NEW ISSUE - BOOK-ENTRY ONLY **NO RATING**

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 Series 2023AB 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 Series 2023AB Bonds may be subject to the corporate alternative minimum tax. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS" herein.

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
(TREASURE ISLAND)

$7,615,000	$1,595,000
TAX INCREMENT REVENUE BONDS, SERIES 2023A (FACILITIES INCREMENT)	TAX INCREMENT REVENUE BONDS, SERIES 2023B (HOUSING INCREMENT)

Dated: Date of Delivery **Due: September 1, as shown on inside cover**

This cover page contains certain information for general reference only. It is not intended to be a summary of the security or terms of this issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "District") is issuing Tax Increment Revenue Bonds, Series 2023A (Facilities Increment) (the "Series 2023A Facilities Bonds") pursuant to an Indenture of Trust, dated as of September 1, 2022, as supplemented by a First Supplemental Indenture, dated as of December 1, 2023 (as so supplemented, the "Facilities Indenture"), each by and between the District and Zions Bancorporation, National Association, as trustee (the "Trustee") and Tax Increment Revenue Bonds, Series 2023B (Housing Increment) (the "Series 2023B Housing Bonds" and together with the Series 2023A Facilities Bonds, the "Series 2023AB Bonds") pursuant to an Indenture of Trust, dated as of September 1, 2022 (the "Housing Indenture"), as supplemented by a First Supplemental Indenture, dated as of December 1, 2023 (as so supplemented, the "Housing Indenture"), each by and between the District and the Trustee. As explained more fully in this Official Statement, the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds are being issued pursuant to separate Indentures of Trust, are payable from separate pledged revenues and are secured by separate debt service reserve funds. Because the pledged revenues are derived from a common source of ad valorem property tax revenues and the terms of the two series of Series 2023AB Bonds are similar, this Official Statement describes both series of the Series 2023AB Bonds.

The Series 2023A Facilities Bonds are being issued to fund (i) the acquisition of certain public facilities and improvements authorized to be financed by the District, (ii) a deposit to the 2022 Facilities Reserve Account and (iii) costs of issuance of the Series 2023A Facilities Bonds, all as further described herein. The Series 2023B Housing Bonds are being issued to (i) finance the acquisition and construction of affordable housing, (ii) fund a deposit to the 2022 Housing Reserve Account and (iii) pay costs of issuance of the Series 2023B Housing Bonds, all as further described herein. See "THE FINANCING PLAN" herein.

The Series 2023AB Bonds will be issued in denominations of $100,000 or any integral multiple of $5,000 in excess thereof, shall mature on September 1 in each of the years and in the amounts, and shall bear interest as shown on the respective inside front cover pages hereof. Interest on the Series 2023AB Bonds shall be payable on each March 1 and September 1, commencing March 1, 2024 (each an "Interest Payment Date") to the Owner thereof as of the Record Date (as defined herein) immediately preceding each such Interest Payment Date. The Series 2023AB Bonds, when issued, will be 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 of the Series 2023AB Bonds. Individual purchases of the Series 2023AB Bonds will be made in book-entry form only. Principal of and interest and premium, if any, on the Series 2023AB Bonds will be payable by DTC through the DTC participants. See "THE SERIES 2023A FACILITIES BONDS - Book-Entry System" and "THE SERIES 2023B HOUSING BONDS - Book-Entry System" herein. Purchasers of the Series 2023AB Bonds will not receive physical delivery of the 2023AB Bonds purchased by them.

The Series 2023A Facilities Bonds and the Series 2023B Housing Bonds are subject to redemption prior to maturity as described herein. See "THE SERIES 2023A FACILITIES BONDS" and "THE SERIES 2023B HOUSING BONDS" herein.

The Series 2023A Facilities Bonds are limited obligations of the District, secured by and payable solely from the Pledged Facilities Increment and the funds pledged therefor under the Facilities Indenture. The Series 2023A Facilities Bonds are not payable from any other source of funds other than the Pledged Facilities Increment and the funds pledged therefor under the Facilities Indenture. The Series 2023B Housing Bonds are limited obligations of the District, secured by and payable solely from the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture. The Series 2023B Housing Bonds are not payable from any other source of funds other than the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture. Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds are 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 District and only to the limited extent set forth in the Facilities Indenture and the Housing Indenture, respectively), and none of the City, the State or any of their political subdivisions other than the District is liable therefor. Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The District has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the Series 2023A Facilities Bonds or the Series 2023B Housing Bonds. Although the District receives certain tax increment revenues, the District has no taxing power.

The District has previously issued under the Facilities Indenture its Tax Increment Revenue Bonds, Series 2022A (Facilities Increment) (the "Series 2022A Facilities Bonds"). The Series 2023A Facilities Bonds will be secured by and payable from Pledged Facilities Increment on a parity with the Series 2022A Facilities Bonds. The Facilities Indenture authorizes the District to issue additional bonds on a parity basis with the Series 2022A Facilities Bonds and the Series 2023A Facilities Bonds. See "SECURITY AND SOURCES OF PAYMENT – Security for the Series 2023A Facilities Bonds and Parity Facilities Debt" herein. The District has previously issued under the Housing Indenture its Tax Increment Revenue Bonds, Series 2022B (Housing Increment) (the "Series 2022B Housing Bonds"). The Series 2023B Housing Bonds will be secured by and payable from Pledged Housing Increment on a parity with the Series 2022B Housing Bonds. The Housing Indenture authorizes the District to issue additional bonds on a parity basis with the Series 2022B Housing Bonds and the Series 2023B Housing Bonds. See "SECURITY AND SOURCES OF PAYMENT – Security for the Series 2023B Housing Bonds and Parity Housing Debt" herein.

The Series 2023AB Bonds are not rated. Investment in the Series 2023AB Bonds involves certain risks and the Series 2023AB Bonds are not suitable investments for all types of investors. Accordingly, the Series 2023AB Bonds are being offered and sold only to "Qualified Purchasers," which are defined in the Indenture as Qualified Institutional Buyers as defined in Rule 144A promulgated under the Securities Act of 1933 and institutional Accredited Investors (which consists of Accredited Investors within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933). Pursuant to the Indenture, the Series 2023AB Bonds may not be registered in the name of, or transferred to, and the Beneficial Owner (defined in the Facilities Indenture and the Housing Indenture as any person for which a DTC participant acquires an interest in the Series 2023AB Bonds) cannot be, any person except a Qualified Purchaser; provided, however, that Series 2023AB Bonds registered in the name of DTC or its nominee shall be deemed to comply with the Facilities Indenture and the Housing Indenture so long as each Beneficial Owner of the Series 2023AB Bonds is a Qualified Purchaser. See "TRANSFER RESTRICTIONS" herein.

The Series 2023AB Bonds are offered when, as and if issued, subject to approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the District by the City Attorney of the City and County of San Francisco, and by Norton Rose Fulbright US LLP, Los Angeles, California, as Disclosure Counsel to the District. Certain legal matters will be passed upon for the Underwriter by their counsel Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California. It is anticipated that the Series 2023AB Bonds will be available for delivery through the book-entry facilities of DTC on or about December 21, 2023.

STIFEL

Dated: December 14, 2023

MATURITY SCHEDULE

$7,615,000
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
(TREASURE ISLAND)
TAX INCREMENT REVENUE BONDS,
SERIES 2023A
(FACILITIES INCREMENT)

(Base CUSIP† 79773N)

$1,225,000 5.000% Term Series 2023A Facilities Bonds due September 1, 2033 – Yield: 4.330% Price: 105.252 CUSIP†: AG3

$1,805,000 5.000% Term Series 2023A Facilities Bonds due September 1, 2043 – Yield: 5.170% Price: 97.907 CUSIP†: AH1

$4,585,000 5.500% Term Series 2023A Facilities Bonds due September 1, 2053 – Yield: 5.510% Price: 99.845 CUSIP†: AJ7

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers have been assigned by an independent company not affiliated with the City and County of San Francisco (the "City") and are included solely for the convenience of investors. None of the City, the Underwriter, or the Municipal Advisor, is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2023A Facilities Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2023A Facilities Bonds as a result of various subsequent actions including, but not limited to, refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2023A Facilities Bonds.

$1,595,000
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
(TREASURE ISLAND)
TAX INCREMENT REVENUE BONDS,
SERIES 2023B
(HOUSING INCREMENT)

(Base CUSIP† 79773N)

$1,595,000 5.500% Term Series 2023B Housing Bonds due September 1, 2053 – Yield: 5.540% Price: 99.411 CUSIP†: AK4

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers have been assigned by an independent company not affiliated with the City and are included solely for the convenience of investors. None of the City, the Underwriter, or the Municipal Advisor, is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2023B Housing Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2023B Housing Bonds as a result of various subsequent actions including, but not limited to, refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2023B Housing Bonds.

CITY AND COUNTY OF SAN FRANCISCO
MAYOR

London N. Breed

BOARD OF SUPERVISORS[(1)]

Aaron Peskin, *Board President*, *District 3*

Connie Chan, *District 1*
Catherine Stefani, *District 2*
Joel Engardio, *District 4*
Dean Preston, *District 5*
Matt Dorsey, *District 6*
Myrna Melgar, *District 7*
Rafael Mandelman, *District 8*
Hillary Ronen, *District 9*
Shamann Walton, *District 10*
Ahsha Safai, *District 11*

CITY ATTORNEY

David Chiu

CITY TREASURER

José Cisneros

OTHER CITY AND COUNTY OFFICIALS

Carmen Chu, *City Administrator*
Benjamin Rosenfield, *Controller*
Anna Van Degna, *Director*, *Controller's Office of Public Finance*
Bob Beck, *Treasure Island Director, Treasure Island Development Authority*

PROFESSIONAL SERVICES

Bond Counsel
Jones Hall, A Professional Law Corporation
San Francisco, California

Disclosure Counsel
Norton Rose Fulbright US LLP
Los Angeles, California

Fiscal Consultant
Keyser Marston Associates, Inc.
Berkeley, California

Municipal Advisor
CSG Advisors Incorporated
San Francisco, California

Trustee
Zions Bancorporation, National Association
Los Angeles, California

[(1)] Under the Law, Board of Supervisors serves as the legislative body of the District.

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NOTICE TO INVESTORS

The information set forth herein has been obtained from the District and other sources believed to be reliable. This Official Statement is not to be construed as a contract with the purchasers of the Series 2023AB Bonds, the complete terms and conditions being set forth in the Facilities Indenture and the Housing Indenture (as described herein). Estimates and opinions are included and should not be interpreted as statements of fact. Summaries of documents do not purport to be complete statements of their provisions. No dealer, broker, salesperson or any other person has been authorized by the District, the Municipal Advisor or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering contained herein and, if given or made, such information or representations must not be relied upon as having been authorized by the District or the Underwriter.

This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any offer or solicitation of such offer or any sale of the Series 2023AB Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale of the Series 2023AB Bonds made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the District or in any other information contained herein, since the date hereof.

The Series 2023AB Bonds are being offered and sold only to "Qualified Purchasers," which is defined in the Facilities Indenture and the Housing Indenture to include Qualified Institutional Buyers as defined in Rule 144A promulgated under the Securities Act of 1933 and institutional Accredited Investors (which consists of Accredited Investors within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933). Pursuant to the Facilities Indenture and the Housing Indenture, the Series 2023AB Bonds may not be registered in the name of, or transferred to, and the Beneficial Owner cannot be, any person except a Qualified Purchaser; provided, however, that Series 2023AB Bonds registered in the name of DTC or its nominee shall be deemed to comply with the Facilities Indenture and the Housing Indenture so long as each Beneficial Owner of the Series 2023AB Bonds is a Qualified Purchaser. In addition, the face of each Series 2023AB Bond will contain a legend indicating that it is subject to transfer restrictions as set forth in the Facilities Indenture and the Housing Indenture, respectively. Each entity that is or that becomes a Beneficial Owner of a Series 2023AB Bond shall be deemed by the acceptance or acquisition of such beneficial ownership interest to have agreed to be bound by the transfer restrictions under the Facilities Indenture and the Housing Indenture, respectively. In the event that a holder of the Series 2023AB Bonds makes an assignment of its beneficial ownership interest in the Series 2023AB Bonds, the assignor will notify the assignee of the restrictions on purchase and transfer described herein. Any transfer of a Series 2023AB Bond to any entity that is not a Qualified Purchaser shall be deemed null and void. See "TRANSFER RESTRICTIONS" herein.

The Underwriter has provided the following two paragraphs for inclusion in this Official Statement.

The Underwriter has 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 Underwriter does not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2023AB BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICES OF THE SERIES 2023AB BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Official Statement, including any supplement or amendment hereto, is intended to be deposited with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access ("EMMA") website.

The City maintains a website with information pertaining to the District. However, the information presented therein is not incorporated into this Official Statement and should not be relied upon in making investment decisions with respect to the Series 2023AB Bonds.

FORWARD LOOKING STATEMENTS

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 terminology used such as "plan," "expect," "estimate," "project," "budget" or similar words.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to the forward-looking statements set forth in this Official Statement.


TREASURE
ISLAND PROJECT
ANGEL
ISLAND
TREASURE ISLAND
BAY BRIDGE
ALCATRAZ
GOLDEN GATE
BRIDGE
OAKLAND
FINANCIAL
DISTRICT
SAN FRANCISCO
YERBA BUENA
ISLAND

Project Area A:

Photo from November 18, 2023.

Project Area B/E (Treasure Island):

Photo from November 7, 2023.

The above map shows the location of the Treasure Island Project. The above photos include Project Area A and Project Areas B and E, respectively, as of the dates indicated, and include other areas and structures not within any Project Area. The Series 2023AB Bonds will be secured by revenues derived from a portion of ad valorem taxes levied in the Project Areas located on certain portions of Yerba Buena Island and Treasure Island. No mortgage or deed of trust on property secures the Series 2023AB Bonds. No ad valorem taxes levied on any portion of Yerba Buena Island and Treasure Island outside of the Project Areas are pledged to the repayment of the Series 2023AB Bonds, nor shall any other property or resources of the District be available to pay debt service on the Series 2023AB Bonds. See "SECURITY AND SOURCES OF PAYMENT" herein.

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OFFICIAL STATEMENT

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
(TREASURE ISLAND)

$7,615,000
TAX INCREMENT REVENUE BONDS,
SERIES 2023A
(FACILITIES INCREMENT)

$1,595,000
TAX INCREMENT REVENUE BONDS,
SERIES 2023B
(HOUSING INCREMENT)

INTRODUCTION

General

This Official Statement, including the cover page, the inside cover pages and the Appendices hereto, is provided to furnish certain information in connection with the issuance and sale by the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "District") of its Tax Increment Revenue Bonds, Series 2023A (Facilities Increment) (the "Series 2023A Facilities Bonds") and Tax Increment Revenue Bonds, Series 2023B (Housing Increment) (the "Series 2023B Housing Bonds" and together with the Series 2023A Facilities Bonds, the "Series 2023AB Bonds").

The Series 2023A Facilities Bonds will be secured primarily by Pledged Facilities Increment, and the Series 2023B Housing Bonds will be secured primarily by Pledged Housing Increment. Pledged Facilities Increment and Pledged Housing Increment are derived from revenue produced by the application of the 1% ad valorem tax rate within the District's project areas. See "SECURITY AND SOURCES OF PAYMENT" herein.

As explained more fully in this Official Statement, the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds are being issued pursuant to separate Indentures of Trust, are payable from separate pledged revenues and are secured by separate debt service reserve funds. Because the pledged revenues are derived from a common source of ad valorem property tax revenues and the terms of the two series of Series 2023AB Bonds are similar, this Official Statement describes both series of the Series 2023AB Bonds.

Authority for Issuance

The Series 2023AB Bonds will be issued pursuant to Chapter 2.6 of Part 1 of Division 2 of Title 5 (section 53369 et seq.) of the Government Code of the State of California, as amended (the "Law"), Resolution No. 7-17, adopted by the Board of Supervisors as the legislative body of the District on January 24, 2017, and signed by the Mayor on February 3, 2017 ("Original Resolution of Issuance"), approving the issuance and sale of tax increment revenue bonds in one or more series, in an aggregate principal amount not to exceed $780 million (excluding refunding bonds), and Resolution No. 549-23, adopted by the Board of Supervisors as the legislative body of the District on November 28, 2023, and signed by the Mayor on November 30, 2023, approving the issuance and sale of bonds in one or more series, in an aggregate principal amount not to exceed $10,000,000 (the "2023 Bond Resolution," and collectively with the Original Resolution of Issuance, as supplemented, the "Resolution").

The Series 2023A Facilities Bonds will be issued by the District pursuant to the provisions of an Indenture of Trust, dated as of September 1, 2022, as supplemented by a First Supplemental Indenture, dated as of December 1, 2023 (as so supplemented, the "Facilities Indenture"), each by and between the District and Zions Bancorporation, National Association, as trustee (the "Trustee").

The Series 2023B Housing Bonds will be issued by the District pursuant to the provisions of an Indenture of Trust, dated as of September 1, 2022 (the "Housing Indenture"), as supplemented by a First Supplemental Indenture, dated as of December 1, 2023 (as so supplemented, the "Housing Indenture"), each by and between the District and the Trustee, as trustee.

Use of Proceeds

The Series 2023A Facilities Bonds are being issued to fund (i) the acquisition of certain public facilities and improvements authorized to be financed by the District, (ii) a deposit to the 2022 Facilities Reserve Account and (iii) costs of issuance of the Series 2023A Facilities Bonds.

The Series 2023B Housing Bonds are being issued to (i) finance the acquisition and construction of affordable housing and/or housing that will become restricted with an affordability covenant, (ii) fund a deposit to the 2022 Housing Reserve Account and (iii) pay costs of issuance of the Series 2023B Housing Bonds. See "THE FINANCING PLAN" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2023AB Bonds

The Series 2023A Facilities Bonds will be issued in denominations of $100,000 or any integral multiple of $5,000 in excess thereof ("Authorized Denominations"), shall mature on September 1 in each of the years and in the amounts, and shall bear interest as shown on the first inside front cover hereof.

The Series 2023B Housing Bonds will be issued in Authorized Denominations, shall mature on September 1 in each of the years and in the amounts, and shall bear interest as shown on the second inside front cover hereof.

Interest on the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds shall be payable on each March 1 and September 1, commencing March 1, 2024 (each an "Interest Payment Date") to the Owner thereof as of the Record Date (as defined herein) immediately preceding each such Interest Payment Date, by check or draft mailed on such Interest Payment Date or by wire transfer to an account in the United States of America made upon instructions of any Owner of $1,000,000 or more in aggregate principal amount of a series of Series 2023AB Bonds delivered to the Trustee prior to the applicable Record Date.

The Series 2023AB Bonds, when issued, will be 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 of the Series 2023AB Bonds. Individual purchases of the Series 2023AB Bonds will be made in book-entry form only. Principal of and interest and premium, if any, on the Series 2023AB Bonds will be payable by DTC through the DTC participants. Purchasers of the Series 2023AB Bonds will not receive physical delivery of the Series 2023AB Bonds purchased by them. See "THE SERIES 2023A FACILITIES BONDS - Book-Entry System" and "THE SERIES 2023B HOUSING BONDS - Book-Entry System" herein.

Security and Sources of Payment

The Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds (defined below) and any Parity Facilities Debt (defined herein) issued in the future will be secured primarily by Pledged Facilities Increment. The Series 2023B Housing Bonds, the Series 2022B Housing Bonds (defined below) and any Parity Housing Debt (defined herein) issued in the future will be secured primarily by Pledged Housing Increment.

“Pledged Facilities Increment” and “Pledged Housing Increment” are separate designated portions of the basic 1% of assessed value property tax levy in the Project Areas under Article XIIIA of the California Constitution. See “SECURITY AND SOURCES OF PAYMENT” herein.

The Series 2022 Facilities Bonds, the Series 2023A Facilities Bonds and all 2022 Related Facilities Bonds (defined herein) issued in the future shall also be secured by a first pledge of all moneys deposited in the 2022 Facilities Reserve Account. See “2022 Facilities Reserve Account” below. The Series 2022B Housing Bonds, Series 2023B Housing Bonds and all 2022 Related Housing Bonds (defined herein) issued in the future shall also be secured by a first pledge of all moneys deposited in the 2022 Housing Reserve Account. See “2022 Housing Reserve Account” below.

See the section of this Official Statement captioned “RISK FACTORS” for a discussion of certain risk factors which should be considered, in addition to the other matters set forth herein, in evaluating an investment in the Series 2023AB Bonds.

Parity Bonds and Additional Parity Debt

The District has previously issued under the Facilities Indenture its Tax Increment Revenue Bonds, Series 2022A (Facilities Increment) (the “Series 2022A Facilities Bonds”). The Series 2023A Facilities Bonds will be secured by and payable from Pledged Facilities Increment on a parity with the Series 2022A Facilities Bonds. Subject to the conditions set forth in the Facilities Indenture, the District may issue additional Parity Facilities Debt to finance and/or refinance activities that are permitted to be financed and/or refinanced by the District with Net Available Facilities Increment in such principal amount as shall be determined by the District. “Parity Facilities Debt” means any additional bonds (including any Facilities Bonds), loans, advances or indebtedness issued or incurred by the District on a parity with the Series 2022A Facilities Bonds and the Series 2023A Facilities Bonds. See “SECURITY AND SOURCES OF PAYMENT – Security for the Series 2023A Facilities Bonds and Parity Facilities Debt” herein.

The District has previously issued under the Housing Indenture its Tax Increment Revenue Bonds, Series 2022B (Housing Increment) (the “Series 2022B Housing Bonds”). The Series 2023B Housing Bonds will be secured by and payable from Pledged Housing Increment on a parity with the Series 2022B Housing Bonds. Subject to the conditions set forth in the Housing Indenture, the District may issue additional Parity Housing Debt to finance and/or refinance activities that are permitted to be financed and/or refinanced by the District with Net Available Housing Increment in such principal amount as shall be determined by the District. “Parity Housing Debt” means any additional bonds (including any Housing Bonds), loans, advances or indebtedness issued or incurred by the District on a parity with the Series 2022B Housing Bonds and the Series 2023B Housing Bonds. See “SECURITY AND SOURCES OF PAYMENT – Security for the Series 2023B Housing Bonds and Parity Housing Debt” herein.

2022 Facilities Reserve Account

The District has established the 2022 Facilities Reserve Account, which will serve as additional security for the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any future 2022 Related Facilities Bonds pursuant to the Facilities Indenture. The Facilities Indenture requires the 2022 Facilities Reserve Account to be funded at the 2022 Facilities Reserve Requirement (defined below). On the date of issuance of the Series 2023A Facilities Bonds, proceeds of the Series 2023A Facilities Bonds will be deposited into the 2022 Facilities Reserve Account so that the amount in the 2022 Facilities Reserve Account is equal to the 2022 Facilities Reserve Requirement.

The Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any future 2022 Related Facilities Bonds will be secured by a first pledge of all moneys deposited in the 2022 Facilities Reserve

Account. The moneys in the 2022 Facilities Reserve Account (except as otherwise provided in the Facilities Indenture) are dedicated to the payment of the principal of, and interest and any premium on, the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any future 2022 Related Facilities Bonds that might be issued in the future as provided in the Facilities Indenture and in the Law until all of the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and all other 2022 Related Facilities Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose under the Facilities Indenture. See "SECURITY AND SOURCES OF PAYMENT – 2022 Facilities Reserve Account" herein.

2022 Housing Reserve Account

The District has established the 2022 Housing Reserve Account, which will serve as additional security for the Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any future 2022 Related Housing Bonds pursuant to the Housing Indenture. The Housing Indenture requires the 2022 Housing Reserve Account to be funded at the 2022 Housing Reserve Requirement (defined below). On the date of issuance of the Series 2023B Housing Bonds, proceeds of the Series 2023B Housing Bonds will be deposited into the 2022 Housing Reserve Account so that the amount in the 2022 Housing Reserve Account is equal to the 2022 Housing Reserve Requirement.

The Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any future 2022 Related Housing Bonds will be secured by a first pledge of all moneys deposited in the 2022 Housing Reserve Account. The moneys in the 2022 Housing Reserve Account (except as otherwise provided in the Housing Indenture) are dedicated to the payment of the principal of, and interest and any premium on, the Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any future 2022 Related Housing Bonds that might be issued in the future as provided in the Housing Indenture and in the Law until all of the Series 2023B Housing Bonds, the Series 2022B Housing Bonds and all other 2022 Related Housing Bonds have been paid and retired or until moneys or Federal Securities have been set aside irrevocably for that purpose under the Housing Indenture. See "SECURITY AND SOURCES OF PAYMENT – 2022 Housing Reserve Account" herein.

Limited Obligations

The Series 2023A Facilities Bonds are limited obligations of the District, secured by and payable solely from the Pledged Facilities Increment and the funds pledged therefor under the Facilities Indenture. The Series 2023A Facilities Bonds are not payable from any other source of funds other than the Pledged Facilities Increment and the funds pledged therefor under the Facilities Indenture.

The Series 2023B Housing Bonds are limited obligations of the District, secured by and payable solely from the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture. The Series 2023B Housing Bonds are not payable from any other source of funds other than the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture.

Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds are 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 District and only to the limited extent set forth in the Facilities Indenture and the Housing Indenture, respectively), and none of the City, the State or any of their political subdivisions other than the District is liable therefor. Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The District has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the Series 2023A Facilities Bonds or the Series 2023B Housing Bonds. Although the District receives certain tax increment revenues, the District has no taxing power.

Treasure Island Project

The Treasure Island Project entails the development of portions of the naturally-formed Yerba Buena Island ("Yerba Buena Island") and the artificially created Treasure Island ("Treasure Island"), both located in the middle of the San Francisco Bay between downtown San Francisco and the City of Oakland. Yerba Buena Island and Treasure Island are connected by a causeway, and are accessible by ferry service (between the San Francisco Ferry Building and a terminal on Treasure Island) and Interstate Highway 80 via the San Francisco-Oakland Bay Bridge (which passes through Yerba Buena Island).

The Treasure Island Project consists of approximately 461 acres entitled for the development of up to 8,000 residential units, up to approximately 140,000 square feet of new commercial and retail space, adaptive reuse of three historic buildings with up to 311,000 square feet of commercial/flex space, up to 500 hotel rooms, up to approximately 100,000 square feet of office space, over 290 acres of open space, 22 miles of walking/biking paths, playing fields, a marina, and a ferry terminal.

The Treasure Island Project is expected to be carried out by, or at the direction of, Treasure Island Community Development, LLC, a California limited liability company ("TICD"), the master developer for the Treasure Island Project.

The District and the Initial Project Areas

The District was formed by the City pursuant to the Law. The Act was enacted by the State of California (the "State") Legislature to provide an alternative method of financing certain purposes, including public infrastructure, affordable housing, economic development and job creation, and environmental protection and remediation, including on former military bases. Generally, the legislative body of a city that forms an infrastructure and revitalization financing district acts as the governing legislative body of such district. The Board of Supervisors serves as the legislative body of the District. Subject to approval by two-thirds of the votes cast at an election (which has already occurred) and compliance with the other provisions of the Law, an infrastructure and revitalization financing district may issue tax increment revenue bonds.

Pursuant to the Law, the Board of Supervisors adopted the necessary ordinances and resolutions and conducted such proceedings and elections as are necessary to form the District and the initial project areas within it, approve an infrastructure financing plan for the District (as amended from time to time, the "Infrastructure Financing Plan"), and authorize issuance from time to time of tax increment revenue bonds or other debt for the purpose of financing certain improvements described in the Infrastructure Financing Plan. See APPENDIX B – "INFRASTRUCTURE FINANCING PLAN" attached hereto. Such proceedings were validated by the California Superior Court.

As of the date of this Official Statement, there are five project areas in the District: Project Area A, Project Area B, Project Area C, Project Area D and Project Area E (collectively, the "Initial Project Areas"). Although the City, the District and TICD anticipate that additional territory will annex into the District, no assurance is given regarding addition of project areas in the District or addition of territory to the District.

