment Project Area in an Aggregate Principal Amount Not-to-Exceed \$45,000,000, Approving and Directing the Execution of a Second Supplement to Indenture of Trust and Bond Purchase Contract, and Approving Other Related Documents and Actions; Affordable Housing Obligations; Transbay Infrastructure Obligation," adopted March 21, 2023.
- (b) Resolution No. 21-2023 entitled "Confirming the Issuance of New Money Tax Allocation Bonds as Permitted in Sections 34177.7(a)(1)(A) and 34177.7(a)(1)(B) of the California Health and Safety Code to Finance (1) Affordable Housing Obligations in an Aggregate Principal Amount Not-to-Exceed \$30,000,000 and (2) Infrastructure in the Transbay Project Area in an Aggregate Principal Amount Not to Exceed \$45,000,000, and Approving Preliminary and Final Official Statements, a Continuing Disclosure Certificate and Other Related Documents and Actions; Affordable Housing Obligations; Transbay Infrastructure Obligations," adopted June 20, 2023.

(vi) by all necessary action, the Successor Agency has duly authorized and approved the execution and delivery of the Official Statement dated August 30, 2023 (the "Official Statement"), the use and distribution of the Preliminary Official Statement dated August 22, 2023 (the "Preliminary Official Statement") and the Official Statement, in connection with the offering and sale of the Bonds and the execution and delivery of, and the performance by the Successor Agency of the obligations on its part contained in, the following agreements (collectively, the "Agreements"):

- (a) Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the "First Supplement") and as further supplemented and amended by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the "Second Supplement"), each by and between

the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association (as so supplemented and amended, the "Indenture"),

- (b) Bond Purchase Contract, dated August 30, 2023 (the "Purchase Contract"), by Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters (collectively, the "Underwriter"), and accepted by the Successor Agency, and
- (c) Continuing Disclosure Certificate dated September 14, 2023 (the "Continuing Disclosure Certificate"), executed by the Successor Agency;

(vii) Resolution No. 368-23 was duly adopted by the Board of Supervisors of the City on July 18, 2023, and, to the best knowledge of the undersigned, said resolution has not been amended, modified, supplemented, rescinded or repealed and remains in full force and effect as of the date hereof;

(viii) for and behalf of the Successor Agency, the within-named Executive Director and/or Deputy Director of Finance and Administration has executed the Official Statement and the Agreements;

(ix) the representations and warranties of the Successor Agency contained in the Agreements are true and correct in all material respects on and as of the date hereof as if made on the date hereof;

(x) the Successor Agency has complied with all of the terms and conditions of the Purchase Contract required to be complied with by the Successor Agency at or prior to the date hereof;

(xi) no event affecting the Successor Agency has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(xii) the financial statements of the Successor Agency contained in the Official Statement fairly present the financial positions and results of operations thereof as of the dates and for the periods therein set forth, and the undersigned has no reason to believe that such financial statements have not been prepared in accordance with generally accepted accounting principles consistently applied;

(xiii) to the best knowledge of the undersigned, there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body which has been served on the Successor Agency or, to the knowledge of the Successor Agency, threatened against or affecting the Successor Agency to restrain or enjoin the Successor Agency's participation in, or in any way contesting the existence of the Successor Agency or the powers of the Successor Agency with respect to, the transactions contemplated by the agreements and consummation of such transactions;

(xiv) pursuant to Section 3.01 of the Indenture, the Trustee is requested to authenticate the Bonds, substantially in the form attached as Exhibit H to the Second Supplement to Indenture of Trust, and to deliver the authenticated Bonds to or upon the order of the Underwriters, upon receipt on the date hereof by the Trustee of the purchase price of the Bonds in the amount set forth in the Trustee's Receipt of Proceeds, Insurance Policy and the Reserve Policies, dated the date hereof;

(xv) no further consent is required to be obtained for the inclusion of the Successor Agency's audited financial statements, including the accompanying accountant's letter, for Fiscal Year ending June 30, 2022 in the Preliminary Official Statement and the Official Statement;

(xvi) the employer identification number of the Successor Agency is 46-4824332, which is the employer identification number of the former Redevelopment Agency of the City and County of San Francisco;

(xvii) the undersigned hereby represents that the Successor Agency intends for its digital signatures or other electronic indication of execution on all documents related to this transaction, and the digital signatures or other electronic indication of execution of other parties related to this transaction, to be treated the same and have the same legally binding and enforceable effect as original manual signatures, and


(xviii) the Successor Agency (A) has authorized its executed counterpart signature page to be inserted into the final version of each document related to this transaction to which it is a party and (B) represents that the Successor Agency intends to be bound by the final version of all documents related to this transaction to which it is a party, which will be released to each of the parties to this transaction simultaneously with the closing of the transaction, including any such written changes to the documents that may have been made after the Successor Agency performed the act of affixing its signatures to the documents, and that the Successor Agency's agreement to close the transaction shall constitute conclusive evidence of the acceptance of such changes and intent to be bound thereby.

Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Indenture and the Purchase Contract.

Dated: September 14, 2023

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO**

By: 
Thor Kaslofsky
Executive Director

By: 
Rosa Torres
Deputy Director of
Finance and Administration

\$35,210,000
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)

CERTIFICATE AS TO ARBITRAGE

I, the undersigned Deputy Director of Finance and Administration of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Agency"), being one of the officers of the Agency duly charged (by resolution of the governing board of the Agency), with others, with the responsibility of issuing the Agency's \$35,210,000 principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "Bonds"), dated September 14, 2023, and being issued this date, hereby certify and covenant as follows:

(1) Status of the Agency. The Agency is the successor in interest to the Redevelopment Agency of the City and County of San Francisco (the "Former Agency"). The Mayor of the City and County of San Francisco, California (the "City"), has the power to approve and to remove the governing body of the Agency. Based on the above statements, the City directly controls the Agency and the Agency thereby constitutes a controlled entity of the City and a subordinate entity of the City. The Agency is issuing the Bonds on behalf of the City, and the City is a political subdivision of the State of California.

(2) Purpose of Bonds. The Bonds are being issued pursuant to an Indenture of Trust, dated as of March 1, 2017 (the "Indenture"), by and between the Agency and U.S. Bank Trust Company, National Association, as successor to U.S. Bank National Association, as trustee (the "Trustee"), as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021, by and between the Issuer and the Trustee, and as further supplemented and amended by a Second Supplement to Indenture of Trust dated as of September 1, 2023, by and between the Issuer and the Trustee (as so amended and supplemented, the "Indenture"), for the purpose of providing funds for the acquisition and construction of certain public facilities (the "Project"), which Project is more particularly described in the Certificate Regarding Use of Proceeds, dated the date hereof and included elsewhere in the transcript for the Bonds.

(3) Statement of Expectations. On the basis of the facts and estimates in existence on the date hereof, I reasonably expect the following with respect to the amount and use of gross proceeds of the Bonds:

(a) Amount Received from Sale of Bonds; No Aggregated Issues. The Bonds were sold to Stifel, Nicolaus & Company, Incorporated acting on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC as underwriters (together, the "Underwriters"), at their face amount (\$35,210,000), plus original issue premium of \$2,539,811.85, less Underwriters' discount of \$112,200.00, for a total amount of \$37,637,611.85. Of said purchase price, \$307,828.41 representing Insurance and Reserve Insurance (see below) premiums will be paid directly with proceeds of the Bonds by the Underwriters on the date hereof to Assured Guaranty Municipal Corp. (the "Insurer") as an accommodation to the Agency, for a net purchase price of \$37,329,783.44 Of said

amount, \$329,783.44 will be deposited in the 2023B Bonds Costs of Issuance Fund (the "Costs of Issuance Fund"); and the remaining \$37,000,000.00 will be deposited in the 2023B Bonds Project Fund (the "Project Fund"). All such Funds are held by the Trustee. No tax-exempt debt has been sold within fifteen (15) days before or after the date the Bonds were sold that will be paid from substantially the same source of funds as the Bonds (excluding guarantees from unrelated parties).

(b) Costs of Issuance Fund. The proceeds of the Bonds deposited in the Costs of Issuance Fund will be used for payment of legal fees, printing costs and other costs of issuance of the Bonds and will be fully expended promptly upon receipt of invoices. Amounts deposited in the Costs of Issuance Fund, if invested, will be invested without yield restrictions. Interest earnings and gains resulting from said investment will be retained in the Costs of Issuance Fund and used for the purposes thereof. On the date hereof, the Agency will also issue its 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "Taxable Bonds"). No portion of the proceeds of the Bonds will be used to pay costs of issuance of the Taxable Bonds. Amounts, if any, remaining on the date which is three (3) months following the date hereof or, if earlier, upon written request of the Agency, payment of costs of issuance in full will be transferred to the Interest Account of the Debt Service Fund and used solely for debt service on the Bonds.

(c) Use of Project Fund; Reimbursement. The proceeds of the Bonds deposited in the Project Fund will be used for the payment of costs of acquisition and construction of the Project. No portion of the proceeds of the Bonds will be used for reimbursement of expenditures paid by the Agency or Former Agency prior to the date hereof except for (i) expenditures paid for costs of issuance of the Bonds, (ii) preliminary capital expenditures incurred before commencement of acquisition or construction of the Project that do not exceed 20% of the portion of the issue price of the Bonds allocable to the Project (see below), and (iii) capital expenditures that (A) were paid no earlier than sixty (60) days before the date of the adoption by the Agency of a declaration of intent to reimburse such expenditures from the proceeds of obligations, and (B) are reimbursed no later than eighteen (18) months after the later of the date the expenditure was paid or the date the Project is placed in service (but no later than three (3) years after the expenditure is paid). Proceeds (if any) used for reimbursement of expenditures will be deposited in the general funds of the Agency and will not be used to replace funds of the Agency to be used to refund debt of the Agency, to create a sinking or pledged fund for such debt or the Bonds or otherwise to create replacement proceeds for such debt or for the Bonds.

(d) Completion of Project; Investment of Project Fund; Capital Expenditures. The Agency has entered into one or more contracts for construction of a portion of the Project, which contract or contracts each, individually or collectively, constitute a substantial binding obligation of the Agency to a third party and is in excess of 5% of the "Net Sale Proceeds" of the Bonds (namely, an amount of proceeds of the Bonds equal to the issue price of the Bonds, as referenced below). The Agency will proceed with due diligence to complete the Project and to spend the proceeds of the Bonds. Completion is expected by September 2026. All expenditures from the Project Fund will be capital expenditures. Not less than 85% of the Net Sale Proceeds will be spent within three (3) years of the date hereof. Amounts deposited in the Project Fund will be invested without yield restrictions for the period from the date hereof to the date that is three (3) years after the date hereof

unless earlier expended (the "3-year Temporary Period"). Interest earnings and gains resulting from investment of the Project Fund will be retained in Project Fund and used for the payment of costs of the Project. Proceeds of the Bonds and interest earnings and gains on investment thereof, if any, remaining in the Project Fund following the 3-year Temporary Period will be invested at a yield not in excess of the yield of the Bonds (see below) or yield reduction payments under Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), will be made to the federal government with respect to such investment after the end of the 3-year Temporary Period. Amounts, if any, remaining in Project Fund upon completion of the Project will be retained in the Project Fund and used for capital expenditures in furtherance of the governmental purposes of the Agency.

(e) Reserve Insurance and Insurance. Payment of debt service on the Bonds is guaranteed under an insurance policy (the "Insurance") issued by the Insurer. In addition, payment of 125% of the average annual debt service on the Bonds is guaranteed under a reserve insurance policy (the "Reserve Insurance") issued by the Insurer. The arrangement represented by the Insurance and the Reserve Insurance imposes a secondary liability that unconditionally shifts substantially all of the credit risk for the payments guaranteed by the Insurance and the Reserve Insurance, and the Insurer is not a co-obligor on such payments. An invested reserve fund is not being established for the Bonds. In the event that the Reserve Insurance is discontinued, the Agency has no obligation to fund a reserve with respect to the Bonds.

(f) Debt Service Fund. Amounts in the Third Lien Special Fund within the Redevelopment Obligation Retirement Fund held by the Agency (the "Special Fund") will be transferred, on or before the fifth (5th) business day preceding each interest payment date by the Agency from the Special Fund to the Interest Account and the Principal Account of the Debt Service Fund held by the Trustee to the extent necessary to pay debt service due on the Bonds. Amounts for optional redemption or mandatory redemption required by the Indenture will be deposited in the Debt Service Fund and on or before one (1) business day prior to a redemption date permitted or required by the Indenture, shall be transferred to the Redemption Account of the Debt Service Fund. The portion of the Special Fund containing amounts to be transferred to the Debt Service Fund, the Debt Service Fund, the Interest Account, the Principal Account, and the Redemption Account of the Debt Service Fund (together the "Debt Service Funds") have been established primarily to achieve a proper matching of revenues (consisting primarily of Tax Revenues, as referenced below, and certain interest earnings) and debt service due on the Bonds during each year that the Bonds are outstanding. Amounts deposited in the Debt Service Funds will be spent within thirteen (13) months of the date of deposit (or in the case of the Special Fund, the lien of the pledge will be removed within such period), and the Debt Service Funds will be depleted at least once a year except for a reasonable carryover amount not in excess of the greater of earnings on the Debt Service Funds during the preceding bond year for the Bonds (see below) or one-twelfth (1/12th) of debt service on the Bonds during the preceding bond year for the Bonds. Amounts in the Debt Service Funds will be invested without yield restrictions. Interest earnings and gains resulting from investment of the Debt Service Funds will be retained in the Fund or Account in which investment was made and used for the purposes thereof.

(g) Pledge of Tax Revenues. The Agency has pledged certain tax increment revenues (the "Tax Revenues") to the payment of debt service on the Bonds. Upon receipt,

the Tax Revenues will be deposited in the Special Fund until the amount in the Special Fund in each year equals the amount necessary for transfer to the Trustee for deposit in the Debt Service Fund and the Accounts therein, and Tax Revenues in excess of those amounts in the Special Fund are not pledged to the payment of debt service on the Bonds. There is no assurance that Tax Revenues in the Special Fund in excess of the amounts required to be transferred to the Trustee will be available to pay principal or interest on the Bonds if the Agency encounters financial difficulties. Amounts in the Special Fund, if invested, will be invested at an unrestricted yield.

(h) No Other Pledged Amounts or Investment-Type Property. Except as described herein, no amounts have been pledged to, or are reasonably expected to be used directly or indirectly to pay, principal or interest on the Bonds, nor are there any amounts that have been reserved or otherwise set aside such that there is a reasonable assurance that such amounts will be available to pay principal or interest on the Bonds. In addition, the Agency has not entered into, and does not reasonably expect to enter into, a hedge contract primarily for the purpose of reducing the Agency's risk of interest rate changes with respect to the Bonds.

(i) No Negative Pledges. There are no amounts held under any agreement requiring the maintenance of amounts at a particular level for the direct or indirect benefit of the owners of the Bonds or any guarantor of the Bonds, excluding for this purpose amounts in which the Agency may grant rights that are superior to the rights of the owners of the Bonds or any guarantor of the Bonds and amounts that do not exceed reasonable needs for which they are maintained and as to which the required level is tested no more frequently than every six (6) months and that may be spent without any substantial restriction other than a requirement to replenish the amount by the next testing date.

(j) No Replacement Proceeds. There are no amounts that have a sufficiently direct nexus to the Bonds or to the Project to conclude that the amounts would have been used for the Project or for debt service on the Bonds if the proceeds of the Bonds were not being used for those purposes; and the term of the Bonds is not longer than reasonably necessary for the Project in that the weighted average maturity of the Bonds does not exceed 120% of the average reasonably expected economic life of the Project.

(k) No Improper Financial Advantage. The transaction contemplated herein does not represent an exploitation of the difference between tax-exempt and taxable interest rates to obtain a material financial advantage and does not overburden the tax-exempt bond market in that the Agency is not issuing more bonds, issuing bonds earlier, or allowing bonds to remain outstanding longer than is otherwise reasonably necessary to accomplish the governmental purposes of the bonds.

(l) Bond Year for the Bonds. The Agency hereby selects each period from August 2 through August 1 of the following calendar year as the bond years for the Bonds, except that the first bond year will commence on the date hereof and the last bond year will end on the date of payment of the Bonds in full.

(m) Rebate Requirement. The Agency has covenanted in the Indenture to comply with requirements for rebate of excess investment earnings to the federal government to the extent applicable and acknowledges that the first payment of excess

investment earnings, if any, is required to be rebated to the federal government no later than sixty (60) days after the end of the fifth (5th) bond year for the Bonds. No portion of the Bonds will constitute a private activity bond within the meaning of section 141(a) of the Code, the average maturity of the Bonds is greater than five (5) years and none of the interest rates on the Bonds vary during the term of the Bonds. As a consequence of the foregoing, investment earnings on the Debt Service Funds will be excluded for the purposes of computation of the amount required to be rebated to the federal government as referenced in this subparagraph without regard to the total amount of said earnings. The use of actual facts is elected for purposes of determining eligibility for and compliance with any expenditure exceptions to arbitrage rebate.

(n) Yield of the Bonds. The Underwriters have represented that the yield of the Bonds is 4.3274%, determined on the basis of regularly scheduled principal and interest payments on the Bonds, adjusted by assuming present value in lieu of certain principal payments in the case of Bonds constituting certain discounted term Bonds, if any, and by assuming certain early redemption of principal in the case of certain yield-to-call Bonds, if any, all in accordance with the procedures for computing the yield on a fixed yield issue contained in Treasury Regulation §1.148-4(b). Said amounts discounted to \$37,441,983.44, representing (A) the issue price of the Bonds of \$37,749,811.85 (being the face amount of the Bonds of \$35,210,000, plus original issue premium of \$2,539,811.85), less (B) Insurance and Reserve Insurance fees of \$307,828.41. As more fully set forth in the Issue Price Certificate included elsewhere in the transcript for the Bonds, the Underwriters have represented that, as of the Sale Date, the first price at which at least 10% of each Maturity of the Bonds was sold to the Public is the respective price listed in Exhibit A attached hereto. Capitalized terms used in the prior sentences and not otherwise defined above are defined in the Issue Price Certificate. The Underwriters have also represented that: (i) the present value of the fees for the Insurance and the Reserve Insurance is less than the present value of expected interest savings as a result of the Insurance and the Reserve Insurance, determined by using the yield of the Bonds (including fees for the Insurance and the Reserve Insurance) as the discount rate in computing present value; (ii) the fees paid and to be paid to obtain the Insurance and the Reserve Insurance were determined in arm's-length negotiations and were required as a condition to the issuance by the Insurer of the Insurance and the Reserve Insurance, (iii) to the best of knowledge of the Underwriters, the fees paid and to be paid for the Insurance and the Reserve Insurance represent a commercially reasonable charge for the transfer of credit risk, and such fees do not include any direct or indirect payment for a cost, risk or other element that is not customarily borne by guarantors of tax-exempt bonds in transactions in which the guarantor has no involvement other than as guarantor and do not include any payment for any direct or indirect services other than the transfer of credit risk; and (iv) to the best knowledge of the Underwriters, the amount paid for the Insurance and the Reserve Insurance is within a reasonable range of premiums charged for obligations comparable to the obligation evidenced and represented by the Bonds.

(o) No Hedge Bonds. The Bonds do not constitute "hedge bonds" in that at least 85% of the Net Sale Proceeds will be used to carry out the governmental purposes of the Bonds within three (3) years of the date hereof, and not more than 50% of the proceeds of the Bonds, if any, are invested in investments having a substantially guaranteed yield for four (4) or more years.

(4) Allocation and Accounting Procedures. The Agency will use a consistently applied accounting method to account for investments and expenditures of proceeds of the Bonds. Allocations of Bond proceeds to expenditures will be made only with respect to a current outlay of cash for the expenditures. The Agency will not invest proceeds of the Bonds in a commingled fund in which the Agency owns more than 10% of the beneficial interest thereof. The Agency will maintain books and records until three years after the date of retirement or redemption of the Bonds sufficient to (i) establish the accounting method used, (ii) account for all investments of proceeds of the Bonds, and (iii) substantiate the allocation of proceeds of the Bonds to expenditures. The Agency will allocate proceeds of the Bonds to expenditures with respect to the Project no later than 18 months after the later of the date the expenditure is paid or the date the Project is placed in service. In the event such allocations of Bond proceeds to expenditures are not made within 60 days after the date five years after the date hereof, the Agency will use a specific tracing accounting method to account for investment and expenditures of proceeds of the Bonds.

[Signature Page Follows]

On the basis of the foregoing, it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be arbitrage bonds within the meaning of section 148 of the Code and applicable regulations. To the best of my knowledge, information and belief, the expectations herein expressed are reasonable and there are no facts or estimates, other than those expressed herein, that would materially affect the expectations herein expressed.

Dated: September 14, 2023

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

DocuSigned by:

Rosa Torres

D936B4B127CC42E...

Rosa Torres

Deputy Director of Finance and
Administration

EXHIBIT A

<u>Maturity Date</u> <u>(August 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>
2043 ^T	\$4,625,000	5.000%	4.050%	107.668 ^C
2048 ^T	13,395,000	5.000	4.230	106.161 ^C
2053 ^T	17,190,000	5.250	4.260	107.911 ^C

^T Indicates Term Bond.

^C Priced to the first optional redemption date of August 1, 2033 at par.

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

CERTIFICATE OF THE SUCCESSOR AGENCY REGARDING PARITY DEBT

The undersigned hereby states and certifies that:

(i) I am the duly appointed, qualified and acting Deputy Director of Finance and Administration of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Successor Agency"), and as such, I am familiar with the facts herein certified and am authorized and qualified to certify the same on behalf of the Successor Agency;

(ii) the Successor Agency previously issued its \$89,765,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2017 Series A Taxable Bonds") and \$19,850,000 original aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2017 Series B Bonds" and, together with the 2017 Series A Taxable Bonds, the "2017 Bonds"), pursuant to an Indenture of Trust dated as of March 1, 2017 (the "Original Indenture"), by and between the Successor Agency and U.S. Bank National Association, as trustee;

(iii) the Successor Agency also previously issued its \$127,210,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2021 Bonds") pursuant to the Original Indenture as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the "First Supplement to Indenture of Trust"), by and between the Successor Agency and U.S. Bank National Association, as trustee;

(iv) on the date hereof, the Successor Agency is issuing the above-captioned bonds (collectively, the "Bonds") pursuant to the Original Indenture as supplemented and amended by the First Supplement to Indenture of Trust and as further supplemented and amended by the Second Supplement to Indenture of Trust dated as of September 1, 2023 (the "Second Supplement to Indenture of Trust"), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee");

(v) the Original Indenture as supplemented and amended by the First Supplement to Indenture of Trust is referred to herein as the "Indenture";

(vi) in accordance with respective provisions of Section 3.05 of the Indenture, I hereby certify on behalf of the Successor Agency as follows:

(a) No event of default under the Indenture or under any Parity Debt Instrument has occurred and is continuing;

(b) Pledged Tax Revenues after adding back amounts payable pursuant to the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and 2014 Parity Debt received or to be received for the then current Fiscal Year based on the most recent taxable valuation of property in the Project Areas as evidenced in a written document from an appropriate official of the City and County, exclusive of State subventions and taxes levied to pay voter approved outstanding general obligation bonded indebtedness, are at least equal to one hundred twenty five percent (125%) of Maximum Annual Debt Service on the Existing Loan Agreements, the 2014 Bonds, any 2014 Parity Debt, the 2017 Bonds, the 2021 Bonds and the Bonds;

(vii) in accordance with Section 3.05 of the Indenture, the Successor Agency is satisfying the Reserve Requirement with respect to the Bonds by crediting the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account and the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account;

(viii) the Bonds are being issued by the Successor Agency as Parity Debt under and as defined in the Indenture;


(ix) the conditions precedent to the issuance of the Bonds as Parity Debt set forth in the Indenture have been met and satisfied; and

[Signature Page Follows]

(x) capitalized terms used herein, if not otherwise defined, shall have the meanings assigned to them in the Indenture.

Dated: September 14, 2023

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO**

By:  _____
D936B4B127CC42F...
Rosa Torres
Deputy Director of
Finance and Administration

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

\$24,500,000*
2023 SERIES A
TAXABLE THIRD LIEN
TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)

\$35,675,000*
2023 SERIES B
THIRD LIEN
TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE
PROJECTS)

CERTIFICATE REGARDING PRELIMINARY OFFICIAL STATEMENT

The undersigned hereby states and certifies:

1. That she is the duly appointed, qualified and acting Deputy Director of Finance and Administration of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

2. That there has been delivered to Stifel, Nicolaus & Company, Incorporated, on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters (the "Underwriters") of the captioned Bonds, a Preliminary Official Statement, relative to the captioned Bonds, dated August 22, 2023 (including the cover page and all appendices thereto, in printed form and in electronic form, which is consistent in all material forms to the printed form (the "Preliminary Official Statement"), which the Successor Agency deems final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12; and

3. The Successor Agency hereby approves the use and distribution by the Underwriters of the Preliminary Official Statement.

Dated: August 22, 2023

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO

By: 
D936B4B127CC42F...
Deputy Director of Finance and Administration

* Preliminary, subject to change.

\$35,210,000
Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)

CERTIFICATE REGARDING USE OF PROCEEDS

The undersigned is the Deputy Director of Finance and Administration of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Issuer"), is authorized to execute this certificate on behalf of the Issuer, is knowledgeable with respect to the matters set forth herein, and hereby states and certifies as follows:

(1) Issuance of 2023B Bonds. Pursuant to an Indenture of Trust dated as of March 1, 2017, by and between the Issuer and U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"), as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021, by and between the Issuer and the Trustee, and as further supplemented and amended by a Second Supplement to Indenture of Trust dated as of September 1, 2023, by and between the Issuer and the Trustee (as so amended and supplemented, the "Indenture"), the Issuer is issuing the 2023B Bonds captioned above (the "2023B Bonds") on the date of this Certificate (the "Closing Date").

(2) Project Fund Deposits. Of the proceeds of the 2023B Bonds received on the Closing Date, a total of \$37,000,000.00 will be deposited in the 2023B Bonds Project Fund (the "Project Fund") established under the Indenture.

(3) Description of Project. The proceeds of the 2023B Bonds deposited in the Project Fund will be used to finance the capital improvements (collectively, the "Project") more particularly described in Part I of Exhibit A hereto attached and by this reference herein incorporated. For the purposes of measuring private business use under Treasury Regulation §1.141-3, the Project consists of only those costs allocated to proceeds of the 2023B Bonds.

(4) Private Uses of Project. Part II of Exhibit A describes:

(A) each use to be made of the Project by any private person or entity (that is, any entity *other than* (i) the Issuer, (ii) other non-federal governmental entities, or (iii) members of the public generally), and

(B) all payments (if any) directly or indirectly in respect of any use to be made of the Project by any private person or entity, which are to be made after the Closing Date.

(5) Expenditure of Project Funds. Part III of Exhibit A contains a schedule of reasonably expected expenditures of proceeds of the 2023B Bonds from the Project Fund for costs of the Project (the "Draw Down Schedule"). As of the date hereof, the Issuer has documentation (e.g., architectural and engineering reports, plans and drawings, agreements and contracts) supporting its expectations regarding the expenditures set forth in the Draw Down Schedule. The Issuer will maintain this documentation in accordance with the record retention requirements set forth in Exhibit B.

(6) No Private Loans. No portion of the proceeds of the 2023B Bonds will be used, directly or indirectly, to make or finance a loan to any person (other than a State or local government unit).

(7) Expectations Regarding Project Use for Life of 2023B Bonds. The Issuer reasonably expects to use the Project for the purposes described in Exhibit A or for other governmental purposes of the Issuer during the entire term of the 2023B Bonds.

(8) Practices and Procedures for Accounting for and Monitoring of Bond Proceeds. The Issuer agrees to implement the practices and procedures (the "Written Procedures") set forth in Exhibit B in order to assure that the proceeds of the 2023B Bonds are used in such a manner so as not to violate the provisions of the Internal Revenue Code of 1986, as amended, under which interest on the 2023B Bonds is excluded from federal income taxation, and to take remedial actions in the event of a violation. These Written Procedures generally account for and monitor (i) the expenditure and investment of proceeds of the 2023B Bonds, (ii) the use of the Project financed with the proceeds of the 2023B Bonds, and (iii) any changes in the underlying structure of the 2023B Bonds.

The Issuer acknowledges that Written Procedures in Exhibit B are not exclusive and covenants to comply with (1) all tax limitations and requirements imposed with respect to the 2023B Bonds and (2) all State and local legal requirements regarding the valid incurrence of debt and permitted uses of the proceeds of the 2023B Bonds. Unless otherwise set forth in the Written Procedures or subsequently changed by the Issuer, the Deputy Director of Finance and Administration of the Issuer will undertake post-issuance compliance relating to the 2023B Bonds.

Notwithstanding the foregoing, failure to perform any task set forth in the Written Procedures will not constitute an event of default under the Indenture.

(9) Certifications.

(a) The above statements are made on the basis of the facts, estimates and circumstances in existence on the date hereof and the undersigned has exercised due diligence to assure that all material facts, estimates and circumstances relating to the above statements were made available to the undersigned and reviewed by the undersigned.

(b) To the best knowledge of the undersigned, the above statements are reasonable and there are no other facts, estimates or circumstances, other than those set forth herein, that would materially affect the statements made herein.

(c) The undersigned is aware that Jones Hall, A Professional Law Corporation, is rendering an opinion on the date hereof substantially to the effect that the interest on the 2023B Bonds is excluded from gross income for federal income tax purposes and in rendering such opinion is relying upon the statements made in this Certificate and in the Exhibits attached to this Certificate.

IN WITNESS WHEREOF, I have hereunto set my name this 14th day of September 2023.

DocuSigned by:
Rosa Torres

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Rosa Torres
Deputy Director of Finance and
Administration

EXHIBIT A

PART I. Detailed Description of Project

The Project consists of improvements to Under Ramp Park and the Transbay Block 3 Park, Alleys, and Streetscape Improvements Project, as described below.

Project A – Under Ramp Park

A portion of the proceeds from the 2023B bond proceeds are anticipated to be used to fund the design, engineering, and construction Under Ramp Park (“Project A”), a public open space to be located in San Francisco’s East Cut neighborhood. Project A will be divided across four blocks beginning south of Folsom Street at Essex Street and continuing north to Howard Street. The site of Project A consists of approximately 2.4 acres and lies predominantly under the Caltrans I-80 Fremont Street off-ramp, and the Transbay Joint Powers Authority bus ramp serving the new Salesforce Transit Center.

Project B – Transbay Block 3 Park, Alleys, and Streetscape Improvements Project

A portion of the proceeds from the 2023B bond proceeds are also anticipated to be used to fund the design, engineering, and construction for future Transbay Block 3 Park, Alleys, and Streetscape Improvements Project (“Project B”). The site of Project B is bounded by Beale and Main Streets and the future extensions of Tehama and Clementina Streets. The site is currently the middle block of San Francisco’s former Temporary Transbay Transit Terminal, which is no longer operational.

Project B is anticipated to include:

- (1) a new 1-acre Park with a children’s playground and a stewardship building that will house a unisex bathroom and storage/community space;
- (2) streetscape improvements including sidewalk widening, landscaping, and new street furniture for the Main and Beale Streets sidewalk spaces abutting the park; and
- (3) new street extensions adjacent to the park of:
 - a. Tehama Street, and
 - b. Clementina Street including signalized crossings at the intersections of Clementina Street with Beale and Main Streets, respectively.

The park is expected to include the following:

- (1) A Children’s Playground with deck seating for parents/caretakers,
- (2) A Stewardship Building with a public restroom,
- (3) A 4,000 s.f. Flexible Plaza,
- (4) A larger Main Deck,
- (5) A smaller Central Deck,
- (6) A Dog Relief Station,
- (7) A Habitat Meadow,
- (8) An Exploration Area,

- (9) Multiple Tree Groves,
- (10) Bench seating, and
- (11) tables and chairs.

PART II. Description of Any Private Use of Project

A. Describe each use to be made of the Project by any private person or entity (that is, any entity *other than* (i) the Issuer, (ii) other non-federal governmental entities, or (iii) members of the public generally). For this purpose, “use” includes, without limitation, sales, leases or other use agreements with respect to the Project with private, nongovernmental entities. “Use” of the Project *does not include* uses by members of the general public within the meaning of §1.141-3(c) of the Treasury Regulations (the “Regulations”).

None.

B. Payments to be made on or after date hereof in respect of above uses.

None.

EXHIBIT A (continued)

PART III. Schedule of Expected Expenditures of Proceeds of the 2023B Bonds

List all reasonably expected expenditures of the proceeds of the 2023B Bonds deposited in the Project Fund (including earnings thereon to the extent those earnings remain on deposit in the Project Fund). Dates may be shown as monthly or quarterly dates.

All proceeds of the 2023B Bonds should be expected to be spent within 3 years after the date the 2023B Bonds are issued. On the date of closing, the Issuer does not expect to reimburse any prior expenditures from proceeds of the 2023B Bonds.

Expenditure Date	Expenditure Amount
December 2023	\$ 3,600,000
March 2024	\$ 3,600,000
June 2024	\$ 3,415,000
September 2024	\$ 3,415,000
December 2024	\$ 3,415,000
March 2025	\$ 3,415,000
June 2025	\$ 3,415,000
September 2025	\$ 4,525,000
December 2025	\$ 3,700,000
March 2026	\$ 3,700,000
June 2026	\$ 3,700,000
September 2026	\$ 3,700,000
Total:	\$ 43,600,000

PART IV. Binding Obligations to Third Parties for More than 5% of the Proceeds of the 2023B Bonds

The Issuer has entered into one or more binding obligations with a third party relating to more than 5% of the proceeds of the 2023B Bonds.

EXHIBIT B

POST ISSUANCE COMPLIANCE

General

The Issuer will take all appropriate action to assure that (i) no use of the proceeds of the 2023B Bonds, and no other event or action, will cause the 2023B Bonds to violate federal income tax limitations with respect to the exclusion of interest on the 2023B Bonds from federal income taxation, and (ii) all uses of proceeds of the 2023B Bonds comply with State and local legal requirements regarding the valid incurrence of debt and permitted uses of proceeds of the 2023B Bonds.

Without limiting the generality of the foregoing, the Issuer will take the following actions to account for and monitor (i) the expenditure and investment of proceeds of the 2023B Bonds, (ii) the use of the Project financed with the proceeds of the 2023B Bonds, and (iii) any changes in the underlying structure of the 2023B Bonds. The Issuer has the discretion to make exceptions or to require additional procedures as it deems necessary or desirable. The Issuer reserves the right to modify these written procedures.

Deputy Director of Finance and Administration of the Issuer (the “Responsible Officer”) will undertake post-issuance compliance relating to the 2023B Bonds. The Responsible Officer is familiar with the provisions of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations (the “Regulations”) governing the tax-exempt status of the 2023B Bonds. The Responsible Officer may delegate tasks to other officers or staff of the Issuer or to outside attorneys or other experts. In the event that the individual acting as Responsible Officer vacates such position, a new Responsible Officer will be identified within a reasonable period of time after said vacancy.

Initial Documentation Review

1. Upon receipt of the transcript for the 2023B Bonds, review the covenants of the Issuer with respect to the tax-exempt status of the 2023B Bonds, the use of proceeds certificate, the Certificate as to Arbitrage (the “Tax Certificate”) and any additional tax documentation. Confirm filing of the applicable 8038 form with the IRS.
2. Create a written schedule for due diligence reviews based upon expectations set forth in the transcribed documents.

Project Fund: Allocation of Bond Proceeds to Expenditures

1. No less often than every six months through completion of the Project, monitor and document all expenditures from the Project Fund and make the relevant determinations set forth under “Arbitrage and Rebate” below.
2. Monitor and document reimbursement of expenditures paid from non-proceeds of the 2023B Bonds prior to the date of issue of the 2023B Bonds and verify compliance with §1.150-2 of the Regulations.

3. Allocate proceeds of 2023B Bonds to expenditures subject to §1.148-6(d) and §1.141-6(a) of the Regulations by 18 months after the later of the date the expenditure was made or the date the Project was placed in service, but not later than the earlier of 5 years after the 2023B Bonds were issued or 60 days after the issue is retired. Use a consistent application of the same methodology for all expenditures of proceeds of the 2023B Bonds. Document this allocation.

Non-governmental Uses of the Bond-Financed Facilities

No less than annually, take the following steps to review and document any non-governmental uses of the Project:

1. Confer with personnel responsible for the Project to identify, and discuss, any existing or planned use of Bond-financed or refinanced facilities, to ensure that those uses are consistent with all covenants and restrictions set forth in the Tax Certificate.
2. Monitor and document sales, leases or other use agreements with respect to the Project with nongovernmental entities, not including uses by members of the general public within the meaning of §1.141-3(c) of the Regulations. Compute the percent of private business use or private payments or private security with respect to those nongovernmental uses.
3. Monitor and document management contracts (see e.g., Rev. Proc. 2017-13) with nongovernmental entities.
4. Monitor and document other special legal entitlements with respect to the Bond-financed property (e.g., licenses, use agreements, easements, etc.).
5. Consult with legal counsel regarding any private use or proposed change in use with respect to the Project.

Arbitrage and Rebate

1. If the 2023B Bonds are expected to be exempt from rebate, as set forth in the Tax Certificate, confirm the small issuer rebate exemption under Section 148(f)(4)(D) of the Tax Code at the end of the calendar year in which the 2023B Bonds were issued.
2. If 2023B Bonds are not exempt from rebate, hire a rebate calculation agent or perform rebate calculations internally.
3. Make any required rebate payments according to the following schedule:
 - a. The first installment is due 60 days after the end of 5th bond year.
 - b. Succeeding installments are due 60 days after end of every 5th bond year thereafter.
 - c. The final installment is due 60 days after retirement of the last bond of the issue.

4. Monitor expenditures of proceeds of the 2023B Bonds for qualification for rebate expenditure exceptions: 6-month exception, 18-month exception or 24-month exception.
5. Monitor expenditures of proceeds of the 2023B Bonds against date of issuance expectations, set forth in the Tax Certificate, regarding 3-year or 5-year temporary periods and 5-year hedge bond limitations. If temporary periods or hedge bond limitations are exceeded, determine if yield reduction payments will be made or if investments will be yield restricted.
6. Consult with legal counsel before entering into any post-issuance credit enhancement transactions or any hedging transactions with respect to the 2023B Bonds or proceeds of the 2023B Bonds.

Response to Noncompliance

1. Upon a determination of noncompliance, consult promptly with qualified bond counsel and other legal counsel and advisers to determine what course of actions can be taken to preserve the tax-exempt status of the 2023B Bonds.
2. If the noncompliance will be remediated under existing remedial action provisions or tax-exempt bond closing agreement programs contained in the Regulations or other published guidance from the IRS, determine the deadline for taking action and proceed with diligence to take the required remedial actions.
3. If remedial actions are unavailable, determine whether to make a submission to the Tax Exempt 2023B Bonds Voluntary Closing Agreement Program ("VCAP") under Internal Revenue Manual 7.2.3.

Record Retention

1. Retain records of all accounting and monitoring the Issuer carries out with respect to the 2023B Bonds for at least 3 years after the 2023B Bonds mature or are redeemed (whichever is earlier); however, if the 2023B Bonds are redeemed and refunded, the Issuer will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the 2023B Bonds which refunded the 2023B Bonds.
2. Maintain special records required by the safe harbor for investment contracts or defeasance escrows under §1.148-5 of the Regulations.
3. Maintain a record of the identification on the Issuer's books and records of any "qualified hedge" contract under §1.148-4(h)(2)(viii) and §1.148-11A(i)(3) of the Regulations.
4. Maintain a record of any election not to take depreciation on property required to be owned by a governmental unit which is leased to a nongovernmental entity as required by §1.103(n)-2T Q/A7 of the Regulations.

5. Maintain records of accounting for rebate for a period of at least 3 years after the earlier of the maturity or redemption of the 2023B Bonds.

Reissuance

A significant modification of the Bond documents may result in the 2023B Bonds being deemed refunded or “reissued”. Such an event will require, among other things, the filing of new information returns with the federal government and the execution of a new arbitrage certificate. Qualified bond counsel should be consulted in the event of modification of the Bond documents.

Additional Procedures

The Issuer is encouraged, but is not required, to adopt additional written practices and procedures in order to further ensure that: due diligence reviews are completed at regular intervals; any officials or employees responsible for review or compliance have been adequately trained; all documents and records needed to substantiate compliance are retained; noncompliance is identified in a timely manner; and any noncompliance is corrected in a timely manner.

I hereby acknowledge that as Deputy Director of Finance and Administration of the Issuer, I have primary responsibility for implementation of these post-issuance procedures relating to the 2023B Bonds.

Acknowledgement:

By: 

 Rosa Torres
 Deputy Director of Finance and
 Administration

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

WRITTEN REQUEST NO. 1 FOR
DISBURSEMENT FROM THE 2023 BONDS COSTS OF ISSUANCE FUNDS

The undersigned hereby states and certifies that:

(i) the undersigned is the duly appointed, qualified and acting Deputy Director of Finance and Administration of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency"), and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same on behalf of the Successor Agency;

(ii) under Section 11.07(a) of the Second Supplement to Indenture of Trust dated as of September 1, 2023 (the "Second Supplement to Indenture of Trust"), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), the Trustee is hereby requested to disburse this date to each payee designated on the attached Exhibit A, the respective sum set forth opposite each such designation, in payment of the costs of issuance of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") from 2023A Bonds Costs of Issuance Fund established under Section 11.07(a) of the Second Supplement to Indenture of Trust (the "2023A Bonds Costs of Issuance Fund");

(iii) under Section 11.07(b) of the Second Supplement to Indenture of Trust dated as of September 1, 2023, by and between the Trustee and the Successor Agency, the Trustee is hereby requested to disburse this date to each payee designated on the attached Exhibit A, the respective sum set forth opposite each such designation, in payment of the costs of issuance of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023B Bonds") from 2023B Bonds Costs of Issuance Fund established under Section 11.07(b) of the Second Supplement to Indenture of Trust (the "2023B Bonds Costs of Issuance Fund");

(iv) each item to be paid pursuant to this Written Request of the Successor Agency has been properly incurred, is a proper charge against the 2023A Bonds Costs of Issuance Fund and the 2023B Bonds Costs of Issuance Fund, respectively, and has not been the subject to a prior Request of the Successor Agency, pursuant to Sections 11.07(a) or 11.07(b) of the Second Supplement to Indenture of Trust; and

(v) attached hereto is a bill or statement of account for each item to be disbursed herein.