A wholly-owned subsidiary of TICD, Treasure Island Series 1, LLC, a Delaware limited liability company ("TI Series 1"), is currently developing the property in the Initial Project Areas and has sold portions of the property to related entities undertaking vertical construction. See "THE TREASURE ISLAND PROJECT – Developer Entities" herein.

The property in the Initial Project Areas includes about 33 acres, some of which are located on Yerba Buena Island and some of which are located on Treasure Island. Planned development within the boundaries of the Initial Project Areas includes 1,755 residential units (some of which have been completed) and two hotels; the infrastructure and utilities necessary for these projects to receive temporary certificates of occupancy have been completed.

The first project, the 124-unit residential condominium development on Yerba Buena Island known as the Bristol, was completed in June 2022. As of October 1, 2023, 46 units in the Bristol (including 37 market rate and 9 below market rate units) have sold to individual buyers and closed escrow.

Vertical construction is nearing completion on 31 units of the 53 planned townhomes and flats at Sub-Block 4Y, immediately adjacent to the Bristol, constituting the first phase of a project known as the "Residences." Vertical construction is also currently underway on three projects on Treasure Island: (i) "Portico," a 148 condominium unit building at Sub-Block C3.3/C3.4, (ii) "Isle House" (formerly, "Tidal House"), a 250-unit high-rise rental development at Sub-Block C2.4, and (iii) "Hawkins," a 178-unit mid-rise rental development at Sub-Block C2.2.

In total, 607 residential units are under construction as of November 2023, of which 567 are market rate and 40 are below market rate affordable units.

One other planned development in the Initial Project Areas, Sub-Block B1, has a site permit but has not yet begun vertical construction, executed guaranteed maximum price construction contracts or received construction financing and is currently on hold. In addition, permitted grading and shoring activities for a portion of Sub-Block 3Y have begun, though no site or building permit has yet been issued for that Sub-Block. The remaining planned developments are vacant land in earlier stages of development.

For additional information regarding the Treasure Island Project and the Initial Project Areas, see "THE INITIAL PROJECT AREAS" herein.

No Rating; Early Stage of Development; Transfer Restrictions

The Series 2023AB Bonds are not rated. See "NO RATING" herein. The determination by the District not to obtain a rating does not, directly or indirectly, express any view by the District of the credit quality of the Series 2023AB Bonds. The lack of a bond rating could impact the market price or liquidity for the Series 2023AB Bonds in the secondary market. See "RISK FACTORS – Limited Secondary Market" herein.

The Pledged Facilities Increment and Pledged Housing Increment projected in the Fiscal Consultant Report are currently generated from properties with concentrated ownership, a substantial portion of which are under construction or vacant properties planned for residential development for which site permits have not yet been received. Assessed values attributable to construction in progress or vacant land may be subject to more volatility than assessed values of completed buildings, and the Bristol is currently the only completed building in the Initial Project Areas. See "THE INITIAL PROJECT AREAS," "TAX INCREMENT REVENUE AND DEBT SERVICE" and "RISK FACTORS – Real Estate Investment Risks" herein. Neither the District nor the Underwriter make any assurance that development of the property will be completed or that the plans or projections detailed herein will actually occur.

The Series 2023AB Bonds are being offered and sold only to "Qualified Purchasers," which is defined in the Facilities Indenture and the Housing Indenture to include Qualified Institutional Buyers as defined in Rule 144A promulgated under the Securities Act of 1933 and institutional Accredited Investors (which consists of Accredited Investors within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933). Pursuant to the Facilities Indenture and the Housing Indenture, the Series 2023AB Bonds may not be registered in the name of, or transferred to, and the Beneficial Owner cannot be, any person except a Qualified Purchaser; provided, however, that Series 2023AB Bonds registered in the name of DTC or its nominee shall be deemed to comply with the Facilities Indenture and the Housing Indenture so long as each Beneficial Owner (defined in the Facilities Indenture and the Housing Indenture as any person for which a DTC participant acquires an interest in the Series 2023AB Bonds) of the Series 2023AB Bonds is a Qualified Purchaser. In addition, the face of each Series 2023AB Bond will contain a legend indicating that it is subject to transfer restrictions as set forth in the Facilities Indenture and the Housing Indenture, respectively. Each entity that is or that becomes a Beneficial Owner of a Series 2023AB Bond shall be deemed by the acceptance or acquisition of such beneficial ownership interest to have agreed to be bound by the transfer restrictions under the Facilities Indenture and the Housing Indenture, respectively. In the event that a holder of the Series 2023AB Bonds makes an assignment of its beneficial ownership interest in the Series 2023AB Bonds, the assignor will notify the assignee of the restrictions on purchase and transfer described herein. Any transfer of a Series 2023AB Bond to any entity that is not a Qualified Purchaser shall be deemed null and void. See “TRANSFER RESTRICTIONS” herein.

Continuing Disclosure

The District has agreed to provide, or cause to be provided, to the Municipal Securities Rulemaking Board (“MSRB”) certain annual financial information and operating data and notice of certain enumerated events. The District’s covenants have been made in order to assist the Underwriter in complying with the Securities and Exchange Commission’s Rule 15c2-12 (“Rule 15c2-12”). See the caption “CONTINUING DISCLOSURE,” Appendix E-l for a description of the specific nature of the annual reports and notices of enumerated events to be filed by the District in respect of the Series 2023A Facilities Bonds and Appendix E-2 for a description of the specific nature of the annual reports and notices of enumerated events to be filed by the District in respect of the Series 2023B Housing Bonds.

Further Information

Brief descriptions of the Series 2023AB Bonds, the applicable security for the Series 2023AB Bonds, risk factors, the District, the Initial Project Areas, the City and other information are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive. The descriptions herein of the Series 2023AB Bonds, the Facilities Indenture, the Housing Indenture, resolutions and other documents are qualified in their entirety by reference to the forms thereof and the information with respect thereto included in the Series 2023AB Bonds, the Facilities Indenture, the Housing Indenture, such resolutions and other documents. All such descriptions are further qualified in their entirety by reference to laws and to principles of equity relating to or affecting generally the enforcement of creditors’ rights. For definitions of certain capitalized terms used herein and not otherwise defined, and a description of certain terms relating to the Series 2023AB Bonds, see APPENDIX C – “SUMMARY OF CERTAIN PROVISIONS OF THE FACILITIES INDENTURE” and APPENDIX D – “SUMMARY OF CERTAIN PROVISIONS OF THE HOUSING INDENTURE” attached hereto.

THE FINANCING PLAN

The Series 2023A Facilities Bonds are being issued to fund (i) the acquisition of certain public facilities and improvements authorized to be financed by the District, (ii) a deposit to the 2022 Facilities Reserve Account and (iii) costs of issuance of the Series 2023A Facilities Bonds. Among other things, the proceeds of the 2023A Facilities Bonds are expected to be used to reimburse TICD for certain geotechnical work on Treasure Island that has been completed by TICD and was necessary for TICD to begin horizontal development. See “THE TREASURE ISLAND PROJECT – Infrastructure” herein.

The Series 2023B Housing Bonds are being issued to (i) finance a grant or a forgivable loan for a portion of an affordable housing project described below, (ii) fund a deposit to the 2022 Housing Reserve Account and (iii) pay costs of issuance of the Series 2023B Housing Bonds. The Law allows the District to finance for-sale and rental housing and requires at least 20% of the financed units to be set aside to increase and improve the community's supply of low- and moderate-income housing available at an affordable housing cost or at an affordable rent, as defined in the Law. The Infrastructure Financing Plan requires 100% of the Net Available Housing Increment to be used to finance the costs of increasing, improving and preserving the City's supply of housing for persons and families of very low-, low-, or moderate-income pursuant to the Housing Plan of the Disposition and Development Agreement between the Treasure Island Development Authority ("TIDA") and TICD, dated as of June 28, 2011 (as amended from time to time, the "DDA"). Consistent with the Law and the Infrastructure Financing Plan, proceeds of the Series 2023B Housing Bonds will only finance affordable housing and/or housing that will become restricted with an affordability covenant. It is anticipated that proceeds of the Series 2023B Housing Bonds will be used by TIDA and the Mayor's Office of Housing and Community Development ("MOHCD") to finance a grant or forgivable loan for predevelopment costs for a portion of the affordable housing component of a development by John Stewart Company and Catholic Charities on Treasure Island (the "TI Parcel IC4.3 Project"). The proposed 150-unit affordable housing development includes approximately 30 transitional units for legacy households relocating from formerly Navy-owned housing on Treasure Island, 60 One Treasure Island replacement units currently operated by HomeRise (for households that were homeless upon move in), and approximately 60 new affordable units. The development will also include a 6,000-10,000 square foot childcare facility for 50-100 children. Construction is scheduled to begin in late 2026 and is expected to be completed in mid-2028. The TI Parcel IC4.3 Project will not be subject to property taxes.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds for the Series 2023AB Bonds is set forth below:

Sources of Funds	Series 2023A Facilities Bonds	Series 2023B Housing Bonds	Total
Principal Amount	$ 7,615,000.00	$ 1,595,000.00	$ 9,210,000.00
Net Premium/(Discount)	19,451.60	(9,394.55)	10,057.05
Total Sources	$ 7,634,451.60	$ 1,585,605.45	$ 9,220,057.05
Uses of Funds			
Deposit to Facilities Project Fund	$ 6,637,330.60	$ -	$ 6,637,330.60
Deposit to Housing Project Fund	-	1,350,238.58	1,350,238.58
Deposit to 2022 Facilities Reserve Account	464,924.13	-	464,924.13
Deposit to 2022 Housing Reserve Account	-	99,353.22	99,353.22
Costs of Issuance(1)	532,196.87	136,013.65	668,210.52
Total Uses	$ 7,634,451.60	$ 1,585,605.45	$ 9,220,057.05

(1) Includes Underwriter's discount, fees and expenses for Bond Counsel, Disclosure Counsel, the Municipal Advisor, the Fiscal Consultant, the Trustee and its counsel, costs of printing the Official Statement, and other costs of issuance of the Series 2023AB Bonds.

THE SERIES 2023A FACILITIES BONDS

Description of the Series 2023A Facilities Bonds

The Series 2023A Facilities Bonds will be issued as fully registered bonds, in Authorized Denominations within a single maturity and will be dated and bear interest from the date of their delivery, at the rates set forth on the first inside cover page hereof. The Series 2023A Facilities Bonds will be issued in fully registered form, without coupons. The Series 2023A Facilities Bonds will mature on September 1 in the principal amounts and years as shown on the first inside cover page hereof.

The Series 2023A Facilities Bonds will bear interest at the rates set forth on the first inside cover page hereof, payable on the Interest Payment Dates in each year. Interest on all Series 2023A Facilities Bonds shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Series 2023A Facilities 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 February 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 Series 2023A Facilities Bond, interest thereon is in default, such Series 2023A Facilities 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 Series 2023A Facilities 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 Series 2023A Facilities Bonds, which written request is on file with the Trustee as of any Record Date, interest on such Series 2023A Facilities 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.

"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. The principal of the Series 2023A Facilities Bonds and any premium on the Series 2023A Facilities Bonds are payable in lawful money of the United States of America upon surrender of the Series 2023A Facilities Bonds at the Principal Office of the Trustee or such other place as designated by the Trustee. All Series 2023A Facilities Bonds redeemed or purchased pursuant to the Facilities Indenture shall be canceled and destroyed.

Redemption

Optional Redemption. The Series 2023A Facilities Bonds maturing on or before September 1, 2033 are not subject to optional redemption prior to their respective stated maturities. The Series 2023A Facilities Bonds maturing on and after September 1, 2043, are subject to redemption, at the option of the District on any date on or after September 1, 2033, as a whole or in part, by such maturities as shall be determined by the District, and by lot within a maturity, from any available source of funds, at the principal amount of the Series 2023A Facilities Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Series 2023A Facilities Bonds that are Term Facilities Bonds and maturing September 1, 2033, September 1, 2043 and September 1, 2053 shall also be subject to mandatory redemption in whole, or in part by lot, on September 1 in each year, commencing September 1, 2024, September 1, 2034 and September 1, 2044, respectively, as set forth below, from sinking fund payments made by the District to the Principal Account pursuant to the Facilities Indenture, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on September 1 in the respective years as set forth in the following tables.

Term Bonds maturing September 1, 2033

Sinking Fund Redemption Date (September 1)	Principal Amount Subject to Redemption
2024	$205,000
2025	95,000
2026	100,000
2027	100,000
2028	110,000
2029	110,000
2030	115,000
2031	125,000
2032	130,000
2033 (maturity)	135,000

Term Bonds maturing September 1, 2043

Sinking Fund Redemption Date (September 1)	Principal Amount Subject to Redemption
2034	$145,000
2035	150,000
2036	155,000
2037	165,000
2038	175,000
2039	185,000
2040	195,000
2041	200,000
2042	215,000
2043 (maturity)	220,000

Term Bonds maturing September 1, 2053

Sinking Fund Redemption Date (September 1)	Principal Amount Subject to Redemption
2044	$235,000
2045	245,000
2046	260,000
2047	275,000
2048	290,000
2049	305,000
2050	320,000
2051	340,000
2052	360,000
2053 (maturity)	1,955,000

Provided however, that if some but not all of such Term Series 2023A Facilities Bonds of a maturity have been redeemed at the option of the District as described in "- *Optional Redemption*" above, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Series 2023A Facilities Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of $5,000 as determined by the District.

Notice of Redemption. The Trustee shall mail (by first class mail, postage prepaid) notice of any redemption at least twenty (20) but not more than sixty (60) days prior to the redemption date, to (i) to the Owners of any Series 2023A Facilities Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system; 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 that such redemption is conditioned upon the timely delivery of the redemption price by the District to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Series 2023A Facilities Bonds to be redeemed, shall state the individual number of each Series 2023A Facilities Bond to be redeemed or shall state that all Series 2023A Facilities Bonds between two stated numbers (both inclusive) or all of the Series 2023A Facilities Bonds Outstanding are to be redeemed, and shall require that such Series 2023A Facilities 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 Series 2023A Facilities Bonds will not accrue from and after the redemption date.

A notice of optional redemption may be conditional, and the District 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 Series 2023A Facilities Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Facilities Indenture. The District 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.

Selection of Series 2023A Facilities Bonds for Redemption. Subject to the Facilities Indenture provisions described above under the captions " – Optional Redemption" and " – Mandatory Sinking Fund Redemption," whenever any Series 2023A Facilities 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 District thereof to the extent Series 2023A Facilities Bonds are no longer held in book-entry form. In the event of redemption by lot of Series 2023A Facilities Bonds, the Trustee shall assign to each Series 2023A Facilities Bond then Outstanding a distinctive number for each $5,000 of the principal amount of each such Series 2023A Facilities Bond. The Series 2023A Facilities Bonds to be redeemed shall be the Series 2023A Facilities Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Series 2023A Facilities 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.

Purchase of Series 2023A Facilities Bonds in Lieu of Redemption. In lieu of redemption of the Term Series 2023A Facilities Bonds, amounts on deposit in the Net Available Facilities Increment Special Account or in the Principal Account or the Redemption Account may also be used and withdrawn by the District and the Trustee, respectively, at any time, upon the Written Request of the District, for the purchase of the Term Series 2023A Facilities 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 District may in its discretion determine. The par amount of any Term Series 2023A Facilities Bonds so purchased by the District in any twelve-month period ending on July 1 in any year shall be credited towards and shall reduce the par amount of the Term Series 2023A Facilities Bonds required to be redeemed; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said July 1.

THE SERIES 2023B HOUSING BONDS

Description of the Series 2023B Housing Bonds

The Series 2023B Housing Bonds will be issued as fully registered bonds, Authorized Denominations within a single maturity and will be dated and bear interest from the date of their delivery, at the rates set forth on the second inside cover page hereof. The Series 2023B Housing Bonds will be issued in fully registered form, without coupons. The Series 2023B Housing Bonds will mature on September 1 in the principal amounts and years as shown on the second inside cover page hereof.

The Series 2023B Housing Bonds will bear interest at the rates set forth on the second inside cover page hereof, payable on the Interest Payment Dates in each year. Interest on all Series 2023B Housing Bonds shall be calculated on the basis of a 360-day year composed of twelve 30-day months. Each Series 2023B Housing 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 February 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 Series 2023B Housing Bond, interest thereon is in default, such Series 2023B Housing 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 Series 2023B Housing 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 Series 2023B Housing Bonds, which written request is on file with the Trustee as of any Record Date, interest on such Series 2023B Housing 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.

"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. The principal of the Series 2023B Housing Bonds and any premium on the Series 2023B Housing Bonds are payable in lawful money of the United States of America upon surrender of the Series 2023B Housing Bonds at the Principal Office of the Trustee or such other place as designated by the Trustee. All Series 2023B Housing Bonds redeemed or purchased pursuant to the Housing Indenture shall be canceled and destroyed.

Redemption

Optional Redemption. The Series 2023B Housing Bonds are subject to redemption, at the option of the District on any date on or after September 1, 2033, as a whole or in part, by such maturities as shall be determined by the District, and by lot within a maturity, from any available source of funds, at the principal amount of the Series 2023B Housing Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Series 2023B Housing Bonds are Term Housing Bonds and shall also be subject to mandatory redemption in whole, or in part by lot, on September 1 in each year, commencing September 1, 2024, as set forth below, from sinking fund payments made by the District to the Principal Account pursuant to the Housing Indenture, at a redemption price equal to the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on September 1 in the respective years as set forth in the following table.

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Term Bonds maturing September 1, 2053

Sinking Fund Redemption Date (September 1)	Principal Amount Subject to Redemption
2024	$45,000
2025	20,000
2026	20,000
2027	20,000
2028	20,000
2029	20,000
2030	20,000
2031	25,000
2032	25,000
2033	30,000
2034	30,000
2035	30,000
2036	35,000
2037	35,000
2038	35,000
2039	35,000
2040	40,000
2041	45,000
2042	45,000
2043	45,000
2044	50,000
2045	50,000
2046	55,000
2047	55,000
2048	60,000
2049	65,000
2050	70,000
2051	75,000
2052	80,000
2053 (maturity)	415,000

Provided however, that if some but not all of such Series 2023B Housing Bonds have been redeemed at the option of the District as described in "- *Optional Redemption*" above, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Series 2023B Housing Bonds so redeemed, to be allocated among such sinking fund payments in integral multiples of $5,000 as determined by the District.

Notice of Redemption. The Trustee shall mail (by first class mail, postage prepaid) notice of any redemption at least twenty (20) but not more than sixty (60) days prior to the redemption date, to (i) to the Owners of any Series 2023B Housing Bonds designated for redemption at their respective addresses appearing on the Registration Books, and (ii) the Securities Depositories and to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system; 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 that such redemption is conditioned upon the timely delivery of the redemption price by the District to the Trustee for deposit in the Redemption Account, shall designate the CUSIP number of the Series 2023B Housing Bonds to be redeemed, shall state the individual number of each Series 2023B Housing Bond to be redeemed or shall state that all Series 2023B Housing Bonds between two stated numbers (both inclusive) or all of the Series 2023B Housing Bonds Outstanding are to be redeemed, and shall require that such Series 2023B Housing 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 Series 2023B Housing Bonds will not accrue from and after the redemption date.

A notice of optional redemption may be conditional, and the District 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 Series 2023B Housing Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Housing Indenture. The District 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.

Selection of Series 2023B Housing Bonds for Redemption. Subject to the Housing Indenture provisions described above under the captions " – Optional Redemption" and " – Mandatory Sinking Fund Redemption," whenever any Series 2023B Housing 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 District thereof to the extent Series 2023B Housing Bonds are no longer held in book-entry form. In the event of redemption by lot of Series 2023B Housing Bonds, the Trustee shall assign to each Series 2023B Housing Bond then Outstanding a distinctive number for each $5,000 of the principal amount of each such Series 2023B Housing Bond. The Series 2023B Housing Bonds to be redeemed shall be the Series 2023B Housing Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Series 2023B Housing 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.

Purchase of Series 2023B Housing Bonds in Lieu of Redemption. In lieu of redemption of the Term Series 2023B Housing Bonds, amounts on deposit in the Net Available Housing Increment Special Account or in the Principal Account or the Redemption Account may also be used and withdrawn by the District and the Trustee, respectively, at any time, upon the Written Request of the District, for the purchase of the Term Series 2023B Housing 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 District may in its discretion determine. The par amount of any Term Series 2023B Housing Bonds so purchased by the District in any twelve-month period ending on July 1 in any year shall be credited towards and shall reduce the par amount of the Term Series 2023B Housing Bonds required to be redeemed; provided that evidence satisfactory to the Trustee of such purchase has been delivered to the Trustee by said July 1.

THE TRUSTEE

Zions Bancorporation, National Association has been appointed as the Trustee for all of the Facilities Bonds under the Facilities Indenture and as the Trustee for all of the Housing Bonds under the Housing Indenture. For a further description of the rights and obligations of the Trustee pursuant to the Facilities Indenture and the Housing Indenture, respectively, see APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE FACILITIES INDENTURE" and APPENDIX D – "SUMMARY OF CERTAIN PROVISIONS OF THE HOUSING INDENTURE" hereto. The role of Zions Bancorporation, National Association, as trustee for the Facilities Bonds under the Facilities Indenture is separate from its role as trustee for the Housing Bonds under the Housing Indenture.

BOOK-ENTRY SYSTEM

DTC will act as securities depository for the Series 2023AB Bonds. The Series 2023AB Bonds will be registered in the name of Cede & Co. (DTC's partnership nominee), and will be available to ultimate purchasers (referred to herein as "Beneficial Owners") in Authorized Denominations, under the book-entry system maintained by DTC. Beneficial Owners of Series 2023AB Bonds will not receive physical certificates representing their interest in the Series 2023AB Bonds. So long as the Series 2023AB Bonds are registered in the name of Cede & Co., as nominee of DTC, references herein to the Owners shall mean Cede & Co., and shall not mean the Beneficial Owners of the Series 2023AB Bonds. Payments of the principal of, premium, if any, and interest on the Series 2023AB Bonds will be made directly to DTC, or its nominee, Cede & Co., by the Trustee, so long as DTC or Cede & Co. is the registered owner of the Series 2023AB Bonds. Disbursements of such payments to DTC's Participants is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of DTC's Participants and Indirect Participants. See APPENDIX G – "BOOK-ENTRY SYSTEM" attached hereto.

SECURITY AND SOURCES OF PAYMENT

General

The Series 2022A Facilities Bonds, the Series 2023A Facilities Bonds and any Parity Facilities Debt will be secured primarily by Pledged Facilities Increment. The Series 2022B Housing Bonds, the Series 2023B Housing Bonds and any Parity Housing Debt will be secured primarily by Pledged Housing Increment.

Pledged Facilities Increment and Pledged Housing Increment are separate designated portions of the basic 1% of assessed value property tax levy in the Project Areas under Article XIIIA of the California Constitution.

The Pledged Facilities Increment will represent 53.285270% of incremental property taxes (with Base Year assessed value for every Project Area being $0) under the 1% levy in the Project Areas for which the Commencement Year (defined below based on Trigger Amounts (as defined in the Infrastructure Financing Plan) of taxes generated) has occurred (less certain administrative costs). The Pledged Housing Increment will represent 11.302936% of incremental property taxes under the 1% levy in the Project Areas for which the Commencement Year has occurred (less certain administrative costs).

The Initial Project Areas are Project Areas A, B, C, D and E. The Commencement Year has occurred for Project Area A, B and E. The Trigger Amounts of taxes needed for the Commencement Year to occur in Project Areas C or D have not yet been reached, therefore Project Area C and Project Area D will not receive tax increment until the thresholds for commencement of tax increment are exceeded. See Table 3 under the caption "TAX INCREMENT REVENUE AND DEBT SERVICE – Commencement Year and Time Limits for Each Project Area" and APPENDIX H – "FISCAL CONSULTANT REPORT" attached hereto.

The table and summary below describes the designated components of the Pledged Facilities Increment and the Pledged Housing Increment. Additional security for Series 2023A Facilities Bonds and the Series 2023B Housing Bonds, respectively, are also described in the summary below.

City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Percentage Allocation of 1% Property Tax Increment to District

	Combined Total	**Pledged Housing Increment** (17.5% share)	**Pledged Facilities Increment** (82.5% share)
Allocated to District			
(1) Net Available Increment	56.588206%	9.902936%	46.685270%
(2) Conditional City Increment[(1)]	8.000000%	1.400000%	6.600000%
Pledged Increment [(1) + (2), less cost of allocating taxes][(2)]	**64.588206%**	**11.302936%**	**53.285270%**
Not Allocated to District			
Other 1% Taxing Agencies	35.411794%		
Total Tax Increment	**100.000000%**		

(1) Conditional City Increment is required to be allocated and held for payment of debt service until after each annual principal payment date, but subject to release to the City thereafter to the extent not required for debt service. See "SECURITY AND SOURCES OF PAYMENT" herein.
(2) The administrative cost of allocating taxes to the District is deducted in determining the amount of Pledged Facilities Increment and Pledged Housing Increment, but the deduction for these expenses is not illustrated in this table. Such administrative costs may vary over time.

Gross Tax Increment, Net Available Increment and Conditional City Increment

Relevant Definitions. The following defined terms are used in this Official Statement to describe the Pledged Facilities Increment pledged to the Series 2023A Facilities Bonds and any Parity Facilities Debt, and to describe the Pledged Housing Increment pledged to the Series 2023B Housing Bonds and any Parity Housing Debt. These terms are defined in the Facilities Indenture, the Housing Indenture or the Infrastructure Financing Plan.

"Gross Tax Increment" means, for each of the Project Areas, 100% of the revenue produced by the application of the 1% ad valorem tax rate to the Incremental Assessed Property Value (assessed value of Project Area property for a fiscal year less such assessed value in the Base Year (Fiscal Year 2016-17)) of property within the Project Area. Gross Tax Increment does not include any property tax in-lieu of vehicle license fee revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and Taxation Code. *Because the Base Year assessed value for every Project Area has been and will remain $0, Gross Tax Increment will effectively include all of the 1% ad valorem tax rate in the Project Areas for which the Commencement Year has occurred (subject to deduction for certain administrative costs).*

"Project Area" means, collectively, each project area established from time to time for the District pursuant to the Law. Currently, the Initial Project Areas are the only Project Areas.

"Commencement Year" means the fiscal year in which tax increment revenues generated in a Project Area will begin to be allocated to the District. The Commencement Year will be calculated separately for each Project Area. Under the Infrastructure Financing Plan, the Commencement Year for a Project Area is the first Fiscal Year that follows the Fiscal Year in which a certain amount of tax increment (i.e., the "Trigger Amount") is generated in the Project Area and received by the City. The Trigger Amounts for the five Initial Project areas are identified in Table 3 herein. The District will stop receiving tax increment from Project Areas 40 years following their Commencement Year.

"Net Available Increment" means 56.588206% of the Gross Tax Increment, subject to the Plan Limit, as provided in the Infrastructure Financing Plan. To the extent the City's administrative costs incurred in connection with the division of taxes under the Law are not deducted from Gross Tax Increment, the District will first set aside from Net Available Increment such amounts for payment to the City.

"Conditional City Increment" means, for each Project Area, an amount equal to 8.00% of the Gross Tax Increment, subject to the Plan Limit, as provided in the Infrastructure Financing Plan.

"Plan Limit" means the limitation, if any, contained in the Infrastructure Financing Plan on the number of dollars of taxes which may be divided and allocated to the District pursuant to the Infrastructure Financing Plan and the Law. Under the Infrastructure Financing Plan, the total nominal number of tax increment dollars to be allocated to the District from the Initial Project Areas over the life of the District shall not exceed $1.53 billion of Net Available Increment and $216 million of Conditional City Increment. The combined total of Net Available Increment and Conditional City Increment allocated to the Initial Projects Areas of the District shall not exceed $1.75 billion. If territory is annexed to the District in the future, a separate Plan Limit will be established for such territory as part of the annexation process.