Capitalized terms used herein and not otherwise defined have the meanings given those terms in the Indenture.

Dated: September 14, 2023

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO**

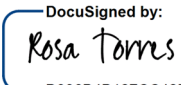
By: 
B936B4B127CC42F ...
Rosa Torres
Deputy Director of
Finance and Administration

EXHIBIT A

Payee	Purpose	2023A Bonds COI Fund Amount*	2023B Bonds COI Fund Amount*	Total*
Successor Agency	Administrative Fee	\$86,176.84	\$123,823.16	\$210,000.00
Jones Hall, APLC	Bond Counsel Fee	35,291.47	50,708.53	86,000.00
The Law Offices of Alexis S. M. Chiu	Disclosure Counsel Fee	24,211.59	34,788.41	59,000.00
PFM California Advisors LLC	Municipal Advisor Fee	34,881.10	50,118.90	85,000.00
Urban Analytics LLC	Fiscal Consultant Fee	11,490.25	16,509.75	28,000.00
DAC	Disclosure Agent Fee	5,000.00	5,000.00	10,000.00
U.S. Bank Trust Company, National Association	Trustee and Counsel Fees	3,077.74	4,422.26	7,500.00
S&P Global Ratings	Rating Agency Fee	18,056.10	25,943.90	44,000.00
ImageMaster	Printer Fee	2,051.83	2,948.17	5,000.00

* Not to exceed amount to be paid upon receipt of an invoice.

September 14, 2023

Successor Agency to the
Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

475 Sansome Street
Suite 1700
San Francisco, CA 94111
t. 415.391.5780
f. 415.276.2088

RE: \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)

\$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

INVOICE

For Legal Services Rendered as Bond Counsel: \$ 85,000.00

For Reimbursable Expenditures:

Miscellaneous Closing Expense 1,000.00

\$ 86,000.00

Instructions for Wire Transfer:

Citibank
ABA No. 321171184
One Market Plaza, 42nd Floor
San Francisco, CA 94105
For Credit: Jones Hall, APLC
Acct. No.: 208358887

LAW OFFICES OF
ALEXIS S. M. CHIU
ONE SANSOME STREET, SUITE 3500
SAN FRANCISCO, CALIFORNIA 94104
TELEPHONE: (415) 777-9500
FACSIMILE: (415) 777-9501
Sender's E-Mail: achiu@chiulaw.com

STATEMENT
as of September 7, 2023

Successor Agency to Redevelopment Agency of the
City and County of San Francisco
Attn: John Daigle and James B. Morales, Esq.
One South Van Ness Avenue, 5th Floor
San Francisco, California 94103

Re: Successor Agency to the Redevelopment Agency of the City and County of San
Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds and 2023
Series B Third Lien Tax Allocation Bonds

FOR LEGAL SERVICES RENDERED
January 10, 2023, through September 7, 2023

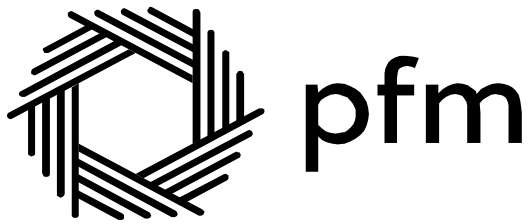
PROVIDED LEGAL SERVICES AS DISCLOSURE COUNSEL
WITH RESPECT TO 2023 SERIES A TAXABLE THIRD LIEN AND
2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS

CURRENT PERIOD:

SUBTOTAL (LEGAL SERVICES):	\$58,000.00
SUBTOTAL (EXPENSES):	<u>55.00</u>
TOTAL AMOUNT DUE:	\$58,055.00

Please send payment to:

Alexis S. M. Chiu, Esq.
Law Offices of Alexis S. M. Chiu
One Sansome Street, Suite 3500
San Francisco, California 94104
Telephone: (415) 777-9500
Facsimile: (415) 777-9501



Date	Invoice Number
September 6, 2023	126702
Payment Terms	Due Date
Upon Receipt	September 6, 2023

Bill To:
John Daigle Office of Community Investment and Infrastructure, Successor Agency to the San Francisco Redevelopment Agency One South Van Ness Ave. 5th Floor San Francisco, CA 94103 United States of America

Company Address:
44 Montgomery Street 3rd Floor San Francisco, CA 94104 +1 (415) 9825544 Federal Tax ID: 85-0540993

Remittance Options:

<u>Via ACH (preferred):</u>	<u>Via Wire:</u>	<u>Via Mail:</u>
PFM California Advisors LLC Bank Name: M&T Bank ACH# (ACH): 031302955 Account #: 9878850081	Bank Name: M&T Bank ABA# (Wire): 022000046 Account #: 9878850081	PFM California Advisors LLC 44 Montgomery Street 3rd Floor San Francisco, CA 94104 United States of America

RE: Financial advisory services provided to the Office of Community Investment and Infrastructure in connection with the 2023AB Housing and Transbay Infrastructure Bonds project.

Professional Fees	\$85,000.00
Total Amount Due	<u>\$85,000.00</u>

Urban Analytics
5214F Diamond Heights Blvd #423
San Francisco, CA 94131-2175
US
info@uallc.com

Invoice

**BILL TO**

San Francisco OCII
Finance Division
One South Van Ness Ave 5th Fl
San Francisco, CA 94103

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
1130	09/05/2023	\$28,000.00	10/05/2023	Net 30	

PLEASE DETACH TOP PORTION AND RETURN WITH YOUR PAYMENT.

DATE	ACTIVITY	RATE	AMOUNT
09/05/2023	Consulting:Fiscal Report Preparation of Fiscal Consultant Report for OCII 2023 Series A and B TABs	28,000.00	28,000.00

Wire instructions:

Bank: Wells Fargo

Routing Number: 121042882

Account Number: 3979519992

Account Name: Urban Analytics LLC

BALANCE DUE

\$28,000.00

Wire Payment Instructions:

Wire Routing Transit Number: 121000248

Bank Name: Wells Fargo Bank

City, State: San Francisco, CA

Account Number: 3979519992

Title of Account: Urban Analytics, LLC



Digital Assurance Certification, LLC
315 East Robinson St. Suite 300
Orlando, FL 32801
407-515-1100
Billing@DACBond.com
www.DACBond.com

BILL TO

San Francisco Redevelopment
Agency / Successor Agency,
California
Senior Financial Analyst
Redevelopment Agency
770 Golden Gate Avenue
San Francisco, CA 94102

INVOICE 65051**DATE** 09/08/2023 **TERMS** Due upon receipt**DUE DATE** 09/08/2023

ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
Initial Set-up EC	Initial Set-up Fee - New Issue - Existing Client	1	5,000.00	5,000.00
	San Francisco Redevelopment Agency / Successor Agency, CA, 2023 Series A Taxable Third Lien Tax Allocation Bonds			
	San Francisco Redevelopment Agency / Successor Agency, CA, 2023 Series B Third Lien Tax Allocation Bonds			
	Professional Services Rendered to San Francisco Redevelopment Agency / Successor Agency, CA for centralized document repository for client filings, cover sheet creation, even dissemination to EMMA and investors, links to and from client web-site (if requested), email reminders keyed to continuing disclosure agreement, creation of templates for operating data, staffed help desk and access to Continuing Professional Education (CPE) credits.			
	Wire funds to: Bank of America ABA #026009593 For credit to: Digital Assurance Certification (DAC) Account #898104038892 Invoice #65051			

TOTAL DUE**\$5,000.00**



Corporate Trust
Services

60 Livingston Avenue
St. Paul, MN 55107

FEE INVOICE

Invoice Date: September 6, 2023

Amount Due: \$7,500.00

Page 1 of 2

Successor Agency to the Redevelopment
Agency of the City and County of San Francisco
Attention John Daigle
1 South Van Ness Ave, 5th Floor
San Francisco, CA 94103

payments instructions

U.S. Bank
ABA # 091000022
Account name U.S. Bank National Association
Account # 180121167365
Ref Successor SFRDA TAB 2023 AB

Customer Relationship Information

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
Third Lien Tax Allocation Bonds
2023 A Affordable Housing and 2023 B Transbay Infrastructure

Direct Inquiries To:
Andrew Fung
415-677-3593

Accounts Included In This Relationship

Activity Detail

<u>Service</u>	<u>Volume</u>	<u>Rate</u>	<u>Portion of Year</u>	<u>Total Fees</u>
Acceptance Fee		2,000.00	\$	2,000.00
Trustee counsel fee		3,000.00	\$	3,000.00
Trustee annual fee		2,500.00	\$	2,500.00

TOTAL AMOUNT DUE

\$ 7,500.00

The fees shown on this invoice are reflective of the most recent fee schedule or notice of fee adjustment provided by U.S. Bank



Corporate Trust
Services

60 Livingston Ave
St. Paul, MN 55107

FEE INVOICE

Invoice Date: September 6, 2023
Amount Due: \$7,500.00

Page 2 of 2

Successor Agency to the Redevelopment
Agency of the City and County of San Francisco
Attention John Daigle
1 South Van Ness Ave, 5th Floor
San Francisco, CA 94103

PLEASE REMIT THIS PAGE WITH CHECK PAYMENT OF INVOICE

S&P Global
Ratings

Standard & Poor's Financial Services, LLC
Federal I.D.: 26-3740348

Invoice No: 11458817
Customer No: 1000118828
Invoice Date: 07/28/23
Tax Exempt No:
Page No: 1
Print Date: 07/28/23

0201

MS. ROSA TORRES
OFFICE OF COMMUNITY INVESTMENT
ONE S. VAN NESS AVENUE, 5TH FL
SAN FRANCISCO CA 94103

Description of Services

Amount

101011 ANALYTICAL SERVICES RENDERED IN CONNECTION WITH:
US\$26,605,000 Successor Agency to The
Redevelopment Agency of The City and County of
San Francisco, California, 2023 Series A Taxable
Third Lien Tax Allocation Bonds, (Affordable
Housing Projects), dated: Date of delivery, due:
August 01, 2053 US\$38,615,000 2023 Series B
due: August 01, 2053

\$44,000.00

FOR INQUIRIES PLEASE CONTACT:
COLLECTIONSUSRATINGS@SPGLOBAL.COM
PHONE: 1-800-767-1896

For inquiries contact the client services representative listed on this invoice. Do not
return it or direct any inquiries about the invoice to credit ratings analysts. S&P Global
Ratings maintains a separation of commercial and analytical activities. Please note that
our credit ratings analysts are not permitted to communicate, negotiate, arrange or
collect credit rating fees.

Please reference invoice or statement number on all checks and wire transfers

This Invoice Due and Payable As Of: 07/28/23

INVOICE TOTAL \$44,000.00 USD

Make Checks Payable To:

S&P Global
Ratings

Standard & Poor's Financial Services, LLC
Federal I.D.: 26-3740348

Invoice No: 11458817
Customer No: 1000118828
Invoice Date: 07/28/23

0201
Billed To:

MS. ROSA TORRES
OFFICE OF COMMUNITY INVESTMENT
ONE S. VAN NESS AVENUE, 5TH FL
SAN FRANCISCO CA 94103

Wire Transfer To:

Please include invoice #
Bank of America
S&P Global Ratings
Account # 12334-02500
ABA # 0260-0959-3
Or E-mail: cashapps@spglobal.com

Remit To:

S&P GLOBAL RATINGS
2542 COLLECTION CENTER DRIVE
CHICAGO, IL 60693

10001188289 11458817 04400000 1 700 10 07 0723 3

TOTAL AMOUNT DUE:
\$44,000.00 USD
AMOUNT ENCLOSED:



Invoice

Date	Invoice #
9/8/2023	63251

Bill To

Successor Agency to the Redevelopment
Agency of San Francisco
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

Remit To

ImageMaster, LLC
1182 Oak Valley Drive
Ann Arbor, MI 48108-9624
Phone: 734-821-2523
Fax: 734-821-2524
EIN: 27-3916541

Terms	Due Date
Net 30	10/8/2023

Description	Amount
<p>\$24,505,000 SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)</p> <p>\$35,210,000 SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)</p> <p>Preliminary Official Statement and Official Statement: Electronic POS and OS with composition, posting and distribution.</p>	1,750.00
<p>ACH/Wire: Chase Bank: 072000326 • Acct: 375198683 • accounting@imagemaster.com Please include INVOICE NUMBER when paying by wire or ACH. For a copy of our W-9 please visit http://www.imagemaster.com/w9</p>	
Please remit to above address. For billing inquiries: 734-821-2536.	Total \$1,750.00



Invoice

Date	Invoice #
9/8/2023	63252

Bill To

Successor Agency to the Redevelopment
Agency of San Francisco
One South Van Ness Avenue, 5th Floor
San Francisco, CA 94103

Remit To

ImageMaster, LLC
1182 Oak Valley Drive
Ann Arbor, MI 48108-9624
Phone: 734-821-2523
Fax: 734-821-2524
EIN: 27-3916541

Terms	Due Date
Net 30	10/8/2023

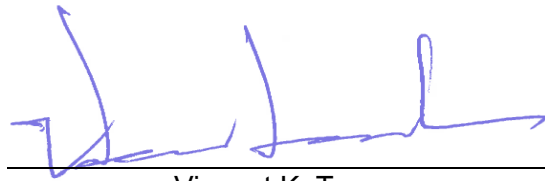
Description	Amount
<p>\$24,505,000 SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)</p> <p>\$35,210,000 SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)</p> <p>MuniBond Roadshow: Produce and host securities presentation, slides only-no audio.</p>	2,000.00
<p>ACH/Wire: Chase Bank: 072000326 • Acct: 375198683 • accounting@imagemaster.com Please include INVOICE NUMBER when paying by wire or ACH. For a copy of our W-9 please visit http://www.imagemaster.com/w9</p>	
Please remit to above address. For billing inquiries:734-821-2536.	Total \$2,000.00

**\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)**

CERTIFICATE OF MAILING FORM 8038-G

I, Vincent K. Truong, Senior Project Coordinator, of Jones Hall, A Professional Law Corporation, hereby state and certify that on the date hereof, for and on behalf of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, I caused to be mailed by Federal Express Priority Overnight mail, an Information Return For Tax-Exempt Governmental Bonds, Form 8038-G relating to the captioned bonds to the Department of the Treasury, Internal Revenue Service Center, Ogden, Utah 84201, a true copy of which Form 8038-G is hereto attached.

Dated: September 14, 2023



Vincent K. Truong,
Senior Project Coordinator
Jones Hall, A Professional Law Corporation

Information Return for Tax-Exempt Governmental Bonds

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.► Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

Part I Reporting Authority		Check box if Amended Return <input type="checkbox"/>		
1 Issuer's name Successor Agency to the Redevelopment Agency of the City and County of San Francisco		2 Issuer's employer identification number (EIN) 46 4824332		
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a		
4 Number and street (or P.O. box if mail is not delivered to street address) One South Van Ness Avenue, Fifth Floor	Room/suite	5 Report number (For IRS Use Only) 3		
6 City, town, or post office, state, and ZIP code San Francisco, CA 94103		7 Date of issue 09/14/2023		
8 Name of issue 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)		9 CUSIP number 79770G KA3		
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information Rosa Torres, Deputy Director of Finance and Administration		10b Telephone number of officer or other employee shown on 10a (415) 749-2469		
Part II Type of Issue (Enter the issue price.) See the instructions and attach schedule.				
11 Education	11			
12 Health and hospital	12			
13 Transportation	13			
14 Public safety	14			
15 Environment (including sewage bonds)	15			
16 Housing	16			
17 Utilities	17			
18 Other. Describe ► Various Public Improvements - redevelopment activities within infrastructure projects	18	37,749,811.85		
19a If bonds are TANs or RANs, check only box 19a <input type="checkbox"/>				
b If bonds are BANs, check only box 19b <input type="checkbox"/>				
20 If bonds are in the form of a lease or installment sale, check box <input type="checkbox"/>				
Part III Description of Bonds. Complete for the entire issue for which this form is being filed.				
(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 08/01/2053	\$ 37,749,811.85	\$ 35,210,000.00	24.9595 years	4.3274 %
Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)				
22 Proceeds used for accrued interest	22	0.00		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	37,749,811.85		
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	441,983.44		
25 Proceeds used for credit enhancement	25	307,828.41		
26 Proceeds allocated to reasonably required reserve or replacement fund	26	0.00		
27 Proceeds used to refund prior tax-exempt bonds. Complete Part V	27			
28 Proceeds used to refund prior taxable bonds. Complete Part V	28			
29 Total (add lines 24 through 28)	29	749,811.85		
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	37,000,000.00		
Part V Description of Refunded Bonds. Complete this part only for refunding bonds.				
31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded	years			
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded	years			
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)				
34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY)				

Part VI Miscellaneous


35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions	36a	
b	Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____		
c	Enter the name of the GIC provider ► _____		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► <input type="checkbox"/> and enter the following information:		
b	Enter the date of the master pool bond ► (MM/DD/YYYY) _____		
c	Enter the EIN of the issuer of the master pool bond ► _____		
d	Enter the name of the issuer of the master pool bond ► _____		
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box		<input type="checkbox"/>
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box		<input type="checkbox"/>
41a	If the issuer has identified a hedge, check here ► <input type="checkbox"/> and enter the following information:		
b	Name of hedge provider ► _____		
c	Type of hedge ► _____		
d	Term of hedge ► _____		
42	If the issuer has superintegrated the hedge, check box		<input type="checkbox"/>
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box		<input checked="" type="checkbox"/>
44	If the issuer has established written procedures to monitor the requirements of section 148, check box		<input checked="" type="checkbox"/>
45a	If some portion of the proceeds was used to reimburse expenditures, check here ► <input type="checkbox"/> and enter the amount of reimbursement		
b	Enter the date the official intent was adopted ► (MM/DD/YYYY) _____		

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

 Signature of issuer's authorized representative	9/14/23 Date	Rosa Torres, Deputy Director of Finance and Administration Type or print name and title
---	-----------------	--

Paid Preparer Use Only

Print/Type preparer's name Eori Carlson, Esq.	Preparer's signature 	Date 9/14/23	Check <input type="checkbox"/> if self-employed	PTIN P03109831
Firm's name ► Jones Hall, A Professional Law Corporation			Firm's EIN ► 94-2698987	
Firm's address ► 475 Sansome Street, Suite 1700, San Francisco, CA 94111			Phone no. 415 391-5780	

ORIGIN ID:APCA (415) 391-5780 VINCENT TRUONG 475 SANSOME STREET SUITE 1700 SAN FRANCISCO, CA 94111 UNITED STATES US		SHIP DATE: 26SEP23 ACTWGT: 1.00 LB CAD: 250890340/INET 4640
TO DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE CENTER 1973 RULON WHITE BLVD.		BILL SENDER
OGDEN UT 84201 (800) 829-1040 INV: 60311-16MKTCD 09/14/2023 PO: DEPT 23SR B3R0LENTTRANSBAMNFRSPROJ		
REF: 80386 FLINGJMGSAAREDECCSF		
		
		
J233123073101uv		
583J48B359AE3		
<hr/>		
TRK# 7735 4927 9822 0201	WED - 27 SEP 10:30A PRIORITY OVERNIGHT	
WL OGD		
UT-US SLC 84201		
		

After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on [fedex.com](https://www.fedex.com). FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.



September 27, 2023

Dear Customer,

The following is the proof-of-delivery for tracking number: 773549279822

Delivery Information:

Status:	Delivered	Delivered To:	Shipping/Receiving
Signed for by:	A.MORGAN	Delivery Location:	1973 RULON WHITE BLVD MS 6054
Service type:	FedEx Priority Overnight		
Special Handling:	Deliver Weekday		OGDEN, UT, 84201
		Delivery date:	Sep 27, 2023 09:39

Shipping Information:

Tracking number:	773549279822	Ship Date:	Sep 26, 2023
		Weight:	0.5 LB/0.23 KG

Recipient:
Department of the Treasury, Internal Revenue Service Center
1973 Rulon White Blvd.
OGDEN, UT, US, 84201

Shipper:
Vincent Truong,
475 Sansome Street
Suite 1700
San Francisco, CA, US, 94111

Reference	8038g Filing/JMG/SARedeCCSF
Invoice	60311-16/VKT/CD:09/14/2023
Department Number	23Sr.B3rdLienTransbayInfrsProj



Thank you for choosing FedEx



103-0052023-016

September 14, 2023

Successor Agency to the
Redevelopment Agency of the
City and County of San Francisco
One South Van Ness Avenue, Fifth Floor
San Francisco, California 94103

Stifel, Nicolaus & Company, Incorporated
2121 Avenue of the Stars, Suite 2150
Los Angeles, California 90067

Backstrom McCarley Berry & Co., LLC
115 Sansome Street, Mezzanine A
San Francisco, California 94104

U.S. Bank Trust Company,
National Association
One California Street, Suite 1000
San Francisco, California 94111

Assured Guaranty Municipal Corp.
1633 Broadway
New York, New York 10019

Jones Hall, A Professional Law Corporation
475 Sansome Street, Suite 1700
San Francisco, California 94707

OPINION: \$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and

\$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Vanessa Aquino
Tamsen Drew
Dr. Carolyn Ransom-Scott
COMMISSIONERS

One S. Van Ness Ave.
5th Floor
San Francisco, CA
94103

415 749 2400

www.sfocii.org

Ladies and Gentlemen:

I am general counsel to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency"), and have acted as such to the Successor Agency in connection with the issuance of its \$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and its \$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (collectively, the "Bonds"), each under (i) the Community Redevelopment Law (being Part 1 of Division 24 of the California Health and Safety Code) and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code, (ii) an Indenture of Trust dated as of March 1, 2017, as supplemented and

amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 and as further supplemented and amended by the Second Supplement to Indenture of Trust, dated as of September 1, 2023, each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee, as successor-in-interest to U.S. Bank National Association (as so supplemented and amended, the "Indenture"). I have examined the law and such certified proceedings and other papers as I deem necessary to render this opinion.

Capitalized terms not defined herein shall have those meanings ascribed to them in the Bond Purchase Contract, dated August 30, 2023, by Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters (collectively, the "Underwriter"), and accepted by the Successor Agency.

As to questions of fact material to our opinion, I have relied upon representations of the Successor Agency contained in the Indenture and in certified proceedings and other certifications of public officials furnished to us, without undertaking to verify such facts by independent investigation.

Based upon the foregoing, I am of the opinion, under existing law, as follows:

(A) the Successor Agency is validly existing under the Constitution and laws of the State of California;

(B) the Successor Agency Resolutions approving and authorizing the execution and delivery of the Successor Agency Agreements and the Preliminary Official Statement were duly adopted at meetings of the Successor Agency which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and are in full force and effect and have not been amended or repealed;

(C) no material litigation is pending, with service of process having been accomplished or, to the knowledge of the Successor Agency, threatened, concerning the validity of the Bonds, the corporate existence of the Successor Agency, or the title of the officers of the Successor Agency who will execute the Bonds as to their respective offices;

(D) the execution and delivery of the Successor Agency Agreements and the Official Statement, the adoption of the Successor Agency Resolutions, the issuance of the Bonds and compliance by the Successor Agency with the provisions of the foregoing, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Successor Agency a breach or default under any agreement or other instrument to which the Successor Agency is a party (and of which such counsel is aware after reasonable investigation) or by which it is bound (and of which such counsel is aware after reasonable investigation) or under any existing law, regulation, court order or consent decree to which the Successor Agency is subject;

Successor Agency to the Redevelopment
Agency of the City and County of San Francisco
Stifel, Nicolaus & Company, Incorporated
Backstrom McCarley Berry & Co., LLC
U.S. Bank Trust Company, National Association
Assured Guaranty Municipal Corp.
Jones Hall, A Professional Law Corporation
September 14, 2023
Page 3

103-0052023-016

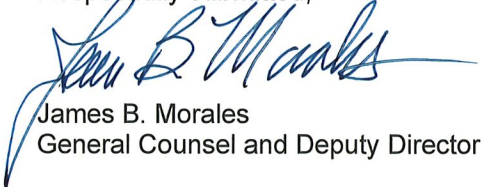
(E) the Official Statement has been duly authorized, executed and delivered and the Bonds and the Successor Agency Agreements each have been duly authorized, executed and delivered by the Successor Agency and, assuming due authorization, execution and delivery by the other parties thereto, constitute legal, valid and binding agreements of the Successor Agency enforceable in accordance with their respective terms, subject to laws relating to bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and the application of equitable principles if equitable remedies are sought;

(F) no authorization, approval, consent, or other order of the State of California or any other governmental authority or agency within the State of California having jurisdiction over the Successor Agency is required for the valid authorization, execution, delivery and performance by the Successor Agency of the Successor Agency Agreements, the valid issuance of the Bonds or the adoption of the Successor Agency Resolutions which has not been obtained;

(G) the information in the Official Statement under the captions "THE SUCCESSOR AGENCY," "THE PROJECT AREAS," "PLEDGED TAX REVENUES AND DEBT SERVICE," "LIMITATIONS ON TAX REVENUES," and "LITIGATION" is true and accurate in all material respects; provided, however, that no opinion is expressed as to any financial or statistical information contained therein.

This opinion letter is being delivered in my capacity as General Counsel to the Successor Agency and not as counsel to the other addressees. This opinion is rendered solely for your benefit in connection with issuance of the Bonds and may not be relied upon, used, quoted or referred to, nor any copies hereof be delivered to, any other person without our prior written approval. I disclaim any obligation to supplement this letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur.

Respectfully submitted,



James B. Morales
General Counsel and Deputy Director



office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

101-0082023-178

May 3, 2023

Ben Rosenfield, Controller
Controller's Office
City and County of San Francisco
City Hall, Room 316
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102

Re: Subordination Request Relating to Proposed Bond Issues for the following Project Areas of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco: Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B; Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area; Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area); Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area; India Basin Industrial Park Redevelopment Project Area; Rincon Point - South Beach Redevelopment Project Area; South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area); Transbay Redevelopment Project Area; Western Addition Redevelopment Project Area A-2; and Yerba Buena Center Approved Redevelopment Project Area D-1

Dear Mr. Rosenfield:

I am writing to you on behalf of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure (the "Agency") pursuant to Section 34177.7(c) of the California Health and Safety Code (the "Code"). Under Section 34177.7(c) of the Code, the Agency may, with an affected taxing entity's approval (which must be granted except as provided below), subordinate amounts payable from property tax revenue (formerly tax increment revenue) of a redevelopment project area that the Agency is required to pay such taxing entity pursuant to Sections 33607.5 and 34183(a)(1) of the Code (the "Statutory Pass-through Payments") to bonds or other indebtedness issued or incurred by the Agency pursuant to Section 34177.7(a) of the Code for the same project area.

At this time, the Agency anticipates issuing two series of tax allocation bonds (collectively, the "2023 Bonds") by July 31, 2023. The net proceeds of the 2023 Bonds will be used to fund affordable housing projects pursuant to Section 34177.7(a)(1)(A) of the Code and infrastructure required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005, between the Former Redevelopment Agency, as succeeded by the Agency, and the Transbay Joint Powers Authority pursuant to Section 34177.7(a)(1)(B) of the Code. Debt service on the 2023 Bonds will be payable from property tax revenue derived from the following project areas (or land use zones therein) (collectively, the "Project Areas") of the Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;

London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Alex Ludlum
Tamsen Drew
Dr. Carolyn Ransom-Scott
COMMISSIONERS

One S. Van Ness Ave.
5th Floor
San Francisco, CA
94103

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- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1

Debt service on the 2023 Bonds will be payable from property tax revenue derived from the Project Areas on (i) a basis subordinate to the Agency's repayment obligations under certain existing loan agreements that will remain outstanding after the issuance of the 2023 Bonds (the "Existing Loan Agreements"), (ii) a basis subordinate to the Agency's 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), and 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (collectively, the "Second Lien Bonds") and (iii) a parity basis to the Agency's 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) and 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (collectively, the "Third Lien Bonds").

By this letter, the Agency requests that the City and County of San Francisco (the "Taxing Entity") agree to the subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the 2023 Bonds and reconfirm its prior subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the Existing Loan Agreements, the Second Lien Bonds, and the Third Lien Bonds. Enclosed for your review, pursuant to Section 34177.7(c)(2) of the Code, is a tax increment revenue projection summary for each of the Project Areas, which includes a debt service coverage analysis which was prepared by the Agency's fiscal consultant, Urban Analytics (the "Fiscal Consultant") and its municipal advisor for the 2023 Bonds, PFM California Advisors LLC (the "Municipal Advisor").

The Agency has yet to determine the optimal structure for the debt service on the 2023 Bonds. For purpose of the analysis developed in connection with this subordination request,

we have assumed, among other things, a 30-year debt structure with increasing debt service. The decision as to how to actually structure the 2023 Bonds will be made over the next few weeks.

The debt service coverage analysis shows the estimated total debt service for the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds and the 2023 Bonds based on current assumptions. The Fiscal Consultant's and Municipal Advisor's analysis shows that the Agency can reasonably expect to have more than sufficient funds available with projected debt service coverage ratio of at least 3.0 times to make the payments that are expected to be due on the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds, the 2023 Bonds and all of the Agency's Statutory Pass-through Payments owed to the various affected taxing entities for the Project Areas. If the Agency does not have sufficient funds to make the required Statutory Pass-through Payments in a given year, the Agency's obligation to make such payments shall continue and shall be paid from the first available property tax revenues of the Agency not pledged to the payment of debt service on the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds and the 2023 Bonds.

For the benefit of the Agency's records, please complete the attached Acknowledgement and return it in the self-addressed envelope no later than May 31, 2023, as the Agency would like the ability to sell the 2023 Bonds as soon as possible.

Please note that, in accordance with Section 34177.7(c)(3) of the Code, if the Taxing Entity does not respond to the requested subordination within forty-five (45) days of this letter, the subordination will be automatically deemed approved by the Taxing Entity and such approval shall be final and conclusive. Furthermore, to disapprove this subordination of the Statutory Pass-through Payments that the Agency is required to pay to the debt service on the 2023 Bonds, the Taxing Entity must find, based upon substantial evidence, that the Agency will not be able to pay the payments due on both the 2023 Bonds and the Statutory Pass-through Payments the Agency is required to pay the Taxing Entity.

Thank you in advance for your cooperation in this matter. If you have any questions regarding this matter, please do not hesitate to call the undersigned at (415) 749-2588.

Sincerely,



Thor Kaslofsky
Executive Director

Enclosures

cc: James Morales, OCII
John Daigle, OCII
Sarah Hollenbeck, PFM California Advisors LLC
David Mealy, Urban Analytics
Juan Galvan, Jones Hall

ACKNOWLEDGEMENT

In response to the request by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Agency") set forth in a letter dated May 3, 2023 (the "Subordination Request"), to approve the Agency's subordination of Statutory Pass-through Payments, the City and County of San Francisco (the "Taxing Entity") hereby confirms its approval of the subordination of the Agency's obligations to pay Statutory Pass-through Payments to the Taxing Entity in connection with the Agency's payment obligations under the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds, and the 2023 Bonds with respect to the following project areas of the Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1

All capitalized terms used but not defined in this Acknowledgement have the meanings ascribed to them in the Subordination Request.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgement to be signed by its authorized representative on this ____ day of _____, 2023.

City and County of San Francisco

By: 

Name: BEN ROSENFELD

Title: CONTROLLER

Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Passthrough Coverage After Debt Service (X \$1,000)

All Project Areas Except Hunters Point Shipyard (Excluded Portion), Mission Bay South and Mission Bay North

Fiscal Year Ending June 30	Net Available Tax Increment	Estimated Maximum Debt Service	Revenue After Debt Service	Passthrough Payments	Passthrough Coverage
2023	292,156	-	292,156	67,567	4.3
2024	297,648	61,132	236,517	69,137	3.4
2025	303,250	55,785	247,466	70,738	3.5
2026	308,964	54,590	254,374	72,423	3.5
2027	314,792	54,303	260,489	74,160	3.5
2028	320,737	54,412	266,325	75,931	3.5
2029	326,801	54,581	272,220	77,739	3.5
2030	332,986	54,295	278,691	79,585	3.5
2031	339,294	55,099	284,196	81,484	3.5
2032	345,729	55,907	289,822	83,429	3.5
2033	352,293	34,274	318,018	85,418	3.7
2034	358,987	34,239	324,749	87,445	3.7
2035	365,816	30,060	335,756	89,560	3.7
2036	372,781	28,977	343,804	91,717	3.7
2037	379,934	23,592	356,342	94,025	3.8
2038	387,232	13,539	373,693	96,412	3.9
2039	394,676	13,530	381,147	98,847	3.9
2040	402,269	11,559	390,710	101,330	3.9
2041	410,014	9,600	400,415	103,863	3.9
2042	417,914	12,467	405,447	106,447	3.8
2043	425,972	12,490	413,482	109,082	3.8
2044	434,191	12,515	421,676	111,770	3.8
2045	442,575	13,022	429,553	114,512	3.8
2046	451,126	13,025	438,100	117,308	3.7
2047	459,848	8,969	450,879	120,161	3.8
2048	468,745	8,970	459,775	123,071	3.7
2049	477,819	8,973	468,846	126,039	3.7
2050	487,075	8,973	478,102	129,066	3.7
2051	496,517	8,970	487,547	132,154	3.7
2052	506,147	8,971	497,175	135,303	3.7
2053	515,970	8,972	506,997	138,516	3.7

Source: Urban Analytics, PFM, Successor Agency



office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

101-0072023-175

May 3, 2023

Anne Marie Gordon
Interim Head Financial Officer
San Francisco Unified School District
135 Van Ness Avenue, Room 300
San Francisco, California 94102

Re: Subordination Request Relating to Proposed Bond Issues for the following Project Areas of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco: Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B; Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area; Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area); Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area; India Basin Industrial Park Redevelopment Project Area; Rincon Point - South Beach Redevelopment Project Area; South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area); Transbay Redevelopment Project Area; Western Addition Redevelopment Project Area A-2; and Yerba Buena Center Approved Redevelopment Project Area D-1

Dear Ms. Gordon:

I am writing to you on behalf of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure (the "Agency") pursuant to Section 34177.7(c) of the California Health and Safety Code (the "Code"). Under Section 34177.7(c) of the Code, the Agency may, with an affected taxing entity's approval (which must be granted except as provided below), subordinate amounts payable from property tax revenue (formerly tax increment revenue) of a redevelopment project area that the Agency is required to pay such taxing entity pursuant to Sections 33607.5 and 34183(a)(1) of the Code (the "Statutory Pass-through Payments") to bonds or other indebtedness issued or incurred by the Agency pursuant to Section 34177.7(a) of the Code for the same project area.

At this time, the Agency anticipates issuing two series of tax allocation bonds (collectively, the "2023 Bonds") by July 31, 2023. The net proceeds of the 2023 Bonds will be used to fund affordable housing projects pursuant to Section 34177.7(a)(1)(A) of the Code and infrastructure required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005, between the Former Redevelopment Agency, as succeeded by the Agency, and the Transbay Joint Powers Authority pursuant to Section 34177.7(a)(1)(B) of the Code. Debt service on the 2023 Bonds will be payable from property tax revenue derived from the following project areas (or land use zones therein) (collectively, the "Project Areas") of the Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;

London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Alex Ludlum
Tamsen Drew
Dr. Carolyn Ransom-Scott
COMMISSIONERS

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5th Floor
San Francisco, CA
94103

415 749 2400

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- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1

Debt service on the 2023 Bonds will be payable from property tax revenue derived from the Project Areas on (i) a basis subordinate to the Agency's repayment obligations under certain existing loan agreements that will remain outstanding after the issuance of the 2023 Bonds (the "Existing Loan Agreements"), (ii) a basis subordinate to the Agency's 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), and 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (collectively, the "Second Lien Bonds") and (iii) a parity basis to the Agency's 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) and 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (collectively, the "Third Lien Bonds").

By this letter, the Agency requests that the San Francisco Unified School District and the San Francisco Office of Education (collectively, the "Taxing Entity") agree to the subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the 2023 Bonds and reconfirm its prior subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the Existing Loan Agreements, the Second Lien Bonds, and the Third Lien Bonds. Enclosed for your review, pursuant to Section 34177.7(c)(2) of the Code, is a tax increment revenue projection summary for each of the Project Areas, which includes a debt service coverage analysis which was prepared by the Agency's fiscal consultant, Urban Analytics (the "Fiscal Consultant") and its municipal advisor for the 2023 Bonds, PFM California Advisors LLC (the "Municipal Advisor").

The Agency has yet to determine the optimal structure for the debt service on the 2023 Bonds. For purpose of the analysis developed in connection with this subordination request, we have assumed, among other things, a 30-year debt structure with increasing debt

service. The decision as to how to actually structure the 2023 Bonds will be made over the next few weeks.

The debt service coverage analysis shows the estimated total debt service for the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds and the 2023 Bonds based on current assumptions. The Fiscal Consultant's and Municipal Advisor's analysis shows that the Agency can reasonably expect to have more than sufficient funds available with projected debt service coverage ratio of at least 3.0 times to make the payments that are expected to be due on the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds, the 2023 Bonds and all of the Agency's Statutory Pass-through Payments owed to the various affected taxing entities for the Project Areas. If the Agency does not have sufficient funds to make the required Statutory Pass-through Payments in a given year, the Agency's obligation to make such payments shall continue and shall be paid from the first available property tax revenues of the Agency not pledged to the payment of debt service on the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds and the 2023 Bonds.

For the benefit of the Agency's records, please complete the attached Acknowledgement and return it in the self-addressed envelope no later than May 31, 2023, as the Agency would like the ability to sell the 2023 Bonds as soon as possible.

Please note that, in accordance with Section 34177.7(c)(3) of the Code, if the Taxing Entity does not respond to the requested subordination within forty-five (45) days of this letter, the subordination will be automatically deemed approved by the Taxing Entity and such approval shall be final and conclusive. Furthermore, to disapprove this subordination of the Statutory Pass-through Payments that the Agency is required to pay to the debt service on the 2023 Bonds, the Taxing Entity must find, based upon substantial evidence, that the Agency will not be able to pay the payments due on both the 2023 Bonds and the Statutory Pass-through Payments the Agency is required to pay the Taxing Entity.

Thank you in advance for your cooperation in this matter. If you have any questions regarding this matter, please do not hesitate to call the undersigned at (415) 749-2588.

Sincerely,



Thor Kaslofsky
Executive Director

Enclosures

cc: James Morales, OCII
John Daigle, OCII
Sarah Hollenbeck, PFM California Advisors LLC
David Mealy, Urban Analytics
Juan Galvan, Jones Hall

ACKNOWLEDGEMENT

In response to the request by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Agency") set forth in a letter dated May 3, 2023 (the "Subordination Request"), to approve the Agency's subordination of Statutory Pass-through Payments, the San Francisco Unified School District and the San Francisco Office of Education (collectively, the "Taxing Entity") hereby confirm their approval of the subordination of the Agency's obligations to pay Statutory Pass-through Payments to the Taxing Entity in connection with the Agency's payment obligations under the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds, and the 2023 Bonds with respect to the following project areas of the Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1

All capitalized terms used but not defined in this Acknowledgement have the meanings ascribed to them in the Subordination Request.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgement to be signed by its authorized representative on this ____ day of _____, 2023.

**San Francisco Unified School District
San Francisco Office of Education**

By: _____

Name: _____

Title: _____

Successor Agency to the Redevelopment Agency of the City and County of San Francisco
Passthrough Coverage After Debt Service (X \$1,000)

All Project Areas Except Hunters Point Shipyard (Excluded Portion), Mission Bay South and
Mission Bay North

Fiscal Year Ending June 30	Net Available Tax Increment	Estimated Maximum Debt Service	Revenue After Debt Service	Passthrough Payments	Passthrough Coverage
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2052	506,147	8,971	497,175	135,303	3.7
2053	515,970	8,972	506,997	138,516	3.7

Source: Urban Analytics, PFM, Successor Agency

101-0042023-104

May 3, 2023

Dr. Philip Fine, Executive Officer
Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105

Re: Subordination Request Relating to Proposed Bond Issues for the following Project Areas of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco: Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B; Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area; Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area); Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area; India Basin Industrial Park Redevelopment Project Area; Rincon Point - South Beach Redevelopment Project Area; South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area); Transbay Redevelopment Project Area; Western Addition Redevelopment Project Area A-2; and Yerba Buena Center Approved Redevelopment Project Area D-1

Dear Dr. Fine:

I am writing to you on behalf of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure (the "Agency") pursuant to Section 34177.7(c) of the California Health and Safety Code (the "Code"). Under Section 34177.7(c) of the Code, the Agency may, with an affected taxing entity's approval (which must be granted except as provided below), subordinate amounts payable from property tax revenue (formerly tax increment revenue) of a redevelopment project area that the Agency is required to pay such taxing entity pursuant to Sections 33607.5 and 34183(a)(1) of the Code (the "Statutory Pass-through Payments") to bonds or other indebtedness issued or incurred by the Agency pursuant to Section 34177.7(a) of the Code for the same project area.

At this time, the Agency anticipates issuing two series of tax allocation bonds (collectively, the "2023 Bonds") by July 31, 2023. The net proceeds of the 2023 Bonds will be used to fund affordable housing projects pursuant to Section 34177.7(a)(1)(A) of the Code and infrastructure required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005, between the Former Redevelopment Agency, as succeeded by the Agency, and the Transbay Joint Powers Authority pursuant to Section 34177.7(a)(1)(B) of the Code. Debt service on the 2023 Bonds will be payable from property tax revenue derived from the following project areas (or land use zones therein) (collectively, the "Project Areas") of the Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;

London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Alex Ludlum
Tamsen Drew
Dr. Carolyn Ransom-Scott
COMMISSIONERS

One S. Van Ness Ave.
5th Floor
San Francisco, CA
94103

415 749 2400

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- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
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- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1

Debt service on the 2023 Bonds will be payable from property tax revenue derived from the Project Areas on (i) a basis subordinate to the Agency's repayment obligations under certain existing loan agreements that will remain outstanding after the issuance of the 2023 Bonds (the "Existing Loan Agreements"), (ii) a basis subordinate to the Agency's 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), and 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (collectively, the "Second Lien Bonds") and (iii) a parity basis to the Agency's 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) and 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (collectively, the "Third Lien Bonds").

By this letter, the Agency requests that the Bay Area Air Quality Management District (the "Taxing Entity") agree to the subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the 2023 Bonds and reconfirm its prior subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the Existing Loan Agreements, the Second Lien Bonds, and the Third Lien Bonds. Enclosed for your review, pursuant to Section 34177.7(c)(2) of the Code, is a tax increment revenue projection summary for each of the Project Areas, which includes a debt service coverage analysis which was prepared by the Agency's fiscal consultant, Urban Analytics (the "Fiscal Consultant") and its municipal advisor for the 2023 Bonds, PFM California Advisors LLC (the "Municipal Advisor").

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For the benefit of the Agency's records, please complete the attached Acknowledgement and return it in the self-addressed envelope no later than May 31, 2023, as the Agency would like the ability to sell the 2023 Bonds as soon as possible.

Please note that, in accordance with Section 34177.7(c)(3) of the Code, if the Taxing Entity does not respond to the requested subordination within forty-five (45) days of this letter, the subordination will be automatically deemed approved by the Taxing Entity and such approval shall be final and conclusive. Furthermore, to disapprove this subordination of the Statutory Pass-through Payments that the Agency is required to pay to the debt service on the 2023 Bonds, the Taxing Entity must find, based upon substantial evidence, that the Agency will not be able to pay the payments due on both the 2023 Bonds and the Statutory Pass-through Payments the Agency is required to pay the Taxing Entity.

Thank you in advance for your cooperation in this matter. If you have any questions regarding this matter, please do not hesitate to call the undersigned at (415) 749-2588.

Sincerely,



Thor Kaslofsky
Executive Director

Enclosures

cc: James Morales, OCII
John Daigle, OCII
Sarah Hollenbeck, PFM California Advisors LLC
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Juan Galvan, Jones Hall

ACKNOWLEDGEMENT

In response to the request by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Agency") set forth in a letter dated May 3, 2023 (the "Subordination Request"), to approve the Agency's subordination of Statutory Pass-through Payments, the Bay Area Air Quality Management District (the "Taxing Entity") hereby confirms its approval of the subordination of the Agency's obligations to pay Statutory Pass-through Payments to the Taxing Entity in connection with the Agency's payment obligations under the Existing Loan Agreements, the Second Lien Bonds, the Third Lien Bonds, and the 2023 Bonds with respect to the following project areas of the Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1

All capitalized terms used but not defined in this Acknowledgement have the meanings ascribed to them in the Subordination Request.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgement to be signed by its authorized representative on this ____ day of 6/22/2023, 2023.

Bay Area Air Quality Management District

DocuSigned by:
By: Stephanie Osaze
615B2321488D44C...

Name: Stephanie Osaze

Title: Director of Finance

Successor Agency to the Redevelopment Agency of the City and County of San Francisco
Passthrough Coverage After Debt Service (X \$1,000)

All Project Areas Except Hunters Point Shipyard (Excluded Portion), Mission Bay South and
Mission Bay North

Fiscal Year Ending June 30	Net Available Tax Increment	Estimated Maximum Debt Service	Revenue After Debt Service	Passthrough Payments	Passthrough Coverage
2023	292,156	-	292,156	67,567	4.3
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2025	303,250	55,785	247,466	70,738	3.5
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2029	326,801	54,581	272,220	77,739	3.5
2030	332,986	54,295	278,691	79,585	3.5
2031	339,294	55,099	284,196	81,484	3.5
2032	345,729	55,907	289,822	83,429	3.5
2033	352,293	34,274	318,018	85,418	3.7
2034	358,987	34,239	324,749	87,445	3.7
2035	365,816	30,060	335,756	89,560	3.7
2036	372,781	28,977	343,804	91,717	3.7
2037	379,934	23,592	356,342	94,025	3.8
2038	387,232	13,539	373,693	96,412	3.9
2039	394,676	13,530	381,147	98,847	3.9
2040	402,269	11,559	390,710	101,330	3.9
2041	410,014	9,600	400,415	103,863	3.9
2042	417,914	12,467	405,447	106,447	3.8
2043	425,972	12,490	413,482	109,082	3.8
2044	434,191	12,515	421,676	111,770	3.8
2045	442,575	13,022	429,553	114,512	3.8
2046	451,126	13,025	438,100	117,308	3.7
2047	459,848	8,969	450,879	120,161	3.8
2048	468,745	8,970	459,775	123,071	3.7
2049	477,819	8,973	468,846	126,039	3.7
2050	487,075	8,973	478,102	129,066	3.7
2051	496,517	8,970	487,547	132,154	3.7
2052	506,147	8,971	497,175	135,303	3.7
2053	515,970	8,972	506,997	138,516	3.7

Source: Urban Analytics, PFM, Successor Agency



office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

101-0052023-105

May 3, 2023

Robert M. Powers, General Manager
Bay Area Rapid Transit District
2150 Webster Street, 10th Floor
Oakland, California 94612

Re: Subordination Request Relating to Proposed Bond Issues for the following Project Areas of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco: Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B; Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area; Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area); Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area; India Basin Industrial Park Redevelopment Project Area; Rincon Point - South Beach Redevelopment Project Area; South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area); Transbay Redevelopment Project Area; Western Addition Redevelopment Project Area A-2; and Yerba Buena Center Approved Redevelopment Project Area D-1

Dear Mr. Powers:

I am writing to you on behalf of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure (the "Agency") pursuant to Section 34177.7(c) of the California Health and Safety Code (the "Code"). Under Section 34177.7(c) of the Code, the Agency may, with an affected taxing entity's approval (which must be granted except as provided below), subordinate amounts payable from property tax revenue (formerly tax increment revenue) of a redevelopment project area that the Agency is required to pay such taxing entity pursuant to Sections 33607.5 and 34183(a)(1) of the Code (the "Statutory Pass-through Payments") to bonds or other indebtedness issued or incurred by the Agency pursuant to Section 34177.7(a) of the Code for the same project area.

At this time, the Agency anticipates issuing two series of tax allocation bonds (collectively, the "2023 Bonds") by July 31, 2023. The net proceeds of the 2023 Bonds will be used to fund affordable housing projects pursuant to Section 34177.7(a)(1)(A) of the Code and infrastructure required by the Transbay Redevelopment Project Implementation Agreement dated as of January 20, 2005, between the Former Redevelopment Agency, as succeeded by the Agency, and the Transbay Joint Powers Authority pursuant to Section 34177.7(a)(1)(B) of the Code. Debt service on the 2023 Bonds will be payable from property tax revenue derived from the following project areas (or land use zones therein) (collectively, the "Project Areas") of the Agency:

- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;

London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Alex Ludlum
Tamsen Drew
Dr. Carolyn Ransom-Scott
COMMISSIONERS

One S. Van Ness Ave.
5th Floor
San Francisco, CA
94103

415 749 2400

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- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
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Debt service on the 2023 Bonds will be payable from property tax revenue derived from the Project Areas on (i) a basis subordinate to the Agency's repayment obligations under certain existing loan agreements that will remain outstanding after the issuance of the 2023 Bonds (the "Existing Loan Agreements"), (ii) a basis subordinate to the Agency's 2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), 2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects), and 2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects) (collectively, the "Second Lien Bonds") and (iii) a parity basis to the Agency's 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects), 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) and 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (collectively, the "Third Lien Bonds").

By this letter, the Agency requests that the Bay Area Rapid Transit District (the "Taxing Entity") agree to the subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the 2023 Bonds and reconfirm its prior subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the Existing Loan Agreements, the Second Lien Bonds, and the Third Lien Bonds. Enclosed for your review, pursuant to Section 34177.7(c)(2) of the Code, is a tax increment revenue projection summary for each of the Project Areas, which includes a debt service coverage analysis which was prepared by the Agency's fiscal consultant, Urban Analytics (the "Fiscal Consultant") and its municipal advisor for the 2023 Bonds, PFM California Advisors LLC (the "Municipal Advisor").

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Thank you in advance for your cooperation in this matter. If you have any questions regarding this matter, please do not hesitate to call the undersigned at (415) 749-2588.

Sincerely,



Thor Kaslofsky
Executive Director

Enclosures

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John Daigle, OCII
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- Yerba Buena Center Approved Redevelopment Project Area D-1

All capitalized terms used but not defined in this Acknowledgement have the meanings ascribed to them in the Subordination Request.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgement to be signed by its authorized representative on this ____ day of _____, 2023.

Bay Area Rapid Transit District

By: _____

Name: _____

Title: _____

Robert M. Powers, General Manager

Successor Agency to the Redevelopment Agency of the City and County of San Francisco
Passthrough Coverage After Debt Service (X \$1,000)

All Project Areas Except Hunters Point Shipyard (Excluded Portion), Mission Bay South and
Mission Bay North

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Source: Urban Analytics, PFM, Successor Agency



office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

101-0062023-153

May 3, 2023

City College of San Francisco
c/o Dr. John al-Amin,
Vice Chancellor Finance and Administration
50 Frida Kahlo Way, SH118
San Francisco, California 94112

Re: Subordination Request Relating to Proposed Bond Issues for the following Project Areas of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco: Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B; Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area; Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area); Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area; India Basin Industrial Park Redevelopment Project Area; Rincon Point - South Beach Redevelopment Project Area; South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area); Transbay Redevelopment Project Area; Western Addition Redevelopment Project Area A-2; and Yerba Buena Center Approved Redevelopment Project Area D-1

Dear Dr. al-Amin:

I am writing to you on behalf of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, also known as the Office of Community Investment and Infrastructure (the "Agency") pursuant to Section 34177.7(c) of the California Health and Safety Code (the "Code"). Under Section 34177.7(c) of the Code, the Agency may, with an affected taxing entity's approval (which must be granted except as provided below), subordinate amounts payable from property tax revenue (formerly tax increment revenue) of a redevelopment project area that the Agency is required to pay such taxing entity pursuant to Sections 33607.5 and 34183(a)(1) of the Code (the "Statutory Pass-through Payments") to bonds or other indebtedness issued or incurred by the Agency pursuant to Section 34177.7(a) of the Code for the same project area.

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London N. Breed
MAYOR

Thor Kaslofsky
EXECUTIVE DIRECTOR

Bivett Brackett
CHAIR

Alex Ludlum
Tamsen Drew
Dr. Carolyn Ransom-Scott
COMMISSIONERS

One S. Van Ness Ave.
5th Floor
San Francisco, CA
94103

415 749 2400

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By this letter, the Agency requests that the San Francisco Community College District (the "Taxing Entity") agree to the subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the 2023 Bonds and reconfirm its prior subordination of Statutory Pass-through Payments that the Agency is required to pay the Taxing Entity in connection with the Project Areas to the payment of debt service on the Existing Loan Agreements, the Second Lien Bonds, and the Third Lien Bonds. Enclosed for your review, pursuant to Section 34177.7(c)(2) of the Code, is a tax increment revenue projection summary for each of the Project Areas, which includes a debt service coverage analysis which was prepared by the Agency's fiscal consultant, Urban Analytics (the "Fiscal Consultant") and its municipal advisor for the 2023 Bonds, PFM California Advisors LLC (the "Municipal Advisor").

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Thank you in advance for your cooperation in this matter. If you have any questions regarding this matter, please do not hesitate to call the undersigned at (415) 749-2588.

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Thor Kaslofsky
Executive Director

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- Bayview Hunters Point Redevelopment Project Area - Zone 2 of Project Area B;
- Embarcadero-Lower Market ("Golden Gateway") Redevelopment Project Area;
- Bayview Hunters Point Redevelopment Project Area - Project Area A (also known as the Hunters Point Redevelopment Project Area);
- Hunters Point Hill Residential District of the Hunters Point Shipyard Redevelopment Project Area;
- India Basin Industrial Park Redevelopment Project Area;
- Rincon Point - South Beach Redevelopment Project Area;
- South of Market Redevelopment Project Area (previously known as the South of Market Earthquake Recovery Project Area);
- Transbay Redevelopment Project Area;
- Western Addition Redevelopment Project Area A-2; and
- Yerba Buena Center Approved Redevelopment Project Area D-1

All capitalized terms used but not defined in this Acknowledgement have the meanings ascribed to them in the Subordination Request.

IN WITNESS WHEREOF, the undersigned has caused this Acknowledgement to be signed by its authorized representative on this ____ day of _____, 2023.

San Francisco Community College District

By: _____

Name: _____

Title: _____

Successor Agency to the Redevelopment Agency of the City and County of San Francisco
Passthrough Coverage After Debt Service (X \$1,000)

All Project Areas Except Hunters Point Shipyard (Excluded Portion), Mission Bay South and
Mission Bay North

Fiscal Year Ending June 30	Net Available Tax Increment	Estimated Maximum Debt Service	Revenue After Debt Service	Passthrough Payments	Passthrough Coverage
2023	292,156	-	292,156	67,567	4.3
2024	297,648	61,132	236,517	69,137	3.4
2025	303,250	55,785	247,466	70,738	3.5
2026	308,964	54,590	254,374	72,423	3.5
2027	314,792	54,303	260,489	74,160	3.5
2028	320,737	54,412	266,325	75,931	3.5
2029	326,801	54,581	272,220	77,739	3.5
2030	332,986	54,295	278,691	79,585	3.5
2031	339,294	55,099	284,196	81,484	3.5
2032	345,729	55,907	289,822	83,429	3.5
2033	352,293	34,274	318,018	85,418	3.7
2034	358,987	34,239	324,749	87,445	3.7
2035	365,816	30,060	335,756	89,560	3.7
2036	372,781	28,977	343,804	91,717	3.7
2037	379,934	23,592	356,342	94,025	3.8
2038	387,232	13,539	373,693	96,412	3.9
2039	394,676	13,530	381,147	98,847	3.9
2040	402,269	11,559	390,710	101,330	3.9
2041	410,014	9,600	400,415	103,863	3.9
2042	417,914	12,467	405,447	106,447	3.8
2043	425,972	12,490	413,482	109,082	3.8
2044	434,191	12,515	421,676	111,770	3.8
2045	442,575	13,022	429,553	114,512	3.8
2046	451,126	13,025	438,100	117,308	3.7
2047	459,848	8,969	450,879	120,161	3.8
2048	468,745	8,970	459,775	123,071	3.7
2049	477,819	8,973	468,846	126,039	3.7
2050	487,075	8,973	478,102	129,066	3.7
2051	496,517	8,970	487,547	132,154	3.7
2052	506,147	8,971	497,175	135,303	3.7
2053	515,970	8,972	506,997	138,516	3.7

Source: Urban Analytics, PFM, Successor Agency

7015 0640 0001 2401 1640

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Bay Area Rapid Transit District
2150 Webster Street, 10th Floor
City, State, ZIP+4[®] Oakland, CA 94612

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Controller's Office
City and County of San Francisco
City Hall, Room 316
Street and Apt. No. 1 Dr. Carlton B. Goodlett Place
City, State, ZIP+4[®] San Francisco, CA 94102

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☐ Adult Signature Required \$0.00
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05/03/2023

Sent To City College of San Francisco
c/o Dr. John al-Amin,
Vice Chancellor Finance and
Administration
Street and Apt. No. 50 Frida Kahlo Way, SH118
City, State, ZIP+4[®] San Francisco, CA 94112

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Sent To Dr. Philip Fine, Executive Officer
Bay Area Air Quality Management
District
375 Beale Street, Suite 600
City, State, ZIP+4[®] San Francisco, CA 94105

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

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05/03/2023

Sent To Anne Marie Gordon
Interim Head Financial Officer
San Francisco Unified School District
135 Van Ness Avenue, Room 300
City, State, ZIP+4[®] San Francisco, CA 94102

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	
<p>1. Article Addressed to:</p> <p>Anne Marie Gordon Interim Head Financial Officer San Francisco Unified School District 135 Van Ness Avenue, Room 300 San Francisco, CA 94102</p>	
<p>2. Article Number (Transfer from service label) 7015 0640 0001 2401 1664</p>	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY	
<p>A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
B. Received by (Printed Name)	C. Date of Delivery
<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. </p>	
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

SENDER: COMPLETE THIS SECTION	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	
<p>1. Article Addressed to:</p> <p>Dr. Philip Fine, Executive Officer Bay Area Air Quality Management District 375 Beale Street, Suite 600 San Francisco, CA 94105</p>	
<p>2. Article Number (Transfer from service label) 7015 0640 0001 2401 1633</p>	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY	
<p>A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
B. Received by (Printed Name)	C. Date of Delivery
<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. </p>	
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

SIGNED BY
MAY 08 2023
BAA6...
375 BEALE ST. STE 600 SF CA 94105

SENDER: COMPLETE THIS SECTION	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	
<p>1. Article Addressed to:</p> <p>Ben Rosenfield, Controller Controller's Office City and County of San Francisco City Hall, Room 316 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102</p>	
<p>2. Article Number (Transfer from service label) 7015 0640 0001 2401 1671</p>	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY	
<p>A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
B. Received by (Printed Name)	C. Date of Delivery
<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. </p>	
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

SENDER: COMPLETE THIS SECTION	
<p>■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	
<p>1. Article Addressed to:</p> <p>City College of San Francisco c/o Dr. John al-Amin, Vice Chancellor Finance and Administration 50 Frida Kahlo Way, SH118 San Francisco, CA 94112</p>	
<p>2. Article Number (Transfer from service label) 7015 0640 0001 2401 1657</p>	

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY	
<p>A. Signature X <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
B. Received by (Printed Name)	C. Date of Delivery
<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D. </p>	
<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	

Tracking Number:

Remove X

70150640000124011640

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Latest Update

Your item was delivered to an individual at the address at 9:01 am on May 6, 2023 in OAKLAND, CA 94612.

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Delivered, Left with Individual
OAKLAND, CA 94612
May 6, 2023, 9:01 am

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FAQs

Tracking Number:

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70150640000124011664

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Latest Update

Your item was delivered to the front desk, reception area, or mail room at 9:18 am on May 4, 2023 in SAN FRANCISCO, CA 94102.

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USPS Tracking Plus®

Delivered

Delivered, Front Desk/Reception/Mail Room

SAN FRANCISCO, CA 94102

May 4, 2023, 9:18 am

Departed USPS Regional Facility

SAN FRANCISCO CA DISTRIBUTION CENTER

May 4, 2023, 1:26 am

Arrived at USPS Regional Facility

SAN FRANCISCO CA DISTRIBUTION CENTER

May 3, 2023, 8:55 pm

Departed Post Office

SAN FRANCISCO, CA 94102

May 3, 2023, 5:42 pm

USPS in possession of item

SAN FRANCISCO, CA 94102

May 3, 2023, 1:22 pm

 **Hide Tracking History**

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USPS Tracking Plus®	▼
Product Information	▲

Postal Product:
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Features:
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Return Receipt

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Need More Help?

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FAQs

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
AUTHORIZED SIGNER(S)

I hereby certify that the following is a true and exact extract of Article VII of the Bylaws presently in effect for U.S. Bank Trust Company, National Association, an association organized and existing under the laws of the United States:

ARTICLE VII

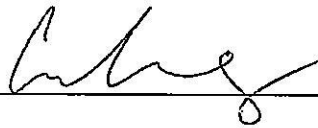
Miscellaneous Provisions

Section 7.1. Execution of Instruments. All agreements, checks, drafts, orders, indentures, notes, mortgages, deeds, conveyances, transfers, endorsements, assignments, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, guarantees, proxies and other instruments or documents may be signed, countersigned, executed, acknowledged, endorsed, verified, delivered or accepted on behalf of the Association, whether in a fiduciary capacity or otherwise, by any officer of the Association, or such employee or agent as may be designated from time to time by the Board by resolution, or by the Chairman or the President by written instrument, which resolution or instrument shall be certified as in effect by the Secretary or an Assistant Secretary of the Association. The provisions of this section are supplementary to any other provision of the Articles of Association or Bylaws.

I further certify that Andrew Fung of U.S. Bank Trust Company, National Association has been duly elected and qualified and now holds the office listed herein, and that the signature of such officer is authentic:

Andrew Fung
Vice President

WILL SIGN: _____

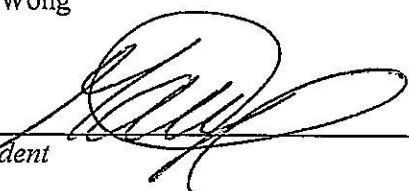


IN WITNESS WHEREOF, I have hereunto set my hand to be affixed hereto this 14th day of September 2023.

U.S. Bank Trust Company, National Association

By: Mary Wong

Vice President



\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

CERTIFICATE OF THE TRUSTEE

The undersigned hereby states and certifies that:

(i) I am an authorized officer of U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee") under that certain Indenture of Trust dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the "First Supplement") and as further supplemented and amended by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the "Second Supplement"), each by and between the Successor Agency and the Trustee (as so supplemented and amended, the "Indenture"), relating to the captioned bonds (collectively, the "2023 Bonds") and as such, I am familiar with the facts herein certified and am authorized and qualified to certify the same on behalf of the Trustee;

(ii) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Indenture and to authenticate and deliver the 2023 Bonds to the underwriters of the 2023 Bonds (the "Underwriters");

(iii) the Trustee is duly authorized to enter into the Second Supplement and to execute and deliver the 2023 Bonds to the Underwriters pursuant to the Indenture;

(iv) the 2023 Bonds have been duly authenticated and delivered by the Trustee;

(v) the execution and delivery of the Second Supplement and compliance with the provisions on the part of the Trustee contained therein, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the Trustee is a party or is otherwise subject (except that no representation or warranty is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Indenture under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Indenture;

(vi) to the best knowledge of the Trustee, it has not been served with any action, suit, proceeding, inquiry or investigation in law or in equity, before or by any court, governmental agency, public board or body, nor is any such action or other proceeding threatened against it, affecting its existence, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the 2023 Bonds or the collection of revenues to be

applied to pay the principal, premium, if any, and interest with respect to the 2023 Bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the Indenture or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the 2023 Bonds, the Indenture or the power and authority of the Trustee to enter into and perform its duties under the Indenture and to authenticate and deliver the 2023 Bonds to the Underwriters;

(vii) the undersigned hereby represents that the Trustee intends for its digital signatures or other electronic indication of execution on all documents related to this transaction, and the digital signatures or other electronic indication of execution of other parties related to this transaction, to be treated the same and have the same legally binding and enforceable effect as original manual signatures; and

(viii) the Trustee (A) has authorized its executed counterpart signature page to be inserted into the final version of each document related to this transaction to which it is a party and (B) represents that the Trustee intends to be bound by the final version of all documents related to this transaction to which it is a party, which will be released to each of the parties to this transaction simultaneously with the closing of the transaction, including any such written changes to the documents that may have been made after the Trustee performed the act of affixing its signatures to the documents, and that the Trustee's agreement to close the transaction shall constitute conclusive evidence of the acceptance of such changes and intent to be bound thereby.

Capitalized terms used here and not otherwise defined have the meanings given them in the Bond Purchase Contract, dated August 30, 2023, by the Underwriters, accepted by the Successor Agency.

Dated: September 14, 2023

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Trustee

By: _____


Authorized Officer

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

TRUSTEE'S RECEIPT OF PROCEEDS,
INSURANCE POLICY AND RESERVE POLICIES

The undersigned hereby states and certifies that:

(i) I am an authorized officer of U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee") under that certain Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the "First Supplement") and as further supplemented and amended by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the "Second Supplement"), each by and between the Successor Agency and the Trustee (as so supplemented and amended, the "Indenture"), relating to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023B Bonds" and together with the 2023A Bonds, the "2023 Bonds") and as such, I am familiar with the facts herein certified and am authorized and qualified to certify the same on behalf of the Trustee;

(ii) on the date hereof, the Trustee received from Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters (collectively, the "Underwriter"), in immediately available funds, the amount of \$24,231,447.88, representing (A) the purchase price of the 2023A Bonds (\$24,396,281.25), less (B) the premiums for the 2023A Reserve Policy (\$42,139.47) and the 2023 Bonds Insurance Policy allocable to the 2023A Bonds (\$122,693.90), and has deposited such amount into the funds and accounts pursuant to Section 11.06(a) of the Indenture as follows:

\$ 231,447.88	Deposited into the 2023A Bonds Costs of Issuance Fund
<u>24,000,000.00</u>	Deposited into the 2023A Bonds Project Fund
<u>\$ 24,231,447.88</u>	TOTAL AMOUNT DEPOSITED THIS DATE

(iii) the purchase price of the 2023A Bonds and the amount received by the Trustee this date were represented by the Underwriter to be computed as follows:

\$ 24,505,000.00	Principal Amount of 2023A Bonds
<u>(108,718.75)</u>	Less Underwriter's Discount
\$ 24,396,281.25	PURCHASE PRICE OF THE 2023A BONDS
(122,693.90)	Less Insurance Policy premium wired by the Underwriter directly to Assured Guaranty Municipal Corp. ("AGM")
<u>(42,139.47)</u>	Less 2023A Reserve Policy premium wired by the Underwriter directly to AGM
<u>\$ 24,231,447.88</u>	AMOUNT RECEIVED THIS DATE

(iv) the Trustee has received this date the Municipal Bond Debt Service Reserve Insurance Policy No. 222840-R1 (the "2023A Reserve Policy") issued by AGM;

(v) on the date hereof, the Trustee received from the Underwriter, in immediately available funds, the amount of \$37,329,783.44, representing (A) the purchase price of the 2023B Bonds (\$37,637,611.85), less (B) the premiums for the 2023B Reserve Policy (\$58,807.59) and the 2023 Bonds Insurance Policy allocable to the 2023B Bonds (\$249,020.82), and has deposited such amount into the funds and accounts pursuant to Section 11.06(b) of the Indenture as follows:

\$ 329,783.44	Deposited into the 2023B Bonds Costs of Issuance Fund
<u>37,000,000.00</u>	Deposited into the 2023B Bonds Project Fund
<u>\$ 37,329,783.44</u>	TOTAL AMOUNT DEPOSITED THIS DATE

(vi) the purchase price of the 2023B Bonds and the amount received by the Trustee this date were represented by the Underwriter to be computed as follows:

\$ 35,210,000.00	Principal Amount of 2023B Bonds
2,539,811.85	Plus Original Issue Premium
<u>(112,200.00)</u>	Less Underwriter's Discount
\$ 37,637,611.85	PURCHASE PRICE OF THE 2023B BONDS
(249,020.82)	Less Insurance Policy premium wired by the Underwriter directly to AGM
<u>(58,807.59)</u>	Less 2023B Reserve Policy premium wired by the Underwriter directly to AGM
<u>\$ 37,329,783.44</u>	AMOUNT RECEIVED THIS DATE

(vii) the Trustee has received this date the Municipal Bond Debt Service Reserve Insurance Policy No. 222840-R2 (the "2023B Reserve Policy") issued by AGM;

(viii) the Trustee has credited the 2023A Reserve Policy to the 2023A Reserve Subaccount of the Reserve Account and the 2023B Reserve Policy to the 2023B Reserve Subaccount of the Reserve Account established under the Indenture; and

(ix) the Trustee has received this date the Bond Insurance Policy No. 222840-N issued by AGM guaranteeing the scheduled payment of principal of and interest on the 2023 Bonds when due.

Capitalized terms used here and not otherwise defined have the meanings given them in the Indenture.

Dated: September 14, 2023

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,**
as Trustee

By: _____



Authorized Officer



September 14, 2023

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
San Francisco, California

Stifel, Nicolaus & Company, Incorporated
Los Angeles, California,
as representative

Re: Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

Successor Agency to the
Redevelopment Agency of the City and County of San Francisco
2023 Series B Third Lien Tax Allocation Bonds
(Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as counsel for U.S. Bank Trust Company, National Association, a national banking association (the “Bank”), in connection with the execution by the Bank of the Second Supplement to Indenture of Trust, dated as of September 1, 2023, by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and the Bank, as trustee (the “Second Supplemental Indenture”), supplementing and amending the Indenture of Trust, dated as of March 1, 2017 (the “Base Indenture”), by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and the Bank, as successor trustee to U.S. Bank National Association, relating to the above-captioned bonds (the “Bonds”). The Base Indenture as supplemented by the Second Supplemental Indenture and amended by the First Supplement to Indenture of Trust dated as of December 1, 2021, by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco and the Bank, as successor trustee to U.S. Bank National Association, and as further supplemented and amended is referred to herein as the “Indenture”. We are generally familiar with the Articles of Association and the Bylaws of the Bank and are also familiar with the corporate proceedings of the Bank with regard to its authorization, execution and delivery of the Second Supplemental Indenture. Capitalized terms used herein shall have the respective meanings ascribed to them in the Indenture, except as otherwise defined herein.

We have examined such documents and have reviewed such questions of law as we have considered necessary and appropriate for the purposes of this opinion. In such review, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with originals of all documents submitted to us as copies. Where questions of fact material to our opinions expressed below were not established independently, we have relied upon statements of officers of the Bank as contained in certificates of officers of the Bank. Where our opinions expressed below are qualified as being limited “to our knowledge,” such words, as used herein, mean that prior to or during the course of this firm’s representation of the Bank in connection with the specific transactions contemplated by the Second Supplemental Indenture, no contrary information came to the attention of Mark Jutsen, Fanny Renault or Erin McCrady, the attorneys in our firm who have principally represented the Bank in connection with the transactions contemplated by the Second Supplemental Indenture and the preparation of this opinion.

Based upon the foregoing, we are of the opinion that:

1. The Bank is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America.
2. The Bank has all requisite corporate power, authority and legal right to execute and deliver the Second Supplemental Indenture and to perform its obligations under the Indenture, and has authorized the execution and delivery of the Second Supplemental Indenture and the performance of its obligations under the Indenture.
3. The Bank has duly executed and delivered the Second Supplemental Indenture. Assuming the due authorization, execution and delivery thereof by the other parties thereto, the Indenture is the legal, valid and binding agreement of the Bank, enforceable in accordance with its terms against the Bank.
4. The Bank has duly authenticated the Bonds in its capacity as trustee under the Indenture.
5. To our knowledge, the execution and delivery by the Bank of the Second Supplemental Indenture and the performance of the obligations of the Bank under the Indenture by the Bank, will not contravene the Articles of Association or Bylaws of the Bank, or any law, regulation or ruling of any court or governmental authority to which the Bank is subject.
6. To our knowledge, no authorization, approval, consent, or order of any governmental agency or regulatory authority having jurisdiction over the Bank that has not been obtained by the Bank is required for the authorization, execution, delivery and performance by the Bank of the Second Supplemental Indenture.

The opinions set forth above are subject to the following qualifications and exceptions:

- (a) the opinions are subject to the effect of any applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws of general application affecting creditors’ rights;

(b) the opinions are subject to the effect of general principles of equity, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law); and

(c) Our opinions in paragraphs 5 and 6 are limited to laws and regulations normally applicable to transactions of the type contemplated in the Indenture.

Our opinions expressed above are limited to the laws of the State of California and the federal laws of the United States of America.

The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent; provided, however, a copy of this opinion letter may be included in the transcript of proceedings compiled with respect to the issuance of the Bonds.

Very truly yours,

Dorsey & Whitney LLP

EM/MJ/FR

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

CERTIFICATE OF THE FISCAL CONSULTANT

The undersigned hereby states and certifies that:

(i) I am an authorized representative of Urban Analytics LLC (herein, the "Fiscal Consultant"), and as such, I am familiar with the facts herein certified and am authorized and qualified to certify the same;

(ii) the report of the Fiscal Consultant (the "Report") contained in the Preliminary Official Statement and the Official Statement and the information set forth under the captions "THE PROJECT AREAS," "PLEDGED TAX REVENUES AND DEBT SERVICE" and "CERTAIN RISK FACTORS—Concentration of Property Ownership," "—Subordination of ERAF," "—Reduction in Tax Base and Assessed Values" and "—Appeals to Assessed Values" in the Official Statement do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(iii) the Fiscal Consultant consents to the use of the Report in the Preliminary Official Statement and Official Statement;

(iv) to the best of the Fiscal Consultant's knowledge, nothing has come to the Fiscal Consultant's attention between the date of such Report and the Closing Date which would materially alter any of the conclusions set forth in the Report;

(v) the undersigned hereby represents that the Fiscal Consultant intends for its digital signatures or other electronic indication of execution on all documents related to this transaction, and the digital signatures or other electronic indication of execution of other parties related to this transaction, to be treated the same and have the same legally binding and enforceable effect as original manual signatures; and

(vi) the Fiscal Consultant (A) has authorized its executed counterpart signature page to be inserted into the final version of each document related to this transaction to which it is a party and (B) represents that the Fiscal Consultant intends to be bound by the final version of all documents related to this transaction to which it is a party, which will be released to each of the parties to this transaction simultaneously with the closing of the transaction, including any such written changes to the documents that may have been made after the Fiscal Consultant performed the act of affixing its signatures to the documents, and that the Fiscal Consultant's agreement to close the transaction shall constitute conclusive evidence of the acceptance of such changes and intent to be bound thereby.

Capitalized terms used herein and not otherwise defined shall have the same meanings as set forth in the Bond Purchase Contract, dated August 30, 2023, by Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters, and accepted by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco.

Dated: September 14, 2023

URBAN ANALYTICS LLC,
as Fiscal Consultant

By:  _____
Authorized Representative

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

ISSUE PRICE CERTIFICATE

The undersigned, Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative (the “Representative”) of Backstrom McCarley Berry & Co., LLC, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”) of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the “Issuer”).

1. ***Sale of the Bonds.*** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) ***Maturity*** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

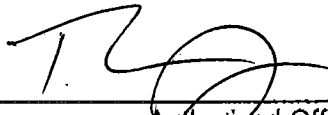
(b) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

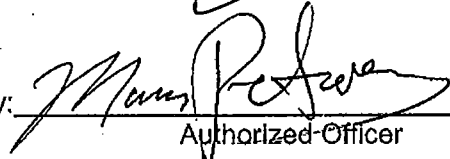
(c) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Representative’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate as to Arbitrage and the Use of Proceeds Certificate, each dated as of the date hereof, with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, A Professional Law Corporation, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

IN WITNESS WHEREOF, the undersigned has executed this certificate on this 14th day of September, 2023.

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as Representative**

By: 
Authorized Officer

By: 
Authorized Officer

Schedule A

SALE PRICES OF THE GENERAL RULE MATURITIES

MATURITY SCHEDULE

<u>Maturity Date</u> <u>(August 1)</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Price</u>
2043 ^T	\$4,625,000	5.000%	4.050%	107.668 ^C
2048 ^T	13,395,000	5.000	4.230	106.161 ^C
2053 ^T	17,190,000	5.250	4.260	107.911 ^C

^T Indicates Term Bond.

^C Priced to the first optional redemption date of August 1, 2033 at par.

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

CERTIFICATE OF THE REPRESENTATIVE

This Certificate is furnished by Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative (the "Representative") of Backstrom McCarley Berry & Co., LLC for the above-captioned bonds (the "Bonds"), which are being issued pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021 (the "First Supplement") and as further supplemented and amended by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the "Second Supplement"), each by and between the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Issuer") and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association (as so supplemented and amended, the "Indenture"). Capitalized terms used herein but not defined herein have the meanings given them in the Indenture.

(i) In our opinion, based on our experience with bonds similar to the Bonds, it was reasonable to require, as a condition to the marketing of the Bonds, that the 2023B Reserve Subaccount of the Reserve Account be funded as provided in the Indenture and the funding of the 2023B Reserve Subaccount of the Reserve Account established and maintained by the Trustee under the Indenture was a vital factor in the marketing the Bonds.

(ii) The present value of the fees paid to obtain the Insurance and Reserve Insurance (as defined in the Certificate as to Arbitrage of the Issuer dated the date hereof relating to the Bonds) is less than the present value of the interest reasonably expected to be saved as a result of having the Insurance and Reserve Insurance, using the yield on the Bonds (including fees for the Insurance and Reserve Insurance) as the discount factor for this purpose.

(iii) The fees paid and to be paid to obtain the Insurance and the Reserve Insurance were determined in arm's-length negotiations and were required as a condition to the issuance by the Insurer of the Insurance and the Reserve Insurance.

(iv) To the best of knowledge of the Underwriters, the fees paid and to be paid for the Insurance and the Reserve Insurance represent a commercially reasonable charge for the transfer of credit risk, and such fees do not include any direct or indirect payment for a cost, risk or other element that is not customarily borne by guarantors of tax-exempt bonds in transactions in which the guarantor has no involvement other than as guarantor and do not include any payment for any direct or indirect services other than the transfer of credit risk.

(v) To the best knowledge of the Underwriters, the amount paid for the Insurance and the Reserve Insurance is within a reasonable range of premiums charged for obligations comparable to the obligation evidenced and represented by the Bonds.

(vi) To the best of our understanding of the computational methodology imposed by Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the California Debt and Investment Advisory Commission ("CDIAC"), the computation of the yield of the Bonds, and the weighted average maturity of the Bonds for purposes of federal tax Form 8038-G and the CDIAC net interest cost calculation for purposes of reporting to the State of California, are all set forth in Exhibit A. In this regard we have computed yield as the discount rate that, when used in computing the present value of all principal and interest payments to be made under each applicable maturity of the Bonds from the date of issuance, to maturity, produces an amount equal to the sum of the price of each maturity of the Bonds listed in Schedule A of the Issue Price Certificate dated the date hereof and included elsewhere in the Transcript for the Bonds (the "Issue Price"), provided that, the Issuer is assumed to exercise or not exercise an option or combination of options (including an optional redemption provision) in a manner that minimizes yield on the debt instrument and a holder is assumed to exercise or not exercise an option or combination of options in a manner that maximizes yield on a debt instrument. For purposes of computing the weighted average maturity of the Bonds we have used the following methodology: the sum of the products of the price of each maturity of the Bonds and the number of years from the date of issue of the Bonds, to maturity (or earlier date of mandatory sinking fund redemption) of each respective maturity of the Bonds divided by the aggregate Issue Price. However, notwithstanding the foregoing, we remind you that we are not accountants or actuaries, nor are we engaged in the practice of law. Accordingly, while we believe the calculations described above to be correct, we do not warrant them to be so.

The Underwriters understand that Bond Counsel will rely upon this certificate, among other things, in reaching their conclusion that the Bonds do not constitute "arbitrage bonds" within the meaning of Section 148 of the Code.

We express no view regarding the legal sufficiency of any such computations or the correctness of any legal interpretation made by Bond Counsel.