Allocation of Net Available Increment to the District. Under the Law, an infrastructure financing plan may contain a provision that property taxes, if any, levied upon taxable property in the area included within the infrastructure revitalization financing district (or a project area, as applicable) each year by or for the benefit of the State of California, or any affected taxing entity after the effective date of the ordinance adopted to create the district, shall be divided (excluding any property taxes approved by the voters to pay general obligation bonds), as follows:

> (a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the affected taxing entities upon the total sum of the assessed value of the taxable property in the district (or a project area, as applicable) as shown upon the assessment roll used in connection with the taxation of the property by the affected taxing entity, last equalized prior to the effective date of the ordinance to create the district, shall be allocated to, and when collected shall be paid to, the respective affected taxing entities as taxes by or for the affected taxing entities on all other property are paid.
>
> (b) That portion of the levied taxes each year specified in the adopted infrastructure financing plan for the city and each affected taxing entity which has agreed to allocate taxes to the district in excess of the amount specified in paragraph (a) shall be allocated to, and when collected shall be paid into a special fund of, the district for all lawful purposes of the district. Unless and until the total assessed valuation of the taxable property in a district (or a project area, as applicable) exceeds the total assessed value of the taxable property in the district (or a project area, as applicable) as shown by the last equalized assessment roll referred to in paragraph (a), all of the taxes levied and collected upon the taxable property in the district (or a project area, as applicable) shall be paid to the respective affected taxing entities.

Under the Infrastructure Financing Plan, Net Available Tax Increment generated in each Project Area will be allocated to the District as described in the Infrastructure Financing Plan, commencing with the applicable Commencement Year. The Commencement Year for each Initial Project Area is identified in the current Infrastructure Financing Plan and is based on achieving a target amount of taxes generated. See APPENDIX B – "INFRASTRUCTURE FINANCING PLAN" attached hereto. The Commencement Year for Project Area A was Fiscal Year 2019-20 and for Project Areas B and E was Fiscal Year 2022-23. The Commencement Year for the Project Areas C and D has not yet occurred. See APPENDIX H – "FISCAL CONSULTANT REPORT" attached hereto.

For future Project Areas, the Commencement Year will be determined at the time of the related territory's annexation to the District. The Commencement Year for each future Project Area is expected to be identified in a supplement to the Infrastructure Financing Plan. See APPENDIX B – "INFRASTRUCTURE FINANCING PLAN" attached hereto.

Infrastructure Financing Plan Allocation of Tax Increment. The Infrastructure Financing Plan provides that the annual allocation of tax revenues to the District by the City, as the sole affected taxing entity allocating tax revenues to the District, is contingent upon the District's use of such increment to pay for authorized District purposes, including to pay debt service on bonds issued to accomplish such purposes. In the Facilities Indenture, the District covenants to use the proceeds of the Facilities Bonds so as to ensure that the Pledged Facilities Increment may be used under the Law for the purposes set forth in the Facilities Indenture. Upon issuance of the Series 2023A Facilities Bonds, and as a condition to issuance of Parity Facilities Debt the District and the City are required to, certify that proceeds of the Series 2023A Facilities Bonds or the Parity Facilities Debt, as applicable, shall be used for a lawful purpose of the Pledged Facilities Increment under the Law and the Infrastructure Financing Plan.

In the Housing Indenture, the District covenants to use the proceeds of the Housing Bonds so as to ensure that the Pledged Housing Increment may be used under the Law for the purposes set forth in the Housing Indenture. Upon issuance of the Series 2023B Housing Bonds, and as a condition to issuance of Parity Housing Debt, the District and the City are required to, certify that proceeds of the Series 2023B Housing Bonds or the Parity Housing Debt, as applicable, shall be used for a lawful purpose of the Pledged Housing Increment under the Law and the Infrastructure Financing Plan.

Net Available Increment Special Fund. As required by the Law, the District has established a special fund to be held by or on behalf of the District as a separate restricted account, to be known as the "Net Available Increment Special Fund." The District has established the following accounts within the Net Available Increment Special Fund to be held by or on behalf of the District as separate restricted accounts: the "Net Available Housing Increment Special Account" and the "Net Available Facilities Increment Special Account."

Amounts deposited to and held by the District in the Net Available Increment Special Fund and the accounts therein shall be at all times separately accounted for by the District from all other funds or accounts. The Net Available Facilities Increment shall be used and applied solely as set forth in the Facilities Indenture (see "Security for the Series 2023A Facilities Bonds and Parity Facilities Debt" below) and the Net Available Housing Increment shall be used and applied solely as set forth in the Housing Indenture (see "Security for the Series 2023B Housing Bonds and Parity Housing Debt" below).

The District has executed a Special Fund Administration Agreement dated as of September 1, 2022 (the "Special Fund Administration Agreement") by and among the City, the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) (the "CFD"), TIDA, the District and Zions Bancorporation, National Association, as special fund trustee ("Special Fund Trustee"). The purpose of the Special Fund Administration Agreement is to provide for the administration and disposition of various funds related to the Treasure Island Project. Under the Special Fund Administration Agreement, the Special Fund Trustee holds the Net Available Increment Special Fund, the Net Available Housing Increment Special Account, the Net Available Facilities Increment Special Account and the Conditional City Increment Special Fund (defined below), and those funds and accounts are administered as required by the Facilities Indenture and the Housing Indenture.

Security for the Series 2023A Facilities Bonds and Parity Facilities Debt

The Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any other Parity Facilities Debt will equally secured by a pledge of, security interest in and lien on all of the Net Available Facilities Increment (including the Net Available Facilities Increment in the Net Available Facilities Increment Special Account) and the Conditional City Facilities Increment (including the Conditional City Facilities Increment in the Conditional City Facilities Increment Special Account) (subject to compensation, costs and indemnity payable under the Facilities Indenture to the Trustee, its officers, directors, agents or employees). The Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any other Parity Facilities Debt issued as Facilities Bonds are also secured by certain funds and accounts under the Facilities Indenture described below.

Each of the Facilities Indenture and the Housing Indenture contemplates that the amounts payable to the City for administrative costs incurred by the City in connection with the division of the Pledged Facilities Increment or the Pledged Housing Increment, as applicable, will be either deducted by the City before the City allocates such tax increment revenues to the District, or set aside by the District immediately upon receipt of the Pledged Facilities Increment or the Pledged Housing Increment, and the discussion of the District's receipt and application of the Pledged Facilities Increment and the Pledged Housing Increment should be read accordingly.

Net Available Facilities Increment. "Net Available Facilities Increment" means 82.5% of the Net Available Increment (which Net Available Facilities Increment is equivalent to 46.685270% of the Gross Tax Increment). Promptly upon receipt thereof, the District will deposit 82.5% of the Net Available Increment received in any Bond Year in the Net Available Facilities Increment Special Account in the Net Available Increment Special Fund (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate sub-accounts within the Net Available Facilities Increment Special Account in its discretion.

The Net Available Facilities Increment received in any Bond Year and deposited into the Net Available Facilities Increment Special Account shall be subject to the pledge, security interest and lien set forth in the Facilities Indenture until such time during such Bond Year as the amounts on deposit in the Net Available Facilities Increment Special Account equal the aggregate amounts required to be transferred for deposit in such Bond Year (i) for deposit into the Interest Account and the Principal Account in the Facilities Debt Service Fund, the 2022 Facilities Reserve Account, any other reserve account held by the Trustee for Facilities Bonds that are not 2022 Related Facilities Bonds and the Redemption Account in the Facilities Debt Service Fund in such Bond Year pursuant to the Facilities Indenture and, if applicable, (ii) with respect to any Parity Facilities Debt other than Facilities Bonds pursuant to the applicable Parity Facilities Debt Instrument.

All Net Available Facilities Increment received by the District during any Bond Year in excess of the amount required to be deposited in the Net Available Facilities Increment Special Account during such Bond Year pursuant to the preceding paragraph shall be released from the pledge, security interest and lien under the Facilities Indenture for the security of the Facilities Bonds and any additional Parity Facilities Debt and may be applied by the District for any lawful purpose of the District, including but not limited to the repayment of the City for use of Conditional City Facilities Increment to pay debt service on the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds or any other Parity Facilities Debt, payment of Subordinate Facilities Debt (as defined in the Indenture), payment of administrative expenses of the District, or the payment of any amounts in respect of the Facilities Bonds due and owing to the United States of America pursuant to the Internal Revenue Code as provided under the Facilities Indenture.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Facilities Bonds and the payment in full of all other amounts payable under the Facilities Indenture and under any Supplemental Facilities Indenture or Parity Facilities Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Net Available Facilities Increment Special Account, except as may be provided in the Facilities Indenture and in any Supplemental Facilities Indenture or Parity Facilities Debt Instrument.

Conditional City Facilities Increment. "Conditional City Facilities Increment" means 82.5% of the Conditional City Increment (which Conditional City Facilities Increment is equivalent to 6.6% of the Gross

Tax Increment). Promptly upon receipt thereof, the District will deposit 82.5% of the Conditional City Increment received in any Bond Year in the Conditional City Facilities Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate accounts within the Conditional City Increment Special Fund, and separate sub-accounts within the Conditional City Facilities Increment Special Account in its discretion.

The Conditional City Facilities Increment received in any Bond Year and deposited into the Conditional City Facilities Increment Special Account shall be subject to the pledge, security interest and lien set forth in the Facilities Indenture until such time during such Bond Year as the amount of Net Available Facilities Increment on deposit in the Net Available Facilities Increment Special Account is equal to the aggregate amounts required to be transferred for deposit in such Bond Year (i) for deposit into the Interest Account and the Principal Account in the Facilities Debt Service Fund and the Redemption Account in the Facilities Debt Service Fund in such Bond Year pursuant to the Facilities Indenture and, if applicable, (ii) with respect to any Parity Facilities Debt other than additional Facilities Bonds pursuant to the applicable Parity Facilities Debt Instrument.

Once the condition set forth in the prior paragraph has been satisfied, all Conditional City Facilities Increment shall be released from the pledge, security interest and lien under the Facilities Indenture for the security of the Facilities Bonds and any additional Parity Facilities Debt.

If the condition set forth in the second preceding paragraph is not satisfied in a Bond Year, any remaining Conditional City Facilities Increment in the Conditional City Facilities Increment Special Account shall be released from the pledge, security interest and lien under the Facilities Indenture for the security of the Facilities Bonds and any additional Parity Facilities Debt following payment of the principal or redemption price of and interest on the Facilities Bonds due during such Bond Year and the payment of any amounts due during such Bond Year on any Parity Facilities Debt.

On each September 2, or such earlier date on which the pledge, security interest and lien on the Conditional City Facilities Increment is released as described in the preceding two paragraphs, the District shall, first, use any Conditional City Facilities Increment in the Conditional City Facilities Increment Special Account to pay debt service on other obligations that is then due in accordance with the Infrastructure Financing Plan, and, second, transfer any remaining such Conditional City Facilities Increment to the City. The District is not required to apply such released City Conditional Facilities Increment to replenish debt service reserve accounts under the Facilities Indenture.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Facilities Bonds and the payment in full of all other amounts payable under the Facilities Indenture and under any Supplemental Facilities Indenture or Parity Facilities Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Conditional City Facilities Increment Special Account, except as may be provided in the Facilities Indenture and in any Supplemental Facilities Indenture or Parity Facilities Debt Instrument.

Facilities Debt Service Fund. The Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any additional Facilities Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Facilities Debt Service Fund, and the Interest Account, the Principal Account and the Redemption Account therein without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. See "- Facilities Debt Service Fund" below.

2022 Facilities Reserve Account. The Series 2023A Bonds, the Series 2022A Facilities Bond and all other 2023A Related Facilities Bonds shall be secured by a first pledge of all moneys deposited in the 2022 Facilities Reserve Account. See "- 2022 Facilities Reserve Account" below.

"2022 Related Facilities Bonds" means any series of Parity Facilities Bonds for which (i) the proceeds are deposited into the 2022 Facilities Reserve Account so that the balance therein is equal to the 2022 Facilities Reserve Requirement following issuance of such Parity Facilities Bonds and (ii) the related Supplemental Facilities Indenture specifies that the 2022 Facilities Reserve Account shall act as a reserve for the payment of the principal of, and interest and any premium on, such series of Parity Facilities Bonds.

Limited Security. Amounts in the Facilities Project Fund (and the accounts therein) under the Facilities Indenture and the 2023A Costs of Issuance Fund are not pledged to the repayment of the Facilities Bonds.

Except for the Pledged Facilities Increment and such moneys specified above, no funds or properties of the District (including but not limited to the Net Available Housing Increment and Conditional City Increment deposited into the Conditional City Housing Increment Special Account, until released from the pledge, security interest and lien under the Housing Indenture, as described below) are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Facilities Bonds.

Plan Limit Covenant. Under the Facilities Indenture, the District covenants to manage its fiscal affairs in a manner which ensures that it will have sufficient Pledged Facilities Increment available under the Plan Limit in the amounts and at the times required to enable the District to pay the principal of and interest and premium (if any) on the Outstanding Facilities Bonds and any outstanding Parity Facilities Debt when due.

The District also covenants to annually review the total amount of Net Available Increment available to be allocated to the District under the Plan Limits, as well as future cumulative annual payments on (i) the Facilities Bonds, (ii) any Parity Facilities Debt, (iii) any Subordinate Facilities Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Housing Increment.

In furtherance of the covenant described above, if the District ever determines that during the next succeeding Bond Year, the future cumulative annual payments on (i) the Facilities Bonds, (ii) any Parity Facilities Debt, (iii) any Subordinate Facilities Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Housing Increment is expected to equal at least 80% of the remaining amount of Net Available Increment available to be allocated to the District under the Plan Limit, then the District shall either (i) adopt a plan approved by an Independent Economic Consultant that demonstrates the District's continuing ability to pay debt service on the Facilities Bonds and any Parity Facilities Debt, or (ii) claim all Net Available Facilities Increment not needed to pay all of the current or any past due debt service on Facilities Bonds or any Parity Facilities Debt through the scheduled maturity date(s) for so long as the 80% threshold set forth above is met and deposit such amounts, when received, into a Trustee-held escrow account and invested in Defeasance Obligations. Moneys in such escrow account must be used only to pay debt service on the Facilities Bonds and any Parity Facilities Debt, or to redeem Facilities Bonds and any Parity Facilities Debt that does not constitute Facilities Bonds.

2022 Facilities Reserve Account

The Trustee established under the Facilities Indenture a 2022 Facilities Reserve Account. The 2022 Facilities Reserve Account was established for the benefit of the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any other 2022 Related Facilities Bonds. Under the Facilities Indenture, the 2022 Facilities Reserve Account is to be funded at the 2022 Facilities Reserve Requirement.

"2022 Facilities Reserve Requirement" means the amount, as of any date of calculation, equal to the least of (a) Maximum Annual Debt Service on the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any other 2022 Related Facilities Bonds, (b) 125% of average Annual Debt Service on the Series 2023A Facilities Bonds, Series 2022A Facilities Bonds and any other 2022 Related Facilities Bonds and (c) 10% of the original principal of the Series 2023A Facilities Bonds, Series 2022A Facilities Bonds and any other 2022 Related Facilities Bonds; provided, however:

(A) that with respect to the calculation of clause (c), the issue price of the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds or any other 2022 Related Facilities Bonds excluding accrued interest shall be used rather than the outstanding principal amount, if (i) the net original issue discount or premium of the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds or any other 2022 Related Facilities Bonds was less than 98% or more than 102% of the original principal amount of the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds or any other 2022 Related Facilities Bonds and (ii) using the issue price would produce a lower result than using the outstanding principal amount;

(B) that in no event shall the amount calculated under the Facilities Indenture exceed the amount on deposit in the 2022 Facilities Reserve Account on the date of issuance of the Series 2022A Facilities Bonds or the most recently issued series of 2022 Related Facilities Bonds except in connection with any increase associated with the issuance of 2022 Related Facilities Bonds; and

(C) that in no event shall the amount required to be deposited into the 2022 Facilities Reserve Account in connection with the issuance of a series of 2022 Related Facilities Bonds exceed the maximum amount under the Tax Code that can be financed with tax-exempt bonds and invested an unrestricted yield.

Upon issuance of the Series 2023A Facilities Bonds, the 2022 Facilities Reserve Requirement will be satisfied as reflected in the table below:

Prior balance in the 2022 Facilities Reserve Account	$1,600,750.87
Additional deposit from Series 2023A Facilities Bonds proceeds	464,924.13
2022 Facilities Reserve Requirement	**$2,605,675.00**

All money in the 2022 Facilities Reserve Account shall be used and withdrawn by the Trustee for the purpose of (i) making transfers to the Interest Account and the Principal Account in the Facilities Debt Service Fund in such order of priority to pay principal of and interest on the Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds and any future 2022 Related Facilities Bonds, in the event of any deficiency at any time in any of such accounts and (ii) to the extent that such amounts are not required to make a payment to the federal government in respect of the Facilities Bonds due and owing to the United States of America pursuant to the Internal Revenue Code as provided under the Facilities Indenture, for the payment of authorized costs under the Infrastructure Financing Plan and the Law.

The District has the right at any time to direct the Trustee to release funds from the 2022 Facilities 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 Series 2023A Facilities Bonds, the Series 2022A Facilities Bonds or any future 2022 Related Facilities 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. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE FACILITIES INDENTURE" attached hereto.

Parity Facilities Debt

The Series 2023A Facilities Bonds will be the second series of Facilities Bonds issued under the Facilities Indenture. In addition to the Series 2023A Facilities Bonds, the District has issued the Series 2022A Facilities Bonds and may issue additional Parity Facilities Debt to finance and/or refinance activities that are permitted to be financed and/or refinanced by the District with Net Available Facilities Increment in such principal amount as shall be determined by the District. The District may issue Parity Facilities Debt, subject to the conditions set forth in the Facilities Indenture. If development proceeds as planned, the District anticipates issuing Parity Facilities Debt annually during the construction period in amounts then permitted by the conditions set forth in the Facilities Indenture.

Any Parity Facilities Debt, to the extent provided in the Facilities Indenture, shall be secured by a lien on the Pledged Facilities Increment on a parity with any Facilities Bonds issued under the Facilities Indenture. The District may issue and deliver any such Parity Facilities Debt subject to the following specific conditions all of which are conditions precedent to the issuance and delivery of such Parity Facilities Debt:

(a) Except as provided in the Facilities Indenture as described in paragraph (i) below, no event of default under the Facilities Indenture, under any Parity Facilities Debt Instrument or under any Subordinate Facilities Debt Instrument (as defined in the Facilities Indenture) shall have occurred and be continuing, unless the event of default shall be cured by the issuance of the Parity Facilities Debt, and the District shall otherwise be in compliance with all covenants set forth in the Facilities Indenture.

(b) Except as provided in the Facilities Indenture as described in paragraph (i) below, based on the most recent taxable valuation of property in the Project Areas of the District that met their Trigger Amount in prior Fiscal Years and in the Project Areas of the District that met their Trigger Amount in the current Fiscal Year, as evidenced by the records of the District or the City, plus at the option of the District the amount of any Additional Facilities Revenues, the Pledged Facilities Increment shall equal at least one hundred twenty-five percent (125%) of Annual Debt Service payable from Pledged Facilities Increment in each of the years that the proposed Parity Facilities Debt will be outstanding, including within such Annual Debt Service, the amount of Annual Debt Service on the Parity Facilities Debt then proposed to be issued or incurred.

"Additional Facilities Revenues" means, as of the date of calculation, the amount of Net Available Facilities Increment and Conditional City Facilities Increment which, as shown in the Report of an Independent Economic Consultant based on written records of the City, are estimated to be receivable by the District within the Fiscal Year following the Fiscal Year in which such calculation is made as a result of increases in the assessed valuation of taxable property in the District due to (i) the completion of construction which is not then reflected on the tax rolls, or (ii) transfer of ownership or any other interest in real property which has been recorded but which is not then reflected on the tax rolls. For purposes of this definition, the term "increases in the assessed valuation" means the amount by which the assessed valuation of taxable property in the District is estimated to increase above the assessed valuation of taxable property in the District as of the date on which such calculation is made. For the avoidance of doubt, written records of the City may include written correspondence between the owner of taxable property (or its representatives) and the City with respect to construction in progress or property sales.

(c) In the case of Parity Facilities Debt issued as additional Facilities Bonds under the Facilities Indenture, the Supplemental Facilities Indenture providing for the issuance of such Facilities Bonds shall provide for (i) a deposit to the 2022 Facilities Reserve Account in an amount necessary such that the amount deposited therein shall equal the 2022 Facilities Reserve Requirement following issuance of the additional Bonds, or (ii) a deposit to a reserve account for such additional Facilities Bonds (and such other series of Facilities Bonds identified by the District) in an amount defined in such Supplemental Facilities Indenture, as long as such Supplemental Facilities Indenture expressly declares that the Owners of such additional Facilities Bonds will have no interest in or claim to the 2022 Facilities Reserve Account and that the Owners of the Facilities Bonds covered by the 2022 Facilities Reserve Account will have no interest in or claim to such other reserve account or (iii) no deposit to either the 2022 Facilities Reserve Account or another reserve account as long as such Supplemental Facilities Indenture expressly declares that the Owners of such additional Facilities Bonds will have no interest in or claim to the 2022 Facilities Reserve Account or any other reserve account. The Supplemental Facilities Indenture may provide that the District may satisfy the 2022 Facilities Reserve Requirement for a series of Parity Facilities Debt issued as additional Facilities Bonds under the Facilities Indenture by the deposit into the reserve account established pursuant to such Supplemental Facilities Indenture of an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company as described in the Supplemental Facilities Indenture.

Nothing in the Facilities Indenture establishes a requirement for the District to establish a debt service reserve account for Parity Facilities Debt that is not issued as additional Facilities Bonds under the Indenture.

(d) Principal with respect to such Parity Facilities Debt will be required to be paid on September 1 in any year in which such principal is payable.

(e) The aggregate principal amount of bonds and other debt (as defined in the Law and the Infrastructure Financing Plan) that will have been issued by the District following the issuance of such Parity Facilities Debt shall not exceed the maximum amount of bonds and other debt permitted to be issued by the District. The following Parity Facilities Debt shall not account against the aggregate principal amount of bonds and other debt permitted to be issued by the District: (i) any bonds or other debt issued or incurred for the sole purpose of refunding the Facilities Bonds, funding a reserve fund for such refunding bonds and paying related costs of issuance and (ii) any bonds or other debt issued or incurred for the sole purpose of refunding such refunding bonds, funding a reserve fund and paying related costs of issuance.

(f) The aggregate amount of the principal of and interest on all bonds, loans, advances or indebtedness payable from Net Available Facilities Increment, Net Available Housing Increment and Conditional City Increment coming due and payable following the issuance of such Parity Facilities Debt shall not exceed the maximum amount of Net Available Facilities Increment, Net Available Housing Increment and Conditional City Increment permitted under the Plan Limit to be allocated and paid to the District following the issuance of such Parity Facilities Debt.

(g) The proceeds of the Parity Facilities Debt shall be used for a lawful purpose of the Pledged Facilities Increment under the Law and the Infrastructure Financing Plan.

(h) Except as provided in paragraph (i) below, the District shall deliver to the Trustee (i) a Written Certificate of the District certifying that the conditions precedent to the issuance of such Parity

Facilities Debt set forth in paragraphs (a) through (g) above have been satisfied and (ii) a written certificate of the City certifying that the condition precedent to the issuance of such Parity Facilities Debt set forth in paragraph (g) above has been satisfied.

(i) The condition set forth in paragraph (a) and (b) above shall not apply to the issuance or incurrence of any Parity Facilities Debt the net proceeds of which will be used solely to refund all or any portion of the Series 2023A Facilities Bonds or any other outstanding Parity Facilities Debt, provided that debt service payable in each year with respect to the proposed Parity Facilities Debt is less than the debt service otherwise payable in each year with respect to the Series 2023A Facilities Bonds or Parity Facilities Debt, or portion thereof, proposed to be refunded.

Subject to the conditions under the Facilities Indenture, the City may incur or issue loans, advances or indebtedness, which are either (a) payable from, but not secured by a pledge of or lien upon, the Pledged Facilities Increment; or (b) secured by a pledge of or lien upon the Pledged Facilities Increment which is expressly subordinate to the pledge of and lien upon the Net Available Facilities Increment and the Conditional City Facilities Increment under the Facilities Indenture for the security of the Facilities Bonds. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE FACILITIES INDENTURE" attached hereto.

The District has agreed in a Subordinate Pledge Agreement dated May 29, 2015, to pledge the Net Available Increment as security for TIDA's promise to pay the Navy the purchase price of $55 million, plus interest, for the property constituting the project site of the Treasure Island Project. As of July 2023, $27.5 million of the purchase price remained to be paid. According to the Subordinate Pledge Agreement, the District's pledge to pay the purchase price is subordinate to any bonds issued by the District.

Security for the Series 2023B Housing Bonds and Parity Housing Debt

The Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any future Parity Housing Debt will equally secured by a pledge of, security interest in and lien on all of the Net Available Housing Increment (including the Net Available Housing Increment in the Net Available Housing Increment Special Account) and the Conditional City Housing Increment (including the Conditional City Housing Increment in the Conditional City Housing Increment Special Account) (subject to compensation, costs and indemnity payable under the Housing Indenture to the Trustee, its officers, directors, agents or employees). The Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any future Parity Housing Debt issued as Housing Bonds are also secured by certain funds and accounts under the Housing Indenture described below.

Each of the Facilities Indenture and the Housing Indenture contemplates that the amounts payable to the City for allocation to the District of the Pledged Facilities Increment or the Pledged Housing Increment, as applicable, will be either deducted by the City before the City allocates such tax increment revenues to the District, or set aside by the District immediately upon receive of the Pledged Facilities Increment or the Pledged Housing Increment, and the discussion of the District's receipt and application of the Pledged Facilities Increment and the Pledged Housing Increment should be read accordingly.

Net Available Housing Increment. "Net Available Housing Increment" means 17.5% of the Net Available Increment (which Net Available Housing Increment is equivalent to 9.902936% of the Gross Tax Increment). Promptly upon receipt thereof, the District will deposit 17.5% of the Net Available Increment received in any Bond Year in the Net Available Housing Increment Special Account in the Net Available Increment Special Fund (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate sub-accounts within the Net Available Housing Increment Special Account in its discretion.

The Net Available Housing Increment received in any Bond Year and deposited into the Net Available Housing Increment Special Account shall be subject to the pledge, security interest and lien set forth in the Housing Indenture until such time during such Bond Year as the amounts on deposit in the Net Available Housing Increment Special Account equal the aggregate amounts required to be transferred for deposit in such Bond Year (i) for deposit into the Interest Account and the Principal Account in the Housing Debt Service Fund, the 2022 Housing Reserve Account, any other reserve account held by the Trustee for Housing Bonds that are not 2022 Related Housing Bonds and the Redemption Account in the Housing Debt Service Fund in such Bond Year pursuant to the Housing Indenture and, if applicable, (ii) with respect to any Parity Housing Debt other than Housing Bonds pursuant to the applicable Parity Housing Debt Instrument.

All Net Available Housing Increment received by the District during any Bond Year in excess of the amount required to be deposited in the Net Available Housing Increment Special Account during such Bond Year pursuant to the preceding paragraph shall be released from the pledge, security interest and lien under the Housing Indenture for the security of the Housing Bonds and any additional Parity Housing Debt and may be applied by the District for any lawful purpose of the District, including but not limited to the repayment of the City for use of Conditional City Housing Increment to pay debt service on the Series 2023B Housing Bonds, the Series 2022B Housing Bonds or any other Parity Housing Debt, payment of Subordinate Housing Debt (as defined in the Indenture), payment of administrative expenses of the District, or the payment of any amounts in respect of the Housing Bonds due and owing to the United States of America pursuant to the Internal Revenue Code as provided under the Housing Indenture.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Housing Bonds and the payment in full of all other amounts payable under the Housing Indenture and under any Supplemental Housing Indenture or Parity Housing Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Net Available Housing Increment Special Account, except as may be provided in the Housing Indenture and in any Supplemental Housing Indenture or Parity Housing Debt Instrument.