Nothing herein represents our interpretation of any laws or regulations under the Code

Dated: September 14, 2023

STIFEL, NICOLAUS & COMPANY,
INCORPORATED, as Representative

By:  _____
Authorized Officer

EXHIBIT A

Attach computations of arbitrage yield under Section 148, Form 8038-G computations and
CDIAC computations

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(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
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(Affordable Housing and Transbay Infrastructure Projects)
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Final Pricing With Rate Lock

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SOURCES AND USES OF FUNDS

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Sources:	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Bond Proceeds:			
Par Amount	24,505,000.00	35,210,000.00	59,715,000.00
Premium		2,539,811.85	2,539,811.85
	24,505,000.00	37,749,811.85	62,254,811.85
<hr/>			
Uses:	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Project Fund Deposits:			
Project Fund	24,000,000.00	37,000,000.00	61,000,000.00
Delivery Date Expenses:			
Cost of Issuance	231,447.88	329,783.44	561,231.32
Underwriter's Discount	108,718.75	112,200.00	220,918.75
Surety Reserve (1.75%)	42,139.47	58,807.59	100,947.06
Bond Insurance (31 bps)	122,693.90	249,020.82	371,714.72
	505,000.00	749,811.85	1,254,811.85
	24,505,000.00	37,749,811.85	62,254,811.85

BOND PRICING

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Insured Taxable Serial Bonds:									
	08/01/2024	1,185,000	5.474%	5.474%	100.000				
	08/01/2025	870,000	5.424%	5.424%	100.000				
	08/01/2026	915,000	5.300%	5.300%	100.000				
	08/01/2027	965,000	5.279%	5.279%	100.000				
	08/01/2028	1,015,000	5.259%	5.259%	100.000				
	08/01/2029	1,070,000	5.346%	5.346%	100.000				
	08/01/2030	1,125,000	5.396%	5.396%	100.000				
	08/01/2031	1,190,000	5.441%	5.441%	100.000				
	08/01/2032	1,250,000	5.491%	5.491%	100.000				
	08/01/2033	1,320,000	5.541%	5.541%	100.000				
	08/01/2034	1,395,000	5.671%	5.671%	100.000				
	08/01/2035	1,475,000	5.771%	5.771%	100.000				
		13,775,000							
Insured Taxable 2041 Term Bond:									
	08/01/2036	1,560,000	5.921%	5.921%	100.000				
	08/01/2037	1,650,000	5.921%	5.921%	100.000				
	08/01/2038	1,750,000	5.921%	5.921%	100.000				
	08/01/2039	1,850,000	5.921%	5.921%	100.000				
	08/01/2040	1,960,000	5.921%	5.921%	100.000				
	08/01/2041	1,960,000	5.921%	5.921%	100.000				
		10,730,000							
Insured Tax-Exempt 2043 Term Bond:									
	08/01/2041	115,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	8,818.20
	08/01/2042	2,200,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	168,696.00
	08/01/2043	2,310,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	177,130.80
		4,625,000							354,645.00
Insured Tax-Exempt 2048 Term Bond:									
	08/01/2044	2,425,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	149,404.25
	08/01/2045	2,545,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	156,797.45
	08/01/2046	2,675,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	164,806.75
	08/01/2047	2,805,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	172,816.05
	08/01/2048	2,945,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	181,441.45
		13,395,000							825,265.95
Insured Tax-Exempt 2053 Term Bond:									
	08/01/2049	3,095,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	244,845.45
	08/01/2050	3,255,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	257,503.05
	08/01/2051	3,430,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	271,347.30
	08/01/2052	3,610,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	285,587.10
	08/01/2053	3,800,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	300,618.00
		17,190,000							1,359,900.90
		59,715,000							2,539,811.85

Dated Date 09/14/2023
Delivery Date 09/14/2023
First Coupon 02/01/2024

Par Amount 59,715,000.00
Premium 2,539,811.85

Production 62,254,811.85 104.253223%
Underwriter's Discount -220,918.75 -0.369955%

Purchase Price 62,033,893.10 103.883267%
Accrued Interest

Net Proceeds 62,033,893.10

BOND SUMMARY STATISTICS

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Aggregate
Dated Date	09/14/2023	09/14/2023	09/14/2023
Delivery Date	09/14/2023	09/14/2023	09/14/2023
First Coupon	02/01/2024	02/01/2024	02/01/2024
Last Maturity	08/01/2041	08/01/2053	08/01/2053
Arbitrage Yield	5.849791%	4.327385%	4.327385%
True Interest Cost (TIC)	5.818878%	4.657447%	4.968425%
Net Interest Cost (NIC)	5.821069%	4.860528%	5.080451%
All-In TIC	6.039509%	4.777294%	5.116758%
Average Coupon	5.779386%	5.136916%	5.284014%
Average Life (years)	10.643	24.946	19.076
Duration of Issue (years)	7.671	14.640	11.665
Par Amount	24,505,000.00	35,210,000.00	59,715,000.00
Bond Proceeds	24,505,000.00	37,749,811.85	62,254,811.85
Total Interest	15,073,678.51	45,119,297.43	60,192,975.94
Net Interest	15,182,397.26	42,691,685.58	57,874,082.84
Total Debt Service	39,578,678.51	80,329,297.43	119,907,975.94
Maximum Annual Debt Service	2,407,969.89	3,999,500.00	3,999,557.60
Average Annual Debt Service	2,213,503.85	2,688,346.85	4,012,909.86

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Insured Taxable Serial Bonds	13,775,000.00	100.000	5.52919192%	6.844	07/18/2030	7,441.35
Insured Taxable 2041 Term Bond	10,730,000.00	100.000	5.92100000%	15.522	03/23/2039	11,803.00
Insured Tax-Exempt 2043 Term Bond	4,625,000.00	107.668	5.00000000%	19.355	01/21/2043	3,931.25
Insured Tax-Exempt 2048 Term Bond	13,395,000.00	106.161	5.00000000%	22.978	09/05/2046	11,117.85
Insured Tax-Exempt 2053 Term Bond	17,190,000.00	107.911	5.25000000%	27.983	09/07/2051	14,439.60
	59,715,000.00			19.076		48,733.05

	TIC	All-In TIC	Arbitrage Yield
Par Value	59,715,000.00	59,715,000.00	35,210,000.00
+ Accrued Interest			
+ Premium (Discount)	2,539,811.85	2,539,811.85	2,539,811.85
- Underwriter's Discount	-220,918.75	-220,918.75	
- Cost of Issuance Expense		-561,231.32	
- Other Amounts		-472,661.78	-307,828.41
Target Value	62,033,893.10	61,000,000.00	37,441,983.44
Target Date	09/14/2023	09/14/2023	09/14/2023
Yield	4.968425%	5.116758%	4.327385%

BOND DEBT SERVICE BREAKDOWN

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Period Ending	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
08/01/2024	2,407,969.89	1,588,059.93	3,996,029.82
08/01/2025	2,193,994.80	1,803,475.00	3,997,469.80
08/01/2026	2,191,806.00	1,803,475.00	3,995,281.00
08/01/2027	2,193,311.00	1,803,475.00	3,996,786.00
08/01/2028	2,192,368.66	1,803,475.00	3,995,843.66
08/01/2029	2,193,989.80	1,803,475.00	3,997,464.80
08/01/2030	2,191,787.60	1,803,475.00	3,995,262.60
08/01/2031	2,196,082.60	1,803,475.00	3,999,557.60
08/01/2032	2,191,334.70	1,803,475.00	3,994,809.70
08/01/2033	2,192,697.20	1,803,475.00	3,996,172.20
08/01/2034	2,194,556.00	1,803,475.00	3,998,031.00
08/01/2035	2,195,445.56	1,803,475.00	3,998,920.56
08/01/2036	2,195,323.30	1,803,475.00	3,998,798.30
08/01/2037	2,192,955.70	1,803,475.00	3,996,430.70
08/01/2038	2,195,259.20	1,803,475.00	3,998,734.20
08/01/2039	2,191,641.70	1,803,475.00	3,995,116.70
08/01/2040	2,192,103.20	1,803,475.00	3,995,578.20
08/01/2041	2,076,051.60	1,918,475.00	3,994,526.60
08/01/2042		3,997,725.00	3,997,725.00
08/01/2043		3,997,725.00	3,997,725.00
08/01/2044		3,997,225.00	3,997,225.00
08/01/2045		3,995,975.00	3,995,975.00
08/01/2046		3,998,725.00	3,998,725.00
08/01/2047		3,994,975.00	3,994,975.00
08/01/2048		3,994,725.00	3,994,725.00
08/01/2049		3,997,475.00	3,997,475.00
08/01/2050		3,994,987.50	3,994,987.50
08/01/2051		3,999,100.00	3,999,100.00
08/01/2052		3,999,025.00	3,999,025.00
08/01/2053		3,999,500.00	3,999,500.00
	39,578,678.51	80,329,297.43	119,907,975.94

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024	1,185,000	2,811,029.82	3,996,029.82
08/01/2025	870,000	3,127,469.80	3,997,469.80
08/01/2026	915,000	3,080,281.00	3,995,281.00
08/01/2027	965,000	3,031,786.00	3,996,786.00
08/01/2028	1,015,000	2,980,843.66	3,995,843.66
08/01/2029	1,070,000	2,927,464.80	3,997,464.80
08/01/2030	1,125,000	2,870,262.60	3,995,262.60
08/01/2031	1,190,000	2,809,557.60	3,999,557.60
08/01/2032	1,250,000	2,744,809.70	3,994,809.70
08/01/2033	1,320,000	2,676,172.20	3,996,172.20
08/01/2034	1,395,000	2,603,031.00	3,998,031.00
08/01/2035	1,475,000	2,523,920.56	3,998,920.56
08/01/2036	1,560,000	2,438,798.30	3,998,798.30
08/01/2037	1,650,000	2,346,430.70	3,996,430.70
08/01/2038	1,750,000	2,248,734.20	3,998,734.20
08/01/2039	1,850,000	2,145,116.70	3,995,116.70
08/01/2040	1,960,000	2,035,578.20	3,995,578.20
08/01/2041	2,075,000	1,919,526.60	3,994,526.60
08/01/2042	2,200,000	1,797,725.00	3,997,725.00
08/01/2043	2,310,000	1,687,725.00	3,997,725.00
08/01/2044	2,425,000	1,572,225.00	3,997,225.00
08/01/2045	2,545,000	1,450,975.00	3,995,975.00
08/01/2046	2,675,000	1,323,725.00	3,998,725.00
08/01/2047	2,805,000	1,189,975.00	3,994,975.00
08/01/2048	2,945,000	1,049,725.00	3,994,725.00
08/01/2049	3,095,000	902,475.00	3,997,475.00
08/01/2050	3,255,000	739,987.50	3,994,987.50
08/01/2051	3,430,000	569,100.00	3,999,100.00
08/01/2052	3,610,000	389,025.00	3,999,025.00
08/01/2053	3,800,000	199,500.00	3,999,500.00
	59,715,000	60,192,975.94	119,907,975.94

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024	1,185,000	1,222,969.89	2,407,969.89
08/01/2025	870,000	1,323,994.80	2,193,994.80
08/01/2026	915,000	1,276,806.00	2,191,806.00
08/01/2027	965,000	1,228,311.00	2,193,311.00
08/01/2028	1,015,000	1,177,368.66	2,192,368.66
08/01/2029	1,070,000	1,123,989.80	2,193,989.80
08/01/2030	1,125,000	1,066,787.60	2,191,787.60
08/01/2031	1,190,000	1,006,082.60	2,196,082.60
08/01/2032	1,250,000	941,334.70	2,191,334.70
08/01/2033	1,320,000	872,697.20	2,192,697.20
08/01/2034	1,395,000	799,556.00	2,194,556.00
08/01/2035	1,475,000	720,445.56	2,195,445.56
08/01/2036	1,560,000	635,323.30	2,195,323.30
08/01/2037	1,650,000	542,955.70	2,192,955.70
08/01/2038	1,750,000	445,259.20	2,195,259.20
08/01/2039	1,850,000	341,641.70	2,191,641.70
08/01/2040	1,960,000	232,103.20	2,192,103.20
08/01/2041	1,960,000	116,051.60	2,076,051.60
	24,505,000	15,073,678.51	39,578,678.51

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024		1,588,059.93	1,588,059.93
08/01/2025		1,803,475.00	1,803,475.00
08/01/2026		1,803,475.00	1,803,475.00
08/01/2027		1,803,475.00	1,803,475.00
08/01/2028		1,803,475.00	1,803,475.00
08/01/2029		1,803,475.00	1,803,475.00
08/01/2030		1,803,475.00	1,803,475.00
08/01/2031		1,803,475.00	1,803,475.00
08/01/2032		1,803,475.00	1,803,475.00
08/01/2033		1,803,475.00	1,803,475.00
08/01/2034		1,803,475.00	1,803,475.00
08/01/2035		1,803,475.00	1,803,475.00
08/01/2036		1,803,475.00	1,803,475.00
08/01/2037		1,803,475.00	1,803,475.00
08/01/2038		1,803,475.00	1,803,475.00
08/01/2039		1,803,475.00	1,803,475.00
08/01/2040		1,803,475.00	1,803,475.00
08/01/2041	115,000	1,803,475.00	1,918,475.00
08/01/2042	2,200,000	1,797,725.00	3,997,725.00
08/01/2043	2,310,000	1,687,725.00	3,997,725.00
08/01/2044	2,425,000	1,572,225.00	3,997,225.00
08/01/2045	2,545,000	1,450,975.00	3,995,975.00
08/01/2046	2,675,000	1,323,725.00	3,998,725.00
08/01/2047	2,805,000	1,189,975.00	3,994,975.00
08/01/2048	2,945,000	1,049,725.00	3,994,725.00
08/01/2049	3,095,000	902,475.00	3,997,475.00
08/01/2050	3,255,000	739,987.50	3,994,987.50
08/01/2051	3,430,000	569,100.00	3,999,100.00
08/01/2052	3,610,000	389,025.00	3,999,025.00
08/01/2053	3,800,000	199,500.00	3,999,500.00
	35,210,000	45,119,297.43	80,329,297.43

COST OF ISSUANCE

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Disclosure Agent	5,000.00	5,000.00	10,000.00
Contingency	11,210.96	15,520.36	26,731.32
Issuer	86,176.84	123,823.16	210,000.00
Financial Advisor	34,881.10	50,118.90	85,000.00
Bond Counsel	35,291.47	50,708.53	86,000.00
Disclosure Counsel	24,211.59	34,788.41	59,000.00
Fiscal Consultant	11,490.25	16,509.75	28,000.00
Trustee	3,077.74	4,422.26	7,500.00
Rating Agency	18,056.10	25,943.90	44,000.00
Printer	2,051.83	2,948.17	5,000.00
	231,447.88	329,783.44	561,231.32

PROOF OF ARBITRAGE YIELD

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Date	Debt Service	Present Value to 09/14/2023 @ 5.8497905502%
02/01/2024	528,539.04	517,067.96
08/01/2024	1,879,430.85	1,786,390.81
02/01/2025	661,997.40	611,344.45
08/01/2025	1,531,997.40	1,374,571.34
02/01/2026	638,403.00	556,523.80
08/01/2026	1,553,403.00	1,315,686.84
02/01/2027	614,155.50	505,389.60
08/01/2027	1,579,155.50	1,262,561.14
02/01/2028	588,684.33	457,287.75
08/01/2028	1,603,684.33	1,210,334.86
02/01/2029	561,994.90	412,096.19
08/01/2029	1,631,994.90	1,162,691.73
02/01/2030	533,393.80	369,209.88
08/01/2030	1,658,393.80	1,115,302.27
02/01/2031	503,041.30	328,691.24
08/01/2031	1,693,041.30	1,074,809.77
02/01/2032	470,667.35	290,307.12
08/01/2032	1,720,667.35	1,031,145.86
02/01/2033	436,348.60	254,060.03
08/01/2033	1,756,348.60	993,557.57
02/01/2034	399,778.00	219,725.66
08/01/2034	1,794,778.00	958,411.88
02/01/2035	360,222.78	186,892.64
08/01/2035	1,835,222.78	925,101.47
02/01/2036	317,661.65	155,576.84
08/01/2036	1,877,661.65	893,463.98
02/01/2037	271,477.85	125,508.66
08/01/2037	1,921,477.85	863,086.31
02/01/2038	222,629.60	97,158.62
08/01/2038	1,972,629.60	836,418.30
02/01/2039	170,820.85	70,371.76
08/01/2039	2,020,820.85	808,844.29
02/01/2040	116,051.60	45,130.26
08/01/2040	2,076,051.60	784,394.23
02/01/2041	58,025.80	21,300.85
08/01/2041	2,018,025.80	719,750.69
39,578,678.51		24,340,166.63

Proceeds Summary

Delivery date	09/14/2023
Par Value	24,505,000.00
Arbitrage expenses	-164,833.37
Target for yield calculation	24,340,166.63

PROOF OF ARBITRAGE YIELD

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Date	Debt Service	Present Value to 09/14/2023 @ 4.3273854220%
02/01/2024	686,322.43	675,231.14
08/01/2024	901,737.50	868,376.01
02/01/2025	901,737.50	849,984.95
08/01/2025	901,737.50	831,983.38
02/01/2026	901,737.50	814,363.07
08/01/2026	901,737.50	797,115.93
02/01/2027	901,737.50	780,234.06
08/01/2027	901,737.50	763,709.73
02/01/2028	901,737.50	747,535.36
08/01/2028	901,737.50	731,703.55
02/01/2029	901,737.50	716,207.03
08/01/2029	901,737.50	701,038.70
02/01/2030	901,737.50	686,191.63
08/01/2030	901,737.50	671,658.99
02/01/2031	901,737.50	657,434.13
08/01/2031	901,737.50	643,510.54
02/01/2032	901,737.50	629,881.84
08/01/2032	901,737.50	616,541.77
02/01/2033	901,737.50	603,484.22
08/01/2033	36,111,737.50	23,655,797.42
53,029,334.93		37,441,983.44

Proceeds Summary

Delivery date	09/14/2023
Par Value	35,210,000.00
Premium (Discount)	2,539,811.85
Arbitrage expenses	-307,828.41
Target for yield calculation	37,441,983.44

PROOF OF ARBITRAGE YIELD

**Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance**

Final Pricing With Rate Lock

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
TETERM43	08/01/2041	5.000%	4.050%	08/01/2033	100.000	4.1374431%
TETERM43	08/01/2042	5.000%	4.050%	08/01/2033	100.000	4.1397316%
TETERM43	08/01/2043	5.000%	4.050%	08/01/2033	100.000	4.1420210%
TETERM48	08/01/2044	5.000%	4.230%	08/01/2033	100.000	4.3259711%
TETERM48	08/01/2045	5.000%	4.230%	08/01/2033	100.000	4.3283008%
TETERM48	08/01/2046	5.000%	4.230%	08/01/2033	100.000	4.3306311%
TETERM48	08/01/2047	5.000%	4.230%	08/01/2033	100.000	4.3329619%
TETERM48	08/01/2048	5.000%	4.230%	08/01/2033	100.000	4.3352932%
TETERM53	08/01/2049	5.250%	4.260%	08/01/2033	100.000	4.3697743%
TETERM53	08/01/2050	5.250%	4.260%	08/01/2033	100.000	4.3722028%
TETERM53	08/01/2051	5.250%	4.260%	08/01/2033	100.000	4.3746318%
TETERM53	08/01/2052	5.250%	4.260%	08/01/2033	100.000	4.3770614%
TETERM53	08/01/2053	5.250%	4.260%	08/01/2033	100.000	4.3794915%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
TETERM43	08/01/2041	5.000%	4.050%			4.4340371%	0.2965941%
TETERM43	08/01/2042	5.000%	4.050%			4.4543260%	0.3145944%
TETERM43	08/01/2043	5.000%	4.050%			4.4725133%	0.3304923%
TETERM48	08/01/2044	5.000%	4.230%			4.5970158%	0.2710447%
TETERM48	08/01/2045	5.000%	4.230%			4.6089858%	0.2806849%
TETERM48	08/01/2046	5.000%	4.230%			4.6198824%	0.2892513%
TETERM48	08/01/2047	5.000%	4.230%			4.6298420%	0.2968801%
TETERM48	08/01/2048	5.000%	4.230%			4.6389790%	0.3036857%
TETERM53	08/01/2049	5.250%	4.260%			4.7758370%	0.4060626%
TETERM53	08/01/2050	5.250%	4.260%			4.7856534%	0.4134506%
TETERM53	08/01/2051	5.250%	4.260%			4.7947295%	0.4200977%
TETERM53	08/01/2052	5.250%	4.260%			4.8031441%	0.4260827%
TETERM53	08/01/2053	5.250%	4.260%			4.8109651%	0.4314736%

FORM 8038 STATISTICS

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Insured Taxable Serial Bonds:						
	08/01/2024	1,185,000.00	5.474%	100.000	1,185,000.00	1,185,000.00
	08/01/2025	870,000.00	5.424%	100.000	870,000.00	870,000.00
	08/01/2026	915,000.00	5.300%	100.000	915,000.00	915,000.00
	08/01/2027	965,000.00	5.279%	100.000	965,000.00	965,000.00
	08/01/2028	1,015,000.00	5.259%	100.000	1,015,000.00	1,015,000.00
	08/01/2029	1,070,000.00	5.346%	100.000	1,070,000.00	1,070,000.00
	08/01/2030	1,125,000.00	5.396%	100.000	1,125,000.00	1,125,000.00
	08/01/2031	1,190,000.00	5.441%	100.000	1,190,000.00	1,190,000.00
	08/01/2032	1,250,000.00	5.491%	100.000	1,250,000.00	1,250,000.00
	08/01/2033	1,320,000.00	5.541%	100.000	1,320,000.00	1,320,000.00
	08/01/2034	1,395,000.00	5.671%	100.000	1,395,000.00	1,395,000.00
	08/01/2035	1,475,000.00	5.771%	100.000	1,475,000.00	1,475,000.00
Insured Taxable 2041 Term Bond:						
	08/01/2036	1,560,000.00	5.921%	100.000	1,560,000.00	1,560,000.00
	08/01/2037	1,650,000.00	5.921%	100.000	1,650,000.00	1,650,000.00
	08/01/2038	1,750,000.00	5.921%	100.000	1,750,000.00	1,750,000.00
	08/01/2039	1,850,000.00	5.921%	100.000	1,850,000.00	1,850,000.00
	08/01/2040	1,960,000.00	5.921%	100.000	1,960,000.00	1,960,000.00
	08/01/2041	1,960,000.00	5.921%	100.000	1,960,000.00	1,960,000.00
		24,505,000.00			24,505,000.00	24,505,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2041	5.921%	1,960,000.00	1,960,000.00		
Entire Issue			24,505,000.00	24,505,000.00	10.6435	5.8498%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	340,166.63
Proceeds used for credit enhancement	164,833.37
Proceeds allocated to reasonably required reserve or replacement fund	0.00

FORM 8038 STATISTICS

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Insured Tax-Exempt 2043 Term Bond:						
	08/01/2041	115,000.00	5.000%	107.668	123,818.20	115,000.00
	08/01/2042	2,200,000.00	5.000%	107.668	2,368,696.00	2,200,000.00
	08/01/2043	2,310,000.00	5.000%	107.668	2,487,130.80	2,310,000.00
Insured Tax-Exempt 2048 Term Bond:						
	08/01/2044	2,425,000.00	5.000%	106.161	2,574,404.25	2,425,000.00
	08/01/2045	2,545,000.00	5.000%	106.161	2,701,797.45	2,545,000.00
	08/01/2046	2,675,000.00	5.000%	106.161	2,839,806.75	2,675,000.00
	08/01/2047	2,805,000.00	5.000%	106.161	2,977,816.05	2,805,000.00
	08/01/2048	2,945,000.00	5.000%	106.161	3,126,441.45	2,945,000.00
Insured Tax-Exempt 2053 Term Bond:						
	08/01/2049	3,095,000.00	5.250%	107.911	3,339,845.45	3,095,000.00
	08/01/2050	3,255,000.00	5.250%	107.911	3,512,503.05	3,255,000.00
	08/01/2051	3,430,000.00	5.250%	107.911	3,701,347.30	3,430,000.00
	08/01/2052	3,610,000.00	5.250%	107.911	3,895,587.10	3,610,000.00
	08/01/2053	3,800,000.00	5.250%	107.911	4,100,618.00	3,800,000.00
		35,210,000.00			37,749,811.85	35,210,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2053	5.250%	4,100,618.00	3,800,000.00		
Entire Issue			37,749,811.85	35,210,000.00	24.9595	4.3274%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	441,983.44
Proceeds used for credit enhancement	307,828.41
Proceeds allocated to reasonably required reserve or replacement fund	0.00

UNDERWRITER EXCLUSION DISCLOSURE

**Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance**

Final Pricing With Rate Lock

Stifel, Nicolaus & Company, Incorporated ('Stifel') has been engaged or appointed to serve as an underwriter or placement agent with respect to a particular issuance of municipal securities to which the attached material relates and Stifel is providing all information and advice contained in the attached material in its capacity as underwriter or placement agent for that particular issuance. As outlined in the SEC's Municipal Advisor Rule, Stifel has not acted, and will not act, as your municipal advisor with respect to the issuance of the municipal securities that is the subject to the engagement.

Stifel is providing information and is declaring to the proposed municipal issuer and any obligated person that it has done so within the regulatory framework of MSRB Rule G-23 as an underwriter (by definition also including the role of placement agent) and not as a financial advisor, as defined therein, with respect to the referenced proposed issuance of municipal securities. The primary role of Stifel, as an underwriter, is to purchase securities for resale to investors in an arm's-length commercial transaction. Serving in the role of underwriter, Stifel has financial and other interests that differ from those of the issuer. The issuer should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

These materials have been prepared by Stifel for the client or potential client to whom such materials are directly addressed and delivered for discussion purposes only. All terms and conditions are subject to further discussion and negotiation. Stifel does not express any view as to whether financing options presented in these materials are achievable or will be available at the time of any contemplated transaction. These materials do not constitute an offer or solicitation to sell or purchase any securities and are not a commitment by Stifel to provide or arrange any financing for any transaction or to purchase any security in connection therewith and may not be relied upon as an indication that such an offer will be provided in the future. Where indicated, this presentation may contain information derived from sources other than Stifel. While we believe such information to be accurate and complete, Stifel does not guarantee the accuracy of this information. This material is based on information currently available to Stifel or its sources and is subject to change without notice. Stifel does not provide accounting, tax or legal advice; however, you should be aware that any proposed indicative transaction could have accounting, tax, legal or other implications that should be discussed with your advisors and /or counsel as you deem appropriate.

\$24,505,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series A Taxable Third Lien
Tax Allocation Bonds
(Affordable Housing Projects)
(Social Bonds)

\$35,210,000
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 Series B Third Lien
Tax Allocation Bonds
(Transbay Infrastructure Projects)

RECEIPT FOR BONDS

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative (the "Representative") of Backstrom McCarley Berry & Co., LLC, as underwriters (collectively, the "Underwriters"), hereby acknowledges receipt this date from the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") of the following described bonds issued as fully registered book entry-only bonds by the Successor Agency, dated September 14, 2023, and duly authenticated by U.S. Bank Trust Company, National Association, as trustee:

"Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)," in the aggregate principal amount of \$24,505,000, and

"Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)," in the aggregate principal amount of \$35,210,000;

The undersigned further acknowledges that:

(i) all the conditions to the Underwriters' purchase of the Bonds set forth in Section 9 of the Bond Purchase Contract, dated August 30, 2023, by the Representative and accepted by the Successor Agency, have been satisfied or are hereby waived;

(ii) the Representative intends for its digital signatures or other electronic indication of execution on all documents related to this transaction, and the digital signatures or other electronic indication of execution of other parties related to this transaction, to be treated the same and have the same legally binding and enforceable effect as original manual signatures; and

[SIGNATURE PAGE FOLLOWS ON NEXT PAGE]

(iii) the Representative (A) has authorized its executed counterpart signature page to be inserted into the final version of each document related to this transaction to which it is a party and (B) represents that the Representative intends to be bound by the final version of all documents related to this transaction to which it is a party, which will be released to each of the parties to this transaction simultaneously with the closing of the transaction, including any such written changes to the documents that may have been made after the Representative performed the act of affixing its signatures to the documents, and that the Representative's agreement to close the transaction shall constitute conclusive evidence of the acceptance of such changes and intent to be bound thereby.

Dated: September 14, 2023

**STIFEL, NICOLAUS & COMPANY,
INCORPORATED,**
as Representative of the Underwriters

By:  _____
Authorized Officer

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.474%

MATURITY DATE:
August 1, 2024

DATED DATE:
September 14, 2023

CUSIP:
79770G JK3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million One Hundred Eighty-Five Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.424%

MATURITY DATE:
August 1, 2025

DATED DATE:
September 14, 2023

CUSIP:
79770G JL1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***Eight Hundred Seventy Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.300%

MATURITY DATE:
August 1, 2026

DATED DATE:
September 14, 2023

CUSIP:
79770G JM9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***Nine Hundred Fifteen Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.279%

MATURITY DATE:
August 1, 2027

DATED DATE:
September 14, 2023

CUSIP:
79770G JN7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***Nine Hundred Sixty-Five Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:

5.259%

MATURITY DATE:

August 1, 2028

DATED DATE:

September 14, 2023

CUSIP:

79770G JP2

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million Fifteen Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO**

**2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.346%

MATURITY DATE:
August 1, 2029

DATED DATE:
September 14, 2023

CUSIP:
79770G JQ0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million Seventy Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.396%

MATURITY DATE:
August 1, 2030

DATED DATE:
September 14, 2023

CUSIP:
79770G JR8

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million One Hundred Twenty-Five Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.441%

MATURITY DATE:
August 1, 2031

DATED DATE:
September 14, 2023

CUSIP:
79770G JS6

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million One Hundred Ninety Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:

5.491%

MATURITY DATE:

August 1, 2032

DATED DATE:

September 14, 2023

CUSIP:

79770G JT4

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million Two Hundred Fifty Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.541%

MATURITY DATE:
August 1, 2033

DATED DATE:
September 14, 2023

CUSIP:
79770G JU1

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million Three Hundred Twenty Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:

5.671%

MATURITY DATE:

August 1, 2034

DATED DATE:

September 14, 2023

CUSIP:

79770G JV9

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million Three Hundred Ninety-Five Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.771%

MATURITY DATE:
August 1, 2035

DATED DATE:
September 14, 2023

CUSIP:
79770G JW7

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***One Million Four Hundred Seventy-Five Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES A TAXABLE THIRD LIEN TAX ALLOCATION BONDS
(AFFORDABLE HOUSING PROJECTS)
(SOCIAL BONDS)**

INTEREST RATE:
5.921%

MATURITY DATE:
August 1, 2041

DATED DATE:
September 14, 2023

CUSIP:
79770G JX5

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***Ten Million Seven Hundred Thirty Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)” (the “2023A Bonds”), of an aggregate principal amount of Twenty-Four Million Five Hundred Five Thousand Dollars (\$24,505,000), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, or interest rates and other provisions) and all issued pursuant to the provisions of the Dissolution Act, and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the “Law”), and pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by a First Supplement to Indenture of Trust, dated as of December 1, 2021, and as further supplemented and amended by a Second Supplement to Indenture of Trust, dated as of September 1, 2023, each by and between the Successor Agency and the Trustee (as so supplemented and amended, the “Indenture”). The 2023A Bonds are being issued in the form of registered bonds without coupons.

The 2023A Bonds are payable from Pledged Tax Revenues on a parity with the \$89,765,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”), the \$19,850,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”), the \$127,210,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2021 Bonds”) and the \$35,210,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2023B Bonds”). Additional bonds, or other obligations may be issued on a parity with the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, and the rights thereunder of the registered owners of the 2023A Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The 2023A Bonds have been issued by the Successor Agency for the purpose of providing funds to finance affordable housing in certain redevelopment project areas of the Successor Agency and to pay certain expenses of the Successor Agency in issuing the 2023A Bonds.

The 2023A Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the

Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture.

There has been created, and will be maintained by, the Successor Agency the Special Fund into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Parity Debt.

The 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Bonds are also secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest on the Bonds. The 2023A Bonds are additionally secured by the 2023A Reserve Subaccount of the Reserve Account. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023B Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023A Bonds.

The 2023A Bonds are subject to optional redemption and mandatory redemption from mandatory sinking fund payments as provided in the Indenture.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The 2023A Bonds are issuable as fully registered 2023A Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, 2023A Bonds may be exchanged for a like aggregate principal amount of 2023A Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered 2023A Bond or 2023A Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any 2023A Bond during the fifteen (15) days prior to the date established for the selection of 2023A Bonds for redemption, or (b) any 2023A Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the 2023A Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any 2023A Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal or interest at the time and place and at the rate and in the currency provided herein of any 2023A Bond without the express written consent of the registered owner of such 2023A Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any 2023A Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The 2023A Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of 2023A Bonds permitted to be issued under the Indenture.

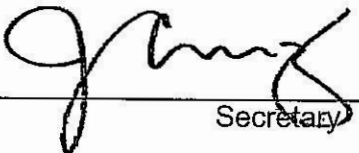
This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: 
Executive Director

ATTEST:


Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: September 14, 2023

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, *as Trustee*

By: 
Authorized Signatory

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on the 2023A Bonds to U.S. Bank Trust Company, National Association, San Francisco, California, or its successor, as trustee for the 2023A Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this 2023A Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____	Custodian _____
TEN ENT --	as tenants by the entireties		(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act	_____ (State)
COMM PROP --	as community property		

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signatures Guaranteed: _____

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

September 14, 2023

475 Sansome Street
Suite 1700
San Francisco, CA 94111
t. 415.391.5780
f. 415.276.2088

Successor Agency to the
Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

OPINION: \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and
\$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") of its \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") and its \$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023B Bonds" and together with the 2023A Bonds, the "2023 Bonds"), pursuant to the Community Redevelopment Law, constituting Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (collectively, the "Law"), resolutions of the Successor Agency adopted on March 21, 2023, and June 20, 2023, a resolution of the Oversight Board for the Successor Agency adopted on April 7, 2023, and an Indenture of Trust dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust dated as of December 1, 2021, and as further supplemented and amended by the Second Supplement to Indenture of Trust dated as of September 1, 2023 (the "Second Supplement"), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor trustee (as so supplemented and amended, the "Indenture"). Capitalized terms used but not defined herein have the meanings given to such terms in the Indenture.

In our capacity as bond counsel, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied on representations of the Successor Agency contained in the Indenture, and on the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of the General Counsel to the Successor Agency, and others, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Successor Agency is validly existing as a public entity, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the 2023 Bonds.
2. The Second Supplement has been duly executed and delivered by the Successor Agency and the Indenture constitutes the valid and binding obligation of the Successor Agency enforceable upon the Successor Agency.
3. The Indenture creates a valid lien on the funds pledged by the Indenture for the security of the 2023 Bonds, subject to no prior lien granted under the law, except as provided therein.
4. The 2023 Bonds have been duly authorized, executed and delivered by the Successor Agency and are valid and binding special obligations of the Successor Agency payable, on a parity with any Parity Debt, solely from the sources provided therefor in the Indenture.
5. The interest on the 2023A Bonds is not intended to be excluded from gross income for federal income tax purposes.
6. The interest on the 2023B Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted, however, that interest on the 2023B Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the 2023B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Successor Agency has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023B Bonds.
7. The interest on the 2023 Bonds is exempt from personal income taxation imposed by the State of California.



We express no opinion regarding any federal tax consequences arising with respect to the 2023A Bonds and no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the 2023 Bonds.

The rights of the owners of the 2023 Bonds and the enforceability of the 2023 Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by the exercise of judicial discretion in appropriate cases, by limitations on legal remedies imposed on actions against public entities, by laws relating to conflicts of interest, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any courts; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the certifications, representations, covenants and opinions referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Jones Hall'.

A Professional Law Corporation

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)**

INTEREST RATE:

5.000%

MATURITY DATE:

August 1, 2043

DATED DATE:

September 14, 2023

CUSIP:

79770G JY3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***Four Million Six Hundred Twenty-Five Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)**

INTEREST RATE:

5.000%

MATURITY DATE:

August 1, 2048

DATED DATE:

September 14, 2023

CUSIP:

79770G JZ0

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***Thirteen Million Three Hundred Ninety-Five Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

**UNITED STATES OF AMERICA
STATE OF CALIFORNIA**

**SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO
2023 SERIES B THIRD LIEN TAX ALLOCATION BONDS
(TRANSBAY INFRASTRUCTURE PROJECTS)**

INTEREST RATE:

5.250%

MATURITY DATE:

August 1, 2053

DATED DATE:

September 14, 2023

CUSIP:

79770G KA3

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: ***Seventeen Million One Hundred Ninety Thousand Dollars***

The SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, duly organized and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before January 15, 2024, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on February 1 and August 1 in each year, commencing February 1, 2024 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the corporate trust office of U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION in St. Paul, Minnesota, as trustee (the "Trustee"), as successor-in-interest to U.S. Bank National Association, or at such other place designated by the Trustee (the "Principal Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for such Interest Payment Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as “Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)” (the “2023B Bonds”), of an aggregate principal amount of Thirty-Five Million Two Hundred Ten Thousand Dollars (\$35,210,000), all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, or interest rates and other provisions) and all issued pursuant to the provisions of the Dissolution Act, and the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code (the “Law”), and pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by a First Supplement to Indenture of Trust, dated as of December 1, 2021, and as further supplemented and amended by a Second Supplement to Indenture of Trust, dated as of September 1, 2023, each by and between the Successor Agency and the Trustee (as so supplemented and amended, the “Indenture”). The 2023B Bonds are being issued in the form of registered bonds without coupons.

The 2023B Bonds are payable from Pledged Tax Revenues on a parity with the \$89,765,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the “2017A Bonds”), the \$19,850,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the “2017B Bonds” and, together with the 2017A Bonds, the “2017 Bonds”), the \$127,210,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2021 Bonds”) and the \$24,505,000 original principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the “2023A Bonds”). Additional bonds, or other obligations may be issued on a parity with the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds, but only subject to the terms of the Indenture. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law for a description of the terms on which the 2017 Bonds, the 2021 Bonds, the 2023A Bonds and the 2023B Bonds are issued, the provisions with regard to the nature and extent of the Pledged Tax Revenues, and the rights thereunder of the registered owners of the 2023B Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees. Capitalized terms not otherwise defined herein shall have the meanings given them in the Indenture.

The 2023B Bonds have been issued by the Successor Agency for the purpose of providing funds to finance infrastructure required by the Transbay Implementation Agreement and to pay certain expenses of the Successor Agency in issuing the 2023B Bonds.

The 2023B Bonds are special obligations of the Successor Agency and this Bond and the interest hereon and on all other Bonds and the interest thereon (to the extent set forth in the Indenture), are payable from, and are secured by a pledge of, security interest in and lien on the Pledged Tax Revenues derived by the Successor Agency from the Project Areas subject to the prior and senior pledge of and security interest in and lien on the Tax Revenues in favor of the Existing Loan Agreements and prior and senior pledge of and security interest in and lien on the Pledged Tax Revenues in favor of the Existing Loan Agreements, any debt issued on a parity with

the Existing Loan Agreements, the 2014 Bonds and any 2014 Parity Debt as set forth in the definition of Pledged Tax Revenues in the Indenture.

There has been created, and will be maintained by, the Successor Agency the Special Fund into which Pledged Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest and redemption premium, if any, on the 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Parity Debt.

The 2017 Bonds, the 2021 Bonds, the 2023A Bonds, the 2023B Bonds and any additional Bonds are also secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Redemption Account and the Reserve Account without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. Except for the Pledged Tax Revenues, which constitute the amounts deposited in the Redevelopment Property Tax Trust Fund that are not pledged to other obligations of the Former Agency or the Successor Agency, and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise be liable for, the payment of principal of or interest on the Bonds. The 2023B Bonds are additionally secured by the 2023B Reserve Subaccount of the Reserve Account. Amounts on deposit in the 2017 Reserve Subaccount of the Reserve Account, the 2021 Reserve Subaccount of the Reserve Account and the 2023A Reserve Subaccount of the Reserve Account shall not be available to pay debt service on the 2023B Bonds.

The 2023B Bonds are subject to optional redemption and mandatory redemption from mandatory sinking fund payments as provided in the Indenture.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The 2023B Bonds are issuable as fully registered 2023B Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, 2023B Bonds may be exchanged for a like aggregate principal amount of 2023B Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered 2023B Bond or 2023B Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Trustee may refuse to transfer or exchange (a) any 2023B Bond during the fifteen (15) days prior to the date established for the selection of 2023B Bonds for redemption, or (b) any 2023B Bond selected for redemption.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the 2023B Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any 2023B Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal or interest at the time and place and at the rate and in the currency provided herein of any 2023B Bond without the express written consent of the registered owner of such 2023B Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any 2023B Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt, liability or obligation of the City and County of San Francisco, the State of California, or any of its political subdivisions, and neither said City and County, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those pledged by the Successor Agency. The 2023B Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law or any laws of the State of California, and is not in excess of the amount of 2023B Bonds permitted to be issued under the Indenture.

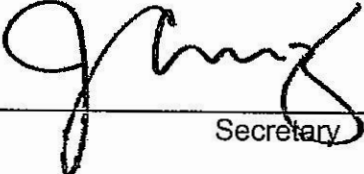
This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its Executive Director and attested by the facsimile signature of its Secretary, all as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY AND COUNTY OF SAN FRANCISCO

By: 
Executive Director

ATTEST:


Secretary

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: September 14, 2023

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, as Trustee

By: 
Authorized Signatory

STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on the 2023B Bonds to U.S. Bank Trust Company, National Association, San Francisco, California, or its successor, as trustee for the 2023B Bonds (the "Trustee"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this 2023B Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____	Custodian _____
TEN ENT --	as tenants by the entireties		(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act	_____ (State)
COMM PROP --	as community property		

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signatures Guaranteed: _____

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

SPECIMEN

September 14, 2023

475 Sansome Street
Suite 1700
San Francisco, CA 94111
t. 415.391.5780
f. 415.276.2088

Successor Agency to the
Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

OPINION: \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and
\$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") of its \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") and its \$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023B Bonds" and together with the 2023A Bonds, the "2023 Bonds"), pursuant to the Community Redevelopment Law, constituting Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (collectively, the "Law"), resolutions of the Successor Agency adopted on March 21, 2023, and June 20, 2023, a resolution of the Oversight Board for the Successor Agency adopted on April 7, 2023, and an Indenture of Trust dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust dated as of December 1, 2021, and as further supplemented and amended by the Second Supplement to Indenture of Trust dated as of September 1, 2023 (the "Second Supplement"), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor trustee (as so supplemented and amended, the "Indenture"). Capitalized terms used but not defined herein have the meanings given to such terms in the Indenture.

In our capacity as bond counsel, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied on representations of the Successor Agency contained in the Indenture, and on the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of the General Counsel to the Successor Agency, and others, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Successor Agency is validly existing as a public entity, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the 2023 Bonds.
2. The Second Supplement has been duly executed and delivered by the Successor Agency and the Indenture constitutes the valid and binding obligation of the Successor Agency enforceable upon the Successor Agency.
3. The Indenture creates a valid lien on the funds pledged by the Indenture for the security of the 2023 Bonds, subject to no prior lien granted under the law, except as provided therein.
4. The 2023 Bonds have been duly authorized, executed and delivered by the Successor Agency and are valid and binding special obligations of the Successor Agency payable, on a parity with any Parity Debt, solely from the sources provided therefor in the Indenture.
5. The interest on the 2023A Bonds is not intended to be excluded from gross income for federal income tax purposes.
6. The interest on the 2023B Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted, however, that interest on the 2023B Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the 2023B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Successor Agency has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023B Bonds.
7. The interest on the 2023 Bonds is exempt from personal income taxation imposed by the State of California.



We express no opinion regarding any federal tax consequences arising with respect to the 2023A Bonds and no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the 2023 Bonds.

The rights of the owners of the 2023 Bonds and the enforceability of the 2023 Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by the exercise of judicial discretion in appropriate cases, by limitations on legal remedies imposed on actions against public entities, by laws relating to conflicts of interest, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any courts; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the certifications, representations, covenants and opinions referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Jones Hall'.

A Professional Law Corporation



Stradling Yocca Carlson & Rauth
A Professional Corporation
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660-6422
949 725 4000
stradlinglaw.com

September 14, 2023

Stifel, Nicolaus & Company, Incorporated, as Representative
Los Angeles, California

Re: \$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)

\$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as legal counsel to you in connection with the purchase of the above-referenced bonds (the "Bonds") pursuant to a Purchase Contract, dated August 30, 2023 (the "Purchase Contract"), between Stifel, Nicolaus & Company, Incorporated on behalf of itself and as representative (the "Representative") of Backstrom, McCarley Berry & Co., LLC (collectively, the "Underwriters") and the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust, dated as of December 1, 2021, and the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (collectively, the "Indenture"), each by and between U.S. Bank Trust Company, National Association, as trustee (the "Trustee").

In rendering our opinion, we have examined originals or copies certified or otherwise identified to our satisfaction of: (i) the Preliminary Official Statement dated August 22, 2023 (the "Preliminary Official Statement"); (ii) the Official Statement dated August 30, 2023 (the "Official Statement") with regard to the Bonds; (iii) the Indenture; (iv) the Purchase Contract; (v) the Continuing Disclosure Certificate relating to the Bonds (the "Continuing Disclosure Certificate"); (vi) the letters, certificates and opinions delivered to you pursuant to the provisions of Section 9(d) of the Purchase Contract; and (vii) such other documents, certificates, instructions and records as we have considered necessary or appropriate as a basis for our opinion. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Purchase Contract.

The conclusions that are expressed herein are based upon an analysis of existing laws, regulations, rulings and court decisions and cover certain matters that are not directly addressed by such authorities. Such conclusions may be affected by actions that are taken or omitted or events that occur after the date hereof. We have not undertaken to determine, or to inform you or any other person, whether any such actions are taken or omitted, whether such events do occur or any other matters come to our attention after the date hereof. We have assumed, but not independently

verified, that the signatures on all documents, letters and opinions that we have examined are genuine, that all documents that have been submitted to us are authentic and were duly and properly executed by the parties thereto and that all representations that were made in the documents that we have reviewed are true and accurate. We have assumed, without independent verification, the accuracy of the factual matters that are represented, warranted or certified in the documents, and of the legal conclusions that are contained in any opinions that are referenced in the Official Statement.

By delivering this letter, we are not expressing any opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in any document that is referenced in the Official Statement, nor are we expressing any opinion with respect to the state or quality of title to or interest in any assets described in the Indenture or as subject to the lien of the Indenture or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such assets. Our services as your counsel did not involve the rendering of financial or other non-legal advice to you or any other party to the transaction.

Based upon and subject to the foregoing, we are of the opinion that:

(i) the provisions of the Continuing Disclosure Certificate comply with the requirements of Section (b)(5)(1) of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”), to provide certain annual financial information and event notices to various information repositories at the times and as required by Rule 15c2-12, and

(ii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

Although we have not undertaken to check the accuracy, completeness or fairness of, or verified the information contained in the Preliminary Official Statement or the Official Statement, and are therefore unable to make any representation in that regard, we have participated in conferences prior to the dates of the Preliminary Official Statement and the Official Statement with representatives of the Underwriters, representatives of the Successor Agency, including Bond Counsel, Disclosure Counsel, General Counsel to the Successor Agency, the Municipal Advisor to the Successor Agency, the Fiscal Consultant, the Trustee and their legal counsel, and others, during which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based upon the information made available to us in the course of our participation as counsel to you in such conferences, our review of the documents referred to above, our reliance on the documents, certificates, instructions and records and the opinions of counsel described above and our understanding of applicable law, we do not believe that the Preliminary Official Statement, as of its date, or the Official Statement, as of its date and as of the date hereof, contained or contains any untrue statement of a material fact, or omitted or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that we express no opinion or belief with respect to: (i) information related to any financial, statistical, engineering, or economic or

demographic data or forecasts, numbers, charts, tables, estimates, projections, appraisals or assessed valuations contained in the Preliminary Official Statement or the Official Statement; (ii) any CUSIP numbers or information relating thereto; (iii) any information contained in the appendices to the Preliminary Official Statement or the Official Statement; (iv) any information with respect to DTC (as such term is defined in the Preliminary Official Statement and the Official Statement) and DTC's book-entry system; (v) any information with respect to the Insurer, the 2023A Reserve Policy, the 2023A Policy, the 2023B Reserve Policy or the 2023B Policy; and (vi) any information incorporated by reference into the Preliminary Official Statement or the Official Statement). Moreover, in providing such advice and assistance, we provided no independent diligence of, and express no view with respect to, the Successor Agency's compliance with any obligation to file annual reports or provide notice of events, each as described in Rule 15c2-12. Finally, we advise you that, other than reviewing the various certificates and opinions described herein, we have not taken any steps since the date of the Official Statement to verify the accuracy of the statements contained in the Preliminary Official Statement or the Official Statement as of the date hereof. No responsibility is undertaken or opinion rendered with respect to any other disclosure document, materials or activity, or as to any information from another document or source referred to by, or incorporated by reference in, the Preliminary Official Statement or the Official Statement.

By acceptance of this letter you recognize and acknowledge that: (i) the advice herein is based on certain limited activities performed by specific attorneys in our firm in our role as counsel to the Underwriters; (ii) the scope of the activities performed by such attorneys in our role as counsel to the Underwriters and for purposes of delivering such advice was inherently limited and does not purport to encompass all activities that are necessary for compliance by you or others with applicable state and federal securities laws; and (iii) the activities performed by such attorneys in our role as counsel to the Underwriters rely in part by representations, warranties, certifications and opinions of other parties to the transaction, including representations, warranties and certifications made by the Underwriters.

This letter is being rendered to you solely for your benefit in connection with the offering by the Underwriters of the Bonds and is not to be used, circulated, quoted or otherwise referred to for any other purpose without our prior written consent. This letter is limited to matters governed by the laws of the State of California and federal securities laws, and we assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction. No opinion is expressed herein with respect to the validity of the Bonds or the Indenture (with respect to certain of which matters you have received an opinion of Bond Counsel and/or the opinions of counsel to the Successor Agency) or any other document executed by the Successor Agency or compliance with, or applicability of, any "blue sky" laws of any state as they relate to the offer or sale of the Bonds.

Our engagement with respect to the Bonds terminates as of the date hereof. We have not undertaken any duty, and expressly disclaim any responsibility, to render advice as to events occurring after the date hereof with respect to the Bonds or other matters discussed in the Official Statement.

Respectfully submitted,

Stifel, Nicolaus & Company, Incorporated

Closing (Flow of Funds) Memorandum

TO: Interested Parties
FROM: Stifel
DATE: September 8, 2023
RE: **Successor Agency to the Redevelopment Agency of the City and County of San Francisco**
 \$24,505,000 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)
 \$35,210,000 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

On Wednesday, August 30, 2023, Stifel, Nicolaus & Company, Incorporated ("Stifel") and Backstrom McCarley Berry & Co., LLC ("Backstrom" and together, the "Underwriter") priced the Successor Agency to the Redevelopment Agency of the City and County of San Francisco ("Successor Agency") 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) ("2023A Bonds") and the 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) ("2023B Bonds" and together, the "2023 Bonds"). The Bond Purchase Agreement was signed and executed on the same day. This document provides all of the pricing and underwriting data necessary to complete and review the closing documents circulated by Bond Counsel, Jones Hall, A Professional Law Corporation, prior to the pre-closing date scheduled for September 13, 2023, and the closing date scheduled for September 14, 2023. Please refer all questions to the Stifel team.

Attachment A: Bond Financing Summary

- ✓ Sources & Uses
- ✓ Bond Pricing
- ✓ Bond Summary Statistics
- ✓ Debt Service
- ✓ Costs of Issuance
- ✓ Proof of Arbitrage Yield (2023B Bonds)
- ✓ Form 8038 Statistics (2023B Bonds)

Attachment B: Miscellaneous Information

- ✓ Pricing Comparables
- ✓ Standard & Poor's Report
- ✓ Distribution List

I. Sources and Uses of Funds

Sources and Uses of Funds			
	<u>2023A Bonds</u>	<u>2023B Bonds</u>	<u>2023 Bonds</u>
<i>Sources:</i>			
Par Amount	\$24,505,000.00	\$35,210,000.00	\$59,715,000.00
Plus: Original Issue Premium	<u>0.00</u>	<u>2,539,811.85</u>	<u>2,539,811.85</u>
Total Sources	\$24,505,000.00	\$37,749,811.85	\$62,254,811.85
<i>Uses:</i>			
2023A Bonds Project Fund	\$24,000,000.00	\$0.00	\$24,000,000.00
2023B Bonds Project Fund	0.00	37,000,000.00	37,000,000.00
Costs of Issuance Fund ¹	396,281.25	637,611.85	1,033,893.10
Underwriters' Discount	<u>108,718.75</u>	<u>112,200.00</u>	<u>220,918.75</u>
Total Uses	\$24,505,000.00	\$37,749,811.85	\$62,254,811.85

¹Costs of issuance include legal, financing and consultant fees, rating agency fees, the fees for the Reserve Policies and Insurance Policy, and other miscellaneous expenses incurred in connection with the issuance of the 2023 Bonds.

II. Estimated Costs of Issuance

Estimated Costs of Issuance ¹				
<u>Service</u>	<u>Payee</u>	<u>2023A Bonds</u>	<u>2023B Bonds</u>	<u>2023 Bonds</u>
Administrative Fee	Successor Agency	\$86,176.84	\$123,823.16	\$210,000.00
Bond Counsel	Jones Hall, A Professional Law Corporation	35,291.47	50,708.53	86,000.00
Disclosure Counsel	The Law Offices of Alexis S. M. Chiu	24,211.59	34,788.41	59,000.00
Municipal Advisor	PFM California Advisors LLC	34,881.10	50,118.90	85,000.00
Fiscal Consultant	Urban Analytics LLC	11,490.25	16,509.75	28,000.00
Disclosure Agent	DAC	5,000.00	5,000.00	10,000.00
Trustee and Counsel	U.S. Bank Trust Company, National Association	3,077.74	4,422.26	7,500.00
Rating Agency	S&P Global Ratings	18,056.10	25,943.90	44,000.00
Printer	Imagemaster	2,051.83	2,948.17	5,000.00
Contingency	--	<u>11,210.96</u>	<u>15,520.36</u>	<u>26,731.32</u>
Total Estimated Costs of Issuance		\$231,447.88	\$329,783.44	\$561,231.32

¹Total does not include the fees for the Reserve Policies and Insurance Policy in the total amount of \$472,661.78, which the Underwriter will wire directly to Assured Guaranty Municipal Corp. on the day of closing (see Section IV).

III. Basis for Yield Calculation

Pricing Information			
	<u>2023A Bonds</u>	<u>2023B Bonds</u>	<u>2023 Bonds</u>
Settlement Date	9/14/2023	9/14/2023	9/14/2023
Final Maturity	8/1/2041	8/1/2053	8/1/2053
Arbitrage Yield ^(a)	5.849791%	4.327385%	4.327385%
True Interest Cost (TIC) ^(b)	5.818878%	4.657447%	4.968425%
Net Interest Cost (NIC)	5.821069%	4.860528%	5.080451%
All-In TIC ^(c)	6.039509%	4.777294%	5.116758%
Average Coupon ^(d)	5.779386%	5.136916%	5.284014%
Average Life (years)	10.643	24.946	19.076

(a) Represents present value borrowing cost used by IRS for tax arbitrage calculations

(b) Represents present value borrowing cost net of underwriter's discount

(c) Represents present value borrowing cost net of all costs of issuance

(d) Average coupon rate, does not capture time value of money

IV. Required Wire Transfers by Stifel on the Day of Closing

1. **Payment of the 2023 Bonds.** On September 14, 2023, no later than 8:00 a.m. PT, Stifel will deliver funds in the aggregate amount of \$61,561,231.32 via one wire to U.S. Bank National Association ("U.S. Bank"), as Trustee of the 2023 Bonds.

Payment of the 2023 Bonds			
	<u>2023A Bonds</u>	<u>2023B Bonds</u>	<u>2023 Bonds</u>
Par Amount	\$24,505,000.00	\$35,210,000.00	\$59,715,000.00
Plus: Original Issue Premium	0.00	2,539,811.85	2,539,811.85
Less: Underwriters' Discount	<u>(108,718.75)</u>	<u>(112,200.00)</u>	<u>(220,918.75)</u>
Purchase Price	\$24,396,281.25	\$37,637,611.85	\$62,033,893.10
Less: Premium for Insurance Policy	(122,693.90)	(249,020.82)	(371,714.72)
Less: Premiums for Reserve Policies	<u>(42,139.47)</u>	<u>(58,807.59)</u>	<u>(100,947.06)</u>
Total Amount to U.S. Bank	\$24,231,447.88	\$37,329,783.44	\$61,561,231.32

Wire Instructions (Stifel to U.S. Bank)	
Bank:	U.S. Bank
ABA #:	091000022
Account Name:	U.S. Bank National Association
Account #:	180121167365
Ref:	Successor Agency SFRDA 2023AB

2. **Payment of Premiums for Insurance and Reserve Policies.** On September 14, 2023, not later than 8:00 a.m. PT, Stifel will deliver funds in the aggregate amount of \$472,661.78 via one wire to Assured Guaranty Municipal Corp. ("AGM"), as Insurer of the 2023 Bonds.

Payment of Premiums for Insurance and Reserve Policies			
	2023A Bonds	2023B Bonds	2023 Bonds
Premium for Insurance Policy	\$122,693.90	\$249,020.82	\$371,714.72
Premiums for Reserve Policies	<u>42,139.47</u>	<u>58,807.59</u>	<u>100,947.06</u>
Total Amount to AGM	\$164,833.37	\$307,828.41	\$472,661.78

Wire Instructions (Stifel to AGM)	
Bank:	BNY Mellon, New York
ABA#:	021 000 018
Beneficiary:	Assured Guaranty Municipal Corp.
Acct. #:	8900297263
Policy #s:	222840-N (Bonds) / 222840-R1 (Surety – SERIES A) / 222840-R2 (Surety – SERIES B)

V. Application of Bond Proceeds

Application of Bond Proceeds			
	2023A Bonds	2023B Bonds	2023 Bonds
Project Fund	\$24,000,000.00	\$37,000,000.00	\$61,000,000.00
Costs of Issuance Fund	<u>231,447.88</u>	<u>329,783.44</u>	<u>561,231.32</u>
Total Amount to be Deposited	\$24,231,447.88	\$37,329,783.44	\$61,561,231.32

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VI. Amortization and CUSIP Information

2023A Bonds: Principal Amounts, Interest Rates and CUSIPs				
Maturity Date (August 1)	Par Amount	Coupon	Interest Rate	CUSIP (Base: 79770G)
2024	\$1,185,000	5.474%	5.474%	JK3
2025	870,000	5.424%	5.424%	JL1
2026	915,000	5.300%	5.300%	JM9
2027	965,000	5.279%	5.279%	JN7
2028	1,015,000	5.259%	5.259%	JP2
2029	1,070,000	5.346%	5.346%	JQ0
2030	1,125,000	5.396%	5.396%	JR8
2031	1,190,000	5.441%	5.441%	JS6
2032	1,250,000	5.491%	5.491%	JT4
2033	1,320,000	5.541%	5.541%	JU1
2034	1,395,000	5.671%	5.671%	JV9
2035	1,475,000	5.771%	5.771%	JW7
2041 ^T	10,730,000	5.921%	5.921%	JX5
TOTAL	\$24,505,000			

2023B Bonds: Principal Amounts, Interest Rates and CUSIPs				
Maturity Date (August 1)	Par Amount	Coupon	Interest Rate	CUSIP (Base: 79770G)
2043 ^T	\$4,625,000	5.000%	4.050%	JY3
2048 ^T	13,395,000	5.000%	4.230%	JZ0
2053 ^T	17,190,000	5.250%	4.260%	KA3
TOTAL	\$35,210,000			

T: Term Bonds

VII. Closing

On the morning of September 14, 2023, representatives from Bond Counsel, Trustee, and the Underwriter will coordinate settlement of the 2023 Bonds via email. Once the transaction has successfully closed, Bond Counsel or the Underwriter will send a notification email to the entire financing team.

ATTACHMENT A – Bond Financing Summary

Successor Agency to the Redevelopment Agency of the City and County of San Francisco

2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)

2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

- ✓ Sources & Uses
- ✓ Bond Pricing
- ✓ Bond Summary Statistics
- ✓ Debt Service
- ✓ Costs of Issuance
- ✓ Proof of Arbitrage Yield (2023B Bonds)
- ✓ Form 8038 Statistics (2023B Bonds)

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Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

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SOURCES AND USES OF FUNDS

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Sources:	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Bond Proceeds:			
Par Amount	24,505,000.00	35,210,000.00	59,715,000.00
Premium		2,539,811.85	2,539,811.85
	24,505,000.00	37,749,811.85	62,254,811.85
<hr/>			
Uses:	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Project Fund Deposits:			
Project Fund	24,000,000.00	37,000,000.00	61,000,000.00
Delivery Date Expenses:			
Cost of Issuance	231,447.88	329,783.44	561,231.32
Underwriter's Discount	108,718.75	112,200.00	220,918.75
Surety Reserve (1.75%)	42,139.47	58,807.59	100,947.06
Bond Insurance (31 bps)	122,693.90	249,020.82	371,714.72
	505,000.00	749,811.85	1,254,811.85
	24,505,000.00	37,749,811.85	62,254,811.85

BOND PRICING

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Insured Taxable Serial Bonds:									
	08/01/2024	1,185,000	5.474%	5.474%	100.000				
	08/01/2025	870,000	5.424%	5.424%	100.000				
	08/01/2026	915,000	5.300%	5.300%	100.000				
	08/01/2027	965,000	5.279%	5.279%	100.000				
	08/01/2028	1,015,000	5.259%	5.259%	100.000				
	08/01/2029	1,070,000	5.346%	5.346%	100.000				
	08/01/2030	1,125,000	5.396%	5.396%	100.000				
	08/01/2031	1,190,000	5.441%	5.441%	100.000				
	08/01/2032	1,250,000	5.491%	5.491%	100.000				
	08/01/2033	1,320,000	5.541%	5.541%	100.000				
	08/01/2034	1,395,000	5.671%	5.671%	100.000				
	08/01/2035	1,475,000	5.771%	5.771%	100.000				
		13,775,000							
Insured Taxable 2041 Term Bond:									
	08/01/2036	1,560,000	5.921%	5.921%	100.000				
	08/01/2037	1,650,000	5.921%	5.921%	100.000				
	08/01/2038	1,750,000	5.921%	5.921%	100.000				
	08/01/2039	1,850,000	5.921%	5.921%	100.000				
	08/01/2040	1,960,000	5.921%	5.921%	100.000				
	08/01/2041	1,960,000	5.921%	5.921%	100.000				
		10,730,000							
Insured Tax-Exempt 2043 Term Bond:									
	08/01/2041	115,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	8,818.20
	08/01/2042	2,200,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	168,696.00
	08/01/2043	2,310,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	177,130.80
		4,625,000							354,645.00
Insured Tax-Exempt 2048 Term Bond:									
	08/01/2044	2,425,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	149,404.25
	08/01/2045	2,545,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	156,797.45
	08/01/2046	2,675,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	164,806.75
	08/01/2047	2,805,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	172,816.05
	08/01/2048	2,945,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	181,441.45
		13,395,000							825,265.95
Insured Tax-Exempt 2053 Term Bond:									
	08/01/2049	3,095,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	244,845.45
	08/01/2050	3,255,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	257,503.05
	08/01/2051	3,430,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	271,347.30
	08/01/2052	3,610,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	285,587.10
	08/01/2053	3,800,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	300,618.00
		17,190,000							1,359,900.90
		59,715,000							2,539,811.85

Dated Date 09/14/2023
Delivery Date 09/14/2023
First Coupon 02/01/2024

Par Amount 59,715,000.00
Premium 2,539,811.85

Production 62,254,811.85 104.253223%
Underwriter's Discount -220,918.75 -0.369955%

Purchase Price 62,033,893.10 103.883267%
Accrued Interest

Net Proceeds 62,033,893.10

BOND SUMMARY STATISTICS

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Aggregate
Dated Date	09/14/2023	09/14/2023	09/14/2023
Delivery Date	09/14/2023	09/14/2023	09/14/2023
First Coupon	02/01/2024	02/01/2024	02/01/2024
Last Maturity	08/01/2041	08/01/2053	08/01/2053
Arbitrage Yield	5.849791%	4.327385%	4.327385%
True Interest Cost (TIC)	5.818878%	4.657447%	4.968425%
Net Interest Cost (NIC)	5.821069%	4.860528%	5.080451%
All-In TIC	6.039509%	4.777294%	5.116758%
Average Coupon	5.779386%	5.136916%	5.284014%
Average Life (years)	10.643	24.946	19.076
Duration of Issue (years)	7.671	14.640	11.665
Par Amount	24,505,000.00	35,210,000.00	59,715,000.00
Bond Proceeds	24,505,000.00	37,749,811.85	62,254,811.85
Total Interest	15,073,678.51	45,119,297.43	60,192,975.94
Net Interest	15,182,397.26	42,691,685.58	57,874,082.84
Total Debt Service	39,578,678.51	80,329,297.43	119,907,975.94
Maximum Annual Debt Service	2,407,969.89	3,999,500.00	3,999,557.60
Average Annual Debt Service	2,213,503.85	2,688,346.85	4,012,909.86

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Insured Taxable Serial Bonds	13,775,000.00	100.000	5.52919192%	6.844	07/18/2030	7,441.35
Insured Taxable 2041 Term Bond	10,730,000.00	100.000	5.92100000%	15.522	03/23/2039	11,803.00
Insured Tax-Exempt 2043 Term Bond	4,625,000.00	107.668	5.00000000%	19.355	01/21/2043	3,931.25
Insured Tax-Exempt 2048 Term Bond	13,395,000.00	106.161	5.00000000%	22.978	09/05/2046	11,117.85
Insured Tax-Exempt 2053 Term Bond	17,190,000.00	107.911	5.25000000%	27.983	09/07/2051	14,439.60
	59,715,000.00			19.076		48,733.05

	TIC	All-In TIC	Arbitrage Yield
Par Value	59,715,000.00	59,715,000.00	35,210,000.00
+ Accrued Interest			
+ Premium (Discount)	2,539,811.85	2,539,811.85	2,539,811.85
- Underwriter's Discount	-220,918.75	-220,918.75	
- Cost of Issuance Expense		-561,231.32	
- Other Amounts		-472,661.78	-307,828.41
Target Value	62,033,893.10	61,000,000.00	37,441,983.44
Target Date	09/14/2023	09/14/2023	09/14/2023
Yield	4.968425%	5.116758%	4.327385%

BOND DEBT SERVICE BREAKDOWN

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Period Ending	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
08/01/2024	2,407,969.89	1,588,059.93	3,996,029.82
08/01/2025	2,193,994.80	1,803,475.00	3,997,469.80
08/01/2026	2,191,806.00	1,803,475.00	3,995,281.00
08/01/2027	2,193,311.00	1,803,475.00	3,996,786.00
08/01/2028	2,192,368.66	1,803,475.00	3,995,843.66
08/01/2029	2,193,989.80	1,803,475.00	3,997,464.80
08/01/2030	2,191,787.60	1,803,475.00	3,995,262.60
08/01/2031	2,196,082.60	1,803,475.00	3,999,557.60
08/01/2032	2,191,334.70	1,803,475.00	3,994,809.70
08/01/2033	2,192,697.20	1,803,475.00	3,996,172.20
08/01/2034	2,194,556.00	1,803,475.00	3,998,031.00
08/01/2035	2,195,445.56	1,803,475.00	3,998,920.56
08/01/2036	2,195,323.30	1,803,475.00	3,998,798.30
08/01/2037	2,192,955.70	1,803,475.00	3,996,430.70
08/01/2038	2,195,259.20	1,803,475.00	3,998,734.20
08/01/2039	2,191,641.70	1,803,475.00	3,995,116.70
08/01/2040	2,192,103.20	1,803,475.00	3,995,578.20
08/01/2041	2,076,051.60	1,918,475.00	3,994,526.60
08/01/2042		3,997,725.00	3,997,725.00
08/01/2043		3,997,725.00	3,997,725.00
08/01/2044		3,997,225.00	3,997,225.00
08/01/2045		3,995,975.00	3,995,975.00
08/01/2046		3,998,725.00	3,998,725.00
08/01/2047		3,994,975.00	3,994,975.00
08/01/2048		3,994,725.00	3,994,725.00
08/01/2049		3,997,475.00	3,997,475.00
08/01/2050		3,994,987.50	3,994,987.50
08/01/2051		3,999,100.00	3,999,100.00
08/01/2052		3,999,025.00	3,999,025.00
08/01/2053		3,999,500.00	3,999,500.00
	39,578,678.51	80,329,297.43	119,907,975.94

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024	1,185,000	2,811,029.82	3,996,029.82
08/01/2025	870,000	3,127,469.80	3,997,469.80
08/01/2026	915,000	3,080,281.00	3,995,281.00
08/01/2027	965,000	3,031,786.00	3,996,786.00
08/01/2028	1,015,000	2,980,843.66	3,995,843.66
08/01/2029	1,070,000	2,927,464.80	3,997,464.80
08/01/2030	1,125,000	2,870,262.60	3,995,262.60
08/01/2031	1,190,000	2,809,557.60	3,999,557.60
08/01/2032	1,250,000	2,744,809.70	3,994,809.70
08/01/2033	1,320,000	2,676,172.20	3,996,172.20
08/01/2034	1,395,000	2,603,031.00	3,998,031.00
08/01/2035	1,475,000	2,523,920.56	3,998,920.56
08/01/2036	1,560,000	2,438,798.30	3,998,798.30
08/01/2037	1,650,000	2,346,430.70	3,996,430.70
08/01/2038	1,750,000	2,248,734.20	3,998,734.20
08/01/2039	1,850,000	2,145,116.70	3,995,116.70
08/01/2040	1,960,000	2,035,578.20	3,995,578.20
08/01/2041	2,075,000	1,919,526.60	3,994,526.60
08/01/2042	2,200,000	1,797,725.00	3,997,725.00
08/01/2043	2,310,000	1,687,725.00	3,997,725.00
08/01/2044	2,425,000	1,572,225.00	3,997,225.00
08/01/2045	2,545,000	1,450,975.00	3,995,975.00
08/01/2046	2,675,000	1,323,725.00	3,998,725.00
08/01/2047	2,805,000	1,189,975.00	3,994,975.00
08/01/2048	2,945,000	1,049,725.00	3,994,725.00
08/01/2049	3,095,000	902,475.00	3,997,475.00
08/01/2050	3,255,000	739,987.50	3,994,987.50
08/01/2051	3,430,000	569,100.00	3,999,100.00
08/01/2052	3,610,000	389,025.00	3,999,025.00
08/01/2053	3,800,000	199,500.00	3,999,500.00
	59,715,000	60,192,975.94	119,907,975.94

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024	1,185,000	1,222,969.89	2,407,969.89
08/01/2025	870,000	1,323,994.80	2,193,994.80
08/01/2026	915,000	1,276,806.00	2,191,806.00
08/01/2027	965,000	1,228,311.00	2,193,311.00
08/01/2028	1,015,000	1,177,368.66	2,192,368.66
08/01/2029	1,070,000	1,123,989.80	2,193,989.80
08/01/2030	1,125,000	1,066,787.60	2,191,787.60
08/01/2031	1,190,000	1,006,082.60	2,196,082.60
08/01/2032	1,250,000	941,334.70	2,191,334.70
08/01/2033	1,320,000	872,697.20	2,192,697.20
08/01/2034	1,395,000	799,556.00	2,194,556.00
08/01/2035	1,475,000	720,445.56	2,195,445.56
08/01/2036	1,560,000	635,323.30	2,195,323.30
08/01/2037	1,650,000	542,955.70	2,192,955.70
08/01/2038	1,750,000	445,259.20	2,195,259.20
08/01/2039	1,850,000	341,641.70	2,191,641.70
08/01/2040	1,960,000	232,103.20	2,192,103.20
08/01/2041	1,960,000	116,051.60	2,076,051.60
	24,505,000	15,073,678.51	39,578,678.51

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024		1,588,059.93	1,588,059.93
08/01/2025		1,803,475.00	1,803,475.00
08/01/2026		1,803,475.00	1,803,475.00
08/01/2027		1,803,475.00	1,803,475.00
08/01/2028		1,803,475.00	1,803,475.00
08/01/2029		1,803,475.00	1,803,475.00
08/01/2030		1,803,475.00	1,803,475.00
08/01/2031		1,803,475.00	1,803,475.00
08/01/2032		1,803,475.00	1,803,475.00
08/01/2033		1,803,475.00	1,803,475.00
08/01/2034		1,803,475.00	1,803,475.00
08/01/2035		1,803,475.00	1,803,475.00
08/01/2036		1,803,475.00	1,803,475.00
08/01/2037		1,803,475.00	1,803,475.00
08/01/2038		1,803,475.00	1,803,475.00
08/01/2039		1,803,475.00	1,803,475.00
08/01/2040		1,803,475.00	1,803,475.00
08/01/2041	115,000	1,803,475.00	1,918,475.00
08/01/2042	2,200,000	1,797,725.00	3,997,725.00
08/01/2043	2,310,000	1,687,725.00	3,997,725.00
08/01/2044	2,425,000	1,572,225.00	3,997,225.00
08/01/2045	2,545,000	1,450,975.00	3,995,975.00
08/01/2046	2,675,000	1,323,725.00	3,998,725.00
08/01/2047	2,805,000	1,189,975.00	3,994,975.00
08/01/2048	2,945,000	1,049,725.00	3,994,725.00
08/01/2049	3,095,000	902,475.00	3,997,475.00
08/01/2050	3,255,000	739,987.50	3,994,987.50
08/01/2051	3,430,000	569,100.00	3,999,100.00
08/01/2052	3,610,000	389,025.00	3,999,025.00
08/01/2053	3,800,000	199,500.00	3,999,500.00
	35,210,000	45,119,297.43	80,329,297.43

COST OF ISSUANCE

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Disclosure Agent	5,000.00	5,000.00	10,000.00
Contingency	11,210.96	15,520.36	26,731.32
Issuer	86,176.84	123,823.16	210,000.00
Financial Advisor	34,881.10	50,118.90	85,000.00
Bond Counsel	35,291.47	50,708.53	86,000.00
Disclosure Counsel	24,211.59	34,788.41	59,000.00
Fiscal Consultant	11,490.25	16,509.75	28,000.00
Trustee	3,077.74	4,422.26	7,500.00
Rating Agency	18,056.10	25,943.90	44,000.00
Printer	2,051.83	2,948.17	5,000.00
	231,447.88	329,783.44	561,231.32

PROOF OF ARBITRAGE YIELD

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Date	Debt Service	Present Value to 09/14/2023 @ 5.8497905502%
02/01/2024	528,539.04	517,067.96
08/01/2024	1,879,430.85	1,786,390.81
02/01/2025	661,997.40	611,344.45
08/01/2025	1,531,997.40	1,374,571.34
02/01/2026	638,403.00	556,523.80
08/01/2026	1,553,403.00	1,315,686.84
02/01/2027	614,155.50	505,389.60
08/01/2027	1,579,155.50	1,262,561.14
02/01/2028	588,684.33	457,287.75
08/01/2028	1,603,684.33	1,210,334.86
02/01/2029	561,994.90	412,096.19
08/01/2029	1,631,994.90	1,162,691.73
02/01/2030	533,393.80	369,209.88
08/01/2030	1,658,393.80	1,115,302.27
02/01/2031	503,041.30	328,691.24
08/01/2031	1,693,041.30	1,074,809.77
02/01/2032	470,667.35	290,307.12
08/01/2032	1,720,667.35	1,031,145.86
02/01/2033	436,348.60	254,060.03
08/01/2033	1,756,348.60	993,557.57
02/01/2034	399,778.00	219,725.66
08/01/2034	1,794,778.00	958,411.88
02/01/2035	360,222.78	186,892.64
08/01/2035	1,835,222.78	925,101.47
02/01/2036	317,661.65	155,576.84
08/01/2036	1,877,661.65	893,463.98
02/01/2037	271,477.85	125,508.66
08/01/2037	1,921,477.85	863,086.31
02/01/2038	222,629.60	97,158.62
08/01/2038	1,972,629.60	836,418.30
02/01/2039	170,820.85	70,371.76
08/01/2039	2,020,820.85	808,844.29
02/01/2040	116,051.60	45,130.26
08/01/2040	2,076,051.60	784,394.23
02/01/2041	58,025.80	21,300.85
08/01/2041	2,018,025.80	719,750.69
39,578,678.51		24,340,166.63

Proceeds Summary

Delivery date	09/14/2023
Par Value	24,505,000.00
Arbitrage expenses	-164,833.37
Target for yield calculation	24,340,166.63

PROOF OF ARBITRAGE YIELD

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Date	Debt Service	Present Value to 09/14/2023 @ 4.3273854220%
02/01/2024	686,322.43	675,231.14
08/01/2024	901,737.50	868,376.01
02/01/2025	901,737.50	849,984.95
08/01/2025	901,737.50	831,983.38
02/01/2026	901,737.50	814,363.07
08/01/2026	901,737.50	797,115.93
02/01/2027	901,737.50	780,234.06
08/01/2027	901,737.50	763,709.73
02/01/2028	901,737.50	747,535.36
08/01/2028	901,737.50	731,703.55
02/01/2029	901,737.50	716,207.03
08/01/2029	901,737.50	701,038.70
02/01/2030	901,737.50	686,191.63
08/01/2030	901,737.50	671,658.99
02/01/2031	901,737.50	657,434.13
08/01/2031	901,737.50	643,510.54
02/01/2032	901,737.50	629,881.84
08/01/2032	901,737.50	616,541.77
02/01/2033	901,737.50	603,484.22
08/01/2033	36,111,737.50	23,655,797.42
53,029,334.93		37,441,983.44

Proceeds Summary

Delivery date	09/14/2023
Par Value	35,210,000.00
Premium (Discount)	2,539,811.85
Arbitrage expenses	-307,828.41
Target for yield calculation	37,441,983.44

PROOF OF ARBITRAGE YIELD

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
TETERM43	08/01/2041	5.000%	4.050%	08/01/2033	100.000	4.1374431%
TETERM43	08/01/2042	5.000%	4.050%	08/01/2033	100.000	4.1397316%
TETERM43	08/01/2043	5.000%	4.050%	08/01/2033	100.000	4.1420210%
TETERM48	08/01/2044	5.000%	4.230%	08/01/2033	100.000	4.3259711%
TETERM48	08/01/2045	5.000%	4.230%	08/01/2033	100.000	4.3283008%
TETERM48	08/01/2046	5.000%	4.230%	08/01/2033	100.000	4.3306311%
TETERM48	08/01/2047	5.000%	4.230%	08/01/2033	100.000	4.3329619%
TETERM48	08/01/2048	5.000%	4.230%	08/01/2033	100.000	4.3352932%
TETERM53	08/01/2049	5.250%	4.260%	08/01/2033	100.000	4.3697743%
TETERM53	08/01/2050	5.250%	4.260%	08/01/2033	100.000	4.3722028%
TETERM53	08/01/2051	5.250%	4.260%	08/01/2033	100.000	4.3746318%
TETERM53	08/01/2052	5.250%	4.260%	08/01/2033	100.000	4.3770614%
TETERM53	08/01/2053	5.250%	4.260%	08/01/2033	100.000	4.3794915%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
TETERM43	08/01/2041	5.000%	4.050%			4.4340371%	0.2965941%
TETERM43	08/01/2042	5.000%	4.050%			4.4543260%	0.3145944%
TETERM43	08/01/2043	5.000%	4.050%			4.4725133%	0.3304923%
TETERM48	08/01/2044	5.000%	4.230%			4.5970158%	0.2710447%
TETERM48	08/01/2045	5.000%	4.230%			4.6089858%	0.2806849%
TETERM48	08/01/2046	5.000%	4.230%			4.6198824%	0.2892513%
TETERM48	08/01/2047	5.000%	4.230%			4.6298420%	0.2968801%
TETERM48	08/01/2048	5.000%	4.230%			4.6389790%	0.3036857%
TETERM53	08/01/2049	5.250%	4.260%			4.7758370%	0.4060626%
TETERM53	08/01/2050	5.250%	4.260%			4.7856534%	0.4134506%
TETERM53	08/01/2051	5.250%	4.260%			4.7947295%	0.4200977%
TETERM53	08/01/2052	5.250%	4.260%			4.8031441%	0.4260827%
TETERM53	08/01/2053	5.250%	4.260%			4.8109651%	0.4314736%

FORM 8038 STATISTICS

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Insured Taxable Serial Bonds:						
	08/01/2024	1,185,000.00	5.474%	100.000	1,185,000.00	1,185,000.00
	08/01/2025	870,000.00	5.424%	100.000	870,000.00	870,000.00
	08/01/2026	915,000.00	5.300%	100.000	915,000.00	915,000.00
	08/01/2027	965,000.00	5.279%	100.000	965,000.00	965,000.00
	08/01/2028	1,015,000.00	5.259%	100.000	1,015,000.00	1,015,000.00
	08/01/2029	1,070,000.00	5.346%	100.000	1,070,000.00	1,070,000.00
	08/01/2030	1,125,000.00	5.396%	100.000	1,125,000.00	1,125,000.00
	08/01/2031	1,190,000.00	5.441%	100.000	1,190,000.00	1,190,000.00
	08/01/2032	1,250,000.00	5.491%	100.000	1,250,000.00	1,250,000.00
	08/01/2033	1,320,000.00	5.541%	100.000	1,320,000.00	1,320,000.00
	08/01/2034	1,395,000.00	5.671%	100.000	1,395,000.00	1,395,000.00
	08/01/2035	1,475,000.00	5.771%	100.000	1,475,000.00	1,475,000.00
Insured Taxable 2041 Term Bond:						
	08/01/2036	1,560,000.00	5.921%	100.000	1,560,000.00	1,560,000.00
	08/01/2037	1,650,000.00	5.921%	100.000	1,650,000.00	1,650,000.00
	08/01/2038	1,750,000.00	5.921%	100.000	1,750,000.00	1,750,000.00
	08/01/2039	1,850,000.00	5.921%	100.000	1,850,000.00	1,850,000.00
	08/01/2040	1,960,000.00	5.921%	100.000	1,960,000.00	1,960,000.00
	08/01/2041	1,960,000.00	5.921%	100.000	1,960,000.00	1,960,000.00
		24,505,000.00			24,505,000.00	24,505,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2041	5.921%	1,960,000.00	1,960,000.00		
Entire Issue			24,505,000.00	24,505,000.00	10.6435	5.8498%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	340,166.63
Proceeds used for credit enhancement	164,833.37
Proceeds allocated to reasonably required reserve or replacement fund	0.00

FORM 8038 STATISTICS

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Insured Tax-Exempt 2043 Term Bond:						
	08/01/2041	115,000.00	5.000%	107.668	123,818.20	115,000.00
	08/01/2042	2,200,000.00	5.000%	107.668	2,368,696.00	2,200,000.00
	08/01/2043	2,310,000.00	5.000%	107.668	2,487,130.80	2,310,000.00
Insured Tax-Exempt 2048 Term Bond:						
	08/01/2044	2,425,000.00	5.000%	106.161	2,574,404.25	2,425,000.00
	08/01/2045	2,545,000.00	5.000%	106.161	2,701,797.45	2,545,000.00
	08/01/2046	2,675,000.00	5.000%	106.161	2,839,806.75	2,675,000.00
	08/01/2047	2,805,000.00	5.000%	106.161	2,977,816.05	2,805,000.00
	08/01/2048	2,945,000.00	5.000%	106.161	3,126,441.45	2,945,000.00
Insured Tax-Exempt 2053 Term Bond:						
	08/01/2049	3,095,000.00	5.250%	107.911	3,339,845.45	3,095,000.00
	08/01/2050	3,255,000.00	5.250%	107.911	3,512,503.05	3,255,000.00
	08/01/2051	3,430,000.00	5.250%	107.911	3,701,347.30	3,430,000.00
	08/01/2052	3,610,000.00	5.250%	107.911	3,895,587.10	3,610,000.00
	08/01/2053	3,800,000.00	5.250%	107.911	4,100,618.00	3,800,000.00
		35,210,000.00			37,749,811.85	35,210,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2053	5.250%	4,100,618.00	3,800,000.00		
Entire Issue			37,749,811.85	35,210,000.00	24.9595	4.3274%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	441,983.44
Proceeds used for credit enhancement	307,828.41
Proceeds allocated to reasonably required reserve or replacement fund	0.00

UNDERWRITER EXCLUSION DISCLOSURE

**Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance**

Final Pricing With Rate Lock

Stifel, Nicolaus & Company, Incorporated ('Stifel') has been engaged or appointed to serve as an underwriter or placement agent with respect to a particular issuance of municipal securities to which the attached material relates and Stifel is providing all information and advice contained in the attached material in its capacity as underwriter or placement agent for that particular issuance. As outlined in the SEC's Municipal Advisor Rule, Stifel has not acted, and will not act, as your municipal advisor with respect to the issuance of the municipal securities that is the subject to the engagement.

Stifel is providing information and is declaring to the proposed municipal issuer and any obligated person that it has done so within the regulatory framework of MSRB Rule G-23 as an underwriter (by definition also including the role of placement agent) and not as a financial advisor, as defined therein, with respect to the referenced proposed issuance of municipal securities. The primary role of Stifel, as an underwriter, is to purchase securities for resale to investors in an arm's-length commercial transaction. Serving in the role of underwriter, Stifel has financial and other interests that differ from those of the issuer. The issuer should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate.