Conditional City Housing Increment. "Conditional City Housing Increment" means 17.5% of the Conditional City Increment (which Conditional City Housing Increment is equivalent to 1.4% of the Gross Tax Increment). Promptly upon receipt thereof, the District will deposit 17.5% of the Conditional City Increment received in any Bond Year in the Conditional City Housing Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate accounts within the Conditional City Increment Special Fund, and separate sub-accounts within the Conditional City Housing Increment Special Account in its discretion.

The Conditional City Housing Increment received in any Bond Year and deposited into the Conditional City Housing Increment Special Account shall be subject to the pledge, security interest and lien set forth in the Housing Indenture until such time during such Bond Year as the amount of Net Available Housing Increment on deposit in the Net Available Housing Increment Special Account is equal to the aggregate amounts required to be transferred for deposit in such Bond Year (i) for deposit into the Interest Account and the Principal Account in the Housing Debt Service Fund and the Redemption Account in the Housing Debt Service Fund in such Bond Year pursuant to the Housing Indenture and, if applicable, (ii) with respect to any Parity Housing Debt other than additional Housing Bonds pursuant to the applicable Parity Housing Debt Instrument.

Once the condition set forth in the prior paragraph has been satisfied, all Conditional City Housing Increment shall be released from the pledge, security interest and lien under the Housing Indenture for the security of the Housing Bonds and any additional Parity Housing Debt.

If the condition set forth in the second preceding paragraph is not satisfied in a Bond Year, any remaining Conditional City Housing Increment in the Conditional City Housing Increment Special Account shall be released from the pledge, security interest and lien under the Housing Indenture for the security of the Housing Bonds and any additional Parity Housing Debt following payment of the principal or redemption price of and interest on the Housing Bonds due during such Bond Year and the payment of any amounts due during such Bond Year on any Parity Housing Debt.

On each September 2, or such earlier date on which the pledge, security interest and lien on the Conditional City Housing Increment is released as described in the preceding two paragraphs, the District shall, first, use any Conditional City Housing Increment in the Conditional City Housing Increment Special Account to pay debt service on other obligations that is then due in accordance with the Infrastructure Financing Plan, and, second, transfer any remaining such Conditional City Housing Increment to the City. The District is not required to apply such released City Conditional Housing Increment to replenish debt service reserve accounts under the Housing Indenture.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Housing Bonds and the payment in full of all other amounts payable under the Housing Indenture and under any Supplemental Housing Indenture or Parity Housing Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Conditional City Housing Increment Special Account, except as may be provided in the Housing Indenture and in any Supplemental Housing Indenture or Parity Housing Debt Instrument.

Housing Debt Service Fund. The Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any additional Housing Bonds shall also be secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Housing Debt Service Fund, and the Interest Account, the Principal Account and the Redemption Account therein without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. See "Housing Debt Service Fund" below.

2022 Housing Reserve Account. The Series 2023B Bonds, the Series 2022B Housing Bonds and all 2022 Related Housing Bonds shall be secured by a first pledge of all moneys deposited in the 2022 Housing Reserve Account. See "2022 Housing Reserve Account" below.

"2022 Related Housing Bonds" means any series of Parity Housing Bonds for which (i) the proceeds are deposited into the 2022 Housing Reserve Account so that the balance therein is equal to the 2022 Housing Reserve Requirement following issuance of such Parity Housing Bonds and (ii) the related Supplemental Housing Indenture specifies that the 2022 Housing Reserve Account shall act as a reserve for the payment of the principal of, and interest and any premium on, such series of Parity Housing Bonds.

Limited Security. Amounts in the Housing Project Fund (and the accounts therein) under the Housing Indenture and the 2023B Costs of Issuance Fund are not pledged to the repayment of the Housing Bonds.

Except for the Pledged Housing Increment and such moneys specified above, no funds or properties of the District (including but not limited to the Net Available Housing Increment and Conditional City Increment deposited into the Conditional City Housing Increment Special Account) are pledged to, or otherwise liable for, the payment of principal of or interest or redemption premium (if any) on the Housing Bonds.

Plan Limit Covenant. Under the Housing Indenture, the District covenants to manage its fiscal affairs in a manner which ensures that it will have sufficient Pledged Housing Increment available under the Plan Limit in the amounts and at the times required to enable the District to pay the principal of and interest and premium (if any) on the Outstanding Housing Bonds and any outstanding Parity Housing Debt when due.

The District also covenants to annually review the total amount of Net Available Increment available to be allocated to the District under the Plan Limits, as well as future cumulative annual payments on (i) the Housing Bonds, (ii) any Parity Housing Debt, (iii) any Subordinate Housing Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Facilities Increment.

In furtherance of the covenant described above, if the District ever determines that during the next succeeding Bond Year, the future cumulative annual payments on (i) the Housing Bonds, (ii) any Parity Housing Debt, (iii) any Subordinate Housing Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Facilities Increment is expected to equal at least 80% of the remaining amount of Net Available Increment available to be allocated to the District under the Plan Limits, then the District shall either (i) adopt a plan approved by an Independent Economic Consultant that demonstrates the District's continuing ability to pay all of the debt service on the Housing Bonds and any Parity Housing Debt through the scheduled maturity date(s), or (ii) claim all Net Available Housing Increment not needed to pay current or any past due debt service on Housing Bonds or any Parity Housing Debt for so long as the 80% threshold set forth above is met and deposit such amounts, when received, into a Trustee-held escrow account and invested in Defeasance Obligations. Moneys in such escrow account must be used only to pay debt service on the Housing Bonds and any Parity Housing Debt, or to redeem Housing Bonds and any Parity Housing Debt that does not constitute Housing Bonds.

2022 Housing Reserve Account

The Trustee established under the Housing Indenture a 2022 Housing Reserve Account. The 2022 Housing Reserve Account was established for the benefit of the Series 2023B Housing Bonds and any future 2022 Related Housing Bonds. Under the Housing Indenture, the 2022 Housing Reserve Account is to be funded at the 2022 Housing Reserve Requirement.

"2022 Housing Reserve Requirement" means the amount as of any date of calculation equal to the least of (a) Maximum Annual Debt Service on the Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any other 2022 Related Housing Bonds, (b) 125% of average Annual Debt Service on the Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any future 2022 Related Housing Bonds and (c) 10% of the original principal of the Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any future 2022 Related Housing Bonds; provided, however:

(A) that with respect to the calculation of clause (c), the issue price of the Series 2023B Housing Bonds, the Series 2022B Housing Bonds or any future 2022 Related Housing Bonds excluding accrued interest shall be used rather than the outstanding principal amount, if (i) the net original issue discount or premium of the Series 2023B Housing Bonds, the Series 2022B Housing Bonds or any future 2022 Related Housing Bonds was less than 98% or more than 102% of the original principal amount of the Series 2023B Housing Bonds, the Series 2022B Housing Bonds or any future 2022 Related Housing Bonds and (ii) using the issue price would produce a lower result than using the outstanding principal amount;

(B) that in no event shall the amount calculated under the Housing Indenture exceed the amount on deposit in the 2022 Housing Reserve Account on the date of issuance of the Series 2023B Housing Bonds or the most recently issued series of 2022 Related Housing Bonds except in connection with any increase associated with the issuance of 2022 Related Housing Bonds; and

(C) that in no event shall the amount required to be deposited into the 2022 Housing Reserve Account in connection with the issuance of a series of 2022 Related Housing Bonds exceed the maximum amount under the Tax Code that can be financed with tax-exempt bonds and invested an unrestricted yield.

Upon issuance of the Series 2023B Housing Bonds, the 2022 Housing Reserve Requirement will be satisfied as reflected in the table below:

2022 Housing Reserve Requirement	**$ 438,300.00**
Prior balance in the 2022 Housing Reserve Account	$ 338,946.78
Additional deposit from Series 2023B Housing Bonds proceeds	99,353.22
Total Deposited to the 2022 Housing Reserve Account	**$ 438,300.00**

All money in the 2022 Housing Reserve Account shall be used and withdrawn by the Trustee for the purpose of (i) making transfers to the Interest Account and the Principal Account in the Housing Debt Service Fund in such order of priority to pay principal of and interest on the Series 2023B Housing Bonds, the Series 2022B Housing Bonds and any other 2022 Related Housing Bonds, in the event of any deficiency at any time in any of such accounts and (ii) to the extent that such amounts are not required to make a payment to the federal government in respect of the Housing Bonds due and owing to the United States of America pursuant to the Internal Revenue Code as provided under the Housing Indenture, for the payment of authorized costs under the Infrastructure Financing Plan and the Law.

The District has the right at any time to direct the Trustee to release funds from the 2022 Housing 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 Series 2023B Housing Bonds, the Series 2022B Housing Bonds or any other 2022 Related Housing 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. See APPENDIX D – "SUMMARY OF CERTAIN PROVISIONS OF THE HOUSING INDENTURE" attached hereto.

Parity Housing Debt

The Series 2023B Housing Bonds will be the second series of Housing Bonds issued under the Housing Indenture. In addition to the Series 2023B Housing Bonds, the District has issued the Series 2022B Housing Bonds and may issue additional Parity Housing Debt to finance and/or refinance activities that are permitted to be financed and/or refinanced by the District with Net Available Housing Increment in such principal amount as shall be determined by the District. The District may issue Parity Housing Debt, subject to the conditions set forth in the Housing Indenture. If development proceeds as planned, the District anticipates issuing Parity Housing Debt annually during the construction period in amounts then permitted by the conditions set forth in the Housing Indenture.

Any Parity Housing Debt, to the extent provided in the Housing Indenture, shall be secured by a lien on the Pledged Housing Increment a parity with any Housing Bonds issued under the Housing Indenture. The District may issue and deliver any such Parity Housing Debt subject to the following specific conditions all of which are conditions precedent to the issuance and delivery of such Parity Housing Debt:

(a) Except as provided in the Housing Indenture as described in paragraph (h) below, no event of default under the Housing Indenture, under any Parity Housing Debt Instrument or under any Subordinate Housing Debt Instrument (as defined in the Housing Indenture) shall have occurred and be continuing, unless the event of default shall be cured by the issuance of the Parity Housing Debt, and the District shall otherwise be in compliance with all covenants set forth in the Housing Indenture.

(b) Except as provided in the Housing Indenture as described in paragraph (h) below, based on the most recent taxable valuation of property in the Project Areas of the District that met their Trigger Amount in prior Fiscal Years and in the Project Areas of the District that met their Trigger Amount in the current Fiscal Year, as evidenced by the records of the District or the City, plus at the option of the District the amount of any Additional Housing Revenues, the Pledged Housing Increment shall equal at least one hundred twenty-five percent (125%) of Annual Debt Service payable from Pledged Housing Increment in each of the years that the proposed Parity Housing Debt will be outstanding, including within such Annual Debt Service, the amount of Annual Debt Service on the Parity Housing Debt then proposed to be issued or incurred.

"Additional Housing Revenues" means, as of the date of calculation, the amount of Net Available Housing Increment and Conditional City Housing Increment which, as shown in the Report of an Independent Economic Consultant based on written records of the City, are estimated to be receivable by the District within the Fiscal Year following the Fiscal Year in which such calculation is made as a result of increases in the assessed valuation of taxable property in the District due to (i) the completion of construction which is not then reflected on the tax rolls, or (ii) transfer of ownership or any other interest in real property which has been recorded but which is not then reflected on the tax rolls. For purposes of this definition, the term "increases in the assessed valuation" means the amount by which the assessed valuation of taxable property in the District is estimated to increase above the assessed valuation of taxable property in the District as of the date on which such calculation is made. For the avoidance of doubt, written records of the City may include written correspondence between the owner of taxable property (or its representatives) and the City with respect to construction in progress or property sales.

(c) In the case of Parity Housing Debt issued as additional Housing Bonds under the Housing Indenture, the Supplemental Housing Indenture providing for the issuance of such Housing Bonds shall provide for (i) a deposit to the 2022 Housing Reserve Account in an amount necessary such that the amount deposited therein shall equal the 2022 Housing Reserve Requirement following issuance of the additional Bonds, or (ii) a deposit to a reserve account for such additional Housing Bonds (and such other series of Housing Bonds identified by the District) in an amount defined in such Supplemental Housing Indenture, as long as such Supplemental Housing Indenture expressly declares that the Owners of such additional Housing Bonds will have no interest in or claim to the 2022 Housing Reserve Account and that the Owners of the Housing Bonds covered by the 2022 Housing Reserve Account will have no interest in or claim to such other reserve account or (iii) no deposit to either the 2022 Housing Reserve Account or another reserve account as long as such Supplemental Housing Indenture expressly declares that the Owners of such additional Housing Bonds will have no interest in or claim to the 2022 Housing Reserve Account or any other reserve account. The Supplemental Housing Indenture may provide that the District may satisfy the 2022 Housing Reserve Requirement for a series of Parity Housing Debt issued as additional Housing Bonds under the Housing Indenture by the deposit into the reserve account established pursuant to such Supplemental Housing Indenture of an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company as described in the Supplemental Housing Indenture.

Nothing in the Housing Indenture establishes a requirement for the District to establish a debt service reserve account for Parity Housing Debt that is not issued as additional Housing Bonds under the Indenture.

(d) Principal with respect to such Parity Housing Debt will be required to be paid on September 1 in any year in which such principal is payable.

(e) The aggregate principal amount of bonds and other debt (as defined in the Law and the Infrastructure Financing Plan) that will have been issued by the District following the issuance of such Parity Housing Debt shall not exceed the maximum amount of bonds and other debt permitted to be issued by the District. The following Parity Housing Debt shall not account against the aggregate principal amount of bonds and other debt permitted to be issued by the District: (i) any bonds or other debt issued or incurred for the sole purpose of refunding the Housing Bonds, funding a reserve fund for such refunding bonds and paying related costs of issuance and (ii) any bonds or other debt issued or incurred for the sole purpose of refunding such refunding bonds, funding a reserve fund and paying related costs of issuance.

(f) The aggregate amount of the principal of and interest on all bonds, loans, advances or indebtedness payable from Net Available Housing Increment, Net Available Housing Increment and Conditional City Increment coming due and payable following the issuance of such Parity Housing Debt shall not exceed the maximum amount of Net Available Housing Increment, Net Available Housing Increment and Conditional City Increment permitted under the Plan Limit to be allocated and paid to the District following the issuance of such Parity Housing Debt.

(g) The proceeds of the Parity Housing Debt shall be used for a lawful purpose of the Pledged Housing Increment under the Law and the Infrastructure Financing Plan.

(h) Except as provided in paragraph (h) below, the District shall deliver to the Trustee a Written Certificate of the District certifying that the conditions precedent to the issuance of such Parity Housing Debt set forth in paragraphs (a) through (g) above have been satisfied and (ii) a written certificate of the City certifying that the condition precedent to the issuance of such Parity Housing Debt set forth in paragraph (g) has been satisfied.

(h) The condition set forth in paragraph (a) and (b) above shall not apply to the issuance or incurrence of any Parity Housing Debt the net proceeds of which will be used solely to refund all or any portion of the Series 2023B Housing Bonds or any other outstanding Parity Housing Debt, provided that debt service payable in each year with respect to the proposed Parity Housing Debt is less than the debt service otherwise payable in each year with respect to the Series 2023B Housing Bonds or Parity Housing Debt, or portion thereof, proposed to be refunded.

Subject to the conditions under the Housing Indenture, the City may incur or issue loans, advances or indebtedness, which are either (a) payable from, but not secured by a pledge of or lien upon, the Pledged Housing Increment; or (b) secured by a pledge of or lien upon the Pledged Housing Increment which is expressly subordinate to the pledge of and lien upon the Net Available Housing Increment and the Conditional City Housing Increment under the Housing Indenture for the security of the Housing Bonds. See APPENDIX D – "SUMMARY OF CERTAIN PROVISIONS OF THE HOUSING INDENTURE" attached hereto.

The District has agreed in a Subordinate Pledge Agreement dated May 29, 2015, to pledge the Net Available Increment as security for TIDA's promise to pay the Navy the purchase price of $55 million, plus interest, for the property constituting the project site of the Treasure Island Project. According to the Subordinate Pledge Agreement, the District's pledge to pay the purchase price is subordinate to any bonds issued by the District.

Limited Obligations

The Series 2023A Facilities Bonds are limited obligations of the District, secured by and payable solely from the Pledged Facilities Increment and the funds pledged therefor under the Facilities Indenture. The Series 2023A Facilities Bonds are not payable from any other source of funds other than the Pledged

Facilities Increment and the funds pledged therefor under the Facilities Indenture. The Series 2023B Housing Bonds are limited obligations of the District, secured by and payable solely from the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture. The Series 2023B Housing Bonds are not payable from any other source of funds other than the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture. Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds are a debt of the City, the State of California (the "State") or any of their political subdivisions (other than the District and only to the limited extent set forth in the Facilities Indenture and the Housing Indenture, respectively), and none of the City, the State or any of their political subdivisions other than the District is liable therefor. Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The District has not pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the Series 2023A Facilities Bonds or the Series 2023B Housing Bonds. Although the District receives certain tax increment revenues, the District has no taxing power.

FORMATION OF THE DISTRICT AND THE INITIAL PROJECT AREAS

The District was formed by the City pursuant to the Law. The Law was enacted by the State of California (the "State") Legislature to establish a long-term permanent program that provides local governments with tools and resources for among other things, public infrastructure, affordable housing, economic development and job creation, and environmental protection and remediation.

The Board of Supervisors, as the legislative body that formed an infrastructure and revitalization financing district, serves as the legislative body of the District. Subject to approval by two-thirds of the votes cast at an election and compliance with the other provisions of the Law, an infrastructure and revitalization financing district may issue tax increment revenue bonds.

Pursuant to the Law, the Board of Supervisors adopted the necessary ordinances and resolutions and conducted such proceedings and elections as are necessary under the Law to form the District and the Initial Project Areas, approve the "Infrastructure Financing Plan for the District, and authorize issuance from time to time of tax increment revenue bonds or other debt for the purpose of financing certain improvements described in the Infrastructure Financing Plan.

The District formation proceedings also established a process for the annexation of property to the District in the future, as described in "Future Annexation of Property to the District" below.

Initial Formation Proceedings. The proceedings undertaken by the Board of Supervisors to establish the District include the following:

(i) Resolution No. 512-16 adopted by the Board of Supervisors on December 6, 2016, pursuant to which the City (as the only taxing entity allocating tax increment revenue to the District under the Infrastructure Financing Plan) approved the Infrastructure Financing Plan and acknowledged that future project areas may be designated in the District and that territory on Yerba Buena Island and Treasure Island may be annexed to the District in the future;

(ii) Resolution No. 6-17 adopted by the Board of Supervisors on January 24, 2017, pursuant to which the City declared the results of a special election at which the qualified landowner electors, among other things, (A) approved the allocation of tax increment to the District as described in the Infrastructure Financing Plan and (B) authorized the issuance of bonds and other debt in the maximum amount of (1) $780 million plus (2) the principal amount of bonds and other debt approved by the Board of Supervisors and the qualified electors of territory annexing to the District;

(iii) Resolution No. 7-17 adopted by the Board of Supervisors on January 24, 2017, pursuant to which the City authorized issuance of bonds for the District and project areas therein, in an aggregate principal amount not to exceed $780,000,000 (excluding refunding bonds from the calculation of such principal amount) (such resolutions referred to herein as the "Resolutions"); and

(iv) Ordinance No. 21-17 (the "Ordinance") adopted by the Board of Supervisors on January 31, 2017, forming the District and the Initial Project Areas, adopting the Infrastructure Financing Plan, declaring that the District has the authority to issue bonds and other debt in the maximum amount of (A) $780 million plus (B) the principal amount of bonds and other debt approved by the Board of Supervisors and the qualified electors of territory annexing to the District, and providing for designation of additional project areas in the future and annexation of territory on Yerba Buena Island and Treasure Island to the District in the future.

Judicial Validation. The Superior Court of the State of California, County of San Francisco, in a judgment entered on May 7, 2018 (Case No. CGC-17-557496) (the "Validation Judgment"), issued a judgment that:

(i) all proceedings by the City and the District in connection with the Infrastructure Financing Plan (under which the City allocated certain tax increment to the District) and related bonds and bond contracts, including the Resolutions and the Ordinance, were in conformity with applicable laws,

(ii) upon execution and delivery thereof, the related bonds (including the Facilities Bonds and the Housing Bonds) and bond contracts described therein (including the Facilities Indenture and the Housing Indenture) will be and are valid, legal and binding obligations of the parties thereto in accordance with their terms,

(iii) the allocation to the District by the Board of Supervisors of specific percentages of incremental property tax revenues from the Initial Project Areas as set forth in the Infrastructure Financing Plan are valid, legal, binding and irrevocable from and after the effective date of the Ordinance, and such incremental property tax revenues are available to be pledged to bonds and other debt, and

(iv) certain other propositions related to the District and the Project Areas.

The Validation Judgment permanently enjoins all persons from challenging the validity of, among other things, the District, the Facilities Bonds, the Housing Bonds, the Facilities Indenture, the Housing Indenture, the Infrastructure Financing Plan, the Resolutions and the Ordinance.

In issuing its approving opinions, Jones Hall, A Professional Law Corporation, Bond Counsel, will rely on the Validation Judgment, among other things.

Amendment Proceedings. Since formation of the District, the California State Board of Equalization notified the District and the City that the boundaries of the District and the Initial Project Areas needed to be revised to reflect the boundaries of the parcels in the District in order for the Board of Equalization to assign tax rate areas to the Initial Project Areas, and the District determined that there might be a future need to further amend the District's boundaries to conform to final development parcels in the District.

Accordingly, in 2022, the District completed proceedings, including a landowner election, to add territory to the District, amend the Infrastructure Financing Plan, and establish a procedure by which certain future amendments may be approved by the Board of Supervisors, as legislative body of the District, without further hearings or approvals, as long as the amendments will not impair the District's ability to pay debt service on its bonds or, in and of themselves, reduce the debt service coverage on any bonds below the amount required to issue parity debt (the "2022 District Amendments"). Pursuant to Ordinance No. 29-22, adopted by the Board of Supervisors on February 15, 2022, the Board of Supervisors, as the legislative body of the District, declared that (i) territory has been added to the District and the boundaries of certain Initial Project Areas have been amended and (ii) adopted an amended Infrastructure Financing Plan for the District.

In the Validation Judgment, the Superior Court ruled that the Infrastructure Financing Plan, including any amendments of the original Infrastructure Financing Plan that are consistent with the Law, is legal, valid and binding. The Infrastructure Financing Plan, as amended in connection with the 2022 District Amendments, declares that the amendments of the original Infrastructure Financing Plan are consistent with the Law and, therefore, are legal, valid and binding.

As of the date of this Official Statement, there are five project areas in the District: Project Area A, Project Area B, Project Area C, Project Area D and Project Area E. Project Areas A, B and E are currently contributing increment. No assurance is given regarding the addition of contributing project areas in the District or the addition of territory to the District in the future. See "THE TREASURE ISLAND PROJECT" and "THE INITIAL PROJECT AREAS" herein.

Future Annexation of Property to the District. The Infrastructure Financing Plan describes the procedures for annexation of property to the District, and establishes the following principles:

(i) Annexing property may be added to one of the Initial Project Areas or may be added as a new Project Area with distinct limits on the allocation of tax increment to the District. If a new Project Area is created, it will have its own Commencement Year and termination date.

(ii) The annexation proceeding will provide for an additional principal amount of bonds and other debt that can be issued by the District, to reflect the additional tax increment that may be allocated to the District.

(iii) The Infrastructure Financing Plan will be supplemented to reflect the annexation.

(iv) When property is annexed into the District, a vote will be required of the qualified electors of the territory to be annexed only.

THE CITY

General. The City is the economic and cultural center of the San Francisco Bay Area and northern California. The 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 (previously defined as the "Bay"). Silicon Valley is about a 40-minute drive to the south and the Napa and Sonoma "wine country" is about an hour's drive to the north. As of January 1, 2023, the State estimates the City's population to be 831,703, among the largest in the country. See APPENDIX A – "DEMOGRAPHIC INFORMATION REGARDING THE CITY AND COUNTY OF SAN FRANCISCO" hereto.

The City benefits from a broad economic base, anchored by major technology companies such as Salesforce Inc., Uber Technologies Inc., Accenture and Cisco Systems Inc. In addition, the City is near Silicon Valley, a region regarded as a global center for technology and innovation. San Francisco has historically ranked among the highest average income counties in the country. The City is served by two major airports: San Francisco International Airport and Oakland International Airport. There are multiple universities located in or near the City, such as University of California, Berkeley, Stanford University,

University of San Francisco, San Francisco State University, University of California, San Francisco and UC Law San Francisco.

Continuing Impact of COVID-19 Pandemic and Other Factors on San Francisco Economy. Beginning in late winter 2020, the City faced significant negative impacts resulting from the global COVID-19 pandemic and efforts to contain it. While public health restrictions have been loosened or eliminated in response to positive public health data on COVID-19, economic conditions have not fully recovered. Housing affordability, homelessness and crime, which have posed challenges in urban areas like the City in recent years, may also negatively impact economic activities.

The impacts on the City's economy have been material and in many cases adverse. The pandemic and recent economic conditions have resulted in a decline in population, reductions in tourism and disruption of the local economy, widespread business closures, business relocations out of the City and job cuts by many tech companies. A recent forecast from the State's Department of Finance indicates that the City's population is likely to remain below 2020 levels through 2060.

As of June 2023, hotel revenue was at about 75% of 2019 levels. Domestic and international enplanements were also below pre-pandemic levels. A large-scale return to workplaces has yet to materialize, which is also reflected in continued low transit ridership to workplace centers in the City.

In addition, the pandemic negatively impacted values in certain segments of the real estate market. The City's office vacancy rate topped 30% as of the third quarter of 2023. The downtown office market has been particularly impacted. Additionally, the City's housing market also remains sluggish, with condo prices falling faster in San Francisco than statewide. Apartment vacancy rates were under 6% as of September 2023, though rents remain below 2019 levels. Building permits for single and multifamily homes in 2022 numbered near 2020 levels, which was a ten-year low, with permits in 2023 issuing at an even slower annualized pace through June.

Recent economic conditions in the City also reflect the impact of increasing interest rates driven by Federal Reserve rate-setting actions aimed at mitigating inflation.

See "RISK FACTORS – Real Estate Investment Risks" and " – Public Health Emergencies" herein.

THE TREASURE ISLAND PROJECT

The following provides information with respect to development of the Treasure Island Project. TI Series 1 has provided the information with respect to the Treasure Island Project under the captions " – Developer Entities," " – Planned Development," " – Infrastructure," " – Sea Level Rise and Adaptive Management Strategy," " – KSWM Litigation" and " – Reassessment Covenants" below. No assurance can be given by the District that all such information is complete. The District has not independently verified such information and assumes no responsibility for its accuracy or completeness. Information under the captions " – Negotiations to Revise Project Agreements" and " – Transfer Tax Refund Request" were prepared jointly by the City and TI Series 1 (except statements therein expressly attributed to a party or parties were provided only by such party or parties). No assurance can be given that development of the property will be completed or that the plans or projections detailed herein or in the Fiscal Consultant Report will actually occur. If planned development of the property is not completed or if assessed values in the Project Areas decline, Pledged Facilities Increment and Pledged Housing Increment could be lower than projected. See the section of this Official Statement captioned "RISK FACTORS" for a discussion of certain risk factors which should be considered, in addition to the other matters set forth herein, in evaluating an investment in the Series 2023AB Bonds.

Only the property subject to ad valorem property taxes in each Project Area in or after the respective Commencement Year and for 40 consecutive years thereafter will generate the Pledged Facilities Increment securing the Series 2023A Facilities Bonds and the Pledged Housing Increment securing the Series 2023B Housing Bonds. The information below is intended to provide the overall context of the entire Treasure Island Project, of which the Initial Project Areas are a part.