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ATTACHMENT B – Miscellaneous Information

Successor Agency to the Redevelopment Agency of the City and County of San Francisco

2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)

2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

- ✓ Pricing Comparables
- ✓ Standard & Poor's Report
- ✓ Interested Parties List

Successor Agency to RDA of San Francisco

Taxable Third Lien Tax Allocation Bonds 2023 Series A, (Affordable Housing) (Social Bonds)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Taxable Third Lien Tax Allocation Bonds, Series 2023A (Affordable Housing)(Social Bonds)					Successor Agency to the RDA of San Francisco Taxable Third Lien Tax Allocation Bonds, Series 2023A (Affordable Housing)(Social Bonds)					Delta From Prelim
	Par Amt	Rating	Insurance	Opt. Call	Underwriter	Par Amt	Rating	Insurance	Opt. Call	Underwriter	
	\$24,505,000	--/A/--	AGM	8/1/2033 @ 100	Stifel	\$24,485,000	--/A/--	AGM	8/1/2033 @ 100	Stifel	
Price Date	Final Pricing: August 30, 2023					Pre-Pricing: August 29, 2023					
Year	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST	
2024	\$1,185	5.454%	4.874%	2-yr	+58	\$1,185	5.536%	4.886%	2-yr	+65	-7
2025	870	5.404	4.874	2-yr	+53	870	5.486	4.886	2-yr	+60	-7
2026	920	5.283	4.563	3-yr	+72	915	5.327	4.577	3-yr	+75	-3
2027	965	5.258	4.258	5-yr	+100	965	5.273	4.273	5-yr	+100	
2028	1,015	5.238	4.258	5-yr	+98	1015	5.323	4.273	5-yr	+105	-7
2029	1,070	5.331	4.211	7-yr	+112	1070	5.376	4.226	7-yr	+115	-3
2030	1,130	5.381	4.211	7-yr	+117	1125	5.426	4.226	7-yr	+120	-3
2031	1,190	5.430	4.110	10-yr	+132	1190	5.470	4.120	10-yr	+135	-3
2032	1,255	5.480	4.110	10-yr	+137	1255	5.520	4.120	10-yr	+140	-3
2033	1,320	5.530	4.110	10-yr	+142	1,325	5.570	4.120	10-yr	+145	-3
2034	1,395	5.660	4.110	10-yr	+155	1,395	5.670	4.120	10-yr	+155	
2035	1,475	5.760	4.110	10-yr	+165	1,475	5.770	4.120	10-yr	+165	
2036											
2037											
2038											
2039											
2040											
2041	10,715	5.910	4.110	10-yr	+180	10,700	5.970	4.120	10-yr	+185	-5
2042											
2043											
2044											
2045											
2046											
2047											
2048											
2049											
2050											
2051											
2052											
2053											

Successor Agency to RDA of San Francisco

Third Lien Tax Allocation Bonds 2023 Series B, (Transbay Infrastructure Projects)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Third Lien Tax Allocation Bonds, Series 2023B (Transbay Infrastructure Projects)							Successor Agency to the RDA of San Francisco Third Lien Tax Allocation Bonds, Series 2023B (Transbay Infrastructure Projects)							
Par Amt	\$35,210,000							\$35,420,000							
Rating	--/A/--							--/A/--							
Insurance	AGM: Insure All Maturities							AGM: Maturities TBD							
Opt. Call	8/1/2033 @ 100							8/1/2033 @ 100							
Underwriter	Stifel							Stifel							
Price Date	Final Pricing: August 30, 2023							Pre-Pricing: August 29, 2023							
Year	Par (\$000s)	Coupon	Yield	YTM	AAA AUG MMD	Spread to MMD	YTM Spread	Par (\$000s)	Coupon	Yield	YTM	AAA SEP MMD	Spread to MMD	YTM Spread	Delta From Prelim
2024															
2025															
2026															
2027															
2028															
2029															
2030															
2031															
2032															
2033															
2034															
2035															
2036															
2037															
2038															
2039															
2040															
2041															
2042															
2043	\$4,640	5.000%	4.050%	4.416%	3.680%	+37	+74	\$4,710	5.000%	4.080%	4.435%	3.680%	+40	+76	-3
2044															
2045															
2046															
2047															
2048	13,395	5.000	4.230	4.582	3.850	+38	+73	13,455	5.000	4.300	4.620	3.850	+45	+77	-7
2049															
2050															
2051															
2052															
2053	17,175	5.250	4.260	4.751	3.910	+35	+84	17,255	5.250	4.340	4.906	3.910	+43	+100	-8

Successor Agency to RDA of San Francisco

Taxable Third Lien Tax Allocation Bonds 2023 Series A, (Affordable Housing) (Social Bonds)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Taxable Third Lien Tax Allocation Bonds, Series 2023A (Affordable Housing)(Social Bonds)					Fond Du Lac County Taxable Revenue Bonds, Series 2023 (Bug Tussel 1, LLC Project) (Social Bonds)					Lammersville Unified School District Taxable Special Tax Bonds, Series 2023B (Mountain House - Shea Homes)				
	Par Amt \$24,505,000 Rating --/A/-- Insurance AGM Opt. Call 8/1/2033 @ 100 Underwriter Stifel					Par Amt \$58,000,000 Rating --/AA/-- Insurance BAM Opt. Call 8/1/2033 @ 100 Underwriter UBS					Par Amt \$2,680,000 Rating --/A+/- Insurance BAM Opt. Call 9/1/2033 @ 100 Underwriter Stifel				
Price Date	Final Pricing: August 30, 2023					August 24, 2023					August 1, 2023				
Year	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST
2024	\$1,185	5.454%	4.874%	2-yr	+58						\$40	5.600%	4.910%	2-yr	+69
2025	870	5.404	4.874	2-yr	+53						45	5.450	4.910	2-yr	+54
2026	920	5.283	4.563	3-yr	+72						60	5.250	4.570	3-yr	+68
2027	965	5.258	4.258	5-yr	+100						65	5.100	4.220	5-yr	+88
2028	1015	5.238	4.258	5-yr	+98						70	5.150	4.220	5-yr	+93
2029	1070	5.331	4.211	7-yr	+112	\$1,135	5.747%	4.357%	7-yr	+139	75	5.250	4.130	7-yr	+112
2030	1130	5.381	4.211	7-yr	+117	1,195	5.797	4.357	7-yr	+144	85	5.350	4.130	7-yr	+122
2031	1190	5.430	4.110	10-yr	+132	1,270	5.685	4.235	10-yr	+145	95	5.450	4.050	10-yr	+140
2032	1255	5.480	4.110	10-yr	+137	1,340	5.735	4.235	10-yr	+150	110	5.500	4.050	10-yr	+145
2033	1,320	5.530	4.110	10-yr	+142	1,415	5.785	4.235	10-yr	+155	120	5.550	4.050	10-yr	+150
2034	1,395	5.660	4.110	10-yr	+155	1,500	5.885	4.235	10-yr	+165					
2035	1,475	5.760	4.110	10-yr	+165	1,585	5.985	4.235	10-yr	+175					
2036						1,680	6.085	4.235	10-yr	+185					
2037						1,790	6.135	4.235	10-yr	+190					
2038															
2039															
2040															
2041	10,715	5.910	4.110	10-yr	+180										
2042						10,715	6.184	4.235	10-yr	+195					
2043											1,915	5.750	3.930	30-yr	+182
2044															
2045															
2046															
2047															
2048															
2049															
2050															
2051															
2052															
2053						34,375	6.434	4.304	30-yr	+213					

Successor Agency to RDA of San Francisco

Taxable Third Lien Tax Allocation Bonds 2023 Series A, (Affordable Housing) (Social Bonds)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Taxable Third Lien Tax Allocation Bonds, Series 2023A (Affordable Housing)(Social Bonds)					San Joaquin Flood Control Agency Taxable Assessment Revenue Ref. Bonds, Series 2023B (Levee Construction and Maintenance Assess. District)					Oklahoma City Public Property Authority Taxable Hotel Tax Revenue Bonds, Series 2023 (Oklahoma City Fairgrounds)				
	\$24,505,000 --/A/-- AGM 8/1/2033 @ 100 Stifel					\$12,390,000 --/A/-- BAM 10/1/2032 @ 100 Hilltop					\$32,335,000 A1/AA/-- BAM 10/1/2033 @ 100 Raymond James				
Price Date	Final Pricing: August 30, 2023					July 20, 2023					June 5, 2023				
Year	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST
2024	\$1,185	5.454%	4.874%	2-yr	+58						\$450	5.225%	4.525%	2-yr	+70
2025	870	5.404	4.874	2-yr	+53						475	5.215	4.525	2-yr	+69
2026	920	5.283	4.563	3-yr	+72						500	5.006	4.166	3-yr	+84
2027	965	5.258	4.258	5-yr	+100						525	4.846	3.856	5-yr	+99
2028	1015	5.238	4.258	5-yr	+98						550	4.896	3.856	5-yr	+104
2029	1070	5.331	4.211	7-yr	+112						575	4.928	3.788	7-yr	+114
2030	1130	5.381	4.211	7-yr	+117						605	4.978	3.788	7-yr	+119
2031	1190	5.430	4.110	10-yr	+132						635	5.040	3.700	10-yr	+134
2032	1255	5.480	4.110	10-yr	+137	\$4,400	5.143%	3.753%	10-yr	+139	670	5.090	3.700	10-yr	+139
2033	1,320	5.530	4.110	10-yr	+142	650	5.271	3.751	10-yr	+152	705	5.140	3.700	10-yr	+144
2034	1,395	5.660	4.110	10-yr	+155	685	5.371	3.751	10-yr	+162	745	5.240	3.700	10-yr	+154
2035	1,475	5.760	4.110	10-yr	+165	725	5.421	3.751	10-yr	+167	785	5.340	3.700	10-yr	+164
2036						760	5.471	3.751	10-yr	+172	825	5.400	3.700	10-yr	+170
2037						805	5.511	3.751	10-yr	+176	875	5.500	3.700	10-yr	+180
2038						845	5.541	3.751	10-yr	+179	925	5.600	3.700	10-yr	+190
2039															
2040															
2041	10,715	5.910	4.110	10-yr	+180										
2042						3,520	5.627	3.747	30-yr	+188					
2043											5,470	5.632	3.882	30-yr	+175
2044															
2045															
2046															
2047															
2048															
2049															
2050															
2051															
2052															
2053											17,020	5.782	3.882	30-yr	+190

Successor Agency to RDA of San Francisco

Taxable Third Lien Tax Allocation Bonds 2023 Series A, (Affordable Housing) (Social Bonds)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Taxable Third Lien Tax Allocation Bonds, Series 2023A (Affordable Housing)(Social Bonds)					Southwestern Illinois Development Authority Taxable Local Gov. Program Revenue Bonds, Series 2023B (Edwardsville Community Unit School Dist.)				
	Par Amt	\$24,505,000	Rating	--/A/--	Insurance	AGM	Par Amt	\$44,050,000	Rating	--/A/--
Opt. Call	8/1/2033 @ 100		Underwriter	Stifel		12/1/2030 @ 100		Stifel		
Price Date	Final Pricing: August 30, 2023					May 15, 2023				
Year	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST	Par (\$000s)	Coupon/ Yield	UST Yield	UST Ref	Spread to UST
2024	\$1,185	5.454%	4.874%	2-yr	+58					
2025	870	5.404	4.874	2-yr	+53					
2026	920	5.283	4.563	3-yr	+72					
2027	965	5.258	4.258	5-yr	+100	\$1,305	4.750%	3.590%	5-yr	+116
2028	1015	5.238	4.258	5-yr	+98	1,570	4.800	3.590	5-yr	+121
2029	1070	5.331	4.211	7-yr	+112	1,855	4.900	3.580	7-yr	+132
2030	1130	5.381	4.211	7-yr	+117	1,265	4.950	3.580	7-yr	+137
2031	1190	5.430	4.110	10-yr	+132	8,815	5.100	3.570	10-yr	+153
2032	1255	5.480	4.110	10-yr	+137	9,630	5.200	3.570	10-yr	+163
2033	1,320	5.530	4.110	10-yr	+142					
2034	1,395	5.660	4.110	10-yr	+155	19,610	5.280	3.570	10-yr	+171
2035	1,475	5.760	4.110	10-yr	+165					
2036										
2037										
2038										
2039										
2040										
2041	10,715	5.910	4.110	10-yr	+180					
2042										
2043										
2044										
2045										
2046										
2047										
2048										
2049										
2050										
2051										
2052										
2053										

Successor Agency to RDA of San Francisco

Third Lien Tax Allocation Bonds
2023 Series B, (Transbay Infrastructure Projects)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Third Lien Tax Allocation Bonds, Series 2023B (Transbay Infrastructure Projects)							South Tahoe JPFA Lease Revenue Bonds, 2023 Series A							Lammersville Joint USD CFD No. 2007-1 (Improvement Area No. 1) Special Tax Bonds, Series 2023A						
	Par Amt Rating Insurance Opt. Call Underwriter							Par Amt Rating Insurance Opt. Call Underwriter							Par Amt Rating Insurance Opt. Call Underwriter						
Price Date	Final Pricing: August 30, 2023							August 16, 2023							August 1, 2023						
Year	Par (\$000s)	Coupon	Yield	YTM	AAA AUG MMD	Spread to MMD	YTM Spread	Par (\$000s)	Coupon	Yield	YTM	AAA OCT MMD	Spread to MMD	YTM Spread	Par (\$000s)	Coupon	Yield	YTM	AAA SEP MMD	Spread to MMD	YTM Spread
2024								\$765	5.000%	3.120%		3.200%	-8		\$340	5.000%	3.170%		3.210%	-4	
2025								805	5.000	3.030		3.090	-6		405	5.000	3.050		3.020	+3	
2026								845	5.000	2.920		2.920	+0		445	5.000	2.980		2.870	+11	
2027								890	5.000	2.900		2.820	+8		495	5.000	2.890		2.750	+14	
2028								935	5.000	2.870		2.770	+10		550	5.000	2.860		2.700	+16	
2029								980	5.000	2.860		2.730	+13		610	5.000	2.810		2.620	+19	
2030								1,030	5.000	2.850		2.700	+15		665	5.000	2.780		2.570	+21	
2031								1,080	5.000	2.900		2.670	+23		730	5.000	2.790		2.530	+26	
2032								1,135	5.000	2.930		2.680	+25		790	5.000	2.830		2.540	+29	
2033								1,190	5.000	3.010		2.760	+25		860	5.000	2.930		2.620	+31	
2034								1,250	5.000	3.070	3.206%	2.830	+24	+38	935	5.000	2.990	3.132%	2.690	+30	+44
2035								1,315	5.000	3.160	3.397	2.920	+24	+48	1,015	5.000	3.080	3.329	2.770	+31	+56
2036								1,380	5.000	3.250	3.561	3.030	+22	+53	1,095	5.000	3.220	3.539	2.890	+33	+65
2037								1,445	5.000	3.350	3.713	3.160	+19	+55	1,190	5.000	3.350	3.715	3.020	+33	+70
2038								1,520	5.000	3.490	3.876	3.270	+22	+61	1,265	5.000	3.470	3.864	3.110	+36	+75
2039								1,595	5.000	3.640	4.030	3.310	+33	+72	1,380	5.000	3.560	3.976	3.150	+41	+83
2040								1,675	5.000	3.730	4.130	3.350	+38	+78	1,485	5.000	3.620	4.057	3.190	+43	+87
2041								1,760	5.000	3.810	4.213	3.400	+41	+81	1,595	5.000	3.700	4.143	3.240	+46	+90
2042								1,845	5.000	3.890	4.290	3.460	+43	+83							
2043	\$4,640	5.000%	4.050%	4.416%	3.680%	+37	+74	1,940	5.000	3.930	4.336	3.500	+43	+84	3,525	4.000	4.100		3.340	+76	
2044																					
2045																					
2046																					
2047																					
2048	13,395	5.000	4.230	4.582	3.850	+38	+73	11,310	5.250	4.070	4.596	3.670	+40	+93							
2049																					
2050																					
2051																					
2052																					
2053	17,175	5.250	4.260	4.751	3.910	+35	+84	14,610	5.250	4.150	4.689	3.730	+42	+96							

Successor Agency to RDA of San Francisco

Third Lien Tax Allocation Bonds
2023 Series B, (Transbay Infrastructure Projects)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Third Lien Tax Allocation Bonds, Series 2023B (Transbay Infrastructure Projects)							City of Patterson Special Tax Revenue Refunding Bonds, Series 2023							Napa Valley USD General Obligation Bonds, Series A (School Facilities Improvement District No. 2) (American Canyon Area)						
Par Amt	\$35,210,000							\$54,370,000							\$12,500,000						
Rating	--/A/--							--/A/--							A1/--/--						
Insurance	AGM: Insure All Maturities							AGM: Insured 2027-2039							BAM: Insured 2034-2053						
Opt. Call	8/1/2033 @ 100							9/1/2032 @ 100							8/1/2033 @ 100						
Underwriter	Stifel							Hilltop							Piper Sandler						
Price Date	Final Pricing: August 30, 2023							August 1, 2023							July 20, 2023						
Year	Par (\$000s)	Coupon	Yield	YTM	AAA AUG MMD	Spread to MMD	YTM Spread	Par (\$000s)	Coupon	Yield	YTM	AAA SEP MMD	Spread to MMD	YTM Spread	Par (\$000s)	Coupon	Yield	YTM	AAA AUG MMD	Spread to MMD	YTM Spread
2024								\$2,110	5.000%	3.290%		3.210%	+8								
2025								2,395	5.000	3.140		3.020	+12		\$400	5.000%	2.910%		2.860%	+5	
2026								2,550	5.000	3.020		2.870	+15								
2027								2,685	5.000	2.890		2.750	+14								
2028								2,810	5.000	2.860		2.700	+16								
2029								2,950	5.000	2.810		2.620	+19								
2030								3,105	5.000	2.800		2.570	+23								
2031								3,280	5.000	2.790		2.530	+26								
2032								3,485	5.000	2.830	#NUM!	2.540	+29								
2033								3,430	5.000	2.930	3.082%	2.620	+31	+46							
2034								3,355	5.000	3.000	3.279	2.690	+31	+59	100	5.000	2.820	2.975%	2.570	+25	+41
2035								3,845	5.000	3.090	3.461	2.770	+32	+69	115	5.000	2.900	3.173	2.650	+25	+52
2036								4,115	5.000	3.210	3.640	2.890	+32	+75	150	5.000	3.030	3.384	2.770	+26	+61
2037								4,430	5.000	3.350	3.811	3.020	+33	+79	185	5.000	3.180	3.584	2.910	+27	+67
2038								4,715	5.000	3.460	3.942	3.110	+35	+83	225	5.000	3.220	3.681	3.000	+22	+68
2039								5,110	5.000	3.520	4.027	3.150	+37	+88	270	5.000	3.370	3.843	3.040	+33	+80
2040															320	5.000	3.460	3.950	3.080	+38	+87
2041															370	5.000	3.540	4.040	3.130	+41	+91
2042															430	5.000	3.590	4.104	3.160	+43	+94
2043	\$4,640	5.000%	4.050%	4.416%	3.680%	+37	+74								490	5.000	3.650	4.168	3.200	+45	+97
2044																					
2045																					
2046																					
2047																					
2048	13,395	5.000	4.230	4.582	3.850	+38	+73								3,530	5.250	3.780	4.442	3.410	+37	+103
2049																					
2050																					
2051																					
2052																					
2053	17,175	5.250	4.260	4.751	3.910	+35	+84								5,915	5.250	3.840	4.538	3.460	+38	+108

Successor Agency to RDA of San Francisco

Third Lien Tax Allocation Bonds 2023 Series B, (Transbay Infrastructure Projects)

Pricing Comps

Issuer (Issue)	Successor Agency to the RDA of San Francisco Third Lien Tax Allocation Bonds, Series 2023B (Transbay Infrastructure Projects)							City of Irvine CFD No. 2013-3 (Great Park) Improvement Area No. 10 Special Tax Revenue Bonds, Series 2023						
	\$35,210,000 --/A/-- AGM: Insure All Maturities 8/1/2033 @ 100 Stifel							\$102,690,000 --/A+/- BAM: Insured 2032-2058 9/1/2033 @ 100 Stifel						
Price Date	Final Pricing: August 30, 2023							July 20, 2023						
Year	Par (\$000s)	Coupon	Yield	YTM	AAA AUG MMD	Spread to MMD	YTM Spread	Par (\$000s)	Coupon	Yield	YTM	AAA SEP MMD	Spread to MMD	YTM Spread
2024														
2025														
2026														
2027								\$30	5.000%	2.720%		2.570%	+15	
2028								130	5.000	2.670		2.520	+15	
2029								235	5.000	2.680		2.510	+17	
2030								350	5.000	2.660		2.460	+20	
2031								470	5.000	2.640		2.420	+22	
2032								595	5.000	2.630		2.430	+20	
2033								735	5.000	2.710		2.510	+20	
2034								880	5.000	2.790	2.946%	2.570	+22	+38
2035								1,035	5.000	2.890	3.162	2.660	+23	+50
2036								1,200	5.000	3.030	3.382	2.780	+25	+60
2037								1,380	5.000	3.180	3.581	2.910	+27	+67
2038								1,565	5.000	3.270	3.714	3.000	+27	+71
2039								1,765	5.000	3.350	3.826	3.040	+31	+79
2040								1,975	5.000	3.430	3.926	3.080	+35	+85
2041								2,200	5.000	3.510	4.017	3.130	+38	+89
2042								2,435	5.000	3.540	4.069	3.160	+38	+91
2043	\$4,640	5.000%	4.050%	4.416%	3.680%	+37	+74	2,690	5.000	3.570	4.116	3.200	+37	+92
2044														
2045														
2046														
2047														
2048	13,395	5.000	4.230	4.582	3.850	+38	+73	17,800	5.000	3.860	4.377	3.410	+45	+97
2049														
2050														
2051														
2052														
2053	17,175	5.250	4.260	4.751	3.910	+35	+84	26,905	5.250	3.820	4.525	3.460	+36	+107

RatingsDirect®

Summary:

Successor Agency to the Redevelopment Agency of the City and County of San Francisco; Tax Increment

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Summary:

Successor Agency to the Redevelopment Agency of the City and County of San Francisco; Tax Increment

Credit Profile

US\$38.615 mil 3rd lien tax alloc bnds (Transbay Infrastructure Projects) ser 2023B due 08/01/2053

<i>Long Term Rating</i>	A/Stable	New
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US\$26.605 mil taxable 3rd lien tax alloc bnds (Affordable Housing Projects) ser 2023A due 08/01/2053

<i>Long Term Rating</i>	A/Stable	New
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Successor Agy to the San Francisco City and Cnty Redev Agy taxable tax incre (AGM)

<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
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Successor Agy to the San Francisco City and Cnty RDA tax alloc bnds (AGM)

<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
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Successor Agy to the San Francisco City and Cnty RDA TABs (AGM)

<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
--------------------------	----------------	----------

Many issues are enhanced by bond insurance.

Credit Highlights

- S&P Global Ratings assigned its 'A' long-term rating to the Successor Agency (SA) to the Redevelopment Agency of the City and County of San Francisco's anticipated \$26.6 million series 2023A taxable third-lien tax allocation bonds (TABs) and \$38.6 million series 2023B third-lien TABs.
- At the same time, S&P Global Ratings affirmed its 'A' long-term rating and underlying rating (SPUR) on the SA's series 2017A, 2017B, and 2021A bonds outstanding.
- The outlook is stable.

Security

A third lien on tax increment revenue, including the former housing set-aside, generated from 10 separate project areas and deposited from time to time into the redevelopment property tax trust fund, net of senior county charges and obligations, secures the series 2017A, 2017B, 2021A, 2023A, and 2023B bonds. A debt service reserve funded with bond proceeds or an investment-grade surety at the lowest of maximum annual debt service (MADS), 10% of principal, or 125% of average annual debt service further secures the bonds.

The 10 contributing project areas are:

- Bayview Hunters Point Project Area A,
- Bayview Hunters Point Project Area B - Zone 2,
- Embarcadero-Lower Market Golden Gateway Project Area,

- Hunters Point Hill Residential District (Hunter's Point Shipyard Project Area),
- India Basin Industrial Park Project Area,
- Rincon Point-South Beach Project Area,
- South of Market Project Area,
- Transbay Project Area (excluding state-owned parcels),
- Western Addition Project Area A-2, and
- Yerba Buena Center Project Area D-1.

We note that the third lien is open and that the state's redevelopment agency (RDA) dissolution law allows the issuance of additional debt for capital purposes. The indenture of trust permits the SA to issue additional parity bonds, provided that pledged revenue is sufficient to cover annual debt service on all parity obligations subject to an additional bonds test of at least 1.25x MADS. The outstanding and proposed third-lien bonds (series 2017A, 2017B, 2021A, 2023A, and 2023B) were issued or will be issued to finance development obligations for affordable housing and/or the Transbay infrastructure projects.

Credit overview

The SA, also known as the Office of Community Infrastructure and Investment of the City and County of San Francisco became the SA to the former RDA following the dissolution of California RDAs in 2011. The SA taxing base consists of 10 project areas listed above and are distributed throughout the downtown and southeastern quadrant of the city and county.

The city and county covers 49 square miles on a peninsula bounded by the Pacific Ocean to the west and the San Francisco Bay to the east. San Francisco is also one of nine counties in the Bay Area, the residents of which have access to major industries that include technology, business services, hospitality, manufacturing, and food processing. Median household effective buying income in the city and county is well above average at 168% of the national median.

San Francisco has experienced a slight population decline of about 1% in recent years, with an estimated population of 888,361. The population decline was partly the result of the pandemic, during which residents sought larger homes elsewhere with the transition to remote working. Remote work has contributed to an increase in office vacancy with a reported rate of 29% compared with approximately 5% prior to the pandemic. Citywide hotel occupancy declined significantly since the onset of the pandemic in 2020, but has improved annually to 65% as of May 2023 compared to 83% prior to the pandemic in May 2019. Overall, San Francisco's assessed value (AV) has grown at a slower rate in recent years, but the project areas still yielded pledged revenue sufficient to support all-in MADS coverage well above 3x.

The rating further reflects our view of the third lien's:

- Very strong MADS coverage at more than 3x historically and at 4.8x MADS coverage based on fiscal 2023 net pledged revenue;
- Moderately concentrated project area tax base, with the top 10 taxpayers accounting for 25% of total AV; and

- Open third lien.

Environmental, social, and governance

The SA's exposure to environmental risks (in terms of physical risks), primarily from earthquakes and sea level rise, are a key concern for the region. However, the city has managed seismic risk through the use of robust building codes, and is working to mitigate sea level rise through an assessment of vulnerable areas and capital improvements that have included debt-financed seawall construction.

We view the city's social and governance risks as comparable to those of its national peers. The city has made housing affordability, which we view as a social risk that can threaten economic performance, a priority, such as by developing income-tested affordable housing as a way of slowing gentrification in a high-cost region. The city manages cybersecurity risk, a form of governance risk, by using cloud-based services and backups for resiliency, adopting an information technology master plan to minimize the risk of obsolescence, and making information technology management a senior position.

Outlook

The stable outlook reflects our view that the 10 project areas will remain stable at a minimum and provide sufficient pledged revenue to maintain MADS coverage.

Downside scenario

We could lower the ratings if the project areas experienced a sudden decline in AV, resulting in coverage falling to a level below the additional bonds test without an expectation of recovery in the near term.

Upside scenario

We could raise the rating on the third-lien bonds should our expectations for additional parity debt change as a result of a limited need to fund related capital projects, if MADS coverage remains very strong despite the issuance of additional debt or declines in AV, and if tax base concentration continues to decrease with several years of projected strong AV growth in commercial property.

Credit Opinion

Tax base and concentration

The 10 project areas encompass an aggregate 2,263 acres and account for \$34.4 billion in total AV (42% commercial and 38% residential). Together, the project areas have shown resiliency to economic pressures and experienced consistent AV growth since 2008, including during the Great Recession. Most recently, AV grew approximately 5.3% for fiscal 2023 after growing by a modest 0.8% in fiscal 2022, though this is still substantially lower than the double-digit increases of previous years.

The combined project areas' tax base is moderately concentrated, in our view, with the top 10 taxpayers accounting for 25% of 2023 total AV. The majority of the top 10 taxpayers are office buildings with the remainder consisting of hotel and retail commercial properties. The top taxpayer, Transbay Tower LLC, makes up approximately 5.3% of total

AV and represents the owner of the Salesforce building in San Francisco. The second-largest taxpayer, Boston Properties (4.7% of total 2023 AV), is the owner of the Embarcadero Center developments, a cluster of large office and retail properties in the heart of the Financial District. No other single taxpayer makes up more than 4% of AV.

We note that significant AV is subject to appeal (\$6.2 billion, or roughly 18% of total AV) throughout the project areas, and that the resolution of these appeals could dampen AV and tax increment revenue growth. The agency's fiscal consultant estimates a potential reduction in value from pending appeals of \$152.6 million, or less than 0.4% of total AV, based on historical success rates.

For more information regarding remote work and office vacancies, see our report "Could Empty Offices Lead To Empty Coffers For U.S. Cities?," published June 22, 2023, on RatingsDirect.

Debt service coverage

All-in MADS coverage for the third lien for the series 2017A, 2017B, 2021A, 2023A, and 2023B bonds is 4.78x (inclusive of the senior-lien and subordinate-lien debt service). We calculate that at this coverage and with a 0.07 volatility ratio, the combined project areas could withstand a decline of 73% in total AV and maintain 1x MADS coverage. But based on the additional bonds test of 1.25x MADS for the third lien, we estimate that the combined project areas could withstand a decline of only 18% of total AV and maintain 1.0x MADS coverage.

However, the SA has preliminary plans to issue additional debt on parity with the outstanding and proposed third-lien bonds (series 2017A, 2017B, 2021A, 2023A, and 2023B) in the amount of \$497 million for affordable housing projects and \$170 million for Transbay infrastructure projects by 2030 based on estimates, based on recent conversations with management. If the SA were to issue the entire \$665 million now, pro forma all-in MADS coverage would be strong at 2.8x and the project areas could withstand a decline of 60% in total AV and maintain 1.0x MADS coverage, which is well above the additional bonds test of 1.25x MADS. We understand that the additional debt plans are preliminary and could change.

Debt management

Subsequent to dissolution, the state legislature passed Senate Bill 107, which specifically authorized the SA to issue additional debt secured by tax increment revenue to finance certain remaining enforceable obligations and eliminated redevelopment plan limits with respect to cumulative tax increment revenue and time limits relating to the payment of enforceable obligations.

The SA received its finding of completion from the state department of finance on May 29, 2013. The SA has also completed its asset transfer review by the state controller's office, with no findings that we believe could result in an interruption in tax increment revenue.

Dissolution law limits the SA revenue to payment on enforceable obligations and requires more proactive management than under the predissolution flow of funds. SA and oversight officials must adhere to deadlines for requesting debt service payment amounts and subordinating pass-through payments when necessary, and property taxes continue to be disbursed by counties semiannually, requiring active cash management on the part of agency officials tasked with depositing revenue in keeping with indenture provisions.

Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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City and County of San Francisco Successor Agency

2023A Housing (Taxable) & 2023B Transbay Third Lien Tax Allocation Bonds

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City and County of San Francisco Successor Agency

2023A Housing (Taxable) & 2023B Transbay Third Lien Tax Allocation Bonds

Distribution List as of 08/30/2023

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City and County of San Francisco Successor Agency

2023A Housing (Taxable) & 2023B Transbay Third Lien Tax Allocation Bonds

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Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

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SOURCES AND USES OF FUNDS

**Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance**

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Sources:	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Bond Proceeds:			
Par Amount	24,505,000.00	35,210,000.00	59,715,000.00
Premium		2,539,811.85	2,539,811.85
	24,505,000.00	37,749,811.85	62,254,811.85
<hr/>			
Uses:	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Project Fund Deposits:			
Project Fund	24,000,000.00	37,000,000.00	61,000,000.00
Delivery Date Expenses:			
Cost of Issuance	231,447.88	329,783.44	561,231.32
Underwriter's Discount	108,718.75	112,200.00	220,918.75
Surety Reserve (1.75%)	42,139.47	58,807.59	100,947.06
Bond Insurance (31 bps)	122,693.90	249,020.82	371,714.72
	505,000.00	749,811.85	1,254,811.85
	24,505,000.00	37,749,811.85	62,254,811.85

BOND PRICING

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Insured Taxable Serial Bonds:									
	08/01/2024	1,185,000	5.474%	5.474%	100.000				
	08/01/2025	870,000	5.424%	5.424%	100.000				
	08/01/2026	915,000	5.300%	5.300%	100.000				
	08/01/2027	965,000	5.279%	5.279%	100.000				
	08/01/2028	1,015,000	5.259%	5.259%	100.000				
	08/01/2029	1,070,000	5.346%	5.346%	100.000				
	08/01/2030	1,125,000	5.396%	5.396%	100.000				
	08/01/2031	1,190,000	5.441%	5.441%	100.000				
	08/01/2032	1,250,000	5.491%	5.491%	100.000				
	08/01/2033	1,320,000	5.541%	5.541%	100.000				
	08/01/2034	1,395,000	5.671%	5.671%	100.000				
	08/01/2035	1,475,000	5.771%	5.771%	100.000				
		13,775,000							
Insured Taxable 2041 Term Bond:									
	08/01/2036	1,560,000	5.921%	5.921%	100.000				
	08/01/2037	1,650,000	5.921%	5.921%	100.000				
	08/01/2038	1,750,000	5.921%	5.921%	100.000				
	08/01/2039	1,850,000	5.921%	5.921%	100.000				
	08/01/2040	1,960,000	5.921%	5.921%	100.000				
	08/01/2041	1,960,000	5.921%	5.921%	100.000				
		10,730,000							
Insured Tax-Exempt 2043 Term Bond:									
	08/01/2041	115,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	8,818.20
	08/01/2042	2,200,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	168,696.00
	08/01/2043	2,310,000	5.000%	4.050%	107.668 C	4.416%	08/01/2033	100.000	177,130.80
		4,625,000							354,645.00
Insured Tax-Exempt 2048 Term Bond:									
	08/01/2044	2,425,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	149,404.25
	08/01/2045	2,545,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	156,797.45
	08/01/2046	2,675,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	164,806.75
	08/01/2047	2,805,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	172,816.05
	08/01/2048	2,945,000	5.000%	4.230%	106.161 C	4.582%	08/01/2033	100.000	181,441.45
		13,395,000							825,265.95
Insured Tax-Exempt 2053 Term Bond:									
	08/01/2049	3,095,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	244,845.45
	08/01/2050	3,255,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	257,503.05
	08/01/2051	3,430,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	271,347.30
	08/01/2052	3,610,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	285,587.10
	08/01/2053	3,800,000	5.250%	4.260%	107.911 C	4.751%	08/01/2033	100.000	300,618.00
		17,190,000							1,359,900.90
		59,715,000							2,539,811.85

Dated Date 09/14/2023
Delivery Date 09/14/2023
First Coupon 02/01/2024

Par Amount 59,715,000.00
Premium 2,539,811.85

Production 62,254,811.85 104.253223%
Underwriter's Discount -220,918.75 -0.369955%

Purchase Price 62,033,893.10 103.883267%
Accrued Interest

Net Proceeds 62,033,893.10

BOND SUMMARY STATISTICS

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Aggregate
Dated Date	09/14/2023	09/14/2023	09/14/2023
Delivery Date	09/14/2023	09/14/2023	09/14/2023
First Coupon	02/01/2024	02/01/2024	02/01/2024
Last Maturity	08/01/2041	08/01/2053	08/01/2053
Arbitrage Yield	5.849791%	4.327385%	4.327385%
True Interest Cost (TIC)	5.818878%	4.657447%	4.968425%
Net Interest Cost (NIC)	5.821069%	4.860528%	5.080451%
All-In TIC	6.039509%	4.777294%	5.116758%
Average Coupon	5.779386%	5.136916%	5.284014%
Average Life (years)	10.643	24.946	19.076
Duration of Issue (years)	7.671	14.640	11.665
Par Amount	24,505,000.00	35,210,000.00	59,715,000.00
Bond Proceeds	24,505,000.00	37,749,811.85	62,254,811.85
Total Interest	15,073,678.51	45,119,297.43	60,192,975.94
Net Interest	15,182,397.26	42,691,685.58	57,874,082.84
Total Debt Service	39,578,678.51	80,329,297.43	119,907,975.94
Maximum Annual Debt Service	2,407,969.89	3,999,500.00	3,999,557.60
Average Annual Debt Service	2,213,503.85	2,688,346.85	4,012,909.86

Bond Component	Par Value	Price	Average Coupon	Average Life	Average Maturity Date	PV of 1 bp change
Insured Taxable Serial Bonds	13,775,000.00	100.000	5.52919192%	6.844	07/18/2030	7,441.35
Insured Taxable 2041 Term Bond	10,730,000.00	100.000	5.92100000%	15.522	03/23/2039	11,803.00
Insured Tax-Exempt 2043 Term Bond	4,625,000.00	107.668	5.00000000%	19.355	01/21/2043	3,931.25
Insured Tax-Exempt 2048 Term Bond	13,395,000.00	106.161	5.00000000%	22.978	09/05/2046	11,117.85
Insured Tax-Exempt 2053 Term Bond	17,190,000.00	107.911	5.25000000%	27.983	09/07/2051	14,439.60
	59,715,000.00			19.076		48,733.05

	TIC	All-In TIC	Arbitrage Yield
Par Value	59,715,000.00	59,715,000.00	35,210,000.00
+ Accrued Interest			
+ Premium (Discount)	2,539,811.85	2,539,811.85	2,539,811.85
- Underwriter's Discount	-220,918.75	-220,918.75	
- Cost of Issuance Expense		-561,231.32	
- Other Amounts		-472,661.78	-307,828.41
Target Value	62,033,893.10	61,000,000.00	37,441,983.44
Target Date	09/14/2023	09/14/2023	09/14/2023
Yield	4.968425%	5.116758%	4.327385%

BOND DEBT SERVICE BREAKDOWN

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Period Ending	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
08/01/2024	2,407,969.89	1,588,059.93	3,996,029.82
08/01/2025	2,193,994.80	1,803,475.00	3,997,469.80
08/01/2026	2,191,806.00	1,803,475.00	3,995,281.00
08/01/2027	2,193,311.00	1,803,475.00	3,996,786.00
08/01/2028	2,192,368.66	1,803,475.00	3,995,843.66
08/01/2029	2,193,989.80	1,803,475.00	3,997,464.80
08/01/2030	2,191,787.60	1,803,475.00	3,995,262.60
08/01/2031	2,196,082.60	1,803,475.00	3,999,557.60
08/01/2032	2,191,334.70	1,803,475.00	3,994,809.70
08/01/2033	2,192,697.20	1,803,475.00	3,996,172.20
08/01/2034	2,194,556.00	1,803,475.00	3,998,031.00
08/01/2035	2,195,445.56	1,803,475.00	3,998,920.56
08/01/2036	2,195,323.30	1,803,475.00	3,998,798.30
08/01/2037	2,192,955.70	1,803,475.00	3,996,430.70
08/01/2038	2,195,259.20	1,803,475.00	3,998,734.20
08/01/2039	2,191,641.70	1,803,475.00	3,995,116.70
08/01/2040	2,192,103.20	1,803,475.00	3,995,578.20
08/01/2041	2,076,051.60	1,918,475.00	3,994,526.60
08/01/2042		3,997,725.00	3,997,725.00
08/01/2043		3,997,725.00	3,997,725.00
08/01/2044		3,997,225.00	3,997,225.00
08/01/2045		3,995,975.00	3,995,975.00
08/01/2046		3,998,725.00	3,998,725.00
08/01/2047		3,994,975.00	3,994,975.00
08/01/2048		3,994,725.00	3,994,725.00
08/01/2049		3,997,475.00	3,997,475.00
08/01/2050		3,994,987.50	3,994,987.50
08/01/2051		3,999,100.00	3,999,100.00
08/01/2052		3,999,025.00	3,999,025.00
08/01/2053		3,999,500.00	3,999,500.00
	39,578,678.51	80,329,297.43	119,907,975.94

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024	1,185,000	2,811,029.82	3,996,029.82
08/01/2025	870,000	3,127,469.80	3,997,469.80
08/01/2026	915,000	3,080,281.00	3,995,281.00
08/01/2027	965,000	3,031,786.00	3,996,786.00
08/01/2028	1,015,000	2,980,843.66	3,995,843.66
08/01/2029	1,070,000	2,927,464.80	3,997,464.80
08/01/2030	1,125,000	2,870,262.60	3,995,262.60
08/01/2031	1,190,000	2,809,557.60	3,999,557.60
08/01/2032	1,250,000	2,744,809.70	3,994,809.70
08/01/2033	1,320,000	2,676,172.20	3,996,172.20
08/01/2034	1,395,000	2,603,031.00	3,998,031.00
08/01/2035	1,475,000	2,523,920.56	3,998,920.56
08/01/2036	1,560,000	2,438,798.30	3,998,798.30
08/01/2037	1,650,000	2,346,430.70	3,996,430.70
08/01/2038	1,750,000	2,248,734.20	3,998,734.20
08/01/2039	1,850,000	2,145,116.70	3,995,116.70
08/01/2040	1,960,000	2,035,578.20	3,995,578.20
08/01/2041	2,075,000	1,919,526.60	3,994,526.60
08/01/2042	2,200,000	1,797,725.00	3,997,725.00
08/01/2043	2,310,000	1,687,725.00	3,997,725.00
08/01/2044	2,425,000	1,572,225.00	3,997,225.00
08/01/2045	2,545,000	1,450,975.00	3,995,975.00
08/01/2046	2,675,000	1,323,725.00	3,998,725.00
08/01/2047	2,805,000	1,189,975.00	3,994,975.00
08/01/2048	2,945,000	1,049,725.00	3,994,725.00
08/01/2049	3,095,000	902,475.00	3,997,475.00
08/01/2050	3,255,000	739,987.50	3,994,987.50
08/01/2051	3,430,000	569,100.00	3,999,100.00
08/01/2052	3,610,000	389,025.00	3,999,025.00
08/01/2053	3,800,000	199,500.00	3,999,500.00
	59,715,000	60,192,975.94	119,907,975.94

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024	1,185,000	1,222,969.89	2,407,969.89
08/01/2025	870,000	1,323,994.80	2,193,994.80
08/01/2026	915,000	1,276,806.00	2,191,806.00
08/01/2027	965,000	1,228,311.00	2,193,311.00
08/01/2028	1,015,000	1,177,368.66	2,192,368.66
08/01/2029	1,070,000	1,123,989.80	2,193,989.80
08/01/2030	1,125,000	1,066,787.60	2,191,787.60
08/01/2031	1,190,000	1,006,082.60	2,196,082.60
08/01/2032	1,250,000	941,334.70	2,191,334.70
08/01/2033	1,320,000	872,697.20	2,192,697.20
08/01/2034	1,395,000	799,556.00	2,194,556.00
08/01/2035	1,475,000	720,445.56	2,195,445.56
08/01/2036	1,560,000	635,323.30	2,195,323.30
08/01/2037	1,650,000	542,955.70	2,192,955.70
08/01/2038	1,750,000	445,259.20	2,195,259.20
08/01/2039	1,850,000	341,641.70	2,191,641.70
08/01/2040	1,960,000	232,103.20	2,192,103.20
08/01/2041	1,960,000	116,051.60	2,076,051.60
	24,505,000	15,073,678.51	39,578,678.51

BOND DEBT SERVICE

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Period Ending	Principal	Interest	Debt Service
08/01/2024		1,588,059.93	1,588,059.93
08/01/2025		1,803,475.00	1,803,475.00
08/01/2026		1,803,475.00	1,803,475.00
08/01/2027		1,803,475.00	1,803,475.00
08/01/2028		1,803,475.00	1,803,475.00
08/01/2029		1,803,475.00	1,803,475.00
08/01/2030		1,803,475.00	1,803,475.00
08/01/2031		1,803,475.00	1,803,475.00
08/01/2032		1,803,475.00	1,803,475.00
08/01/2033		1,803,475.00	1,803,475.00
08/01/2034		1,803,475.00	1,803,475.00
08/01/2035		1,803,475.00	1,803,475.00
08/01/2036		1,803,475.00	1,803,475.00
08/01/2037		1,803,475.00	1,803,475.00
08/01/2038		1,803,475.00	1,803,475.00
08/01/2039		1,803,475.00	1,803,475.00
08/01/2040		1,803,475.00	1,803,475.00
08/01/2041	115,000	1,803,475.00	1,918,475.00
08/01/2042	2,200,000	1,797,725.00	3,997,725.00
08/01/2043	2,310,000	1,687,725.00	3,997,725.00
08/01/2044	2,425,000	1,572,225.00	3,997,225.00
08/01/2045	2,545,000	1,450,975.00	3,995,975.00
08/01/2046	2,675,000	1,323,725.00	3,998,725.00
08/01/2047	2,805,000	1,189,975.00	3,994,975.00
08/01/2048	2,945,000	1,049,725.00	3,994,725.00
08/01/2049	3,095,000	902,475.00	3,997,475.00
08/01/2050	3,255,000	739,987.50	3,994,987.50
08/01/2051	3,430,000	569,100.00	3,999,100.00
08/01/2052	3,610,000	389,025.00	3,999,025.00
08/01/2053	3,800,000	199,500.00	3,999,500.00
	35,210,000	45,119,297.43	80,329,297.43