Overview

The Treasure Island Project encompasses approximately 461 acres on Yerba Buena Island and Treasure Island, two adjacent islands (the "Islands"). The Islands are located in the San Francisco Bay and are connected by a causeway. The Islands are accessible to San Francisco and the greater San Francisco Bay Area via the San Francisco-Oakland Bay Bridge, which passes through Yerba Buena Island, and by ferry to Downtown San Francisco.

Treasure Island was previously the site of a United States Naval Station ("Naval Station Treasure Island" or "NSTI"). In 1993, Congress selected NSTI for closure and disposition by the Base Realignment and Closure Commission. In 1997, the San Francisco Board of Supervisors authorized the creation of the Treasure Island Development Authority ("TIDA") to serve as the entity responsible for the reuse and development of the NSTI. TIDA is a California non-profit public benefit corporation, a public benefit agency and instrumentality and an authority of the City and the State of California. TIDA's board members are appointed by the Mayor of San Francisco.

The United States of America, acting through the Department of the Navy (the "Navy"), and TIDA entered into an Economic Development Conveyance Memorandum of Agreement ("Navy MOA") that provides for transfer of NSTI from the Navy to TIDA in phases as the Navy completes environmental remediation. To date, the Navy has made five separate conveyances to TIDA, including all of the property within the District and Major Phase 1. The bulk of the land the Navy still owns is comprised of Investigation/Remediation Site 12 ("IR Site 12"), which includes a substantial portion of the Major Phase 4 area, a small portion of the Major Phase 2 area, and shares a boundary with Major 3 as it is currently defined. The Navy has not yet received approval from applicable State and federal regulators to transfer IR Site 12 in the condition required by the Navy MOA. While the Navy continues its remediation work, the timeline for the transfer of this property is uncertain. Portions of IR Site 12 could be delayed for as much as 10 years, and in such event TIDA could invoke a redesign process under the Navy MOA if such delay impacts future phases of the development. However, the timing of such disposition does not affect development of the Initial Project Areas.

In 2003, TIDA selected Treasure Island Community Development LLC ("TICD"), a California limited liability company, to serve as master developer for the "Treasure Island Project." The Treasure Island Project will be carried out by TICD in accordance with the Disposition and Development Agreement between TIDA and TICD, dated as of June 28, 2011 (as amended from time to time, the "DDA"), and the Development Agreement between the City and TICD dated as of June 28, 2011 (as amended from time to time, the "DA"), and related Treasure Island Project approvals (including the Mitigation Monitoring and Reporting Program adopted by TIDA and the City in reliance on the Treasure Island/Yerba Buena Island Environmental Impact Report, the Treasure Island/Yerba Buena Island Special Use District and a Design for Development that established design standards and guidelines).

The Treasure Island Project encompasses portions of both Treasure Island and Yerba Buena Island and is planned for a new mixed use neighborhood of up to 8,000 residential units, hotels, restaurants, retail, arts and entertainment, parks, and open space. The DDA provides for the phased transfer of properties planned for private development from TIDA to TICD for development of the Treasure Island Project.

Developer Entities

TICD is the master developer of the Treasure Island Project. TICD, and its subsidiaries including TI Series 1 and Treasure Island Series 2, LLC ("TI Series 2"), are completing the backbone infrastructure improvements of the Treasure Island Project and then selling development pads to vertical builders (each a "Merchant Builder") for construction of residential and commercial development. Of the development pads sold to vertical builders to date, all were sold to entities that are affiliated with one or more members of the TICD joint venture, including Stockbridge, Wilson Meany, Lennar, and Poly USA.

TICD is a joint venture, the members in which are (i) a joint venture ("TIH") comprised of a subsidiary of Lennar Corporation ("Lennar") and a subsidiary of Poly (USA) Real Estate Development Corporation, as a non-managing, third-party member, (ii) an indirect subsidiary of Lennar ("TICD Hold Co"), (iii) a joint venture ("KSWM") comprised of affiliates of Stockbridge TI Fund LP (collectively, "Stockbridge"), Kenwood Investments ("Kenwood") and Wilson Meany ("Wilson Meany") and (iv) Stockbridge TI Co-Investors, LLC, an affiliate of Stockbridge ("Co-Investors"). TIH and TICD Hold Co. together own a fifty percent (50%) membership interest in TICD, and KSWM and Co-Investors together own a fifty percent (50%) membership interest in TICD. The responsibility for establishing the policies and operating procedures with respect to the business and affairs of TICD and for making all decisions as to all matters which TICD has authority to perform is vested in an Executive Committee, which is comprised of representatives of KSWM and of TIH (all of which are Lennar employees), with equal power given to the KSWM and TIH representatives. Wilson Meany, on behalf of KSWM, and Lennar, on behalf of TIH, are co-managing members of TICD, charged with conducting the business of TICD on a day-to-day basis. TICD's subsidiary, Treasure Island Development Group, LLC ("TIDG"), leads many of the day-to-day activities of the Treasure Island Project under the direction of TICD's co-managing members (Wilson Meany, on behalf of KSWM, and Lennar, on behalf of TIH). Each of Wilson Meany and Lennar are deeply experienced in such projects, with seasoned and highly qualified personnel managing their respective roles in the Project, and TIDG's team is also deeply experienced and highly qualified. Third party investors in Stockbridge and TIH hold limited and customary major decision approval rights related to certain high-level policies of TICD. Capital for the development of the Project comes from equity, the proceeds of land sales, debt financing, and reimbursements from public financing sources (including CFD bonds and District bonds). In addition, to the extent that TICD does not have capital in the amount or at the times required for budgeted expenses of the Treasure Island Project, TICD's co-managing members (Wilson Meany, on behalf of KSWM, and Lennar, on behalf of TIH) have the right to call capital of TICD's members, and the members are obligated to timely contribute their respective pro rata shares. The members of TICD are subject to customary and significant remedies in the event that they do not contribute such capital, and the other members are permitted to put in capital in the event that another member does not do so. In addition, see the caption " - KSWM Litigation" below for a discussion of the litigation between Kenwood and entities of Stockbridge and Wilson Meany.

From time to time, TICD has admitted new members in connection with additional capital needs for the project. In one such instance, in 2016, Co-Investors was admitted as a direct member to TICD in proportion to its capital contributions. At the same time, Stockbridge admitted a new, limited partner investor in its ownership structure, an affiliate of CITIC Capital Holdings Limited ("CITIC Capital"). CITIC Capital is a global alternative investment management and advisory company headquartered in Hong Kong. The firm manages over $17 billion USD of capital through its multi-asset class platform covering private equity, real estate, structured investment and finance, asset management, and special situations.

As originally envisioned, TICD was going to sell property to builders to develop the property. As TICD sought to market the property to builders and developers, TICD found that the market would be more receptive for the land at the pricing being sought if it were to show "proof of concept." To do this, TICD's members determined to have affiliated entities acquire the land in the first phase of the project to build the vertical improvements. All acquisitions were at market prices and in compliance with the DDA which has direction on how internal purchases can be made. For example, the DDA requires that an appraisal must be commissioned and various approvals are required from various agencies prior to a sale.

Both the admission of Co-Investors and the acquisition of property by TICD's affiliates took place without objection from Kenwood, although Kenwood has alleged that it was not aware of these actions at the time.

Planned Development

The Treasure Island Project is planned for development of 5,827 market rate residential units, 2,173 below market rate affordable units, 551,000 square feet of commercial space, 500 hotel rooms, and approximately 290 acres of parks and open space. Development is planned to occur in four major phases, with each major phase including several sub-phases. The four major phases and the 11 sub-phases of Major Phase 1 (including 1YA, 1YB, 1B, 1C and 1E) are shown on the map below.

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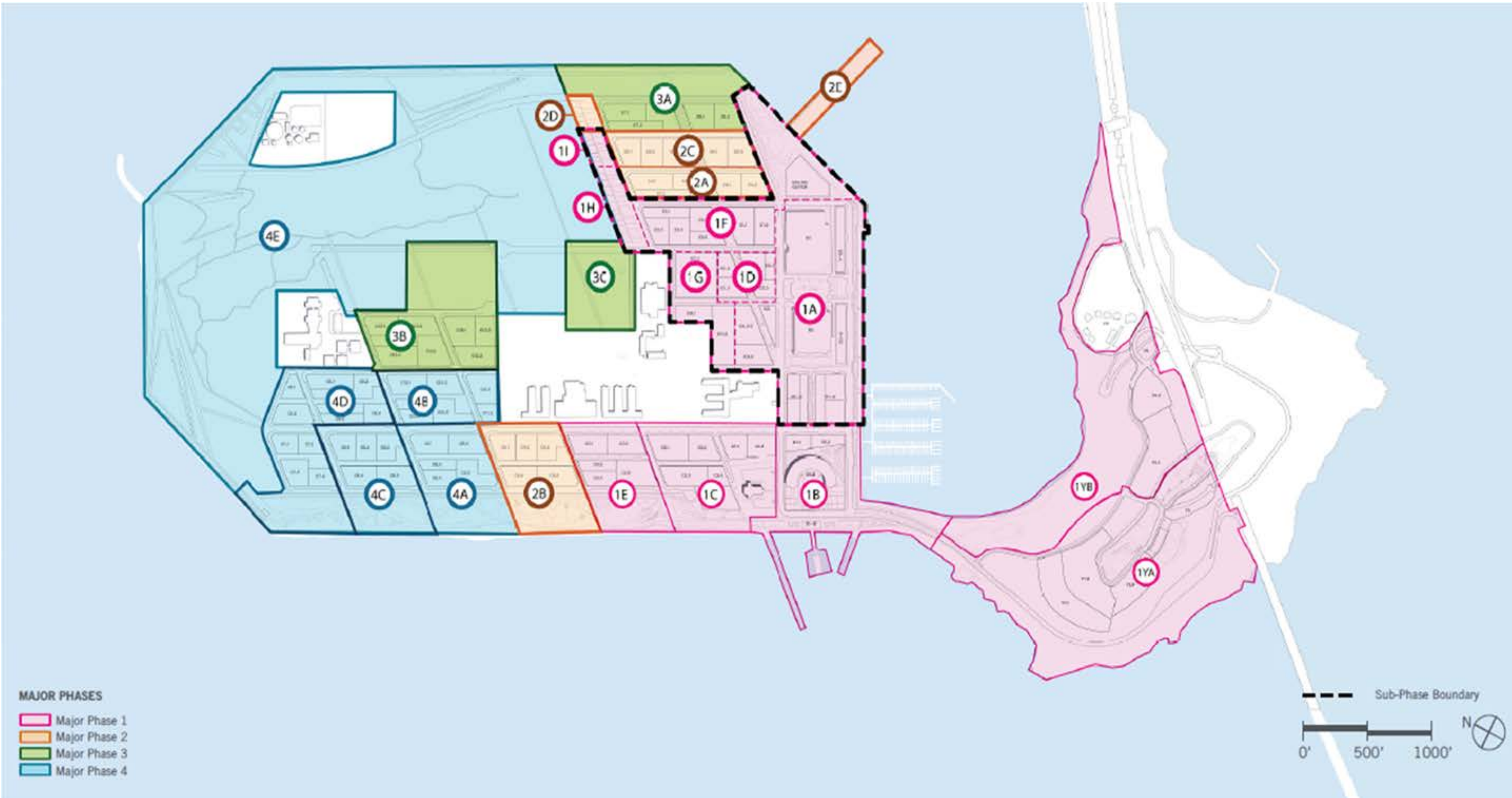

Note: Area labels on the map above represent sub-phase designations, not Project Area designations. For Project Area designations, see map on page 47.

Table 1 below provides a summary of the Treasure Island Project, Major Phase 1 of the Treasure Island Project, and the portions of Major Phase 1 that are within the District.

Table 1
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Planned Development
Treasure Island Project and Portions Within Major Phase 1 and the District

	Treasure Island Project	Portion within Major Phase 1[(1)]	Portion within District[(2)]
Planned Residential Units (up to)			
Market Rate Units	5,827	3,329	1,682
Below Market Rate Units	2,173	700	73
Total Units	8,000	4,119	1,755[(3)]
Planned Non-Residential Development (up to)			
Adaptive Reuse Commercial Square Feet	311,000	311,000	0
New Retail Square Feet	140,000	140,000	8,000
New Office Square Feet	100,000	100,000	0
Subtotal	551,000	551,000	8,000
Hotel Rooms	500	500	350

(1) First of four major phases of the Treasure Island Project.
(2) Portions of five out of 11 subphases of Major Phase 1.
(3) Of the total 1,755 planned units, 1,044 are within Project Areas A, B, and E that are collecting tax increment in Fiscal Year 2023-24.

Infrastructure

All major backbone infrastructure required for development within the Initial Project Areas to receive temporary certificates of occupancy has been completed. Completed infrastructure includes geotechnical work in Major Phase 1 (described below), critical utilities (water, sewer, gas, and electricity) serving the Initial Project Areas, reconstruction of the causeway connecting Yerba Buena Island and Treasure Island, and streetscape and landscaping of roads serving the Initial Project Areas.

Total horizontal infrastructure improvements and fees required for development of the larger Treasure Island Project are estimated to total approximately $2.5 billion, as of October 1, 2023. As of October 1, 2023, TICD and related developers have expended approximately $717 million on such costs (all related to Major Phase 1) ("Initial Project Costs"), and they expect to spend the remainder of such costs over the next 15 years.

A geotechnical mitigation program was implemented in the Initial Project Areas and elsewhere on Treasure Island in advance of infrastructure improvements and construction of buildings to make the Treasure Island perimeter seismically stable, strengthen the causeway that connects Treasure Island to Yerba Buena Island, densify the sandy fill to minimize seismic settlement within the development footprint, and compress the soft Bay Mud sediments to minimize future settlement from the addition of fill and buildings. The plan included densification of the sandy fill throughout the development and the shoreline using the direct power compaction ("DPC") vibrocompaction improvement method, preloading new building parcels and City streets with surcharge, and strengthening the causeway and the portions of the shoreline with cement deep soil mixing. See "RISK FACTORS – Climate Change; Risk of Sea Level Rise and Flooding Damage" for a description of Bay Mud. The geotechnical program for the Initial Project Areas and infrastructure serving it was completed and does not require ongoing maintenance work. Geotechnical work continues for portions of Treasure Island outside of the Initial Project Areas.

A portion of the Initial Project Costs have been reimbursed through the City and County of San Francisco Community Facilities District No. 2016-1 (Treasure Island) (previously defined as, the "CFD"), established pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (section 53311 et seq. of the California Government Code). The City, on behalf of the CFD, has issued three series of special tax bonds to date backed by special taxes levied on taxable parcels within either Improvement Area No. 1 or Improvement Area No. 2, as applicable. Both Improvement Area No. 1 and Improvement Area No. 2 are within the Initial Project Areas. These bonds have generated approximately $78 million in project funds to date. Additional special tax bonds were approved by the Board of Supervisors as the legislative body of the CFD in an aggregate principal amount not to exceed $17,000,000. Such CFD bonds are expected to be issued on or about the same time as the Series 2023AB Bonds. The special taxes supporting the CFD bonds are not available to pay the Facilities Bonds or the Housing Bonds, nor is tax increment from the Project Areas available to pay the CFD bonds.

See "THE INITIAL PROJECT AREAS – Planned Development" for information about infrastructure in the Initial Project Areas.

Transportation

Current transportation options serving the Islands include a ferry service between Treasure Island and the San Francisco Ferry Building (privately-managed by TICD) and MUNI bus service to and from mainland San Francisco. Vehicles have access to the San Francisco-Oakland Bay Bridge (which passes through Yerba Buena Island) from both the eastern and western sides of Yerba Buena Island. A planned "congestion pricing" auto toll is expected to be charged to certain drivers for each auto trip to and from Treasure Island. Additional transportation programs - including AC Transit bus service to Oakland and a fare-free on-Islands shuttle - are planned for implementation as development proceeds on the Islands.

Sea Level Rise and Adaptive Management Strategy

The sea level rise and adaptive management strategy for Treasure Island includes a multi-phased approach to mitigation, with initial infrastructure designs to accommodate reasonable sea level rise scenarios as well as future monitoring and funding mechanisms to implement necessary improvements in the future. As part of the first phase of such strategy, the perimeter shoreline areas near the Initial Project Areas have been adjusted to function as a berm, and finished grades for the inland proposed building areas for some of the Initial Project Areas have been raised up to 6.0 feet. See "RISK FACTORS – Climate Change; Risk of Sea Level Rise and Flood Damage" herein.

Negotiations to Revise Project Agreements

As discussed above, the Treasure Island Project is carried out by TICD in accordance with the DDA and the DA, and related Treasure Island Project agreements (collectively, the "Project Agreements"). The Project Agreements and related approvals control the overall design, development and construction of the Treasure Island Project and all infrastructure and improvements. The Treasure Island Project, as a complex, phased development of horizontal infrastructure and vertical development, requires coordination among TICD, TIDA and the various agencies of the City to map, permit, inspect, and construct the Treasure Island Project, and transfer to the City completed public infrastructure.

In the course of implementing the Treasure Island Project, disagreements have arisen between TICD on the one hand and TIDA and the City on the other.

Budget Disputes. The DDA obligates TICD to pay certain costs incurred by City departments ("City Costs"), certain TIDA costs to the extent there are annual budgetary shortfalls ("Authority Costs"), and certain agreed-upon developer subsidies, which include certain costs for open space, transportation, community facilities, authority housing, school improvements, ramps/viaducts, fill, and job training programs ("Developer Subsidies"). TICD has questioned the appropriateness and amount of City Costs and Authority Costs, and whether costs are being appropriately tracked and credited against TICD's payment obligations under the Project Agreements specifically for Developer Subsidies. The City and TIDA have asserted that the City Costs and Authority Costs invoiced to TICD are appropriate.

TICD has paid all invoiced and due City Costs and Authority Costs, to date, but paid the Fiscal Year 2020-21 Authority Costs of approximately $2.1 million under protest, and has argued that some of these costs should be credited against the defined Developer Subsidies. The aggregate amount of such invoiced costs was approximately $7.9 million in Fiscal Year 2020-21 and $3.8 million for Quarters 1, 2 and 3 of Fiscal Year 2021-22. Additional Authority Costs have not been invoiced in the interim period to date. Certain City Costs have been generated and invoiced to TICD in the interim to date, but TIDA has not received any disputes or questions related to such invoiced City Costs.

TICD has not delivered to TIDA a formal notice of default under the Project Agreements pertaining to this dispute over the City and Authority Costs (collectively, the "Budget Disputes"). On April 8, 2022, TICD filed a government claim under California Government Code section 900 et seq. (the "Government Claims Act") pertaining to the Budget Disputes to preserve its rights under the Project Agreements and applicable law.

Permit Disputes. TICD has also raised additional concerns from time to time regarding the time and manner in which the City has processed and conditioned the Treasure Island Project's permits and maps, and the scope, timing and acceptance of public infrastructure (collectively, the "Permit Disputes"). TICD claims that because of construction cost inflation, the pandemic and the City and TIDA's period to review permits and permit costs, the Treasure Island Project's total projected costs have increased from $1.5 billion to approximately $2.5 billion and the time period for construction of the project has been extended. TICD has not sent to TIDA or the City a notice of default under the Project Agreements for the Permit Disputes, nor has it filed a government claim under the Government Claims Act pertaining to the Permit Disputes.

Negotiations Related to Budget/Permit Disputes and Other Terms. The parties have met regularly to discuss concerns regarding the Budget Disputes and Permit Disputes and those discussions have expanded to other matters as well. The discussions include, among other things, improved budgeting and permitting processes to manage costs and minimize schedule impacts; processes to limit changes to the Project's basis of design; processes to resolve certain budget disagreements and provide flexibility for the method and timing of the payment of certain Developer Subsidies; potential changes to timing of when certain public facilities such as the new elementary school and fire and police station will be delivered, based on the Project's current schedule and requirements; and additional funding sources and/or revisions to existing funding arrangements to address the unanticipated project cost increases that the Project has experienced. Negotiations on these subjects is continuing and certain of the terms being negotiated could require amendments to the Project Agreements. TICD believes that the revised terms being negotiated do not negatively implicate critical project feasibility; rather, the contractual adjustments are intended to improve and/or sustain the pace of development, including by potentially facilitating access to additional and/or earlier funding streams to be used to facilitate construction of future subphases. No assurance is given regarding the outcome or timing of such negotiations. With respect to the disputed issues in particular, TICD has informed TIDA and the City that it believes these issues can be resolved amicably without resort to litigation. Consequently, there is no litigation pending, or currently threatened, against the Project, the Initial Project Areas or any of the underlying Project Agreements known to TICD, TIDA or the City at this time. However, TICD has informed the City and TIDA that it reserves the right to initiate such litigation, and to seek any and all appropriate legal and equitable remedies (e.g., specific performance, money damages, and/or rescission) if circumstances change.

In connection with any future claims, TICD might seek recovery of all or a portion of the costs incurred by TICD under the Project Agreements, including the Initial Project Costs. Although the City and TIDA believe that TICD is prevented from recovering damages (including costs) under the Project Agreements, no assurance can be given by TIDA or the City that the Budget Disputes and the Permit Disputes will be resolved through negotiations. If TICD were to file a lawsuit arising out of the disputed matters, no assurance can be given that the remedies that TICD might seek would not have an adverse impact on the Treasure Island Project. However, the City, TIDA, and TICD believe that the validity of the pledges of tax increment under the Facilities Indenture and the Housing Indenture would not be affected by any such claims or recovery. While the Project Agreements afford TICD effectively the right but not the obligation to develop the balance of the Treasure Island Project beyond the Initial Project Areas, TICD and TI Series 1 have confirmed that, as of the date of this Official Statement, they are actively proceeding with development of the Treasure Island Project in accordance with the terms and requirements of the DDA, and, at this time, have no plans to cease such development. See "RISK FACTORS – Real Estate Investment Risk."

Horizontal infrastructure required in order to receive a temporary certificate of occupancy for planned developments for the Initial Project Areas is complete. See "THE TREASURE ISLAND PROJECT – Infrastructure." **Neither TIDA, the City nor the Underwriter make any assurance that development of the remainder of the Treasure Island Project will be completed.** See "RISK FACTORS - Real Estate Investment Risks" herein.

KSWM Litigation

There is an ongoing lawsuit between certain entities holding indirect financial interests in the Stockbridge-Wilson Meany-Kenwood half of TICD (the "Stockbridge Ownership"). The Stockbridge Ownership consists of two members: Stockbridge TI Co-Investors, LLC ("Co-Investors") and KSWM Treasure Island, LLC ("KSWM"). KSWM's members are Stockbridge Treasure Island Investment Company, LLC ("STIIC"), a limited liability company affiliated with Stockbridge; Kenwood Investments, LLC ("Kenwood"), a real estate investment firm; and WMS Treasure Island Development, LLC ("WMS"), a real estate development firm associated with Wilson Meany.

As members of KSWM, relationship among the parties is governed by an operating agreement, which prescribes, among other things, the members' relative financial claims to any returns that KSWM derives from its investment in the Treasure Island Project. Under KSWM's operating agreement, STIIC has a right to receive a return of its capital contributions to KSWM and a compounding-aggregate preferred return on those contributions, for so long as such amounts were invested in KSWM, before any distributions are payable to Kenwood or WMS. In the event that STIIC receives sufficient distributions to repay its capital contributions and realizes its aggregate preferred return, Kenwood and WMS each would be entitled to share with STIIC any further distributions from KSWM pursuant to their respective "promote" interests in KSWM. For numerous reasons, including the COVID pandemic, supply chain issues, inflationary increases in costs, and various delays caused by the foregoing, projected revenues for the Treasure Island Project have been pushed out and reduced such that the projected values of, and expected returns on, those interests are projected to be lower today than they were projected to be a few years ago.

In November 2022, Kenwood alleged that Stockbridge Ownership and WMS had breached the KSWM operating agreement by causing KSWM to enter into an amendment (the "2016 Amendment") to TICD's operating agreement that brought in Co-Investors as an additional member of TICD without Kenwood's consent. Kenwood alleged that, because Co-Investors' membership interest in TICD came out of KSWM's original 50% share of TICD, the 2016 Amendment diluted KSWM's interest in TICD, thereby reducing the value of Kenwood's promote. STIIC and WMS disputed Kenwood's allegations.

On March 31, 2023, STIIC and WMS delivered a buy-sell offer to Kenwood, under a provision of the KSWM operating agreement that allows members to make such an offer in the event of a "Deadlock," which is defined to include a dispute with other members over the validity of a decision made by KSWM's managing committee that renders KSWM incapable of carrying out its business. STIIC and WMS believe that there is a Deadlock among KSWM's members; Kenwood disputes that there is any such Deadlock.

On April 3, 2023, STIIC and WMS filed a complaint against Kenwood in the Superior Court of California, County of San Francisco, seeking a declaration of their right to make the March 31, 2023 buy-sell offer to Kenwood and Kenwood's obligation in response thereto. Stockbridge Treasure Island Investment Company, LLC v. Kenwood Investments, LLC, Case No. CGC-23-605537 (Superior Court, County of San Francisco).

On April 4, 2023, Kenwood filed its own complaint in San Francisco Superior Court against Stockbridge Capital Partners, LLC ("SCP"), Co-Investors, and WMS, asserting claims for breach of contract, breach of the covenant of good faith and fair dealing, negligent misrepresentation, intentional misrepresentation, tortious interference with contract, and quantum meruit. Kenwood Investments, LLC v. Stockbridge Capital Partners, LLC, Case No. CGC-23-605626 (Superior Court, Count of San Francisco). In its complaint, Kenwood alleged that SCP, Co-Investors and WMS breached the KSWM operating agreement by authorizing the 2016 Amendment without Kenwood's consent; misled Kenwood about the effect of the 2016 Amendment; and appropriated for themselves certain benefits relating to the Treasure Island development to which KSWM was entitled under its operating agreement, including by acquiring, through affiliates, various land parcels from TICD for vertical development.

On April 25, 2023, STIIC and WMS made a second buy-sell offer to Kenwood. This second offer was substantively similar to the first offer of March 31, 2023, but corrected what Kenwood had asserted was a deficiency in the first offer and also updated certain financial calculations. In their April 25, 2023 offer, STIIC and WMS selected an offer price such that Kenwood either could sell its interest in KSWM to STIIC and WMS for $0 or buy both STIIC's and WMS's interests in KSWM and Co-Investors' interest in TICD for $220,000,000.

On June 6, 2023, STIIC and WMS filed a first amended complaint against Kenwood asserting claims for declaratory relief as to the validity of the second buy-sell offer and breach of contract based on Kenwood's alleged repudiation of its buy-sell obligations.

Kenwood did not make an election in response to the April 25, 2023 buy-sell offer by the election deadline specified by KSWM's operating agreement. STIIC and WMS contend that, by failing to make any election, Kenwood is deemed to have elected to sell its interest in KSWM to STIIC and WMS. Kenwood disputes that the April 25, 2023 buy-sell offer is enforceable. On July 14, 2023, Kenwood filed a demurrer to STIIC and WMS's first amended complaint. If the April 25, 2023 buy-sell offer is found to be valid and enforceable, Kenwood will be compelled to sell its interest in KSWM for $0. If the offer is found to be invalid or otherwise unenforceable, Kenwood will not be required to sell its interest in KSWM and, absent a consensual transaction, will remain a member of KSWM along with STIIC and WMS.

On June 28, 2023, Kenwood filed a first amended complaint, which substituted STIIC for SCP as a defendant and added claims against STIIC and WMS for breach of fiduciary duty. The allegations in Kenwood's first amended complaint are otherwise similar to those in its original complaint. As remedies on its claims, Kenwood seeks monetary and punitive damages, as well as restitution, but Kenwood does not expressly seek to rescind any prior investments in TICD nor does it seek to enjoin any future development on the project.

On September 8, 2023, the court overruled Kenwood's demurrer to STIIC and WMS's claims for declaratory relief and breach of contract.

On October 18, 2023, the court overruled a demurrer to Kenwood's first amended complaint filed by STIIC, WMS, and Co-Investors. The court partially granted a motion to strike certain allegations in Kenwood's complaint as barred by the statute of limitations but granted leave to amend. On October 30, 2023, Kenwood filed a second amended complaint against STIIC, WMS, and Co-Investors, asserting claims for breach of fiduciary duty, breach of contract, breach of implied covenant of good faith and fair dealing, negligent misrepresentation, intentional misrepresentation, fraudulent concealment, tortious interference, quantum meruit, and declaratory judgment.

No assurances can be given as to the outcome of this litigation or its potential effect on TICD and the Treasure Island Project development, but based on the current pleadings and the completion of the horizontal improvements needed for temporary certificates of occupancy in the Initial Project Areas, TICD does not believe that this lawsuit will prevent the continued development within the Initial Project Areas.

Transfer Tax Refund Request

On March 16, 2022, TICD filed a tax-refund claim in the amount of $1.78 million from the City for a portion of property transfer taxes that TICD or its affiliates paid to the City in connection with the conveyance of a certain parcel on Treasure Island. The tax-refund claim asserts that the increase in transfer taxes adopted by the San Francisco voters in November 2020 (referred to as Proposition I) does not apply to land transfers under the Project Agreements because the DA protects the Treasure Island Project from such changes in law. The tax-refund claim also asserts that the City must refrain from imposing or collecting the increased transfer taxes under Proposition I for all future land conveyances under the Project Agreements. The City has not formally responded to the tax-refund claim, but the City asserts that the increase in transfer taxes under Proposition I applies to land transfers under the Treasure Island Project and that the DA does not prevent the City from imposing or collecting these increased transfer taxes. Neither TIDA nor the City can give any assurance regarding the outcome of this claim or its impact, if any, on the Treasure Island Project. Transfer tax revenue does not secure the Series 2023AB Bonds.

Reassessment Covenants

Under the DDA, TICD agreed that, subject to applicable law, if following the issuance of Bonds by the District, TICD were to seek and be granted a reassessment of the property it owns in the District, TICD would make additional payments to the City equal to the amount of property taxes lost as a result of the reassessment, and the City agreed to allocate such additional payments to the District. In addition, to date, each Sub-Block in the Initial Project Areas that has been transferred to a Merchant Builder includes among its development covenants and restrictions a covenant by the Merchant Builder to not initiate or intentionally cause to initiate a reassessment of the value of the applicable property, and it is TICD's intention and practice to require such covenants in future transfers with Merchant Builders. Other parties that might come to own taxable property in the Initial Project Areas, such as homeowners, are not subject to these covenants. The foregoing covenants do not extend to reassessments not sought by the payor that the Assessor could grant unilaterally under Proposition 8.

See also "TAX INCREMENT REVENUE AND DEBT SERVICE – Top Ten Taxpayers" and "RISK FACTORS – Reduction in Tax Base and Assessed Values" herein.

THE INITIAL PROJECT AREAS

TI Series 1 has provided the following information with respect to the Initial Project Areas. No assurance can be given by the District that all information is complete. The District has not independently verified this information and assumes no responsibility for its accuracy or completeness. If planned development of the property is not completed Pledged Facilities Increment and Pledged Housing Increment could be comparatively lower than if development is completed as planned. See the section of this Official Statement captioned "RISK FACTORS" for a discussion of certain risk factors which should be considered, in addition to the other matters set forth herein, in evaluating an investment in the Series 2023AB Bonds.

Overview

The District encompasses portions of the first phase of development of the Treasure Island Project. The District is currently comprised of five component project areas: Project Area A, Project Area B, Project Area C, Project Area D, and Project Area E (the "Initial Project Areas"). The Initial Project Areas have a combined land area of approximately 33 acres. Project Area A encompasses development parcels located on Yerba Buena Island. Project Areas B, C, D, and E encompass a portion of the development parcels located on Treasure Island within the first phase of development along the waterfront nearest to Downtown San Francisco and the causeway connection to Yerba Buena Island.

The maps below show the Initial Project Area boundaries and related Assessor parcel numbers. While the maps below also show other areas on the Islands, only ad valorem property taxes levied on taxable property inside the boundaries of the Initial Project Areas and any future Project Areas can generate Gross Tax Increment, from which the Pledged Facilities Increment securing the Series 2023A Facilities Bonds and the Pledged Housing Increment securing the Series 2023B Housing Bonds will be derived.

The District currently expects that territory will be added to the District in the future as property transfers from the Navy to TIDA and development of subsequent phases and subphases of the Treasure Island Project proceeds. It is anticipated that additional territory will be added as additional Project Areas. See "THE TREASURE ISLAND PROJECT – Overview" herein.

The Commencement Year has occurred for Project Areas A, B and E, which total approximately 29 acres. The Trigger Amounts of taxes needed for the Commencement Year to occur in Project Areas C or D have not yet been reached. See Table 2 in APPENDIX H – "FISCAL CONSULTANT REPORT" attached hereto for information about the areas within the Initial Project Areas that coincide with Improvement Areas of the CFD.

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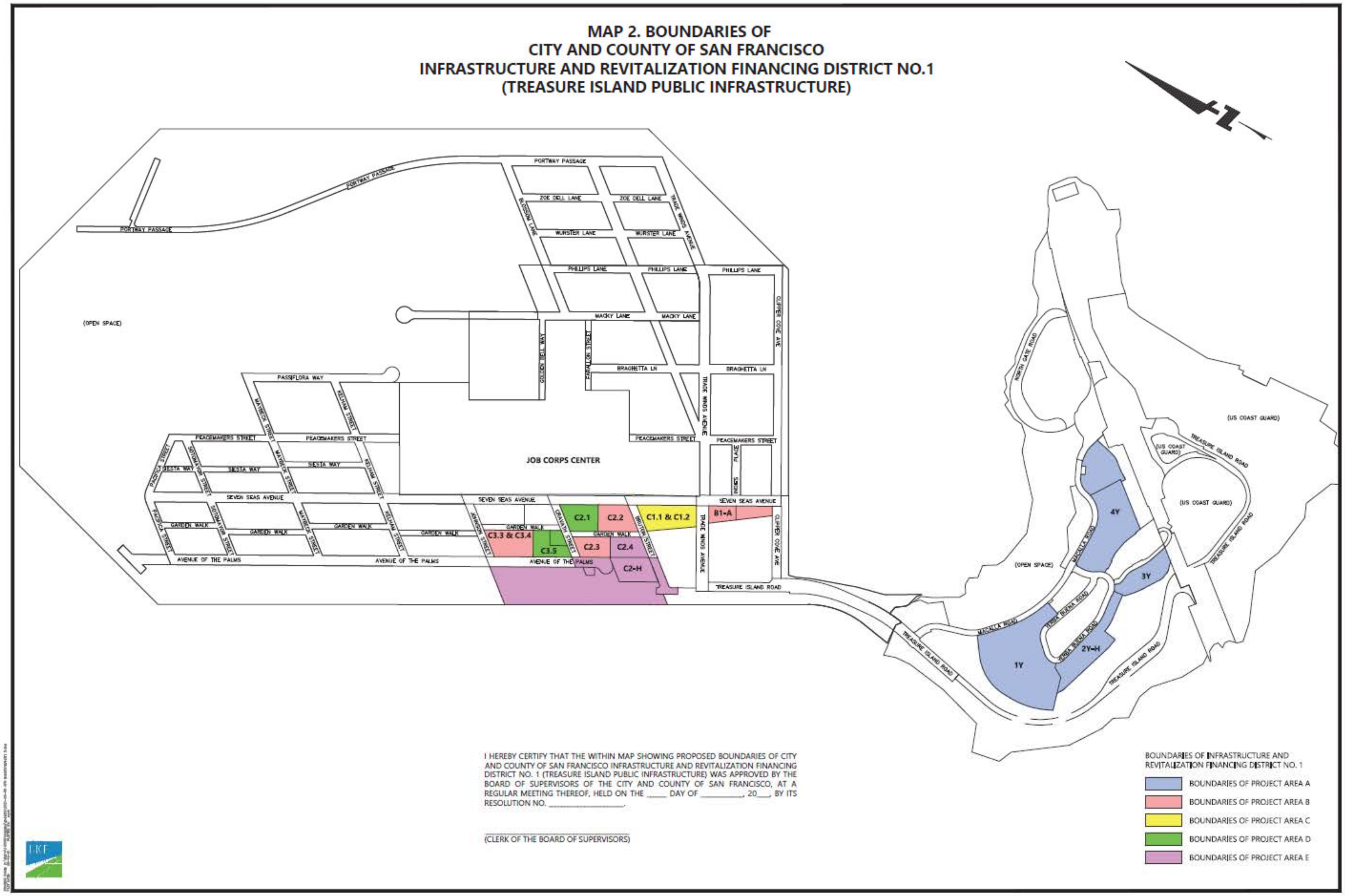
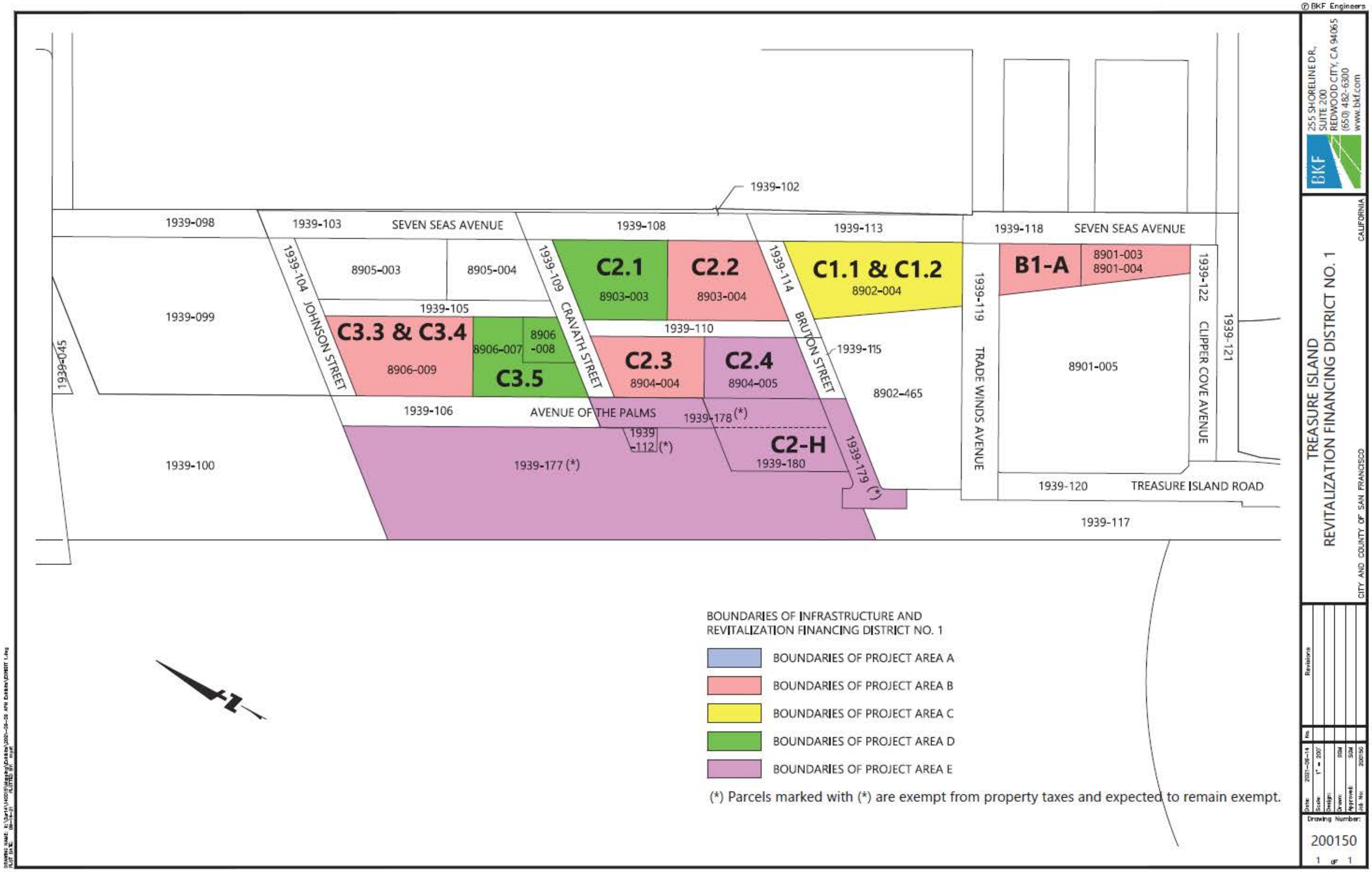


MAP 2. BOUNDARIES OF
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1
(TREASURE ISLAND PUBLIC INFRASTRUCTURE)
JOB CORPS CENTER
(OPEN SPACE)
(US COAST GUARD)
C2.1
C2.2
C1.1 & C1.2
B1-A
C3.3 & C3.4
C3.5
C2.3
C2.4
C2-H
1Y
2Y-H
3Y
4Y
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1 (TREASURE ISLAND PUBLIC INFRASTRUCTURE) WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, AT A REGULAR MEETING THEREOF, HELD ON THE ____ DAY OF ________, 20__, BY ITS RESOLUTION NO. ______________.
(CLERK OF THE BOARD OF SUPERVISORS)
BOUNDARIES OF INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
BOUNDARIES OF PROJECT AREA A
BOUNDARIES OF PROJECT AREA B
BOUNDARIES OF PROJECT AREA C
BOUNDARIES OF PROJECT AREA D
BOUNDARIES OF PROJECT AREA E


SEVEN SEAS AVENUE
AVENUE OF THE PALMS
TREASURE ISLAND ROAD
JOHNSON STREET
CRAVATH STREET
BRUTON STREET
TRADE WINDS AVENUE
CLIPPER COVE AVENUE
C2.1
C2.2
C1.1 & C1.2
B1-A
C3.3 & C3.4
C3.5
C2.3
C2.4
C2-H
1939-098
1939-099
1939-100
1939-045
1939-102
1939-103
1939-104
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1939-112 (*)
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1939-177 (*)
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1939-179 (*)
1939-180
8905-003
8905-004
8903-003
8903-004
8902-004
8901-003
8901-004
8901-005
8906-009
8906-007
8906-008
8904-004
8904-005
8902-465
BOUNDARIES OF INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
BOUNDARIES OF PROJECT AREA A
BOUNDARIES OF PROJECT AREA B
BOUNDARIES OF PROJECT AREA C
BOUNDARIES OF PROJECT AREA D
BOUNDARIES OF PROJECT AREA E
(*) Parcels marked with (*) are exempt from property taxes and expected to remain exempt.
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BKF
255 SHORELINE DR., SUITE 200
REDWOOD CITY, CA 94065
(650) 482-6300
www.bkf.com
TREASURE ISLAND
REVITALIZATION FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO
CALIFORNIA
Drawing Number:
200150
1 of 1

Planned Development

The Initial Project Areas are planned for development of 1,755 residential units and two hotels, as well as some commercial and retail development. See Table 1 herein.

Table 2 below identifies the planned development by Project Area and identifies the development sub-blocks within each.

Table 2
Summary of Planned Development Within the District and Estimated Timing

				Planned Residential Units						
				Market Rate						
Sub-Block	Use	Project Area[3]	Planned No. of Stories	For sale	Rental	BMR	Total Units	average SF/Unit	Planned Hotel Rooms	Start / Projected Construction Completion[1]
Construction Complete/Sales Ongoing										
4Y	Condo (Bristol)	A	6	110		14	124	1,196		
Vertical Construction Commenced										
4Y (Portion)	Townhome/Flats (The Residences-initial phase)[2]	A	3 to 5	31			31	2,635		2021 / 2024
C3.3/4	Condo (Portico)	B	6	141		7	148	1,005		2022 / 2025
C2.2	Rental (Hawkins)	B	6		169	9	178	795		2022 / 2024
C2.4	Rental (Isle House)	E	22		226	24	250	830		2022 / 2024
Subtotal Vertical Construction Commenced				172	395	40	607			
Site/Building Permit Issued										
B1[4]	Rental	B	5		111	6	117	730		
Site/Building Permit Not Yet Issued										
3Y	Townhome	A	3	11			11	3,376		
4Y (portion)	Townhome/Flats[2]	A	3 to 4	22			22	2,521		
C2.3[4]	Condo	B	6	80		5	85	1,242		
C3.5	Condo	D	20	152		8	160	1,208		
1Y	Townhome	A	3	32			32	3,270		
1Y	Flats	A	4	41			41	2,670		
1Y	Estate	A	TBD	5			5	TBD		
2Y-H	Hotel	A	TBD	n/a					50	
C1.1&2	Condo	C	Tower	286			286	1,584		
C2.1	Condo	D	31	265			265	1,152		
C2-H	Hotel	E	TBD						300	
Subtotal Site/Building Permit Not Yet Issued				894	0	13	907		350	
Total				**1,176**	**506**	**73**	**1,755**		**350**	

Abbreviations used in this table: Estate = single family estate home sites, TBD = to be determined

[1] Timing estimates provided by TICD and affiliated vertical developers.
[2] Represents a portion of the 53 total units within The Residences (4Y Townhomes and Flats).
[3] Project Areas C and D have not commenced collection of Tax Increment and may not reach the Trigger Amount for commencement of tax increment collection until construction of planned development in these Project Areas is underway.
[4] These projects are being reevaluated by the respective Merchant Builders. See "THE INITIAL PROJECT AREAS – Development Status" herein.
Source: Fiscal Consultant; Master Developer (for project start and projected completion timing).

Development Status

As of the date hereof, most of the real property in the Initial Project Areas is owned by TI Series 1, the various Merchant Builders or TIDA and is in various stages of development. The remaining real property is owned by purchasers of condominium units at the Bristol.

Horizontal Infrastructure. Critical utilities (water, sewer, gas, and electricity) and all additional infrastructure needed to secure temporary certificates of occupancy within the Initial Project Areas have been completed. Since payment for work typically lags the work performed, a portion of the costs of this completed infrastructure remains to be spent. As of October 1, 2023, the estimated total costs for horizontal infrastructure necessary to allow for temporary certificates of occupancy for property located within the Initial Project Areas was approximately $367.5 million, of which approximately $14.6 million remains to be expended. TI Series 1 expects these remaining costs will be financed through bond proceeds, cash on hand and remaining capital contributions. The remaining public improvement costs not required for a temporary certificate of occupancy are primarily attributable to public parks.

For information about infrastructure development outside the Initial Project Areas, see "THE TREASURE ISLAND PROJECT – Infrastructure" herein.

Completed Vertical Construction

Bristol. The 124-unit Bristol condominium project, located on a portion of Sub-Block 4Y of Project Area A on Yerba Buena Island, commenced construction in 2019 and was completed in June 2022. The Bristol is six stories in height, has an average unit size of 1,196 square feet and includes 110 market rate units and 14 below market rate affordable units. Condominium sales and closings are underway. Move-ins began the first week of June 2022. TI Series 1 understands that, as of October 1, 2023, the sale of 46 units had closed, including 37 market rate units and nine below market rate units, representing the sale of two additional market rate units and three below market rate units beyond those represented in the Fiscal Year 2023-24 roll data. Market rate sales prices have averaged approximately $1.5 million per unit for units averaging approximately 1,100 square feet in size, which is below the overall average unit size for the project of 1,196 square feet. The remaining units are currently being marketed for sale.

The Merchant Builder for the Bristol financed costs for the Bristol through the proceeds of a loan from the Pacific Western Bank and CW YBI Capital Management, LLC of up to $99 million (the "Bristol Construction Loan"), home sales and equity contributions. In August 2022, the Bristol's Merchant Builder closed a $79.3 million condo inventory loan (the "Bristol Condo Inventory Loan") provided by Man GPM Pluto Designated Activity Company and repaid the Bristol Construction Loan. The Bristol Condo Inventory Loan matures in September 2024, and has two, 6-month extension options. As of October 1, 2023, $71.5 million of the Bristol Condo Inventory Loan was outstanding and the loan was in good standing. The Bristol Condo Inventory Loan is paid down as condominium units are transferred to individual owners.

Under Construction

Phase 1 of The Residences – Immediately adjacent to the Bristol, Sub-Block 4Y Townhomes and Flats (permitted portion), includes a portion of the phased residential project known as The Residences. The project is in Project Area A. Construction is underway on five buildings including 31 of the 53 market-rate stacked flats and townhome units planned in this development. Completion of the five buildings that include the first 31 units of The Residences is estimated to occur on a staggered basis in December 2023 through February 2024. The stacked flats have an average unit size of 2,755 square feet and the townhomes have an average unit size of 2,537 square feet. As of November 1, 2023, one of the market rate units was under contract to be sold at a price of approximately $4.5 million.

The units are being developed by affiliates of Stockbridge and Wilson Meany. The Merchant Builder closed a construction loan in August 2021 provided by East West Bank ("Lender") in the amount of $55 million, for the construction of the first 31 units of The Residences and some of the site work for the remaining 22 units located in Sub-Block 4Y (the "4Y Loan"). In April 2023, the Merchant Builder secured a $5 million loan increase in the 4Y Loan, for a total construction loan in the amount of $60 million. The 4Y Loan matures in February 2024, and has one, 3-month extension option. The Merchant Builder is in discussions with Lender to extend the loan for a period of 12 months. The 4Y Loan is secured by a deed of trust on Sub-Block 4Y. As of October 1, 2023, the 4Y Loan was outstanding in the amount of approximately $29.4 million and was in good standing.

<u>Isle House/Sub-Block C2.4</u> – Vertical construction of a 22-story high rise apartment development (known as "Isle House") with 250 rental units, including 24 below market rate affordable units, commenced in November 2022. The seven-level podium portion of the building topped out in March 2023, and the twenty-two-level tower component topped out in July 2023. Dry-in and facade work is complete. Interior work commenced in October 2023, and is projected to be complete by the second quarter of 2024. Temporary certificate of occupancy is anticipated to be issued at the end of the second quarter of 2024, and final completion is currently scheduled for September 2024. The project has an average unit size of 830 square feet and is being developed by affiliates of Stockbridge and Wilson Meany. The property is in Project Area E. On August 12, 2022, Merchant Builder secured a $122.8 million construction loan. The construction loan is with the Union Labor Life Insurance Company ("ULLICO") for a term of thirty-six months, with two twelve-month extensions options, subject to satisfaction of certain conditions. The loan is secured by a deed of trust on Sub-Block C2.4. The loan is anticipated to be repaid through permanent financing or alternative funding sources upon stabilization. As of October 1, 2023, $23.6 million was outstanding and the loan is in good standing.

<u>Portico/Sub-Block C3.3/C3.4</u> – Vertical construction of a six-story, 148-unit planned condominium development (known as "Portico"), including seven below market rate affordable units, commenced in October 2022. The project is in Project Area B. Completion of the building is estimated for January 2025. The project has an average unit size of 1,005 square feet and is being developed by a joint venture development team that includes affiliates of Stockbridge, Wilson Meany and Lennar. Structural work on the foundation and podium level was completed in October 2023 and wood framing was estimated to be completed in February 2024. The Portico Merchant Builder closed a construction loan on September 23, 2022 in the amount of $94.7 million with Pacific Western Bank for a term of approximately three years (the "C3.4 Loan"). The C3.4 Loan was then assigned by Pacific Western Bank to Odyssey Reinsurance Company, ISAO on June 8, 2023. The C3.4 Loan is secured by a deed of trust on Sub-Block C3.4. As of October 1, 2023, $10 million of the construction loan has been drawn and the C3.4 Loan was in good standing.

<u>Hawkins/Sub-Block C2.2</u> – Vertical construction of a six-story apartment development with 178 rental units, including nine below market rate affordable units, commenced in September 2022. The project is in Project Area B. The concrete podium and wood framing for levels two through six are complete and mechanical, electrical, and plumbing work is ongoing. Completion is estimated for November 2024. The project has an average unit size of 795 square feet and is being developed by a subsidiary of Lennar. The Merchant Builder entered into a guaranteed maximum price construction contract with a general contractor in September 2022. The Merchant Builder is

using internal sources of funds to complete the project and does not currently anticipate sourcing a construction loan secured by the property.

Permits Issued

Sub-Block B1 - A five-story apartment development planned for 117 rental units, including six below market rate affordable units, received site permit approval in December 2021. The project is in Project Area B. The project has an average unit size of 730 square feet and is being developed by Poly USA. This project is on hold as described below.

Additional Planned Developments. TI Series 1 has sold to Merchant Builders Sub-Blocks 1Y, 3Y, 4Y Townhomes and Flats (remaining portion not yet permitted), C2.3, and C3.5, which are collectively planned for 356 residential units. Of the 356 planned residential units, 343 are market rate for-sale units, and 13 are below market rate affordable units. TI Series 1 understands that none of these sold planned developments have yet established firm construction costs, secured construction financing or received site or building permits as of October 1, 2023. However, permitted grading and shoring activities for a portion of Sub-Block 3Y have been completed. TI Series 1 understands that the Merchant Builders for Sub-Blocks B1 and C2.3 currently have those projects on hold. No assurances can be given when construction of such projects will commence, whether financing will be available or whether the projects will be completed. In addition, TI Series 1 owns property in Sub-Blocks C1.1, C1.2, and C2.1, which are collectively planned for 551 market-rate for-sale residential units.

TIDA owns six parcels within the District that are currently exempt from property taxes. Of the six TIDA parcels, two (Sub-Blocks 2Y-H and C2-H) are planned for separate 50-room and 300-room hotels, respectively. The remaining four parcels consist of land planned for use as public right of way, parks, and open space. Development of the hotel projects has not begun. The hotels are expected to be developed on ground leases with continued public ownership of the underlying land due to restrictions (Tidelands Trust) that preclude sale of a fee interest in the land to a private owner. The ownership structure is expected to result in the taxable assessed value of the hotel being placed on the assessment roll as a taxable possessory interest. Timing for development of the hotels is to be determined and is not expected near-term. While TIDA-owned parcels are not subject to taxation, if the parcel is leased to a private third-party such as a hotel developer, the leasehold interest would be taxable.

The foregoing planned developments are in different stages of planning, financing, development, and construction. No assurance can be given that development of these properties will be completed. See “RISK FACTORS - Real Estate Investment Risks “ herein.

The District and the CFD

The District contains parcels within the CFD, as follows:

- Project Area A contains parcels within Improvement Area No. 1 of the CFD;
- Project Areas B and E contain parcels within Improvement Area No. 2 of the CFD; and
- Project Areas C and D contain parcels within Improvement Area No. 3 of the CFD.

Certain parcels within the District planned for a hotel, right of way and open space are not within any of Improvement Area Nos. 1, 2 or 3 of the CFD. The District includes additional parcels not within Improvement Areas No. 1, 2 or 3, including development parcel C2-H and parcels planned for right of way and open space.

TAX INCREMENT REVENUE AND DEBT SERVICE

General

As discussed above, the Pledged Facilities Increment securing the Series 2023A Facilities Bonds Parity Facilities Bonds and the Pledged Housing Increment securing the Series 2023B Housing Bonds and Parity Housing Bonds are designated portions of the basic 1% of assessed value property tax levy in each Project Area after the Commencement Year for the Project Area. The Pledged Facilities Increment will represent 53.285270% of such taxes and the Pledged Housing Increment will represent 11.302936% of such taxes (less certain administrative costs).

The District has retained the Fiscal Consultant to provide historical information and projections of taxable assessed valuation and tax increment revenue from the Initial Project Areas.

Commencement Year and Time Limits for Each Project Area

Tax increment revenues generated in a Project Area begin to be allocated to the District only after the Commencement Year for the Project Area, the Commencement Year being the first Fiscal Year that follows the Fiscal Year in which a certain amount of tax increment (i.e., the "Trigger Amount") is generated in the Project Area and received by the City. Tax increment can only be collected in each component Project Area for 40 years beginning with its Commencement Year.