COST OF ISSUANCE

Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

	2023 TAX TABs (Aff Hous)	2023 TE TABs (Transbay)	Total
Disclosure Agent	5,000.00	5,000.00	10,000.00
Contingency	11,210.96	15,520.36	26,731.32
Issuer	86,176.84	123,823.16	210,000.00
Financial Advisor	34,881.10	50,118.90	85,000.00
Bond Counsel	35,291.47	50,708.53	86,000.00
Disclosure Counsel	24,211.59	34,788.41	59,000.00
Fiscal Consultant	11,490.25	16,509.75	28,000.00
Trustee	3,077.74	4,422.26	7,500.00
Rating Agency	18,056.10	25,943.90	44,000.00
Printer	2,051.83	2,948.17	5,000.00
	231,447.88	329,783.44	561,231.32

PROOF OF ARBITRAGE YIELD

Office of Community Investment and Infrastructure
 2023 TAX TABs (Aff Hous)
 Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
 (Affordable Housing and Transbay Infrastructure Projects)
 'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Date	Debt Service	Present Value to 09/14/2023 @ 5.8497905502%
02/01/2024	528,539.04	517,067.96
08/01/2024	1,879,430.85	1,786,390.81
02/01/2025	661,997.40	611,344.45
08/01/2025	1,531,997.40	1,374,571.34
02/01/2026	638,403.00	556,523.80
08/01/2026	1,553,403.00	1,315,686.84
02/01/2027	614,155.50	505,389.60
08/01/2027	1,579,155.50	1,262,561.14
02/01/2028	588,684.33	457,287.75
08/01/2028	1,603,684.33	1,210,334.86
02/01/2029	561,994.90	412,096.19
08/01/2029	1,631,994.90	1,162,691.73
02/01/2030	533,393.80	369,209.88
08/01/2030	1,658,393.80	1,115,302.27
02/01/2031	503,041.30	328,691.24
08/01/2031	1,693,041.30	1,074,809.77
02/01/2032	470,667.35	290,307.12
08/01/2032	1,720,667.35	1,031,145.86
02/01/2033	436,348.60	254,060.03
08/01/2033	1,756,348.60	993,557.57
02/01/2034	399,778.00	219,725.66
08/01/2034	1,794,778.00	958,411.88
02/01/2035	360,222.78	186,892.64
08/01/2035	1,835,222.78	925,101.47
02/01/2036	317,661.65	155,576.84
08/01/2036	1,877,661.65	893,463.98
02/01/2037	271,477.85	125,508.66
08/01/2037	1,921,477.85	863,086.31
02/01/2038	222,629.60	97,158.62
08/01/2038	1,972,629.60	836,418.30
02/01/2039	170,820.85	70,371.76
08/01/2039	2,020,820.85	808,844.29
02/01/2040	116,051.60	45,130.26
08/01/2040	2,076,051.60	784,394.23
02/01/2041	58,025.80	21,300.85
08/01/2041	2,018,025.80	719,750.69
	39,578,678.51	24,340,166.63

Proceeds Summary

Delivery date	09/14/2023
Par Value	24,505,000.00
Arbitrage expenses	-164,833.37
Target for yield calculation	24,340,166.63

PROOF OF ARBITRAGE YIELD

**Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance**

Final Pricing With Rate Lock

Date	Debt Service	Present Value to 09/14/2023 @ 4.3273854220%
02/01/2024	686,322.43	675,231.14
08/01/2024	901,737.50	868,376.01
02/01/2025	901,737.50	849,984.95
08/01/2025	901,737.50	831,983.38
02/01/2026	901,737.50	814,363.07
08/01/2026	901,737.50	797,115.93
02/01/2027	901,737.50	780,234.06
08/01/2027	901,737.50	763,709.73
02/01/2028	901,737.50	747,535.36
08/01/2028	901,737.50	731,703.55
02/01/2029	901,737.50	716,207.03
08/01/2029	901,737.50	701,038.70
02/01/2030	901,737.50	686,191.63
08/01/2030	901,737.50	671,658.99
02/01/2031	901,737.50	657,434.13
08/01/2031	901,737.50	643,510.54
02/01/2032	901,737.50	629,881.84
08/01/2032	901,737.50	616,541.77
02/01/2033	901,737.50	603,484.22
08/01/2033	36,111,737.50	23,655,797.42
53,029,334.93		37,441,983.44

Proceeds Summary

Delivery date	09/14/2023
Par Value	35,210,000.00
Premium (Discount)	2,539,811.85
Arbitrage expenses	-307,828.41
Target for yield calculation	37,441,983.44

PROOF OF ARBITRAGE YIELD

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Assumed Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity
TETERM43	08/01/2041	5.000%	4.050%	08/01/2033	100.000	4.1374431%
TETERM43	08/01/2042	5.000%	4.050%	08/01/2033	100.000	4.1397316%
TETERM43	08/01/2043	5.000%	4.050%	08/01/2033	100.000	4.1420210%
TETERM48	08/01/2044	5.000%	4.230%	08/01/2033	100.000	4.3259711%
TETERM48	08/01/2045	5.000%	4.230%	08/01/2033	100.000	4.3283008%
TETERM48	08/01/2046	5.000%	4.230%	08/01/2033	100.000	4.3306311%
TETERM48	08/01/2047	5.000%	4.230%	08/01/2033	100.000	4.3329619%
TETERM48	08/01/2048	5.000%	4.230%	08/01/2033	100.000	4.3352932%
TETERM53	08/01/2049	5.250%	4.260%	08/01/2033	100.000	4.3697743%
TETERM53	08/01/2050	5.250%	4.260%	08/01/2033	100.000	4.3722028%
TETERM53	08/01/2051	5.250%	4.260%	08/01/2033	100.000	4.3746318%
TETERM53	08/01/2052	5.250%	4.260%	08/01/2033	100.000	4.3770614%
TETERM53	08/01/2053	5.250%	4.260%	08/01/2033	100.000	4.3794915%

Rejected Call/Computation Dates for Premium Bonds

Bond Component	Maturity Date	Rate	Yield	Call Date	Call Price	Yield To Call/Maturity	Increase to Yield
TETERM43	08/01/2041	5.000%	4.050%			4.4340371%	0.2965941%
TETERM43	08/01/2042	5.000%	4.050%			4.4543260%	0.3145944%
TETERM43	08/01/2043	5.000%	4.050%			4.4725133%	0.3304923%
TETERM48	08/01/2044	5.000%	4.230%			4.5970158%	0.2710447%
TETERM48	08/01/2045	5.000%	4.230%			4.6089858%	0.2806849%
TETERM48	08/01/2046	5.000%	4.230%			4.6198824%	0.2892513%
TETERM48	08/01/2047	5.000%	4.230%			4.6298420%	0.2968801%
TETERM48	08/01/2048	5.000%	4.230%			4.6389790%	0.3036857%
TETERM53	08/01/2049	5.250%	4.260%			4.7758370%	0.4060626%
TETERM53	08/01/2050	5.250%	4.260%			4.7856534%	0.4134506%
TETERM53	08/01/2051	5.250%	4.260%			4.7947295%	0.4200977%
TETERM53	08/01/2052	5.250%	4.260%			4.8031441%	0.4260827%
TETERM53	08/01/2053	5.250%	4.260%			4.8109651%	0.4314736%

FORM 8038 STATISTICS

Office of Community Investment and Infrastructure
2023 TAX TABs (Aff Hous)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Insured Taxable Serial Bonds:						
	08/01/2024	1,185,000.00	5.474%	100.000	1,185,000.00	1,185,000.00
	08/01/2025	870,000.00	5.424%	100.000	870,000.00	870,000.00
	08/01/2026	915,000.00	5.300%	100.000	915,000.00	915,000.00
	08/01/2027	965,000.00	5.279%	100.000	965,000.00	965,000.00
	08/01/2028	1,015,000.00	5.259%	100.000	1,015,000.00	1,015,000.00
	08/01/2029	1,070,000.00	5.346%	100.000	1,070,000.00	1,070,000.00
	08/01/2030	1,125,000.00	5.396%	100.000	1,125,000.00	1,125,000.00
	08/01/2031	1,190,000.00	5.441%	100.000	1,190,000.00	1,190,000.00
	08/01/2032	1,250,000.00	5.491%	100.000	1,250,000.00	1,250,000.00
	08/01/2033	1,320,000.00	5.541%	100.000	1,320,000.00	1,320,000.00
	08/01/2034	1,395,000.00	5.671%	100.000	1,395,000.00	1,395,000.00
	08/01/2035	1,475,000.00	5.771%	100.000	1,475,000.00	1,475,000.00
Insured Taxable 2041 Term Bond:						
	08/01/2036	1,560,000.00	5.921%	100.000	1,560,000.00	1,560,000.00
	08/01/2037	1,650,000.00	5.921%	100.000	1,650,000.00	1,650,000.00
	08/01/2038	1,750,000.00	5.921%	100.000	1,750,000.00	1,750,000.00
	08/01/2039	1,850,000.00	5.921%	100.000	1,850,000.00	1,850,000.00
	08/01/2040	1,960,000.00	5.921%	100.000	1,960,000.00	1,960,000.00
	08/01/2041	1,960,000.00	5.921%	100.000	1,960,000.00	1,960,000.00
		24,505,000.00			24,505,000.00	24,505,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2041	5.921%	1,960,000.00	1,960,000.00		
Entire Issue			24,505,000.00	24,505,000.00	10.6435	5.8498%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	340,166.63
Proceeds used for credit enhancement	164,833.37
Proceeds allocated to reasonably required reserve or replacement fund	0.00

FORM 8038 STATISTICS

Office of Community Investment and Infrastructure
2023 TE TABs (Transbay)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance

Final Pricing With Rate Lock

Dated Date 09/14/2023
Delivery Date 09/14/2023

Bond Component	Date	Principal	Coupon	Price	Issue Price	Redemption at Maturity
Insured Tax-Exempt 2043 Term Bond:						
	08/01/2041	115,000.00	5.000%	107.668	123,818.20	115,000.00
	08/01/2042	2,200,000.00	5.000%	107.668	2,368,696.00	2,200,000.00
	08/01/2043	2,310,000.00	5.000%	107.668	2,487,130.80	2,310,000.00
Insured Tax-Exempt 2048 Term Bond:						
	08/01/2044	2,425,000.00	5.000%	106.161	2,574,404.25	2,425,000.00
	08/01/2045	2,545,000.00	5.000%	106.161	2,701,797.45	2,545,000.00
	08/01/2046	2,675,000.00	5.000%	106.161	2,839,806.75	2,675,000.00
	08/01/2047	2,805,000.00	5.000%	106.161	2,977,816.05	2,805,000.00
	08/01/2048	2,945,000.00	5.000%	106.161	3,126,441.45	2,945,000.00
Insured Tax-Exempt 2053 Term Bond:						
	08/01/2049	3,095,000.00	5.250%	107.911	3,339,845.45	3,095,000.00
	08/01/2050	3,255,000.00	5.250%	107.911	3,512,503.05	3,255,000.00
	08/01/2051	3,430,000.00	5.250%	107.911	3,701,347.30	3,430,000.00
	08/01/2052	3,610,000.00	5.250%	107.911	3,895,587.10	3,610,000.00
	08/01/2053	3,800,000.00	5.250%	107.911	4,100,618.00	3,800,000.00
		35,210,000.00			37,749,811.85	35,210,000.00

	Maturity Date	Interest Rate	Issue Price	Stated Redemption at Maturity	Weighted Average Maturity	Yield
Final Maturity	08/01/2053	5.250%	4,100,618.00	3,800,000.00		
Entire Issue			37,749,811.85	35,210,000.00	24.9595	4.3274%

Proceeds used for accrued interest	0.00
Proceeds used for bond issuance costs (including underwriters' discount)	441,983.44
Proceeds used for credit enhancement	307,828.41
Proceeds allocated to reasonably required reserve or replacement fund	0.00

UNDERWRITER EXCLUSION DISCLOSURE

**Office of Community Investment and Infrastructure
(Successor Agency to the Redevelopment Agency of the City and County of San Francisco)
Taxable and Tax-Exempt Third Lien Tax Allocation Bonds
(Affordable Housing and Transbay Infrastructure Projects)
'A' S&P Rating with 'AA' Rated Insurance**

Final Pricing With Rate Lock

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August 31, 2023

Assured Guaranty Municipal Corp.
1633 Broadway, 24th Floor
New York, NY 10019
Attention: Richard Bauerfeld, Managing Director

Re: \$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco, 2023 Series A, Taxable Third Lien Tax Allocation Bonds, (Affordable Housing Projects), (Social Bonds), dated: Date of Delivery, due: August 01, 2024-2035, 2041 (POLICY #222804-N)

Dear Richard Bauerfeld,

S&P Global Ratings has reviewed the rating on the above-referenced obligations. After such review, we have changed the rating from "A" to "AA" on the above obligations. The rating on the above obligations is based on the policy provided by your company.

We may adjust the underlying rating and the capital charge as a result of changes in the financial position of the issuer or performance of the collateral, or of amendments to the documents governing the issue, as applicable. With respect to the latter, please notify us of any changes or amendments over the term of the debt.

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S&P Global Ratings
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August 31, 2023

Assured Guaranty Municipal Corp.
1633 Broadway, 24th Floor
New York, NY 10019
Attention: Richard Bauerfeld, Managing Director

Re: \$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco, 2023 Series B, Third Lien Tax Allocation Bonds, (Transbay Infrastructure Projects), dated: Date of Delivery, due August 01, 2043, 2048, 2053 (POLICY #222840-N)

Dear Richard Bauerfeld,

S&P Global Ratings has reviewed the rating on the above-referenced obligations. After such review, we have changed the rating from "A" to "AA" on the above obligations. The rating on the above obligations is based on the policy provided by your company.

We may adjust the underlying rating and the capital charge as a result of changes in the financial position of the issuer or performance of the collateral, or of amendments to the documents governing the issue, as applicable. With respect to the latter, please notify us of any changes or amendments over the term of the debt.

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S&P Global Ratings
Terms and Conditions Applicable To Public Finance Credit Ratings

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No Third Party Beneficiaries. Nothing in any credit rating engagement, or a credit rating when issued, is intended or should be construed as creating any rights on behalf of any third parties, including, without limitation, any recipient of a credit rating. No person is intended as a third party beneficiary of any credit rating engagement or of a credit rating when issued.

RatingsDirect®

Summary:

Successor Agency to the Redevelopment Agency of the City and County of San Francisco; Tax Increment

Primary Credit Analyst:

Brian Phuvan, San Francisco + 1 (415) 371 5094; brian.phuvan@spglobal.com

Secondary Contact:

Cenisa C Gutierrez, San Francisco (510) 206-8913; cenisa.gutierrez@spglobal.com

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Outlook

Credit Opinion

Related Research

Summary:

Successor Agency to the Redevelopment Agency of the City and County of San Francisco; Tax Increment

Credit Profile

US\$38.615 mil 3rd lien tax alloc bnds (Transbay Infrastructure Projects) ser 2023B due 08/01/2053

<i>Long Term Rating</i>	A/Stable	New
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US\$26.605 mil taxable 3rd lien tax alloc bnds (Affordable Housing Projects) ser 2023A due 08/01/2053

<i>Long Term Rating</i>	A/Stable	New
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Successor Agy to the San Francisco City and Cnty Redev Agy taxable tax incre (AGM)

<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
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Successor Agy to the San Francisco City and Cnty RDA tax alloc bnds (AGM)

<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
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Successor Agy to the San Francisco City and Cnty RDA TABs (AGM)

<i>Unenhanced Rating</i>	A(SPUR)/Stable	Affirmed
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Many issues are enhanced by bond insurance.

Credit Highlights

- S&P Global Ratings assigned its 'A' long-term rating to the Successor Agency (SA) to the Redevelopment Agency of the City and County of San Francisco's anticipated \$26.6 million series 2023A taxable third-lien tax allocation bonds (TABs) and \$38.6 million series 2023B third-lien TABs.
- At the same time, S&P Global Ratings affirmed its 'A' long-term rating and underlying rating (SPUR) on the SA's series 2017A, 2017B, and 2021A bonds outstanding.
- The outlook is stable.

Security

A third lien on tax increment revenue, including the former housing set-aside, generated from 10 separate project areas and deposited from time to time into the redevelopment property tax trust fund, net of senior county charges and obligations, secures the series 2017A, 2017B, 2021A, 2023A, and 2023B bonds. A debt service reserve funded with bond proceeds or an investment-grade surety at the lowest of maximum annual debt service (MADS), 10% of principal, or 125% of average annual debt service further secures the bonds.

The 10 contributing project areas are:

- Bayview Hunters Point Project Area A,
- Bayview Hunters Point Project Area B - Zone 2,
- Embarcadero-Lower Market Golden Gateway Project Area,

- Hunters Point Hill Residential District (Hunter's Point Shipyard Project Area),
- India Basin Industrial Park Project Area,
- Rincon Point-South Beach Project Area,
- South of Market Project Area,
- Transbay Project Area (excluding state-owned parcels),
- Western Addition Project Area A-2, and
- Yerba Buena Center Project Area D-1.

We note that the third lien is open and that the state's redevelopment agency (RDA) dissolution law allows the issuance of additional debt for capital purposes. The indenture of trust permits the SA to issue additional parity bonds, provided that pledged revenue is sufficient to cover annual debt service on all parity obligations subject to an additional bonds test of at least 1.25x MADS. The outstanding and proposed third-lien bonds (series 2017A, 2017B, 2021A, 2023A, and 2023B) were issued or will be issued to finance development obligations for affordable housing and/or the Transbay infrastructure projects.

Credit overview

The SA, also known as the Office of Community Infrastructure and Investment of the City and County of San Francisco became the SA to the former RDA following the dissolution of California RDAs in 2011. The SA taxing base consists of 10 project areas listed above and are distributed throughout the downtown and southeastern quadrant of the city and county.

The city and county covers 49 square miles on a peninsula bounded by the Pacific Ocean to the west and the San Francisco Bay to the east. San Francisco is also one of nine counties in the Bay Area, the residents of which have access to major industries that include technology, business services, hospitality, manufacturing, and food processing. Median household effective buying income in the city and county is well above average at 168% of the national median.

San Francisco has experienced a slight population decline of about 1% in recent years, with an estimated population of 888,361. The population decline was partly the result of the pandemic, during which residents sought larger homes elsewhere with the transition to remote working. Remote work has contributed to an increase in office vacancy with a reported rate of 29% compared with approximately 5% prior to the pandemic. Citywide hotel occupancy declined significantly since the onset of the pandemic in 2020, but has improved annually to 65% as of May 2023 compared to 83% prior to the pandemic in May 2019. Overall, San Francisco's assessed value (AV) has grown at a slower rate in recent years, but the project areas still yielded pledged revenue sufficient to support all-in MADS coverage well above 3x.

The rating further reflects our view of the third lien's:

- Very strong MADS coverage at more than 3x historically and at 4.8x MADS coverage based on fiscal 2023 net pledged revenue;
- Moderately concentrated project area tax base, with the top 10 taxpayers accounting for 25% of total AV; and

- Open third lien.

Environmental, social, and governance

The SA's exposure to environmental risks (in terms of physical risks), primarily from earthquakes and sea level rise, are a key concern for the region. However, the city has managed seismic risk through the use of robust building codes, and is working to mitigate sea level rise through an assessment of vulnerable areas and capital improvements that have included debt-financed seawall construction.

We view the city's social and governance risks as comparable to those of its national peers. The city has made housing affordability, which we view as a social risk that can threaten economic performance, a priority, such as by developing income-tested affordable housing as a way of slowing gentrification in a high-cost region. The city manages cybersecurity risk, a form of governance risk, by using cloud-based services and backups for resiliency, adopting an information technology master plan to minimize the risk of obsolescence, and making information technology management a senior position.

Outlook

The stable outlook reflects our view that the 10 project areas will remain stable at a minimum and provide sufficient pledged revenue to maintain MADS coverage.

Downside scenario

We could lower the ratings if the project areas experienced a sudden decline in AV, resulting in coverage falling to a level below the additional bonds test without an expectation of recovery in the near term.

Upside scenario

We could raise the rating on the third-lien bonds should our expectations for additional parity debt change as a result of a limited need to fund related capital projects, if MADS coverage remains very strong despite the issuance of additional debt or declines in AV, and if tax base concentration continues to decrease with several years of projected strong AV growth in commercial property.

Credit Opinion

Tax base and concentration

The 10 project areas encompass an aggregate 2,263 acres and account for \$34.4 billion in total AV (42% commercial and 38% residential). Together, the project areas have shown resiliency to economic pressures and experienced consistent AV growth since 2008, including during the Great Recession. Most recently, AV grew approximately 5.3% for fiscal 2023 after growing by a modest 0.8% in fiscal 2022, though this is still substantially lower than the double-digit increases of previous years.

The combined project areas' tax base is moderately concentrated, in our view, with the top 10 taxpayers accounting for 25% of 2023 total AV. The majority of the top 10 taxpayers are office buildings with the remainder consisting of hotel and retail commercial properties. The top taxpayer, Transbay Tower LLC, makes up approximately 5.3% of total

AV and represents the owner of the Salesforce building in San Francisco. The second-largest taxpayer, Boston Properties (4.7% of total 2023 AV), is the owner of the Embarcadero Center developments, a cluster of large office and retail properties in the heart of the Financial District. No other single taxpayer makes up more than 4% of AV.

We note that significant AV is subject to appeal (\$6.2 billion, or roughly 18% of total AV) throughout the project areas, and that the resolution of these appeals could dampen AV and tax increment revenue growth. The agency's fiscal consultant estimates a potential reduction in value from pending appeals of \$152.6 million, or less than 0.4% of total AV, based on historical success rates.

For more information regarding remote work and office vacancies, see our report "Could Empty Offices Lead To Empty Coffers For U.S. Cities?," published June 22, 2023, on RatingsDirect.

Debt service coverage

All-in MADS coverage for the third lien for the series 2017A, 2017B, 2021A, 2023A, and 2023B bonds is 4.78x (inclusive of the senior-lien and subordinate-lien debt service). We calculate that at this coverage and with a 0.07 volatility ratio, the combined project areas could withstand a decline of 73% in total AV and maintain 1x MADS coverage. But based on the additional bonds test of 1.25x MADS for the third lien, we estimate that the combined project areas could withstand a decline of only 18% of total AV and maintain 1.0x MADS coverage.

However, the SA has preliminary plans to issue additional debt on parity with the outstanding and proposed third-lien bonds (series 2017A, 2017B, 2021A, 2023A, and 2023B) in the amount of \$497 million for affordable housing projects and \$170 million for Transbay infrastructure projects by 2030 based on estimates, based on recent conversations with management. If the SA were to issue the entire \$665 million now, pro forma all-in MADS coverage would be strong at 2.8x and the project areas could withstand a decline of 60% in total AV and maintain 1.0x MADS coverage, which is well above the additional bonds test of 1.25x MADS. We understand that the additional debt plans are preliminary and could change.

Debt management

Subsequent to dissolution, the state legislature passed Senate Bill 107, which specifically authorized the SA to issue additional debt secured by tax increment revenue to finance certain remaining enforceable obligations and eliminated redevelopment plan limits with respect to cumulative tax increment revenue and time limits relating to the payment of enforceable obligations.

The SA received its finding of completion from the state department of finance on May 29, 2013. The SA has also completed its asset transfer review by the state controller's office, with no findings that we believe could result in an interruption in tax increment revenue.

Dissolution law limits the SA revenue to payment on enforceable obligations and requires more proactive management than under the predissolution flow of funds. SA and oversight officials must adhere to deadlines for requesting debt service payment amounts and subordinating pass-through payments when necessary, and property taxes continue to be disbursed by counties semiannually, requiring active cash management on the part of agency officials tasked with depositing revenue in keeping with indenture provisions.

Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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August 1, 2023

VIA EMAIL

Mr. John Daigle, Debt Manager
Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
One South Van Ness Avenue, 5th Floor
San Francisco, California 94103

Re: Not to exceed \$65,430,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Dear Mr. Daigle:

Attached please find Assured Guaranty Municipal Corp.'s ("AGM") municipal bond insurance commitment and municipal bond debt service reserve insurance commitments (collectively, the "Commitments"), both in respect of the above-referenced issue (the "Bonds"). Please return fully executed copies of the Commitments to Ms. Erika Paredes, at the email address indicated below, on or before the date of pricing the Bonds.

Please note that a blacklined copy of each draft of the financing documents, opinions, preliminary and final official statements, as applicable, and bond proof should be delivered to AGM for review and comment. AGM will require an electronic copy of the final official statement prior to the closing date of the Bonds.

The email transmitting the Commitments includes a link to AGM's website, where the logo, statement of insurance, disclosure language, specimen municipal bond insurance policy and procedures for premium payment may be accessed and downloaded as needed.

Upon acceptance and satisfaction of the conditions of the Commitments, the following must occur in order for AGM to complete its review of applicable disclosure and financing documents in advance of the closing date, request the assignment of an insured rating for the Bonds, and timely issue its policies:

- The financing schedule and a distribution list should be forwarded to the attention of the Closing Coordinator listed below.
- A copy of (i) the preliminary official statement and the final official statement, each of which shall include to the extent applicable the disclosure provided by AGM and the specimen municipal bond insurance policy and any other references to AGM, and (ii) the Bonds, together with the legend to be affixed to such Bonds, must be delivered to the Closing Coordinator by email in order that AGM may confirm its accuracy.
- Once determined, the underwriters' final pricing numbers, including the final debt service schedule for the Bonds, should be delivered to the credit analyst and Closing Coordinator responsible for the transaction by email in order that AGM may confirm the premium to be paid for the policies and request the assignment of an insured rating for the Bonds.
- A copy of either (i) the final pricing wire with CUSIP numbers shown or CUSIP wire evidencing the CUSIP numbers assigned to the Bonds; or (ii) the letter from the CUSIP Service Bureau listing the CUSIP numbers assigned to the Bonds should be delivered to the Closing Coordinator listed below by email in order that AGM may request the assignment of an insured rating for the Bonds.

Assured Guaranty Municipal Corp.

1633 Broadway
New York, NY 10019

main 1 212 974 0100
fax 1 212 581 3268

info@agltd.com

AssuredGuaranty.com

Mr. John Daigle, Debt Manager
Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
August 1, 2023
Page 2

AGM will deliver to Bond Counsel at the pre-closing, assuming the requirements of the Commitments have been met, an opinion of counsel as to the validity of the policies, a disclosure, no default and tax certificate and the policies. Prior to the closing, AGM will obtain rating letters from the rating agencies specified by the underwriter or purchaser of the Bonds. Note that any questions with regard to rating agency fees should be directed to the respective rating agency.

Please include the following people on the Distribution List for this transaction:

Eric Torkelson, Counsel	Telephone: (212) 408-6057 Email: ETorkelson@agltd.com
Andrew Porges, Director	Telephone: (415) 995-8009 Email: APorges@agltd.com
Erika Paredes, Closing Coordinator	Telephone: (212) 893-2706 Email: EParedes@agltd.com

As a post-closing condition, AGM shall receive an electronic copy of the final closing transcript of proceedings.

AGM looks forward to working with you on this transaction.

Very truly yours,



Eric Torkelson
Counsel

cc: Juan Galvan, Esq.; Jones Hall
Thomas Jacob; Stifel Nicolaus
Brian Forbath, Esq.; Stradling Yocca Carlson & Rauth
Sarah Hollenbeck; PFM Financial Advisors LLC



MUNICIPAL BOND INSURANCE COMMITMENT

ASSURED GUARANTY MUNICIPAL CORP. ("AGM") hereby commits to issue its Municipal Bond Insurance Policy (the "Policy") relating to whole maturities of the debt obligations described in Exhibit A attached hereto (the "Bonds"), subject to the terms and conditions set forth in this Municipal Bond Insurance Commitment or added hereto (the "Commitment"). For the avoidance of doubt, each of the Exhibits attached hereto is an integrated part of this Commitment. To keep this Commitment in effect after the Expiration Date set forth in Exhibit A attached hereto, a request for renewal must be submitted to AGM prior to such Expiration Date. AGM reserves the right to refuse wholly or in part to grant a renewal.

CALIFORNIA BOND PURCHASE DISCLOSURE

CALIFORNIA LAW PROHIBITS A FINANCIAL GUARANTY INSURER FROM PROMISING OR AGREEING TO PURCHASE, DIRECTLY OR INDIRECTLY, ANY BONDS TO BE INSURED IN EXCHANGE FOR THE USE OF ITS INSURANCE.

THE POLICY SHALL BE ISSUED IF THE FOLLOWING CONDITIONS ARE SATISFIED:

1. The disclosure document relating to the Bonds (the "Official Statement") shall not contain any untrue or misleading statement of a material fact and shall not fail to state a material fact necessary in order to make the information contained therein not misleading.
2. No event shall occur which would permit any underwriter or purchaser of the Bonds, otherwise required, not to be required to underwrite or purchase the Bonds on the date scheduled for the issuance and delivery thereof (the "Closing Date").
3. On the date hereof and on the Closing Date, there shall have been no material adverse change in or affecting the Issuer or the Bonds (including, without limitation, the security for the Bonds or the proposed debt service schedule of the Bonds), the Official Statement, the financing documents to be executed and delivered with respect to the Bonds, the legal opinions to be executed and delivered in connection with the issuance and sale of the Bonds, or any other information submitted to AGM with respect to the referenced transaction, or the Bonds, from that previously delivered or otherwise communicated to AGM.
4. The Bonds shall contain no reference to AGM, the Policy or the insurance evidenced thereby except as may be approved by AGM. BOND PROOFS SHALL HAVE BEEN APPROVED BY AGM PRIOR TO PRINTING. The Bonds shall bear a Statement of Insurance in the form provided by AGM.
5. The Official Statement shall contain the language provided by AGM and only such other references to AGM or otherwise as AGM shall supply or approve.
6. AGM shall be provided with:
 - (a) Executed copies of all financing documents, the Official Statement and the various legal opinions delivered in connection with the issuance and sale of the Bonds (which shall be dated the Closing Date and which, except for the opinions of counsel relating to the adequacy of disclosure and the opinion of counsel to the underwriter(s), shall be addressed to AGM or accompanied by a letter of such counsel permitting AGM to rely on such opinion as if such opinion were addressed to AGM), including, without limitation, the approving opinion of bond counsel. Each of the foregoing shall be in form and substance acceptable to AGM. Copies of all drafts of such documents prepared subsequent to the date of the Commitment (blacklined to reflect all revisions from previously reviewed drafts) shall be furnished to AGM for review and approval. Final drafts of such documents shall be provided to AGM at least three (3) business days prior to the issuance of the Policy, unless AGM shall agree to some shorter period.
 - (b) Evidence of wire transfer in federal funds of an amount equal to the insurance premium, unless alternative arrangements for the payment of such amount acceptable to AGM have been made prior to the delivery date of the Bonds. Payment of the insurance premium is a condition to release of the Policy by AGM.

(c) S&P Global and Moody's Investors Service Inc., if applicable, will separately present bills for their respective fees relating to the Bonds. Payment of such bills by or on behalf of the Issuer should be made directly to such rating agency. Payment of the rating fee is not a condition to release of the Policy by AGM.

7. Promptly after the closing of the Bonds, AGM shall receive an electronic copy of the final closing transcript of proceedings.

**MUNICIPAL BOND INSURANCE COMMITMENT
TERM SHEET**

Issuer: Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Name of Bonds Insured: 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Principal Amount of Bonds Insured: Not to exceed in the aggregate \$65,430,000

Date of Commitment: August 1, 2023 Expiration Date: Friday, October 6, 2023*

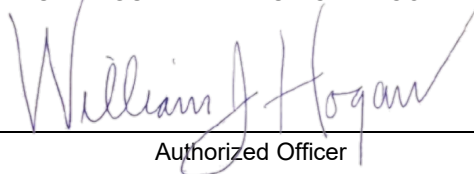
Premium: .31% of total debt service on the Bonds Insured

Additional Conditions:

1. The Indenture and closing documents, and amortization schedule for, and final maturity date of, the Bonds shall be acceptable to AGM.
2. Each of the financing documents relating to the Bonds Insured shall be acceptable to AGM and contain substantially identical terms and conditions relating to AGM and the Policy as set forth in the same financing documents relating to the Issuer's 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2021 Bonds") insured by AGM on December 15, 2021 (AGM Policy No. 221776-N).
3. AGM shall be provided with legal opinions substantially identical to those delivered in connection with the 2021 Bonds (which, except for the opinions of counsel to the underwriter, shall be addressed to AGM or accompanied by a letter of such counsel permitting AGM to rely on such as if such opinion were addressed to AGM).

Capitalized terms used in this Commitment and not otherwise defined shall have the meanings assigned to them in the transaction document authorizing the issuance of, and setting forth the terms for, the Bonds described above (the "Indenture").

ASSURED GUARANTY MUNICIPAL CORP.


Authorized Officer

*To maintain the Commitment in effect until the Expiration Date, AGM must receive a duplicate of this Exhibit A executed by an authorized officer of the Issuer on or before the date of pricing the Bonds. This Commitment may be delivered by the exchange of executed signature pages by email with a .pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as the originally signed version of such signature page.

The undersigned, an authorized officer of the Issuer, agrees that (i) if the Bonds are insured by a policy of municipal bond insurance, such insurance shall be provided by AGM in accordance with the terms of this Commitment; (ii) the Issuer has made its own independent investigation and decision as to whether to insure the payment when due of the principal of and interest on the Bonds and whether the Policy is appropriate or proper for it based upon its own judgment and upon advice from such legal and financial advisers as it has deemed necessary; (iii) AGM has not made, and therefore the Issuer is not relying on, any recommendation from AGM that the Issuer

insure the Bonds or obtain the Policy; it being understood and agreed that communications from AGM (whether written or oral) referring to, containing information about or negotiating the terms and conditions of the Policy, any related insurance document or the documentation governing the Bonds do not constitute a recommendation to insure the Bonds or obtain the Policy; (iv) the Issuer acknowledges that AGM has not made any representation, warranty or undertaking, and has not given any assurance or guaranty, in each case, expressed or implied, concerning its future financial strength or the rating of AGM's financial strength by the rating agencies; (v) the Issuer acknowledges that the ratings of AGM reflect only the views of the rating agencies and an explanation of the significance of such ratings may be obtained only from the rating agencies; (vi) the Issuer understands that such ratings may not continue for any given time period and instead may change over time, including without limitation being placed under review for possible downgrade, revised downward, withdrawn entirely by the relevant rating agency if, in the judgment of such rating agency, circumstances so warrant, or withdrawn entirely by AGM in its sole discretion; (vii) the Issuer acknowledges that AGM undertakes no responsibility to bring to its attention, and shall have no liability for, the placement of a rating under review for possible downgrade or the downward revision or withdrawal of any rating obtained, and that any such review for possible downgrade, downward revision or withdrawal may have an adverse effect on the Bonds; and (viii) the Issuer acknowledges that AGM pays rating agencies to rate AGM's financial strength, but that such payment is not in exchange for any specific rating or for a rating within any particular range. Notwithstanding anything to the contrary set forth herein, if all or a portion of the Bonds are insured by the Policy, the provisions set forth under subparagraphs (ii) through (viii) above shall survive the expiration or termination of this Commitment.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

DocuSigned by:

Thor Kaslofsky

B10961FA8449406...

Authorized Officer

**PROCEDURES FOR PREMIUM PAYMENT
TO
ASSURED GUARANTY MUNICIPAL CORP.
("AGM")**

AGM's issuance of its municipal bond insurance policy and municipal bond debt service reserve insurance policy at bond closing is contingent upon payment and receipt of the premium. NO POLICY MAY BE RELEASED UNTIL PAYMENT OF SUCH AMOUNT HAS BEEN CONFIRMED. Set forth below are the procedures to be followed for confirming the amount of the premium to be paid and for paying such amount:

Confirmation of
Amount to be Paid:

**Upon determination of the final debt service schedule, email
such schedule to AGM**

Attention: Andrew Porges, Director
Phone No.: (415) 995-8009
Email: APorges@agltd.com

Confirm with AGM's credit analyst that you are in agreement with respect to par and premium on the transaction prior to the closing date.

Payment Date: Date of Delivery of the insured bonds.

Method of Payment: Wire transfer of Federal Funds.

Wire Transfer Instructions:

Beneficiary Bank:	BNYMellon, New York
ABA Number:	021 000 018
Address:	One Wall Street, New York, NY 10286
Beneficiary:	Assured Guaranty Municipal Corp.
Account Number:	8900297263
Policy Numbers:	[To Be Assigned]

CONFIRMATION OF PREMIUM WIRE NUMBER AT CLOSING

The wire transfer number and the name of the sending bank shall be communicated on the closing date to Erika Paredes, Closing Coordinator, (212) 893-2706 EParedes@agltd.com.



MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE COMMITMENT

Issuer: Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Related Bonds: 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects)
(Social Bonds)

Premium: 1.75% of Policy Limit

Date of Commitment: August 1, 2023 Expiration Date: Friday, October 6, 2023

Policy Limit: A dollar amount equal to the Reserve Requirement for the Related Bonds, as specified under the Indenture (defined below)

ASSURED GUARANTY MUNICIPAL CORP. ("AGM") hereby commits to issue its Municipal Bond Debt Service Reserve Insurance Policy (the "Reserve Policy"), in the form attached hereto as Exhibit A, relating to the above-described debt obligations (the "Bonds"), subject to the terms and conditions contained herein or added hereto (the "Commitment"). For the avoidance of doubt, each of the Exhibits attached hereto is an integrated part of this Commitment. All terms used herein and not otherwise defined shall have the meanings ascribed to them in the document setting forth the security for and authorizing the issuance of the Bonds (the "Indenture").

To maintain the Commitment in effect until the Expiration Date set forth above, AGM must receive a duplicate of this Commitment executed by an authorized officer of the Issuer on or before the date of pricing the Bonds. To keep this Commitment in effect after the Expiration Date, a request for renewal must be submitted to AGM prior to such Expiration Date. AGM reserves the right to refuse wholly or in part to grant a renewal.

CALIFORNIA BOND PURCHASE DISCLOSURE

CALIFORNIA LAW PROHIBITS A FINANCIAL GUARANTY INSURER FROM PROMISING OR AGREEING TO PURCHASE, DIRECTLY OR INDIRECTLY, ANY BONDS TO BE INSURED IN EXCHANGE FOR THE USE OF ITS INSURANCE.

THE RESERVE POLICY SHALL BE ISSUED UPON SATISFACTION OF THE FOLLOWING CONDITIONS:

1. The disclosure document relating to the Bonds (the "Official Statement") shall not contain any untrue or misleading statement of a material fact and shall not fail to state a material fact necessary in order to make the information contained therein not misleading.
2. No event shall occur which would permit any underwriter or purchaser of the Bonds, otherwise required, not to be required to underwrite or purchase the Bonds on the date scheduled for the issuance and delivery thereof (the "Closing Date").
3. On the date hereof and on the Closing Date, there shall have been no material adverse change in or affecting the Issuer or the Bonds (including, without limitation, the security for the Bonds or the proposed debt service schedule of the Bonds), the Official Statement, the financing documents to be executed and delivered with respect to the Bonds, the legal opinions to be executed and delivered in connection with the issuance and sale of the

Bonds, or any other information submitted to AGM with respect to the referenced transaction, or the Bonds, from that previously delivered or otherwise communicated to AGM.

4. The Official Statement relating to the Bonds shall contain only such references to the Reserve Policy and AGM as AGM shall supply or approve.

5. AGM shall insure at least 50% of the Bonds, including the final maturity thereof (collectively, the "Insured Bonds"), pursuant to its Commitment Letter dated August 1, 2023.

6. The Reserve Policy shall expire on the earlier of the date the Insured Bonds are no longer outstanding and the final maturity date of the Insured Bonds.

7. The Second Supplement to the Indenture for the Bonds shall contain substantially identical provisions in respect of AGM and the Reserve Policy as set forth in the First Supplement to the Indenture for the Issuer's 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2021 Bonds") insured by AGM on December 15, 2021 (AGM Policy No. 221776-N).

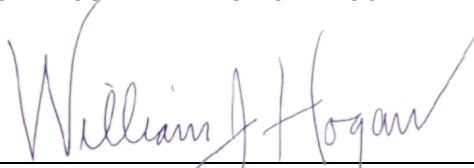
8. Prior to closing of the Bonds, AGM shall be provided with:

(a) Opinions from counsel that are substantially identical to the opinions delivered to AGM by counsel in connection with the 2021 Bonds; and

(b) Evidence of wire transfer in federal funds in an amount equal to the insurance premium, unless alternative arrangements for the payment of such amount acceptable to AGM have been made prior to the delivery date of the Reserve Policy. Payment of the insurance premium is a condition to release of the Reserve Policy by AGM.

9. Promptly after the closing of the Bonds, AGM shall receive an electronic copy of the final closing transcript of proceedings.

ASSURED GUARANTY MUNICIPAL CORP.



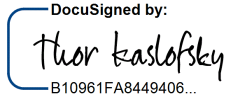
Authorized Officer

This Commitment may be delivered by the exchange of executed signature pages by email with a .pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as the originally signed version of such signature page.

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The undersigned, an authorized officer of the Issuer, agrees that (i) if the debt service reserve fund requirement for the Bonds is satisfied by a credit instrument, such credit instrument shall be the Reserve Policy provided by AGM in accordance with the terms of this Commitment; (ii) the Issuer has made its own independent investigation and decision as to whether to obtain the Reserve Policy and whether the Reserve Policy is appropriate or proper for it based upon its own judgment and upon advice from such legal and financial advisers as it has deemed necessary; (iii) AGM has not made, and therefore the Issuer is not relying on, any recommendation from AGM that the Issuer deposit a credit instrument into the debt service reserve fund for the Bonds or obtain the Reserve Policy; it being understood and agreed that communications from AGM (whether written or oral) referring to, containing information about or negotiating the terms and conditions of the Reserve Policy, any related insurance document or the documentation governing the Bonds do not constitute a recommendation to obtain the Reserve Policy; (iv) the Issuer acknowledges that AGM has not made any representation, warranty or undertaking, and has not given any assurance or guaranty, in each case, expressed or implied, concerning its future financial strength or the rating of AGM's financial strength by the rating agencies; (v) the Issuer acknowledges that the ratings of AGM reflect only the views of the rating agencies and an explanation of the significance of such ratings may be obtained only from the rating agencies; (vi) the Issuer understands that such ratings may not continue for any given time period and instead may change over time, including, without limitation, being placed under review for possible downgrade, revised downward, withdrawn entirely by the relevant rating agency if, in the judgment of such rating agency, circumstances so warrant, or withdrawn entirely by AGM in its sole discretion; (vii) the Issuer acknowledges that AGM undertakes no responsibility to bring to its attention, and shall have no liability for, the placement of a rating under review for possible downgrade or the downward revision or withdrawal of any rating obtained, and that any such review for possible downgrade, downward revision or withdrawal may have an adverse effect on the Bonds or on the Reserve Policy constituting a permitted debt service reserve instrument under the Indenture; and (viii) the Issuer acknowledges that AGM pays rating agencies to rate AGM's financial strength, but that such payment is not in exchange for any specific rating or for a rating within any particular range. Notwithstanding anything to the contrary set forth herein, to the extent the Reserve Policy is issued by AGM, the provisions set forth under subparagraphs (ii) through (viii) above shall survive the expiration or termination of this Commitment.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: 
B10961FA8449406...
Authorized Officer



MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY

ISSUER:

Policy No.:

BONDS:

Effective Date:

Premium: \$

Termination Date:

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") as set forth in the documentation (the "Bond Document") providing for the issuance of and securing the Bonds, for the benefit of the Owners, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

AGM will make payment as provided in this Policy to the Trustee or Paying Agent on the later of the Business Day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, in a form reasonably satisfactory to it. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Issuer, as appropriate, who may submit an amended Notice of Nonpayment. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy. Upon such payment, AGM shall become entitled to reimbursement of the amount so paid (together with interest and expenses) pursuant to the Bond Document.