The Commencement Year occurred for Project Area A in Fiscal Year 2019-2020 and for both Project Area B and Project Area E in Fiscal Year 2022-23.

Table 3 below summarizes the tax increment allocation status of the Initial Project Areas.

Table 3
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Initial Project Areas Tax Increment Allocation Status

Project Area	Acreage[1]	Trigger Amount for Commencement of Tax Increment Allocation	Commencement Year	Last Year of Tax Increment
A	15.6	$150,000	Fiscal Year 2019-20	Fiscal Year 2058-59
B	4.4	150,000	Fiscal Year 2022-23	Fiscal Year 2061-62
C	1.6	300,000	To be determined	To be determined[2]
D	2.1	300,000	To be determined	To be determined[2]
E	9.5	150,000	Fiscal Year 2022-23	Fiscal Year 2061-62
Total[3]:	33.1			

(1) Aggregate land area of Assessor's parcels within each Project Area in the District.
(2) Last year for collection of tax increment in Project Areas C and D will be 40 years following the Commencement Year.
(3) Project Areas A, B and E, for which the Commencement Year has occurred, total approximately 29 acres.
Source: Fiscal Consultant.

Historical Assessed Values

Fiscal Year 2018-19 is the first fiscal year for which taxable assessed value was included on the roll within the District, following the transfer of property within Major Phase 1 to TICD subsidiary TI Series 1, resulting in the properties becoming subject to property taxes. The Assessor established initial assessed values based on an estimated unimproved land value of approximately $1.1 million per developable acre, except for three parcels totaling 6.8 acres on Yerba Buena Island which were assessed based upon the $61.2 million sale price applicable to a sale by TI Series 1 to an affiliated Merchant Builder. The $1.1 million per acre value was based on an Assessor analysis of value that considered the remaining improvements necessary for development to occur.

Taxable assessed values for the Initial Project Areas from the Fiscal Year 2016-17 Base Year through Fiscal Year 2023-24 are summarized in Table 4 below.

Table 4
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Historic Assessed Values

	Project Areas Active in Fiscal Year 2023-24			Total for Project Areas	Project Areas Not Yet Active			
Fiscal Year	Project Area A	Project Area B	Project Area E	Active in Fiscal Year 2023-24[3]	Project Area C	Project Area D	Total for All Project Areas[3]	% Increase
2016-17[1]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
2017-18	-	-	-	-	-	-	-	n/a
2018-19	68,568,818	4,883,740	577,630	74,030,188	1,768,367	2,848,093	78,646,648	n/a
2019-20	70,090,194	5,054,967	972,038	76,117,199	1,803,733	2,448,642	80,369,574	2.2%
2020-21	102,085,597	5,155,625	991,477	108,232,699	1,839,808	2,497,179	112,569,686	40.1%
2021-22[2]	201,114,923	47,700,000	25,900,000	274,714,923	1,858,868	2,523,048	279,096,839	147.9%
2022-23	287,081,623	52,177,932	33,061,340	372,320,895	1,896,045	31,477,893	405,694,833	45.4%
2023-24	314,688,909	98,331,576	73,843,791	486,864,276	1,933,965	32,107,450	520,905,691	28.4%

Columns that reflect inclusion of project areas not yet collecting tax increment in Fiscal Year 2023-24 are shown in gray.

(1) Fiscal Year 2016-17 is the Base Year.
(2) Includes Fiscal Year 2021-22 escape roll assessments representing assessed values added by transfers of ownership that occurred prior to the January 1, 2021 lien date for the Fiscal Year 2021-22 assessment roll.
(3) All figures in this table represent both total and Incremental Assessed Property Value, as the Base Year assessed value is $0.
Source: Fiscal Consultant.

The Fiscal Consultant Report indicates that the increase in assessed value from Fiscal Year 2019-20 to Fiscal Year 2020-21 was a result of development within Project Area A, primarily construction in-progress for the 124-unit Bristol condominium project, which is now complete.

The Fiscal Consultant Report indicates that the increase in assessed value from Fiscal Year 2020-21 to Fiscal Year 2021-22 was primarily due to sale of development pads within Project Areas A, B and E by TI Series 1 to separate vertical builders, each of whom have an ownership interest in TICD which resulted in increases in the assessed values for the applicable parcels to the amount of the sale price.

The Fiscal Consultant Report indicates that increases in assessed value from Fiscal Year 2021-22 to Fiscal Year 2022-23 was driven by construction progress on the Bristol and 4Y Townhomes and Flats and sale of a development pad planned for 160 condominium units and a park (Sub-Block C3.5) by TI Series 1 to a separate vertical developer affiliated with Stockbridge, Wilson Meany, and Lennar.

In addition, inflationary increases under Proposition 13 contributed to the increase in assessed values described in the preceding three paragraphs. See APPENDIX F – "FISCAL CONSULTANT REPORT – 4.1 Historic Taxable Values" for additional information regarding such park.

The Fiscal Consultant Report indicates that increases in assessed value from Fiscal Year 2022-23 to Fiscal Year 2023-24 were due to:

- Construction progress on the following developments:
  - Isle House (Block C2.4), which added $40.3 million in assessed value;
  - Portico (Block C3.3/C3.4), which added $33.8 million in assessed value;
  - First phase of The Residences (4Y Townhomes and Flats (permitted portion)), which added $20.6 million in assessed value; and
  - Hawkins (Block C2.2), which added $9.7 million in assessed value.
- Incurrence of indirect costs such as design and limited direct costs on Sub-Blocks B1 and 3Y, which the Assessor took into consideration in adding approximately $3.3 million in assessed value to the roll for these properties.
- Application of the 2% inflationary increase under Proposition 13, which added approximately $7.5 million in assessed value to the roll.

See "RISK FACTORS – Reduction in Tax Base and Assessed Values" herein.

Land Uses

The aggregate assessed valuation in all of the Initial Project Areas and for Project Areas A, B and E for Fiscal Year 2023-24 by land use is set forth on the following Table 5. As shown in Table 5, 32% of aggregate Fiscal Year 2023-24 taxable assessed value for Project Areas A, B and E (which are the Project Areas that will collect tax increment in Fiscal Year 2023-24) is attributable to the completed for-sale residential units development site known as the Bristol and approximately 42% is derived from the four projects actively under construction, with the balance derived from vacant land and one project with a site permit previously issued. See "THE INITIAL PROJECT AREAS - Development Status" herein.

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Table 5
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Fiscal Year 2023-24 Taxable Assessed Value by Land Use

Land Uses Composition,	All Initial Project Areas				Initial Project Areas Collecting Tax Increment in Fiscal Year 2023-24 (Project Areas A, B, E)			
	Planned Units	No. of Parcels	Fiscal Year 2023-24 Taxable Value	% of Total	Planned Units	No. of Parcels	Fiscal Year 2023-24 Taxable Value	% of Total
Residential Development Sites								
Completed For-Sale Units[1]								
Private homeowners	41	41	$ 44,323,375	8.5%	41	41	$ 44,323,375	9.1%
Developer-owned units	83	83	111,246,976	21.4	83	83	111,246,976	22.8
Subtotal	124	124	$155,570,351	29.9%	124	124	$155,570,351	32.0%
For-Sale Units Development Sites								
Vertical construction underway[2]	201	2	$107,595,642	20.7%	201	2	$107,595,642	22.1%
Site permit not yet issued[3]	885	7	146,263,936	28.1	174	3	112,222,521	23.1
Subtotal	1,086	9	$253,859,578	48.7%	375	5	$219,818,163	45.1%
Rental Units Development Sites								
Vertical construction underway[4]	428	2	$ 97,989,602	18.8%	428	2	$ 97,989,602	20.1%
Site permits issued[5]	117	2	13,486,160	2.6	117	2	13,486,160	2.8
Subtotal	545	4	$111,475,762	21.4%	545	4	$111,475,762	22.9%
Owned by TIDA and non-taxable	0	6	$ 0	0.0%	0	6	$ 0	0.0%
GRAND TOTAL	**1,755**	**143**	**$520,905,691**	**100.0%**	**1,044**	**139**	**$486,864,276**[6]	**100.0%**

Columns that reflect inclusion of project areas not yet collecting tax increment in Fiscal Year 2023-24 are shown in gray.

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(1) The 124-unit Bristol condominium building was completed in June 2022. As of the fiscal year 2023-24 assessment roll, which reflects ownership as of January 2023, 83 units were identified as owned by the developer while 41 units were owned by individual homeowners. Five additional units have subsequently sold to individual homeowners as of October 1, 2023, resulting in 78 developer-owned units and 46 private homeowners.

(2) For-sale units under construction include the 148-unit Portico condominium building, of which seven units are below market rate, and the 53-unit 4Y Townhomes and Flats, which are all market rate. Of the 53 total units within the 4Y Townhomes and Flats, construction is currently underway on 31 units and construction of the remaining 22 units has not yet commenced.

(3) Includes one parcel planned for use as a privately-owned pocket park. with public access, to be developed in conjunction with Block C3.5. The parcel has an Fiscal Year 2023-24 assessed value of $322,524 and is located within Project Area D, for which allocation of tax increment has not yet commenced. See "THE INITIAL PROJECT AREAS – Planned Development," for a description of that parcel.
(4) Rental units under construction include Isle House, a 250-unit high-rise rental development that includes 24 below market rate affordable units and Hawkins, a 178-unit mid-rise rental development with nine below market rate affordable units.
(5) Site permits issued for Sub-Block B1, owned by an affiliate of Poly USA, on December 2021 for a 117-unit mid-rise rental development that includes six below market rate affordable units. Vertical construction has not commenced, and the project is being reevaluated by the Merchant Builder, and the project is currently on hold. See "THE INITIAL PROJECT AREAS – Development Status" herein.
(6) Reflects $307,547,361 of land assessed value and $179,316,915 of improvement assessed value. See APPENDIX F – "FISCAL CONSULTANT REPORT – Table 20" for additional information regarding land assessed value and improvement assessed value by parcel.
Sources: City and County of San Francisco Office of the Assessor-Recorder, TICD, City and County of San Francisco Department of Building Inspection (for permit issuance status).

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Top Ten Taxpayers

The top ten taxpayers in the Initial Project Areas, by Fiscal Year 2023-24 assessed valuation, both in aggregate, and for Project Areas A, B and E for which collection of tax increment has commenced, are set forth below in Table 6. Four property owners represent the vast majority of assessed value within Project Areas A, B and E. Within Project Areas A, B and E, these four taxpayers account for over 90% of Fiscal Year 2023-24 assessed valuation, with the balance attributable to individual owners of condominium units in the Bristol. See "RISK FACTORS – Concentration of Property Ownership" herein.

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Table 6
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Top Ten Taxpayers for Fiscal Year 2023-24

	Top Taxpayers Fiscal Year 2023-24	Description[6][7]	Planned No. of Res. Units	No. of Parcels	Project Area	Assessed Value Fiscal Year 2023-24[10]: All Project Areas	Assessed Value Fiscal Year 2023-24[10]: Active Project Areas[12]	% of Total and Incremental Assessed Value[11]: All	% of Total and Incremental Assessed Value[11]: Active Areas[12]
1	**Stockbridge and Wilson Meany**[1]								
	YBI Phase 1 Investors LLC	Bristol for-sale condos built June 2022 (Sub-Block 4Y (portion))	83[14]	83	A	$111,246,976	$111,246,976	21.4%	22.8%
	YBI Phase 4 Investors LLC	Site planned for for-sale condos, townhomes, single-family homes (Sub-Block 1Y)	78	1	A	81,966,873	81,966,873	15.7	16.8
	TI Lot 10 LLC	Rental apartment tower under construction (Sub-Block C2.4)	250	1	E	73,843,791	73,843,791	14.2	15.2
	YBI Phase 3 Investors LLC	For-sale townhomes & flats under construction (Sub-Block 4Y (portion))[8]	53	1	A	58,340,437	58,340,437	11.2	12.0
	YBI Phase 2 Investors LLC	Site planned for for-sale townhomes (Sub-Block 3Y)	11	1	A	18,811,248	18,811,248	3.6	3.9
	Subtotal		**475**	**87**		**$344,209,325**	**$344,209,325**	**66.1%**	**70.7%**
2	**Stockbridge, Wilson Meany and Lennar Joint Venture**[2]								
	TI Lots 3-4 LLC	For-sale condos under construction (Sub-Block C3.3/3.4)	148	1	B	$ 49,255,205	$ 49,255,205	9.5%	10.1%
	TI Lots 5-6, LLC	Site planned for for-sale condo tower (Sub-Block C3.5) and park	160	2	D	30,795,840	N/A	5.9	N/A
	Subtotal		**308**	**3**		**$ 80,051,045**	**$ 49,255,205**	**15.4%**	**10.1%**
3	**Poly USA**[3]								
	B1 Treasure Island 048 Holdings, LLC	Site planned for rental apartments (Sub-Block B1)[9]	117	2	B	$ 13,486,160	$ 13,486,160	2.6%	2.8%
	C23 Treasure Island 048 Holdings, LLC	Site planned for for-sale condos (Sub-Block C2.3)	85	1	B	11,444,400	11,444,400	2.2	2.4
	Subtotal		**202**	**3**		**$ 24,930,560**	**$ 24,930,560**	**4.8%**	**5.1%**
4	**Lennar**[4]	Rental apartments under construction (Sub-Block C2.2)[7]	178	1	B	$ 24,145,811	$ 24,145,811	4.6%	5.0%
5	**TI Series 1**[5]	Sites planned for two for-sale condo towers (Sub-Block C1.1/C1.2, C2.1)	551	2	C & D	$ 3,245,575	N/A	0.6%	N/A
6	**Bristol Homeowner 1**	Built private for-sale condo residences in the Bristol	2	2	A	$2,989,598	$2,989,598	0.6%	0.6%
7	**Bristol Homeowner 2**	Built private for-sale condo residences in the Bristol	2	2	A	$2,311,928	$2,311,928	0.4%	0.5%
8	**Bristol Homeowner 3**	Built private for-sale condo residence in the Bristol	1	1	A	$1,887,226	$1,887,226	0.4%	0.4%
9	**Bristol Homeowner 4**	Built private for-sale condo residence in the Bristol	1	1	A	$1,840,554	$1,840,554	0.4%	0.4%
10	**Bristol Homeowner 5**	Built private for-sale condo residence in the Bristol	1	1	A	$1,762,303	$1,762,303	0.3%	0.4%
11	**Bristol Homeowner 6**	Built private for-sale condo residence in the Bristol	1	1	A	N/A[13]	$1,707,697	N/A[13]	0.4%
	TOTAL TOP TAXPAYERS		**1,722**	**104**		**$487,373,925**	**$455,040,207**	**93.6%**	**93.5%**

Columns that reflect inclusion of project areas not yet collecting tax increment in Fiscal Year 2023-24 are shown in gray.

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(1) Includes separate legal entities affiliated with Wilson Meany and the Stockbridge TI Fund LP, as listed. Stockbridge and Wilson Meany have an ownership interest in TICD, who is the parent company of the owner shown in number 5 on the list of top taxpayers. In addition, Stockbridge and Wilson Meany have an interest in two properties listed under the ownership of Stockbridge, Wilson Meany, and Lennar, number 2 on the list of top taxpayers, being developed as a joint venture.

(2) TI Lots 3-4 LLC and TI Lots 5-6 LLC are being developed as a joint venture between Stockbridge, Wilson Meany, and Lennar (number 1 and 4 on the list of top taxpayers).
(3) Includes separate entities affiliated with developer Poly (USA) Real Estate Development Corp., as listed. Poly USA has an ownership interest in TI Series 1 (No. 5 top taxpayer).
(4) Represents a parcel owned by subsidiary TI Lot 8, LLC. In addition, Lennar has an interest in two properties listed under the ownership of Stockbridge, Wilson Meany, and Lennar, number 2 on the list of top taxpayers, being developed as a joint venture. Lennar also has an ownership interest in TICD, number 5 on the list of top taxpayers.
(5) TI Series 1 is a wholly-owned subsidiary of TICD, master developer for the Treasure Island Project. The top four taxpayers, (1) Stockbridge and Wilson Meany, (2) Stockbridge, Wilson Meany, and Lennar Joint Venture, (3) Poly USA, and (4) Lennar, each have an ownership interest in TICD.
(6) Includes units that are complete, under construction, and planned.
(7) "Built" refers to units complete with an occupancy permit, "planned" refers to planned units, "under construction" refers to units under construction.
(8) 31 of the 53 total units are under construction.
(9) A site permit has been issued for construction, but construction has not yet commenced, and the project is currently on hold.
(10) All assessed value consists of secured property (land and improvements).
(11) Percentages calculated based upon Fiscal Year 2023-24 assessed value and incremental assessed value of $520,905,691 and $486,864,276 for active areas (base year assessed value is zero).
(12) Includes Project Areas A, B, and E that will collect tax increment in Fiscal Year 2023-24.
(13) Bristol homeowner 6 is part of the list of the top ten taxpayers for active project areas but is not a top ten taxpayer when all project areas are included.
(14) Represents completed 124 units less 41 units sold to homeowners as reflected on the Fiscal Year 2023-24 roll, including 35 market rate and six below market rate units.
Source: Fiscal Consultant.

Under the DDA, TICD agreed that, if following the issuance of Bonds by the District, TICD were to seek and be granted a reassessment of the property it owns in the District, TICD would make additional payments to the City equal to the amount of property taxes lost as a result of the reassessment, and the City agreed to allocate such additional payments to the District. These payments are not pledged under the Facilities Indenture or the Housing Indenture, and neither the City nor the District has committed to enforce or preserve TICD's obligation to make these payments. Accordingly, the City may reconsider such additional payments as part of the renegotiation of the Project Agreements. See "THE TREASURE ISLAND PROJECT - Negotiations to Revise Project Agreements" herein. In addition, to date, each Sub-Block in the Initial Project Areas that has been transferred to a Merchant Builder includes among its development covenants and restrictions a covenant by the Merchant Builder to not initiate or intentionally cause to initiate a reassessment of the value of the applicable property, and it is TICD's intention and practice to require such covenants in future transfers with Merchant Builders. Other parties that might come to own taxable property in the Initial Project Areas, such as homeowners, are not subject to these covenants. Neither the City nor the District can provide any assurances that the covenants described in this paragraph are enforceable under applicable law. The foregoing covenants do not extend to reassessments not sought by the payor that the Assessor could grant unilaterally under Proposition 8. Based on the records included within the Assessment Appeals Board database through November 9, 2023 and encompassing appeals for Fiscal Years 2018-19 through 2023-24, only one assessment appeal has been filed within the District. The one assessment appeal was for Fiscal year 2023-24 assessed values. The appeal was filed by an individual homeowner within the Bristol of a Fiscal Year 2023-24 escape roll assessment. The difference between the applicant opinion of value and the Assessor value is $32,300. The appeal relates to escape roll assessed value that is not included on the regular secured assessment roll on which revenue projections in the Fiscal Consultant Report are based; therefore, no reduction in assessed value was assumed by the Fiscal Consultant for purposes of its revenue projections. The September 15, 2023 deadline to file an appeal of Fiscal Year 2023-24 assessed values has passed.

See "RISK FACTORS – Reduction in Tax Base and Assessed Values" herein.

Allocations of Tax Increment to District

Table 7 below indicates assessed values and allocations of tax increment to the District. As shown, actual amounts allocated to the District have ranged from 98.9% of the calculated levy in Fiscal Year 2020-21, to 110.9% in Fiscal Year 2021-22, and averaged 105.9% of the calculated levy over the initial four years of tax increment allocation.

Table 7
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Historic Allocations of Tax Increment to District

		Actual 2019-20[1]	Actual 2020-21	Actual 2021-22	Actual 2022-23	Estimated 2023-24
Assessed Value Increment, Active Project Areas[2]		$70,090,194	$102,085,597	$201,114,923	$372,320,895	$486,864,276
Active Project Areas		A	A	A	A, B, E	A, B, E
Calculated 1% Tax Increment		$ 700,902	$ 1,020,856	$ 2,011,149	$ 3,723,209	$ 4,868,643
Property Tax Administrative Costs[3]		Applied in Fiscal Year 2021-22		$ 5,113	$ 9,387	$ 13,775
Calculated District Tax Increment[4] (Net Available Increment + Conditional City Increment)						
Pledged Facilities Increment	53.285270%	$ 373,477	$ 543,966	$ 1,067,428	$ 1,976,178	$ 2,582,905
Pledged Housing Increment	11.302936%	79,222	115,387	226,424	419,189	547,889
Total	64.588206%	**$ 452,700**	**$ 659,353**	**$ 1,293,852**	**$ 2,395,367**	**$ 3,130,794**
Actual Amount Allocated by Controller[4]						
Pledged Facilities Increment		$ 373,477	$ 537,879	$ 1,183,713	$ 2,101,219	TBD
Pledged Housing Increment		79,223	114,095	251,091	445,713	TBD
Total		**$ 452,700**	**$ 651,974**	**$ 1,434,803**	**$ 2,546,932**	**TBD**
Collections as % of Computed Levy[5][6]		**100%**	**98.9%**	**110.9%**	**106.3%**	**TBD**
Average, Fiscal Years 2019-20 to 2022-23	**105.9%**					

[1] Fiscal Year 2019-20 was the initial year of tax increment collection for the District.
[2] The Base Year assessed value is zero.
[3] Administrative costs for division of taxes include Controller property tax administrative costs and a approximately 10% of Accounting Operations and Suppliers Division costs. Property tax administrative costs for the initial two years of tax increment were applied in Fiscal Year 2021-22.
[4] Includes Conditional City Increment required to be allocated and held for payment of debt service until after each annual principal payment date, but subject to release to the City thereafter to the extent not required for debt service. Fiscal Year 2022-23 revenues include approximately $151,000 in revenue from prior tax years and exclude approximately $5,000 in interest revenue. The administrative cost of division of taxes on line 3 is deducted proportionately from Pledged Facilities Increment and Pledged Housing Increment.
[5] Collections as a percentage of the computed levy is the same for Pledged Facilities Increment and Pledged Housing Increment.
[6] According to the Controller, due to the implementation of a new property tax software system, property tax allocations in fiscal year 2020-21 occurred on a jurisdictional basis rather than on a tax rate area basis. Allocation on a jurisdictional basis resulted in all affected taxing entities and related tax increment financing districts sharing the impact of unpaid portions of non-Teetered property tax levies, such as unsecured taxes, rather than limiting the impact to the tax rate area in which delinquencies occurred, as in the other fiscal years represented in Table 7.

Source: Controller, Fiscal Consultant.

Revenue Projections

Projected tax increment revenues are shown below in Table 8, based on Fiscal Year 2023-24 assessed values in Project Areas A, B and E and held constant over the term of the projection, assuming no change in the assessed values. See APPENDIX H – "FISCAL CONSULTANT REPORT" attached hereto for a description of the assumptions underlying projected assessed values.

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Table 8
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Projection of Tax Increment (Based on Reported Fiscal Year 2023-24 Assessed Value)

	A	B	C	D	E	F	G	H	I	J	K
	Gross Tax Increment	**Net Available Facilities Increment**					**Net Available Housing Increment**				
Fiscal Year	= 1% x Incremental Assessed Value for areas Collecting TI	Total	Prop Tax Admin. Cost[1]	After Prop Tax Admin.	Conditional City Facilities Increment	**Pledged Facilities Increment**	Total	Prop Tax Admin. Cost[1]	After Prop Tax Admin.	Conditional City Housing Increment	**Pledged Housing Increment**
		46.68527%	0.50%	=B.+C.	6.60000%	=D.+E.	9.90294%	0.50%	=G.+H.	1.40000%	=I.+J.
23-24	$4,868,643	$2,272,939	($11,365)	$2,261,574	$321,330	$2,582,905	$482,139	($2,411)	$479,728	$68,161	$547,889

[1] Administrative costs deductible from Gross Tax Increment are estimated at 0.5% of Net Available Increment. This 0.5% factor is based on estimated expenses for Fiscal Year 2022-23 of $9,387, plus an additional $2,000 fixed charge expected in future years, as a percentage of Net Available Increment in Fiscal Year 2022-23. Actual administrative costs may vary from year to year and are payable prior to debt service on Parity Facilities Bonds and Parity Housing Bonds. See APPENDIX H – "FISCAL CONSULTANT REPORT" attached hereto for additional information regarding administrative costs.

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Debt Service and Coverage

Table 9 provides the debt service schedule for the Series 2023A Facilities Bonds and outstanding Parity Facilities Bonds, assuming no redemptions other than mandatory sinking fund redemptions, as well as Fiscal Year 2023-24 Pledged Facilities Increment and related debt service coverage, assuming no changes in assessed values. The table does not present any future Parity Facilities Debt that could be issued or incurred. See "SECURITY AND SOURCES OF PAYMENT" herein.

Table 9
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Debt Service and Coverage for Series 2023A Facilities Bonds and Parity Facilities Bonds

	Facilities Bonds Debt Service				
Year Ending(1)	Outstanding Parity Series 2022A Facilities Bonds	Series 2023A Facilities Bonds	Total	Fiscal Year 2023-24 Pledged Facilities Increment(2)	Coverage from Fiscal Year 2023-24 Pledged Facilities Increment(3)
2024	$ 1,579,250	$ 485,330	$ 2,064,580	$2,582,905	125%
2025	1,575,000	488,425	2,063,425	2,582,905	125
2026	1,575,000	488,675	2,063,675	2,582,905	125
2027	1,579,000	483,675	2,062,675	2,582,905	125
2028	1,576,750	488,675	2,065,425	2,582,905	125
2029	1,578,500	483,175	2,061,675	2,582,905	125
2030	1,579,000	482,675	2,061,675	2,582,905	125
2031	1,578,250	486,925	2,065,175	2,582,905	125
2032	1,576,250	485,675	2,061,925	2,582,905	125
2033	1,578,000	484,175	2,062,175	2,582,905	125
2034	1,578,250	487,425	2,065,675	2,582,905	125
2035	1,577,000	485,175	2,062,175	2,582,905	125
2036	1,579,250	482,675	2,061,925	2,582,905	125
2037	1,579,750	484,925	2,064,675	2,582,905	125
2038	1,578,500	486,675	2,065,175	2,582,905	125
2039	1,575,500	487,925	2,063,425	2,582,905	125
2040	1,575,750	488,675	2,064,425	2,582,905	125
2041	1,579,000	483,925	2,062,925	2,582,905	125
2042	1,575,000	488,925	2,063,925	2,582,905	125
2043	1,579,000	483,175	2,062,175	2,582,905	125
2044	1,575,500	487,175	2,062,675	2,582,905	125
2045	1,579,750	484,250	2,064,000	2,582,905	125
2046	1,576,250	485,775	2,062,025	2,582,905	125
2047	1,575,250	486,475	2,061,725	2,582,905	125
2048	1,576,500	486,350	2,062,850	2,582,905	125
2049	1,579,750	485,400	2,065,150	2,582,905	125
2050	1,579,750	483,625	2,063,375	2,582,905	125
2051	1,576,500	486,025	2,062,525	2,582,905	125
2052	1,575,000	487,325	2,062,325	2,582,905	125
2053	-	2,062,525	2,062,525	2,582,905	125
Total	**$45,746,250**	**$16,151,830**	**$61,898,080**		

(1) Debt service presented on a bond year ending on September 1, revenues presented on a fiscal year basis ending on June 30.
(2) Projected; rounded. Assumes no assessed value changes. Based on Fiscal Consultant Report projection. See "Revenue Projections" and Table 8 above. No assurance is given that assessed values will not decline. See "RISK FACTORS" herein.
(3) Reflects Fiscal Year 2023-24 Pledged Facilities Increment divided by Annual Facilities Debt Service.