The amount available under this Policy for payment shall not exceed the Policy Limit. The amount available at any particular time to be paid to the Trustee or Paying Agent under the terms of this Policy shall automatically be reduced by any payment under this Policy. However, after such payment, the amount available under this Policy shall be reinstated in full or in part, but only up to the Policy Limit, to the extent of the reimbursement of such payment (exclusive of interest and expenses) to AGM by or on behalf of the Issuer. Within three Business Days of such reimbursement, AGM shall provide the Trustee, the Paying Agent and the Issuer with notice of the reimbursement and reinstatement.

Payment under this Policy shall not be available with respect to (a) any Nonpayment that occurs prior to the Effective Date or after the Termination Date of this Policy or (b) Bonds that are not outstanding under the Bond Document. If the amount payable under this Policy is also payable under another insurance policy or surety bond insuring the Bonds, payment first shall be made under this Policy to the extent of the amount available under this Policy up to the Policy Limit. In no event shall AGM incur duplicate liability for the same amounts owing with respect to the Bonds that are covered under this Policy and any other insurance policy or surety bond that AGM has issued.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York are, or the Insurer's Fiscal Agent is, authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the

stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer that has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Issuer, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment of principal or interest thereunder, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds. "Policy Limit" shall be the dollar amount of the debt service reserve fund required to be maintained for the Bonds by the Bond Document from time to time (the "Debt Service Reserve Requirement"), but in no event shall the Policy Limit exceed \$. The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the Debt Service Reserve Requirement, as provided in the Bond Document.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be cancelled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____
Authorized Officer

(212) 974-0100

**PROCEDURES FOR PREMIUM PAYMENT
TO
ASSURED GUARANTY MUNICIPAL CORP.
("AGM")**

AGM's issuance of its municipal bond debt service reserve insurance policy at bond closing is contingent upon payment and receipt of the premium. NO POLICY MAY BE RELEASED UNTIL PAYMENT OF SUCH AMOUNT HAS BEEN CONFIRMED. Set forth below are the procedures to be followed for confirming the amount of the premium to be paid and for paying such amount:

Confirmation of
Amount to be Paid:

**Upon determination of the final debt service schedule, email
such schedule to AGM**

Attention: Andrew Porges, Director
Phone No.: (415) 995-8009
Email: APorges@agltd.com

Confirm with AGM's credit analyst that you are in agreement with respect to par and premium on the transaction prior to the closing date.

Payment Date: Date of Delivery of the insured bonds.

Method of Payment: Wire transfer of Federal Funds.

Wire Transfer Instructions:

Beneficiary Bank:	BNYMellon, New York
ABA Number:	021 000 018
Address:	One Wall Street, New York, NY 10286
Beneficiary:	Assured Guaranty Municipal Corp.
Account Number:	8900297263
Policy Number:	[To Be Assigned]

CONFIRMATION OF PREMIUM WIRE NUMBER AT CLOSING

The wire transfer number and the name of the sending bank shall be communicated on the closing date to Erika Paredes, Closing Coordinator, (212) 893-2706 EParedes@agltd.com.

Issuer:	Successor Agency to the Redevelopment Agency of the City and County of San Francisco		
Related Bonds:	2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)		
Premium:	1.75% of Policy Limit		
Date of Commitment:	August 1, 2023	Expiration Date: Friday, October 6, 2023	
Policy Limit:	A dollar amount equal to the Reserve Requirement for the Related Bonds, as specified under the Indenture (defined below)		

To maintain the Commitment in effect until the Expiration Date set forth above, AGM must receive a duplicate of this Commitment executed by an authorized officer of the Issuer on or before the date of pricing the Bonds. To keep this Commitment in effect after the Expiration Date, a request for renewal must be submitted to AGM prior to such Expiration Date. AGM reserves the right to refuse wholly or in part to grant a renewal.

3. On the date hereof and on the Closing Date, there shall have been no material adverse change in or affecting the Issuer or the Bonds (including, without limitation, the security for the Bonds or the proposed debt service schedule of the Bonds), the Official Statement, the financing documents to be executed and delivered with respect to the Bonds, the legal opinions to be executed and delivered in connection with the issuance and sale of the

Bonds, or any other information submitted to AGM with respect to the referenced transaction, or the Bonds, from that previously delivered or otherwise communicated to AGM.

4. The Official Statement relating to the Bonds shall contain only such references to the Reserve Policy and AGM as AGM shall supply or approve.

5. AGM shall insure at least 50% of the Bonds, including the final maturity thereof (collectively, the "Insured Bonds"), pursuant to its Commitment Letter dated August 1, 2023.

6. The Reserve Policy shall expire on the earlier of the date the Insured Bonds are no longer outstanding and the final maturity date of the Insured Bonds.

7. The Second Supplement to the Indenture for the Bonds shall contain substantially identical provisions in respect of AGM and the Reserve Policy as set forth in the First Supplement to the Indenture for the Issuer's 2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (the "2021 Bonds") insured by AGM on December 15, 2021 (AGM Policy No. 221776-N).

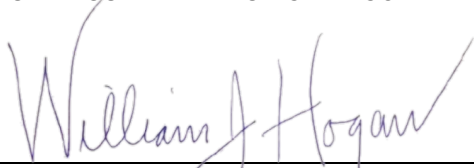
8. Prior to closing of the Bonds, AGM shall be provided with:

(a) Opinions from counsel that are substantially identical to the opinions delivered to AGM by counsel in connection with the 2021 Bonds; and

(b) Evidence of wire transfer in federal funds in an amount equal to the insurance premium, unless alternative arrangements for the payment of such amount acceptable to AGM have been made prior to the delivery date of the Reserve Policy. Payment of the insurance premium is a condition to release of the Reserve Policy by AGM.

9. Promptly after the closing of the Bonds, AGM shall receive an electronic copy of the final closing transcript of proceedings.

ASSURED GUARANTY MUNICIPAL CORP.



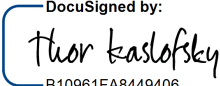
Authorized Officer

This Commitment may be delivered by the exchange of executed signature pages by email with a .pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as the originally signed version of such signature page.

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The undersigned, an authorized officer of the Issuer, agrees that (i) if the debt service reserve fund requirement for the Bonds is satisfied by a credit instrument, such credit instrument shall be the Reserve Policy provided by AGM in accordance with the terms of this Commitment; (ii) the Issuer has made its own independent investigation and decision as to whether to obtain the Reserve Policy and whether the Reserve Policy is appropriate or proper for it based upon its own judgment and upon advice from such legal and financial advisers as it has deemed necessary; (iii) AGM has not made, and therefore the Issuer is not relying on, any recommendation from AGM that the Issuer deposit a credit instrument into the debt service reserve fund for the Bonds or obtain the Reserve Policy; it being understood and agreed that communications from AGM (whether written or oral) referring to, containing information about or negotiating the terms and conditions of the Reserve Policy, any related insurance document or the documentation governing the Bonds do not constitute a recommendation to obtain the Reserve Policy; (iv) the Issuer acknowledges that AGM has not made any representation, warranty or undertaking, and has not given any assurance or guaranty, in each case, expressed or implied, concerning its future financial strength or the rating of AGM's financial strength by the rating agencies; (v) the Issuer acknowledges that the ratings of AGM reflect only the views of the rating agencies and an explanation of the significance of such ratings may be obtained only from the rating agencies; (vi) the Issuer understands that such ratings may not continue for any given time period and instead may change over time, including, without limitation, being placed under review for possible downgrade, revised downward, withdrawn entirely by the relevant rating agency if, in the judgment of such rating agency, circumstances so warrant, or withdrawn entirely by AGM in its sole discretion; (vii) the Issuer acknowledges that AGM undertakes no responsibility to bring to its attention, and shall have no liability for, the placement of a rating under review for possible downgrade or the downward revision or withdrawal of any rating obtained, and that any such review for possible downgrade, downward revision or withdrawal may have an adverse effect on the Bonds or on the Reserve Policy constituting a permitted debt service reserve instrument under the Indenture; and (viii) the Issuer acknowledges that AGM pays rating agencies to rate AGM's financial strength, but that such payment is not in exchange for any specific rating or for a rating within any particular range. Notwithstanding anything to the contrary set forth herein, to the extent the Reserve Policy is issued by AGM, the provisions set forth under subparagraphs (ii) through (viii) above shall survive the expiration or termination of this Commitment.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO

By: 
B10961FA8449406...
Authorized Officer



MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY

ISSUER:

Policy No.:

BONDS:

Effective Date:

Premium: \$

Termination Date:

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") as set forth in the documentation (the "Bond Document") providing for the issuance of and securing the Bonds, for the benefit of the Owners, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

AGM will make payment as provided in this Policy to the Trustee or Paying Agent on the later of the Business Day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, in a form reasonably satisfactory to it. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Issuer, as appropriate, who may submit an amended Notice of Nonpayment. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy. Upon such payment, AGM shall become entitled to reimbursement of the amount so paid (together with interest and expenses) pursuant to the Bond Document.

The amount available under this Policy for payment shall not exceed the Policy Limit. The amount available at any particular time to be paid to the Trustee or Paying Agent under the terms of this Policy shall automatically be reduced by any payment under this Policy. However, after such payment, the amount available under this Policy shall be reinstated in full or in part, but only up to the Policy Limit, to the extent of the reimbursement of such payment (exclusive of interest and expenses) to AGM by or on behalf of the Issuer. Within three Business Days of such reimbursement, AGM shall provide the Trustee, the Paying Agent and the Issuer with notice of the reimbursement and reinstatement.

Payment under this Policy shall not be available with respect to (a) any Nonpayment that occurs prior to the Effective Date or after the Termination Date of this Policy or (b) Bonds that are not outstanding under the Bond Document. If the amount payable under this Policy is also payable under another insurance policy or surety bond insuring the Bonds, payment first shall be made under this Policy to the extent of the amount available under this Policy up to the Policy Limit. In no event shall AGM incur duplicate liability for the same amounts owing with respect to the Bonds that are covered under this Policy and any other insurance policy or surety bond that AGM has issued.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York are, or the Insurer's Fiscal Agent is, authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the

stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer that has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Issuer, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment of principal or interest thereunder, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds. "Policy Limit" shall be the dollar amount of the debt service reserve fund required to be maintained for the Bonds by the Bond Document from time to time (the "Debt Service Reserve Requirement"), but in no event shall the Policy Limit exceed \$. The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the Debt Service Reserve Requirement, as provided in the Bond Document.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be cancelled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____
Authorized Officer

(212) 974-0100

**PROCEDURES FOR PREMIUM PAYMENT
TO
ASSURED GUARANTY MUNICIPAL CORP.
("AGM")**

AGM's issuance of its municipal bond debt service reserve insurance policy at bond closing is contingent upon payment and receipt of the premium. NO POLICY MAY BE RELEASED UNTIL PAYMENT OF SUCH AMOUNT HAS BEEN CONFIRMED. Set forth below are the procedures to be followed for confirming the amount of the premium to be paid and for paying such amount:

Confirmation of
Amount to be Paid:

**Upon determination of the final debt service schedule, email
such schedule to AGM**

Attention: Andrew Porges, Director
Phone No.: (415) 995-8009
Email: APorges@agltd.com

Confirm with AGM's credit analyst that you are in agreement with respect to par and premium on the transaction prior to the closing date.

Payment Date: Date of Delivery of the insured bonds.

Method of Payment: Wire transfer of Federal Funds.

Wire Transfer Instructions:

Beneficiary Bank:	BNYMellon, New York
ABA Number:	021 000 018
Address:	One Wall Street, New York, NY 10286
Beneficiary:	Assured Guaranty Municipal Corp.
Account Number:	8900297263
Policy Number:	[To Be Assigned]

CONFIRMATION OF PREMIUM WIRE NUMBER AT CLOSING

The wire transfer number and the name of the sending bank shall be communicated on the closing date to Erika Paredes, Closing Coordinator, (212) 893-2706 EParedes@agltd.com.



MUNICIPAL BOND INSURANCE POLICY

ISSUER: Successor Agency to the Redevelopment Agency of
the City and County of San Francisco

Policy No.: 222840-N

Effective Date: September 14, 2023

BONDS: \$24,505,000 in aggregate principal amount of 2023
Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects) (Social Bonds) and
\$35,210,000 in aggregate principal amount of 2023
Series B Third Lien Tax Allocation Bonds (Transbay
Infrastructure Projects)

Premium: \$371,714.72

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.


AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By  _____
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019

(212) 974-0100



**ENDORSEMENT NO. 1 TO
MUNICIPAL BOND
INSURANCE POLICY
(California Insurance
Guaranty Association)**

ISSUER: Successor Agency to the Redevelopment Agency of
the City and County of San Francisco

Policy No.: 222840-N

Effective Date: September 14, 2023

BONDS: \$24,505,000 in aggregate principal amount of 2023
Series A Taxable Third Lien Tax Allocation Bonds
(Affordable Housing Projects) (Social Bonds) and
\$35,210,000 in aggregate principal amount of 2023
Series B Third Lien Tax Allocation Bonds (Transbay
Infrastructure Projects)

Notwithstanding the terms and provisions contained in this Policy, it is further understood that the insurance provided by this Policy is not covered by the California Insurance Guaranty Association established pursuant to Article 14.2 (commencing with Section 1063) of Chapter 1 of Part 2 of Division 1 of the California Insurance Code.

Nothing herein shall be construed to waive, alter, reduce or amend coverage in any other section of the Policy. If found contrary to the Policy language, the terms of this Endorsement supersede the Policy language.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Endorsement to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

A handwritten signature in blue ink, appearing to read "William J. Hogan", written over a horizontal line.

By _____
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, New York 10019
(212) 974-0100

Form 560NY (CA 1/91)



MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY

ISSUER: Successor Agency to the Redevelopment
Agency of the City and County of San
Francisco

Policy No.: 222840-R1

Effective Date: September 14, 2023

BONDS: 2023 Series A Taxable Third Lien Tax
Allocation Bonds (Affordable Housing
Projects) (Social Bonds)

Premium: \$42,139.47

Termination Date: The earlier of August 1, 2041
and the date the Bonds are no longer outstanding

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") as set forth in the documentation (the "Bond Document") providing for the issuance of and securing the Bonds, for the benefit of the Owners, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

AGM will make payment as provided in this Policy to the Trustee or Paying Agent on the later of the Business Day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, in a form reasonably satisfactory to it. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Issuer, as appropriate, who may submit an amended Notice of Nonpayment. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy. Upon such payment, AGM shall become entitled to reimbursement of the amount so paid (together with interest and expenses) pursuant to the Bond Document.

The amount available under this Policy for payment shall not exceed the Policy Limit. The amount available at any particular time to be paid to the Trustee or Paying Agent under the terms of this Policy shall automatically be reduced by any payment under this Policy. However, after such payment, the amount available under this Policy shall be reinstated in full or in part, but only up to the Policy Limit, to the extent of the reimbursement of such payment (exclusive of interest and expenses) to AGM by or on behalf of the Issuer. Within three Business Days of such reimbursement, AGM shall provide the Trustee, the Paying Agent and the Issuer with notice of the reimbursement and reinstatement.

Payment under this Policy shall not be available with respect to (a) any Nonpayment that occurs prior to the Effective Date or after the Termination Date of this Policy or (b) Bonds that are not outstanding under the Bond Document. If the amount payable under this Policy is also payable under another insurance policy or surety bond insuring the Bonds, payment first shall be made under this Policy to the extent of the amount available under this Policy up to the Policy Limit. In no event shall AGM incur duplicate liability for the same amounts owing with respect to the Bonds that are covered under this Policy and any other insurance policy or surety bond that AGM has issued.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York are, or the Insurer's Fiscal Agent is, authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the

stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer that has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Issuer, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment of principal or interest thereunder, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds. "Policy Limit" shall be the dollar amount of the debt service reserve fund required to be maintained for the Bonds by the Bond Document from time to time (the "Debt Service Reserve Requirement"), but in no event shall the Policy Limit exceed \$2,407,969.89. The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the Debt Service Reserve Requirement, as provided in the Bond Document.

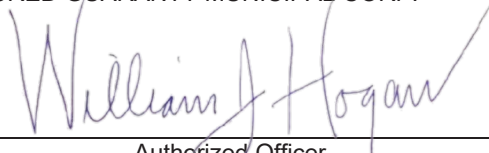
AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be cancelled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By 
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019

(212) 974-0100



**ENDORSEMENT NO. 1 TO
MUNICIPAL BOND
DEBT SERVICE RESERVE
INSURANCE POLICY
(California Insurance
Guaranty Association)**

ISSUER: Successor Agency to the Redevelopment
Agency of the City and County of San
Francisco

Policy No.: 222840-R1

Effective Date: September 14, 2023


BONDS: 2023 Series A Taxable Third Lien Tax
Allocation Bonds (Affordable Housing
Projects) (Social Bonds)

Notwithstanding the terms and provisions contained in this Policy, it is further understood that the insurance provided by this Policy is not covered by the California Insurance Guaranty Association established pursuant to Article 14.2 (commencing with Section 1063) of Chapter 1 of Part 2 of Division 1 of the California Insurance Code.

Nothing herein shall be construed to waive, alter, reduce or amend coverage in any other section of the Policy. If found contrary to the Policy language, the terms of this Endorsement supersede the Policy language.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Endorsement to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By 
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, New York 10019
(212) 974-0100

Form 560NY (CA 1/91)



MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY

ISSUER: Successor Agency to the Redevelopment
Agency of the City and County of San
Francisco

Policy No.: 222840-R2

Effective Date: September 14, 2023

BONDS: 2023 Series B Third Lien Tax Allocation
Bonds (Transbay Infrastructure Projects)

Premium: \$58,807.59

Termination Date: The earlier of August 1, 2053
and the date the Bonds are no longer outstanding

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") as set forth in the documentation (the "Bond Document") providing for the issuance of and securing the Bonds, for the benefit of the Owners, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

AGM will make payment as provided in this Policy to the Trustee or Paying Agent on the later of the Business Day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, in a form reasonably satisfactory to it. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Issuer, as appropriate, who may submit an amended Notice of Nonpayment. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy. Upon such payment, AGM shall become entitled to reimbursement of the amount so paid (together with interest and expenses) pursuant to the Bond Document.

The amount available under this Policy for payment shall not exceed the Policy Limit. The amount available at any particular time to be paid to the Trustee or Paying Agent under the terms of this Policy shall automatically be reduced by any payment under this Policy. However, after such payment, the amount available under this Policy shall be reinstated in full or in part, but only up to the Policy Limit, to the extent of the reimbursement of such payment (exclusive of interest and expenses) to AGM by or on behalf of the Issuer. Within three Business Days of such reimbursement, AGM shall provide the Trustee, the Paying Agent and the Issuer with notice of the reimbursement and reinstatement.

Payment under this Policy shall not be available with respect to (a) any Nonpayment that occurs prior to the Effective Date or after the Termination Date of this Policy or (b) Bonds that are not outstanding under the Bond Document. If the amount payable under this Policy is also payable under another insurance policy or surety bond insuring the Bonds, payment first shall be made under this Policy to the extent of the amount available under this Policy up to the Policy Limit. In no event shall AGM incur duplicate liability for the same amounts owing with respect to the Bonds that are covered under this Policy and any other insurance policy or surety bond that AGM has issued.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York are, or the Insurer's Fiscal Agent is, authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the

stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer that has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from the Issuer, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment of principal or interest thereunder, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds. "Policy Limit" shall be the dollar amount of the debt service reserve fund required to be maintained for the Bonds by the Bond Document from time to time (the "Debt Service Reserve Requirement"), but in no event shall the Policy Limit exceed \$3,360,433.56. The Policy Limit shall automatically and irrevocably be reduced from time to time by the amount of each reduction in the Debt Service Reserve Requirement, as provided in the Bond Document.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be cancelled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By


Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019

(212) 974-0100



**ENDORSEMENT NO. 1 TO
MUNICIPAL BOND
DEBT SERVICE RESERVE
INSURANCE POLICY
(California Insurance
Guaranty Association)**

ISSUER: Successor Agency to the Redevelopment
Agency of the City and County of San
Francisco

Policy No.: 222840-R2

Effective Date: September 14, 2023


BONDS: 2023 Series B Third Lien Tax Allocation
Bonds (Transbay Infrastructure Projects)

Notwithstanding the terms and provisions contained in this Policy, it is further understood that the insurance provided by this Policy is not covered by the California Insurance Guaranty Association established pursuant to Article 14.2 (commencing with Section 1063) of Chapter 1 of Part 2 of Division 1 of the California Insurance Code.

Nothing herein shall be construed to waive, alter, reduce or amend coverage in any other section of the Policy. If found contrary to the Policy language, the terms of this Endorsement supersede the Policy language.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Endorsement to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By 
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, New York 10019
(212) 974-0100

Form 560NY (CA 1/91)

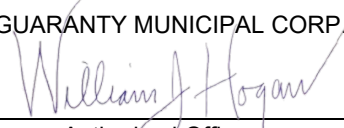
**DISCLOSURE, NO DEFAULT AND TAX CERTIFICATE OF
ASSURED GUARANTY MUNICIPAL CORP.**

The undersigned hereby certifies on behalf of Assured Guaranty Municipal Corp. ("AGM"), in connection with the issuance by AGM of its Policy No. 222840-N (the "Insurance Policy") in respect of the \$59,715,000 in aggregate principal amount of the Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (collectively, the "Bonds") and Policy Nos. 222840-R1 and 222840-R2 (collectively, the "Reserve Policy" and, together with the Insurance Policy, the "Policy") that:

- (i) the information set forth under the caption "**BOND INSURANCE – Assured Guaranty Municipal Corp.**" in the official statement dated August 30, 2023, relating to the Bonds is true and correct,
- (ii) AGM is not currently in default nor has AGM ever been in default under any policy or obligation guaranteeing the payment of principal of or interest on an obligation,
- (iii) the Policy is an unconditional and recourse obligation of AGM (enforceable by or on behalf of the holders of the Bonds) to pay the scheduled principal of and interest on the Bonds in the event of Nonpayment by the Issuer (as set forth in the Policy),
- (iv) the insurance premium for the Insurance Policy of \$371,714.72 and for the Reserve Policy of \$100,947.06 (collectively, the "Premium") is a charge for the transfer of credit risk and was determined in arm's length negotiations and is required to be paid to AGM as a condition to the issuance of the Policy,
- (v) no portion of such Premium represents an indirect payment of costs of issuance, including rating agency fees, other than fees paid by AGM to maintain its ratings, which, together with all other overhead expenses of AGM, are taken into account in the formulation of its rate structure, or for the provision of additional services by us, nor the direct or indirect payment for a cost, risk or other element that is not customarily borne by insurers of tax-exempt bonds (in transactions in which the guarantor has no involvement other than as a guarantor),
- (vi) AGM is not providing any services in connection with the Bonds other than providing the Policy, and except for the Premium, AGM will not use any portion of the Bond proceeds; provided, however, that AGM or its affiliates may independently provide a guaranteed investment contract for the investment of all or a portion of the proceeds of the Bonds,
- (vii) except for payments under the Policy in the case of Nonpayment by the Issuer, there is no obligation to pay any amount of principal or interest on the Bonds by AGM,
- (viii) AGM does not expect that a claim will be made on the Policy,
- (ix) the Issuer is not entitled to a refund of the premium for the Policy in the event a Bond is retired before the final maturity date,
- (x) for Bonds which are secured by a debt service reserve fund, AGM would not have issued the Policy unless the authorizing or security agreement for the Bonds provided for a debt service reserve fund funded and maintained in an amount at least equal to, as of any particular date of computation, the reserve requirement as set forth in such agreement, and
- (xi) the Premium charged by AGM for the issuance of the Policy is not conditioned upon the sale of Bonds to AGM or its affiliates, and such Premium has been determined without regard to any decision by AGM or its affiliates to purchase Bonds.

AGM makes no representation as to the nature of the interest to be paid on the Bonds or the treatment of the Policy under Section 1.148-4(f) of the Income Tax Regulations.

ASSURED GUARANTY MUNICIPAL CORP.

By: 
Authorized Officer

Dated: September 14, 2023



September 14, 2023

Municipal Bond Insurance Policy No. 222840-N
With Respect to
\$59,715,000 In Aggregate Principal Amount of
Successor Agency to the Redevelopment Agency of the City and County of San Francisco
2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and
2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)
and
Municipal Bond Debt Service Reserve Insurance Policy Nos. 222840-R1 and 222840-R2

Ladies and Gentlemen:

I am Counsel of Assured Guaranty Municipal Corp., a New York stock insurance company ("AGM"). You have requested my opinion in such capacity as to the matters set forth below in connection with the issuance by AGM of its above-referenced policy no. 222840-N (the "Insurance Policy") and its municipal bond debt service reserve insurance policy nos. 222840-R1 and 222840-R2 (collectively, the "Reserve Policy" and, together with the Insurance Policy, the "Policy"). In that regard, and for purposes of this opinion, I have examined such corporate records, documents and proceedings as I have deemed necessary and appropriate.

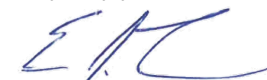
Based upon the foregoing, I am of the opinion that:

1. AGM is a stock insurance company duly organized and validly existing under the laws of the State of New York and authorized to transact financial guaranty insurance business therein.
2. The Policy has been duly authorized, executed and delivered by AGM.
3. The Policy constitutes the valid and binding obligation of AGM, enforceable in accordance with its terms, subject, as to the enforcement of remedies, to bankruptcy, insolvency, reorganization, rehabilitation, moratorium and other similar laws affecting the enforceability of creditors' rights generally applicable in the event of the bankruptcy or insolvency of AGM and to the application of general principles of equity.

In addition, please be advised that I have reviewed the description of the Insurance Policy under the caption "**BOND INSURANCE – Bond Insurance Policy**" in the official statement relating to the above-referenced Bonds dated August 30, 2023 (the "Official Statement"). There has not come to my attention any information which would cause me to believe that the description of the Insurance Policy referred to above, as of the date of the Official Statement or as of the date of this opinion, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. Please be advised that I express no opinion with respect to any information contained in, or omitted from, the caption "**BOND INSURANCE – Assured Guaranty Municipal Corp.**".

I am a member of the Bar of the State of New York, and do not express any opinion as to any law other than the laws of the State of New York.

Very truly yours,



Counsel

Successor Agency to the Redevelopment Agency
of the City and County of San Francisco
San Francisco, California

Stifel, Nicolaus & Company, Incorporated,
as representative of the Underwriters
San Francisco, California

Assured Guaranty Municipal Corp.

1633 Broadway
New York, NY 10019

main 1 212 974 0100
fax 1 212 581 3268

info@agltd.com

AssuredGuaranty.com



September 14, 2023

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Successor Agency to the
Redevelopment Agency of the
City and County of San Francisco
San Francisco, California

OPINION: \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and
\$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") of its \$24,505,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") and its \$35,210,000 original principal amount Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023B Bonds" and together with the 2023A Bonds, the "2023 Bonds"), pursuant to the Community Redevelopment Law, constituting Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California and Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (collectively, the "Law"), resolutions of the Successor Agency adopted on March 21, 2023, and June 20, 2023, a resolution of the Oversight Board for the Successor Agency adopted on April 7, 2023, and an Indenture of Trust dated as of March 1, 2017, as supplemented and amended by the First Supplement to Indenture of Trust dated as of December 1, 2021, and as further supplemented and amended by the Second Supplement to Indenture of Trust dated as of September 1, 2023 (the "Second Supplement"), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as successor trustee (as so supplemented and amended, the "Indenture"). Capitalized terms used but not defined herein have the meanings given to such terms in the Indenture.

In our capacity as bond counsel, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied on representations of the Successor Agency contained in the Indenture, and on the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of the General Counsel to the Successor Agency, and others, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Successor Agency is validly existing as a public entity, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the 2023 Bonds.

2. The Second Supplement has been duly executed and delivered by the Successor Agency and the Indenture constitutes the valid and binding obligation of the Successor Agency enforceable upon the Successor Agency.

3. The Indenture creates a valid lien on the funds pledged by the Indenture for the security of the 2023 Bonds, subject to no prior lien granted under the law, except as provided therein.

4. The 2023 Bonds have been duly authorized, executed and delivered by the Successor Agency and are valid and binding special obligations of the Successor Agency payable, on a parity with any Parity Debt, solely from the sources provided therefor in the Indenture.

5. The interest on the 2023A Bonds is not intended to be excluded from gross income for federal income tax purposes.

6. The interest on the 2023B Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. It should be noted, however, that interest on the 2023B Bonds may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the 2023B Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Successor Agency has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of issuance of the 2023B Bonds.

7. The interest on the 2023 Bonds is exempt from personal income taxation imposed by the State of California.



We express no opinion regarding any federal tax consequences arising with respect to the 2023A Bonds and no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the 2023 Bonds.

The rights of the owners of the 2023 Bonds and the enforceability of the 2023 Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by the exercise of judicial discretion in appropriate cases, by limitations on legal remedies imposed on actions against public entities, by laws relating to conflicts of interest, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any courts; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the certifications, representations, covenants and opinions referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,


A Professional Law Corporation



September 14, 2023

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Stifel, Nicolaus & Company, Incorporated
2121 Avenue of the Stars, Suite 2150
Los Angeles, California 90067

Assured Guaranty Municipal Corp.
1633 Broadway
New York, New York 10019

SUPPLEMENTAL OPINION:

\$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and

\$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") of its \$24,505,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) and its \$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (collectively, the "Bonds"), under the Community Redevelopment Law (being Part 1 of Division 24 of the California Health and Safety Code) (the "Law") and, under Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (the "Dissolution Act"), and under an Indenture of Trust dated as of March 1, 2017, as supplemented and amended by a First Supplement to Indenture of Trust dated as of December 1, 2021 (the "First Supplement") and as further supplemented and



amended by the Second Supplement to Indenture of Trust, dated as of September 1, 2023 (the “Second Supplement”), each by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), as successor-in-interest to U.S. Bank National Association (as so supplemented and amended, the “Indenture”). Capitalized terms not defined herein shall have those meanings ascribed to them in the Bond Purchase Contract, dated August 30, 2023, by Stifel, Nicolaus & Company, Incorporated, acting on behalf of itself and as representative of Backstrom McCarley Berry & Co., LLC, as underwriters, and accepted by the Successor Agency (the “Purchase Contract”).

This opinion letter is being delivered in our capacity as bond counsel to the Successor Agency and not as counsel to the other addressees.

We have examined the law and such certified proceedings, certifications, opinions, and other documents as we deem necessary to render this opinion. Regarding questions of fact material to our opinion, we have relied upon certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Purchase Contract, and the Continuing Disclosure Certificate have been duly authorized, executed and delivered by the Successor Agency and are valid and binding agreements of the Successor Agency, enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors’ rights and by the application of equitable principles if equitable remedies are sought.
2. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.
3. The statements contained in the Official Statement under the captions “THE 2023A/B BONDS” (other than information in the section entitled “– Designation as Social Bonds” as to which no opinion is expressed), “SECURITY AND SOURCES OF PAYMENT FOR THE 2023A/B BONDS,” and “TAX MATTERS,” and contained in Appendices C and E, insofar as such statements expressly summarize certain provisions of the Bonds, the Indenture, the final opinion of Bond Counsel, are accurate in all material respects.



*Successor Agency to the Redevelopment Agency of the
City and County of San Francisco
Stifel, Nicolaus & Company, Incorporated
Backstrom McCarley Berry & Co., LLC
Assured Guaranty Municipal Corp.
September 14, 2023
Page 3*

This opinion letter is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances or any changes in the law that may hereafter occur that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on any court; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the certifications and opinions referenced above. This opinion is rendered solely for your benefit in connection with issuance of the Bonds and may not be relied upon, used, quoted or referred to, nor any copies hereof be delivered to, any other person without our prior written approval. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Jones Hall' in a cursive script.

A Professional Law Corporation



September 14, 2023

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Assured Guaranty Municipal Corp.
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U.S. Bank Trust Company, National
Association
One California Street, Suite 1000
San Francisco, California 94111

RELIANCE LETTER Regarding Final Approving Legal Opinion

\$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds); and

\$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)

Ladies and Gentlemen:

We have this date released to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco our final approving legal opinion with respect to the captioned bonds (collectively, "Bonds").

The foregoing opinion may be relied upon by Stifel, Nicolaus & Company, Incorporated, and Backstrom McCarley Berry & Co., LLC, as underwriters, by U.S. Bank Trust Company, National Association, as trustee, and by Assured Guaranty Municipal Corp., as bond insurer, relating to the Bonds, to the same extent as if such opinion were addressed to each of them.

Respectfully submitted,


A Professional Law Corporation

LAW OFFICES OF
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TELEPHONE (415) 777-9500
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September 14, 2023

Successor Agency to the Redevelopment Agency of
the City and County of San Francisco
San Francisco, California

Re: \$24,505,000 Successor Agency to the Redevelopment Agency of the City and County of
San Francisco 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable
Housing Projects) (Social Bonds)

\$35,210,000 Successor Agency to the Redevelopment Agency of the City and County of
San Francisco 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure
Projects)

Ladies and Gentlemen:

I have acted as Disclosure Counsel to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency"), and not any other person, in connection with the issuance and sale by the Successor Agency of its 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") and its 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023B Bonds" and, together with the 2023A Bonds, the "2023 Bonds"). Capitalized terms used herein, which are not defined herein, shall have the meanings ascribed to them in the Official Statement (identified below).

As Disclosure Counsel, I have examined: the Preliminary Official Statement, dated August 22, 2023, relating to the 2023 Bonds (the "Preliminary Official Statement"); the Official Statement, dated August 30, 2023, relating to the 2023 Bonds (the "Official Statement"); opinions of counsel to the Trustee, of general counsel to the Successor Agency and of Bond Counsel to the Successor Agency; certificates of the Successor Agency, the Trustee, the Underwriters, the Fiscal Consultant and others; and certain of the other documents contained in the transcript of proceedings for the 2023 Bonds.

I express no view herein with respect to the laws of any jurisdiction other than Federal securities law of the United States of America. The only views expressed herein shall be those expressly stated as such herein, and no view shall be implied or inferred as a result of anything contained herein or omitted herefrom. The views hereinafter expressed are based on an analysis

of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such views may be affected by actions taken or omitted or events occurring after the date hereof. I have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or such events do occur, or any other matters come to my attention after the date hereof. I am not expressing, with your permission, any opinion or view on, and I have assumed and relied upon, and am relying upon, without undertaking to verify, the accuracy of all factual matters represented, warranted or certified in the documents and certificates presented to me or otherwise represented, warranted or certified to me, the correctness of the legal conclusions contained in the opinions presented to me, and the due and legal execution and validity of such documents and certificates. I have assumed that all records, documents, certificates and opinions that I have reviewed, and signatures thereon, are complete and genuine. Furthermore, I have assumed compliance with all the covenants in the documents presented to me. There can be no assurance that all material facts were disclosed to me and I have to a large extent relied upon the statements of the representatives of the Successor Agency as to the materiality of the facts disclosed to me.

In accordance with my engagement by the Successor Agency, I have rendered, as Disclosure Counsel to the Successor Agency, certain legal advice and assistance to the Successor Agency in the course of the preparation of the Preliminary Official Statement and the Official Statement. I have not been engaged by the Successor Agency for the purpose of, and I am not, passing upon, and I do not assume any responsibility for, the accuracy, completeness or fairness of any of the statements or information contained in the Preliminary Official Statement or the Official Statement, and I have not been engaged to independently verify, and I have not independently verified, the accuracy, completeness or fairness of any such statements or information. I have not been asked to review, and I have not reviewed, any records or documents of the Successor Agency or any other person that are not contained in the transcript of the proceedings for the 2023 Bonds. However, in my capacity as Disclosure Counsel to the Successor Agency, I have participated in certain conferences, telephonically and otherwise, with representatives and employees of the Successor Agency, the Successor Agency's general counsel, the Successor Agency's Bond Counsel, the Successor Agency's Municipal Advisor, the Successor Agency's Fiscal Consultant, and others, during which conferences the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on my participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon and on the records, documents, certificates and opinions described above and subject to the limitations of my role as Disclosure Counsel and qualifications set forth herein, I advise you as a matter of fact and not legal opinion that, during the course of my engagement as Disclosure Counsel to the Successor Agency with respect to the preparation of the Official Statement and without having independently verified the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement, no facts came to my attention which caused me to believe the Preliminary Official Statement as of its date or the Official Statement as of its date and as of this date (except for any information listed below, as to which I express no view) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect. I express no view as to: (a) the information under the headings "THE

2023A/B BONDS – Designation as Social Bonds” and “ – Book-Entry Only System,” “BOND INSURANCE,” “TAX MATTERS,” “MUNICIPAL ADVISOR,” “RATINGS,” “FINANCIAL STATEMENTS,” “FISCAL CONSULTANT REPORT” and “UNDERWRITING,” and in the Appendices to the Preliminary Official Statement and the Official Statement; (b) any CUSIP or other identification numbers, other financial, accounting, engineering, economic, demographic or statistical data or forecasts, debt service schedules, numbers, charts, tables, graphs, estimates, projections, appraisals, assumptions, ratings, any management discussion and analysis or expression of opinion included or incorporated by reference in the Preliminary Official Statement, the Official Statement or the Appendices thereto, or omitted therefrom; (c) statements relating to the treatment of the 2023 Bonds or the interest, discount or premium related thereto for tax purposes under the law of any jurisdiction, statements relating to or summarizing the tax opinion of Bond Counsel and statements relating to or setting forth the initial public offering prices or yields on the 2023 Bonds; (d) any information about the book-entry system or The Depository Trust Company; and (e) any information about AGM, the Insurance Policy or the Reserve Policies.

This letter is furnished by me as Disclosure Counsel to the Successor Agency. This letter is delivered to you in connection with the issuance of the 2023 Bonds by the Successor Agency, is solely for your benefit and is not to be used, circulated, quoted or otherwise referred to or relied upon by you for any other purpose, or by any other person. This letter is not intended to, and may not, be relied upon by the owners of the 2023 Bonds or by any other person to whom it is not specifically addressed. I do not undertake to advise you of any subsequent event or development, which might affect the statements contained herein. My engagement with respect to this matter has terminated as of the date hereof, and I disclaim any obligation to update this letter.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Alexis S. M. Chiu', written in a cursive style.

Alexis S. M. Chiu

LAW OFFICES OF
ALEXIS S. M. CHIU
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SAN FRANCISCO, CALIFORNIA 94104
TELEPHONE (415) 777-9500
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September 14, 2023

To: Stifel, Nicolaus & Company, Incorporated,
as Representative of the Underwriters
Los Angeles, California

I have acted as Disclosure Counsel to the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") in connection with the issuance and sale by the Successor Agency of its \$24,505,000 2023 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds) (the "2023A Bonds") and its \$35,210,000 2023 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects) (the "2023B Bonds" and, together with the 2023A Bonds, the "2023 Bonds") This letter is delivered pursuant to Section 9(d)(viii) of the Bond Purchase Contract, dated August 30, 2023, between the Successor Agency and the Underwriters therein mentioned.

I have this date delivered to you, as Representative, my letter dated of even date herewith, a copy of which is attached hereto (the "Letter to the Successor Agency"), in which I express certain views regarding the Preliminary Official Statement, dated August 22, 2023 (the "Preliminary Official Statement"), and the Official Statement, dated August 30, 2023 (the "Official Statement"), relating to the 2023 Bonds. Subject to the matters stated in the paragraphs below, I hereby inform you that you may rely upon the Letter to the Successor Agency, as if it were addressed to you.

This letter is furnished by me in my capacity as Disclosure Counsel to the Successor Agency. The levels of my inquiry, review and investigation were determined by the Successor Agency under the terms of my engagement by the Successor Agency as its Disclosure Counsel. No attorney-client relationship has existed or exists between my firm and the Underwriters in connection with the 2023 Bonds, the Preliminary Official Statement or the Official Statement or by virtue of this letter. I assume the Underwriters have disclosed to me any information the Underwriters have, which would be relevant to me in rendering the Letter to the Successor Agency. No inference should be drawn from my delivery of this letter to the Representative that my levels of inquiry, review or investigation are sufficient for any purpose other than to render the Letter to the Successor Agency in my capacity as Disclosure Counsel to the Successor Agency and in accordance with the scope of my engagement by the Successor Agency. I have not been engaged to make any evaluation for use by the Underwriters or otherwise assist in their "due diligence" or other legal responsibilities.

This letter is furnished by me solely for the benefit of the Underwriters, as original purchasers of the 2023 Bonds, and may not, without my prior express written consent, be provided, quoted or otherwise referred to, or be relied upon for any other purpose or by the

Stifel, Nicolaus & Company, Incorporated

September 14, 2023

Page 2

holders or owners of the 2023 Bonds or by anyone other than the addressee. I do not undertake to advise you of any subsequent event or development, which might affect statements contained herein or in my Letter to the Successor Agency. My engagement by the Successor Agency with respect to this matter is terminated as of the date hereof and I disclaim any obligation to update this letter.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Alexis S. M. Chiu".

Alexis S. M. Chiu