Table 10 provides the debt service schedule for the Series 2023B Housing Bonds and outstanding Parity Housing Bonds, assuming no redemptions other than mandatory sinking fund redemptions, as well as the Fiscal Year 2023-24 Pledged Housing Increment and related debt service coverage, assuming no changes in assessed values. The table does not present any future Parity Housing Debt that could be issued or incurred. See "SECURITY AND SOURCES OF PAYMENT" herein.

Table 10
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Debt Service and Coverage for Series 2023B Housing Bonds and Parity Housing Bonds

	Housing Bonds Debt Service				
Year Ending(1)	**Outstanding Parity Series 2022B Housing Bonds**	**Series 2023B Housing Bonds**	**Total**	**Fiscal Year 2023-24 Pledged Housing Increment(2)**	**Coverage from Fiscal Year 2023-24 Pledged Housing Increment(3)**
2024	$ 332,000	$ 105,920	$ 437,920	$547,889	125%
2025	333,000	105,250	438,250	547,889	125
2026	333,750	104,150	437,900	547,889	125
2027	334,250	103,050	437,300	547,889	125
2028	334,500	101,950	436,450	547,889	126
2029	334,500	100,850	435,350	547,889	126
2030	334,250	99,750	434,000	547,889	126
2031	333,750	103,650	437,400	547,889	125
2032	333,000	102,275	435,275	547,889	126
2033	332,000	105,900	437,900	547,889	125
2034	330,750	104,250	435,000	547,889	126
2035	334,250	102,600	436,850	547,889	125
2036	332,250	105,950	438,200	547,889	125
2037	330,000	104,025	434,025	547,889	126
2038	332,500	102,100	434,600	547,889	126
2039	334,500	100,175	434,675	547,889	126
2040	331,000	103,250	434,250	547,889	126
2041	332,250	106,050	438,300	547,889	125
2042	333,000	103,575	436,575	547,889	125
2043	333,250	101,100	434,350	547,889	126
2044	333,000	103,625	436,625	547,889	125
2045	332,250	100,875	433,125	547,889	126
2046	331,000	103,125	434,125	547,889	126
2047	334,250	100,100	434,350	547,889	126
2048	331,750	102,075	433,825	547,889	126
2049	333,750	103,775	437,525	547,889	125
2050	330,000	105,200	435,200	547,889	126
2051	330,750	106,350	437,100	547,889	125
2052	330,750	107,225	437,975	547,889	125
2053	-	437,825	437,825	547,889	125
Total	**$9,646,250**	**$3,435,995**	**$13,082,245**		

(1) Debt service presented on a bond year ending on September 1, revenues presented on a fiscal year basis ending on June 30.
(2) Projected; rounded. Assumes no assessed value change. Based on Fiscal Consultant Report projection. See "Revenue Projections" and Table 8 above. No assurance is given that assessed values will not decline. See "RISK FACTORS" herein.
(3) Reflects Fiscal Year 2023-24 Pledged Housing Increment divided by Annual Housing Debt Service.

The following table presents the semi-annual debt service schedules for the Series 2023AB Bonds, assuming no redemptions other than mandatory sinking fund redemptions.

Table 11
City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Semi-Annual Debt Service Schedules

Payment	Series 2023A Facilities Bonds			Series 2023B Housing Bonds		
Date	Principal	Interest	Total	Principal	Interest	Total
3/1/2024	$ -	$ 78,492.36	$ 78,492.36	$ -	$ 17,057.64	$ 17,057.64
9/1/2024	205,000.00	201,837.50	406,837.50	45,000.00	43,862.50	88,862.50
3/1/2025	-	196,712.50	196,712.50	-	42,625.00	42,625.00
9/1/2025	95,000.00	196,712.50	291,712.50	20,000.00	42,625.00	62,625.00
3/1/2026	-	194,337.50	194,337.50	-	42,075.00	42,075.00
9/1/2026	100,000.00	194,337.50	294,337.50	20,000.00	42,075.00	62,075.00
3/1/2027	-	191,837.50	191,837.50	-	41,525.00	41,525.00
9/1/2027	100,000.00	191,837.50	291,837.50	20,000.00	41,525.00	61,525.00
3/1/2028	-	189,337.50	189,337.50	-	40,975.00	40,975.00
9/1/2028	110,000.00	189,337.50	299,337.50	20,000.00	40,975.00	60,975.00
3/1/2029	-	186,587.50	186,587.50	-	40,425.00	40,425.00
9/1/2029	110,000.00	186,587.50	296,587.50	20,000.00	40,425.00	60,425.00
3/1/2030	-	183,837.50	183,837.50	-	39,875.00	39,875.00
9/1/2030	115,000.00	183,837.50	298,837.50	20,000.00	39,875.00	59,875.00
3/1/2031	-	180,962.50	180,962.50	-	39,325.00	39,325.00
9/1/2031	125,000.00	180,962.50	305,962.50	25,000.00	39,325.00	64,325.00
3/1/2032	-	177,837.50	177,837.50	-	38,637.50	38,637.50
9/1/2032	130,000.00	177,837.50	307,837.50	25,000.00	38,637.50	63,637.50
3/1/2033	-	174,587.50	174,587.50	-	37,950.00	37,950.00
9/1/2033	135,000.00	174,587.50	309,587.50	30,000.00	37,950.00	67,950.00
3/1/2034	-	171,212.50	171,212.50	-	37,125.00	37,125.00
9/1/2034	145,000.00	171,212.50	316,212.50	30,000.00	37,125.00	67,125.00
3/1/2035	-	167,587.50	167,587.50	-	36,300.00	36,300.00
9/1/2035	150,000.00	167,587.50	317,587.50	30,000.00	36,300.00	66,300.00
3/1/2036	-	163,837.50	163,837.50	-	35,475.00	35,475.00
9/1/2036	155,000.00	163,837.50	318,837.50	35,000.00	35,475.00	70,475.00
3/1/2037	-	159,962.50	159,962.50	-	34,512.50	34,512.50
9/1/2037	165,000.00	159,962.50	324,962.50	35,000.00	34,512.50	69,512.50
3/1/2038	-	155,837.50	155,837.50	-	33,550.00	33,550.00

Payment Date	Series 2023A Facilities Bonds			Series 2023B Housing Bonds		
	Principal	Interest	Total	Principal	Interest	Total
9/1/2038	175,000.00	155,837.50	330,837.50	35,000.00	33,550.00	68,550.00
3/1/2039	-	151,462.50	151,462.50	-	32,587.50	32,587.50
9/1/2039	185,000.00	151,462.50	336,462.50	35,000.00	32,587.50	67,587.50
3/1/2040	-	146,837.50	146,837.50	-	31,625.00	31,625.00
9/1/2040	195,000.00	146,837.50	341,837.50	40,000.00	31,625.00	71,625.00
3/1/2041	-	141,962.50	141,962.50	-	30,525.00	30,525.00
9/1/2041	200,000.00	141,962.50	341,962.50	45,000.00	30,525.00	75,525.00
3/1/2042	-	136,962.50	136,962.50	-	29,287.50	29,287.50
9/1/2042	215,000.00	136,962.50	351,962.50	45,000.00	29,287.50	74,287.50
3/1/2043	-	131,587.50	131,587.50	-	28,050.00	28,050.00
9/1/2043	220,000.00	131,587.50	351,587.50	45,000.00	28,050.00	73,050.00
3/1/2044	-	126,087.50	126,087.50	-	26,812.50	26,812.50
9/1/2044	235,000.00	126,087.50	361,087.50	50,000.00	26,812.50	76,812.50
3/1/2045	-	119,625.00	119,625.00	-	25,437.50	25,437.50
9/1/2045	245,000.00	119,625.00	364,625.00	50,000.00	25,437.50	75,437.50
3/1/2046	-	112,887.50	112,887.50	-	24,062.50	24,062.50
9/1/2046	260,000.00	112,887.50	372,887.50	55,000.00	24,062.50	79,062.50
3/1/2047	-	105,737.50	105,737.50	-	22,550.00	22,550.00
9/1/2047	275,000.00	105,737.50	380,737.50	55,000.00	22,550.00	77,550.00
3/1/2048	-	98,175.00	98,175.00	-	21,037.50	21,037.50
9/1/2048	290,000.00	98,175.00	388,175.00	60,000.00	21,037.50	81,037.50
3/1/2049	-	90,200.00	90,200.00	-	19,387.50	19,387.50
9/1/2049	305,000.00	90,200.00	395,200.00	65,000.00	19,387.50	84,387.50
3/1/2050	-	81,812.50	81,812.50	-	17,600.00	17,600.00
9/1/2050	320,000.00	81,812.50	401,812.50	70,000.00	17,600.00	87,600.00
3/1/2051	-	73,012.50	73,012.50	-	15,675.00	15,675.00
9/1/2051	340,000.00	73,012.50	413,012.50	75,000.00	15,675.00	90,675.00
3/1/2052	-	63,662.50	63,662.50	-	13,612.50	13,612.50
9/1/2052	360,000.00	63,662.50	423,662.50	80,000.00	13,612.50	93,612.50
3/1/2053	-	53,762.50	53,762.50	-	11,412.50	11,412.50
9/1/2053	1,955,000.00	53,762.50	2,008,762.50	415,000.00	11,412.50	426,412.50
Total	**$ 7,615,000.00**	**$ 8,536,829.86**	**$ 16,151,829.86**	**$ 1,595,000.00**	**$ 1,840,995.14**	**$ 3,435,995.14**

LIMITATIONS ON TAX INCREMENT REVENUES

The Series 2023A Facilities Bonds and the Series 2023B Housing Bonds are secured by pledges of Pledged Facilities Increment and Pledged Housing Increment, respectively, as described in this Official Statement. The District does not have any independent power to levy and collect property taxes; accordingly, the amount of Pledged Facilities Increment and Pledged Housing Increment available to the District for payment of the principal of and interest on the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds, respectively, is affected by several factors, including but not limited to those discussed below. See also “RISK FACTORS” herein.

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 become delinquent if not paid by 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 occurring subsequent to the January 1 lien date. To the extent such supplemental assessments occur within the Project Areas, tax increment available to pay debt service on the Series 2023AB Bonds may increase.

Property Tax Administrative Costs. State law 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. All costs incurred by a county in connection with the division of taxes pursuant to the Law for an infrastructure and revitalization financing district shall be paid by that district.

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 Series 2023A Facilities Bonds and the Series 2023B Housing 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 District 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 District of Net Available Facilities Increment and the Conditional City Facilities Increment and the payment of debt service on the Series 2023A Facilities Bonds or of Net Available Housing Increment and the Conditional City Housing Increment and the payment of debt service on the Series 2023B Housing Bonds.

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.

No tax revenue derived from unitary property or operating nonunitary property is included in the projections of Pledged Facilities Increment and Pledged Housing Increment.

Tax Limitations – Article XIIIA of California Constitution

Article XIIIA of the State Constitution, known as Proposition 13, was approved by the voters in June 1978. Section 1(a) of Article XIIIA 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 XIIIA 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 XIIIA 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 XIIIA 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 XIIIA, 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 XIIIA 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 District 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 District's receipt of Pledged Facilities Increment and Pledged Housing Increment.

Article XIIIB of California Constitution

On November 6, 1979, California voters approved Proposition 4, which added Article XIIIB to the California Constitution. Article XIIIB has been subsequently amended several times. The principal effect of Article XIIIB 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 XIIIB 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.

Articles XIIIC and XIIID of California Constitution

On November 5, 1996, California voters approved Proposition 218. Proposition 218 added Articles XIIIC and XIIID 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 XIIIC of the California Constitution by adding an expansive definition for the term "tax," which previously was not defined under the California Constitution. The Series 2023AB 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 XIIIA, Article XIIIB, Article XIIIC and Article XIIID 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 District's ability to expend tax increment revenue.

RISK FACTORS

The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth herein, in evaluating an investment in the Series 2023AB Bonds. This discussion does not purport to be comprehensive or definitive, and other risk factors could arise in the future that could have a bearing on the Series 2023AB Bonds. The occurrence of one or more of the events discussed herein could adversely affect the ability or willingness of property owners in the Initial Project Areas to pay their property taxes when due. Such failures to pay property taxes could result in the inability of the District to make full and punctual payments of debt service on the Series 2023AB Bonds, or could otherwise affect the market price and liquidity of the Series 2023AB Bonds in the secondary market. In addition, the occurrence of one or more of the events discussed herein could adversely affect the value of the property in the Initial Project Areas.

Reduction in Tax Base and Assessed Values

The amounts of Pledged Facilities Increment available to pay principal and interest on the Series 2023A Facilities Bonds and the amount of Pledged Housing Increment available to pay principal and interest on the Series 2023B Housing Bonds are based primarily on Gross Tax Increment (less certain administrative costs). The amount of Gross Tax Increment of a Project Area is allocated only after the respective Commencement Year and for 40 consecutive years thereafter. A reduction of assessed value in the Project Areas caused by economic factors beyond the City's or the District's control, such as sale at a reduced price by one or more major property owners in the Project Areas, sale of property to a non-profit corporation exempt from property taxation, or the complete or partial destruction of such property caused by, among other possibilities, earthquake or other natural disaster, could cause a reduction in the Gross Tax Increment from which Pledged Facilities Increment and Pledged Housing Increment are derived. Such reduction of assessed value and Gross Tax Increment could have an adverse effect on the District's ability to make timely payments of principal of and interest on the Series 2023AB Bonds.

Article XIIIA 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 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 Series 2023AB Bonds could reduce assessed value and available the Gross Tax Increment and, in turn, Pledged Facilities Increment and Pledged Housing Increment. See "LIMITATIONS ON TAX REVENUES – Tax Limitations – Article XIIIA of California Constitution" herein.

Appeals of assessed valuation or temporary reductions in assessed value under Proposition 8 may result in assessed value declines. Under Proposition 8, assessors in California additionally have authority to use criteria to apply reductions in valuation to classes of properties affected by any factors influencing valuation, including but not limited to adverse economic conditions.

Real property values in the City were impacted by the effects of COVID-19 commencing with the Fiscal Year 2021-22 assessment roll. The resulting impact was a nearly 4-fold increase in the total number of Proposition 8 reductions granted on the Fiscal Year 2021-22 assessment roll compared to the prior year (up from 2,059 to 8,212) and an increase of more than 8-times the value of such reductions (up from $272 million to $2.18 billion). The total count and value of Proposition 8 reductions for the Fiscal Year 2023-24 assessment roll were 5,326 and $1.7 billion, respectively. Condominiums accounted for the greatest number of new reductions since the onset of the pandemic. The first condominium closings in the District (the Bristol) commenced in July 2022 which was after January 1, 2022 lien date for the Fiscal Year 2022-23 assessment roll. There were no Proposition 8 reductions on condominium properties in the District on the Fiscal Year 2023-24 assessment roll.

No assurance is given that Proposition 8 reductions will not be granted in the future if certain conditions occur. Reductions may be based on similar factors to those that prompted past reductions or may include other or additional factors or events. See "THE CITY" herein.

Projections of Pledged Facilities Increment and Pledged Housing Increment; Plan Limits

To project Pledged Facilities Increment and Pledged Housing Increment, the Fiscal Consultant Report has made certain assumptions with regard to the present and future assessed valuation of taxable property in the Initial Project Areas (including assuming that the Initial Contributing Project Areas will be limited to the Initial Project Areas) and continuation of the Teeter Plan. In addition, present land assessed values were established through the sale of land among related parties that may or may not reflect market value. See APPENDIX H – "FISCAL CONSULTANT REPORT" attached hereto. The District believes these assumptions to be reasonable, but there is no assurance that these assumptions will be realized.

To the extent that actual assessed valuation or percentages collected are less than these assumptions, the Pledged Facilities Increment and Pledged Housing Increment would be less than that projected and might not generate sufficient amounts of such respective sources of payment to pay debt service on the related Series 2023AB Bonds.

Projected Pledged Facilities Increment and Pledged Housing Increment rely on assessed values that include assessed values of the Bristol, but also values derived from construction in progress, horizontal development and from land sales between parties affiliated to TICD. The Fiscal Consultant Report projects that 32% of tax increment revenues in Fiscal Year 2023-24 will be derived from the Bristol, approximately 42% will be derived from four projects actively under construction and the balance derived from vacant land and one project with a site permit. See "THE INITIAL PROJECT AREAS – Development Status" herein. Assessed values attributable to construction in progress or land values may be subject to more volatility than assessed values of completed buildings. Despite the construction investment made in a property, a recession or other economic factors could lead to later assessed values lower than the assessed values based on construction in progress.

The Infrastructure Financing Plan contains a limit on the total number of dollars of taxes that may be allocated to the District pursuant to the Infrastructure Financing Plan in the Initial Project Areas. The cumulative limit on receipt of Net Available Increment related to the Initial Project Areas is $1.53 billion, and the cumulative limit on receipt of Conditional City Increment related to the Initial Project Areas is $216 million, resulting in a combined $1.746 billion limit for the Initial Project Areas. Such Plan Limits limit the total dollars available as Pledged Facilities Increment and Pledged Housing Increment as sources of payment for the Series 2023AB Bonds. While the District has made certain covenants under the Facilities Indenture and Housing Indenture, respectively, to manage its fiscal affairs in a manner which ensures that it will have sufficient Pledged Facilities Increment and Pledged Housing Increment, respectively, available under the Plan Limit in the amounts and at the times required to enable the District to pay the principal of and interest and premium (if any) on (1) the Outstanding Facilities Bonds and any outstanding Parity Facilities Debt and (2) the Outstanding Housing Bonds and any outstanding Parity Housing Debt, respectively, there can be no assurance that such management efforts will avoid imposing the Plan Limit's restrictions on amounts available for debt service. See "SECURITY AND SOURCES OF PAYMENT – Security for the Series 2023A Facilities Bonds and Parity Facilities Debt – Plan Limit Covenant" and "SECURITY AND SOURCES OF PAYMENT – Security for the Series 2023B Housing Bonds and Parity Housing Debt – Plan Limit Covenant" herein. See also APPENDIX F – "FISCAL CONSULTANT REPORT – 2.3 Cumulative Limit on Allocation of Tax Increment Revenue" attached hereto.

Real Estate Investment Risks

Generally. The Bondowners will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in the District (including impacts on market value caused by less-favorable mortgage interest rates and other terms), the supply of or demand for competitive properties in such area, and the market value of properties and/or sites in the event of sale or foreclosure, (ii) changes in real estate tax rates, interest rates and other operating expenses, government rules (including, without limitation, zoning laws and restrictions relating to threatened and endangered species) and fiscal policies (iii) natural disasters (including, without limitation, earthquakes, subsidence, floods and fires), which may result in uninsured losses, or natural disasters elsewhere in the country or other parts of the world affecting supply of building materials that may cause delays in construction, and (iv) the impacts of a public health emergency, such as the COVID-19 pandemic, on construction and sales activity, the national and regional economy and financial circumstances of property owners in the District. While future developments in the economy cannot be predicted with certainty, recent media reports indicate that inflation, interest rate actions by the Federal Reserve and other factors could contribute to a recession, and a recent survey of economists indicated that a recession may be increasingly likely in the coming months. A recession could lead to adverse changes in local market conditions that negatively impact the pace of development and the value of property in the District. See "THE CITY - Continuing Impact of COVID-19 Pandemic and Other Factors on San Francisco Economy" herein.

The occurrence of one or more of the events discussed under "RISK FACTORS" herein could adversely affect the actual and estimated assessed values of property in the Project Areas, the ability or willingness of property owners in the Project Areas to pay their property taxes when due or prompt property owners to petition for reduced assessed valuation, in each case causing a reduction, or a delay or interruption in the receipt of, Gross Tax Increment from the Project Areas, and correspondingly the Pledged Facilities Increment and the Pledged Housing Increment. Such factors could also induce or exacerbate the risks described in "RISK FACTORS – Levy and Collection of Taxes," and "– Bankruptcy and Foreclosure" herein.

Concentration of Property Ownership. The Initial Project Areas have a significant concentration of ownership. For Fiscal Year 2023-24, over 90% of incremental assessed value in Project Areas A, B and E for which collection of tax increment has commenced, are derived from property owned by four taxpayers, all related to TICD. See "THE INITIAL PROJECT AREAS" for information regarding property ownership and the status of development in the Initial Project Areas. Failure of any significant owner of property in the Project Areas to pay the annual property taxes when due could result in the rapid, total depletion of the 2022 Facilities Reserve Account and the 2022 Housing Reserve Account prior to replenishment from the resale of the property upon a foreclosure or otherwise or prior to delinquency redemption after a foreclosure sale, if any. In that event, there could be a default in payments of the principal of and interest on the Series 2023AB Bonds. The City has adopted the Teeter Plan and provides one hundred percent (100%) of tax revenues to the District regardless of delinquencies. See "LIMITATIONS ON TAX INCREMENT REVENUES – Teeter Plan" herein. However, such plan may be discontinued at any time.

The property taxes are not a personal obligation of the owners of property in the District on which such property taxes are levied, and no assurances can be given that the holder of the taxed property will be financially able to pay the property taxes levied on such property or that they will choose to pay even if financially able to do so. Such risk is greater and its consequence more severe where ownership of property in the District is concentrated and may be expected to decrease when ownership of the property in the District is diversified. As of the July 2023 tax roll, nearly all of the property subject to property tax in the District are owned by TI Series 1 or the Merchant Builders, except for 41 units at the Bristol closed and transferred to homeowners. As of October 1, 2023, 46 units in the Bristol (including 37 market rate and 9 below market rate units) have sold to individual buyers and closed escrow.

Failure to Develop Properties. As of the date hereof, construction of only one building in the Initial Project Areas has been completed. Based on Fiscal Year 2023-24 assessed values, approximately 32% of Gross Tax Increment is derived from a completed building, approximately 42% from the four projects actively under construction and the rest from vacant land and one project with a site permit. See "THE INITIAL PROJECT AREAS – Development Status" herein. Further development of property in the Project Areas may not occur as currently proposed or at all. Development plans and expectations have been modified in the past for numerous reasons, including the COVID-19 pandemic, supply chain issues, inflationary increases in costs, and various delays caused by the foregoing. Previously projected revenues for the Treasure Island Project have been pushed out and reduced such that the projected values of, and expected returns on, developer interests are projected to be lower today than they were projected to be a few years ago. See "THE TREASURE ISLAND PROJECT - KSWM Litigation" herein.

Unimproved or partially improved land is inherently less valuable than land with a completed building on it, especially if there are restrictions on development, and provides less security to the Owners.

Any delays in developing unimproved property, or the decision not to construct improvements on such property, may affect the willingness and ability of the owners of property within the Project Areas to pay property taxes when due. See “LIMITATIONS ON TAX INCREMENT REVENUES – Teeter Plan” herein.

Land development is subject to comprehensive federal, State and local regulations. Approval is required from various agencies in connection with the layout and design of developments, the nature and extent of improvements, construction activity, land use, zoning, school and health requirements, as well as numerous other matters. There is always the possibility that such approvals will not be obtained or, if obtained, will not be obtained on a timely basis. Failure to obtain any such agency approval or to satisfy such governmental requirements could adversely affect planned land development. In addition, there is a risk that future governmental restrictions, including, but not limited to, governmental policies restricting or controlling development within the Project Areas, will be enacted, and a risk that future voter approved land use initiatives could add more restrictions and requirements on development within the Project Areas.

Moreover, there can be no assurance that the means and incentive to conduct land development operations within the Project Areas will not be adversely affected by a deterioration of the real estate market and economic conditions or future local, State and federal governmental policies relating to real estate development, market conditions and other factors that may impair the ability to obtain long-term financing or refinancing, the income tax treatment of real property ownership, the national economy, or natural disasters that impact ferry or automobile access to the Project Areas.

The Project Agreements afford TICD effectively the right but not the obligation to develop the balance of the Treasure Island Project beyond the Initial Project Areas. Infrastructure in the Initial Project Areas is largely complete, and TICD has provided security for the completion of the public infrastructure in the Initial Project Areas. Also, TICD and TI Series 1 have confirmed that, as of the date of this Official Statement, they are actively proceeding with development of the Treasure Island Project in accordance with the terms and requirements of the DDA, and, at this time, have no plans to cease such development. However, neither TIDA, the City nor the Underwriter make any assurance that development of the Treasure Island Project will be completed or that the plans or projections detailed herein or in the Fiscal Consultant Report will actually occur.

Failure to Secure Sufficient Funding, Financing or Refinancing. Continued financing will be needed to complete the development of the property within the Project Areas and to refinance maturing construction loans, including from private sources and from issuance of future bonds for the CFD or by the District. Issuance of future bonds for the CFD or by the District will depend upon future property values, interest rates and market access and other factors; any delays may affect timing and pace of planned development. Except for the completed Bristol development, firm construction costs for some of the planned vertical development within the Initial Project Areas have not been established. Design development of certain buildings is ongoing. Projected costs may increase. No assurance can be given that the required funding will be secured or construction loans will be refinanced or that the proposed horizontal infrastructure and/or planned vertical development will be partially or fully completed. It is possible that cost overruns will be incurred that will require additional funding beyond what that currently projected, which may or may not be available or that development may not proceed as planned.

See “TAX INCREMENT REVENUE AND DEBT SERVICE – Assessed Value Projections” herein and APPENDIX H – “FISCAL CONSULTANT REPORT” attached hereto. No assurance is given that the development that is currently planned in the Initial Project Areas will be completed, or that it will be completed on the currently-expected timeline. If planned development of the property is not completed Gross Tax Increment could be comparatively lower than if development is completed as planned.

Public Health Emergencies

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. On February 11, 2020 the World Health Organization ("WHO") announced the official name for the outbreak of COVID-19, an upper respiratory tract illness. COVID-19 has since spread across the globe. The WHO declared the COVID-19 outbreak to be a pandemic. The spread of COVID-19 has had and continues to have significant adverse health and financial impacts throughout the world, including the City.

While COVID-19 case rates have significantly declined, vaccination rates have increased, certain emergency orders have been lifted, and the national and local economy has been improving, the economic effects of the COVID-19 pandemic are uncertain in many respects. The ultimate impact of COVID-19 on the operations and finances of the City, the District, TICD or the Merchant Builders and the real estate market and development within the City 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 operations and finances of the City, the District, TICD, TI Series 1 or the Merchant Builders. Adverse impacts to the development within the District as a whole could include, without limitation, one or more of the following: (i) potential supply chain slowdowns or shutdowns resulting from the unavailability of workers in locations producing construction materials; (ii) slowdowns or shutdowns by local governmental agencies in providing governmental permits, inspections, title and document recordation, and other services and activities associated with real estate development; (iii) delays in construction; (iv) extreme fluctuations in financial markets and contraction in available liquidity; (v) extensive job losses and declines in business activity across important sectors of the economy; (vi) permissive remote work policies reducing demand for commercial office spaces; (vii) declines in business and consumer confidence that negatively impact economic conditions or cause an economic recession, (viii) reduced demand for development projects; (ix) delinquencies in payment of property taxes and (x) the failure of government measures to stabilize the financial sector and introduce fiscal stimulus sufficient to counteract economic impacts of the public health emergency.

The Series 2023A Facilities Bonds are limited obligations of the District, secured by and payable solely from the revenues and the funds pledged therefor under the Facilities Indenture. The Series 2023B Housing Bonds are limited obligations of the District, secured by and payable solely from the revenues and the funds pledged therefor under the Housing Indenture. Information in this section about the potential impact of COVID-19 or other public health emergencies on the City's finances does not suggest that the City has an obligation to pay debt service on the Series 2023AB Bonds. See "SECURITY AND SOURCES OF PAYMENT – Limited Obligation" herein.

None of the District, the City, the Underwriter, TICD, TI Series 1 nor the Merchant Builders can predict the ultimate effects of the COVID-19 outbreak or other public health emergencies or whether any such effects will not have material adverse effect on the ability to develop the Treasure Island Project, including the Initial Project Areas, as planned and described herein, or the availability of Pledged Facilities Increment and Pledged Housing Increment in amounts sufficient to support, respectively, payment of debt service on the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds, respectively.

Levy and Collection of Taxes

The District has no independent power to levy or collect property taxes. The implementation of any constitutional or legislative property tax decrease could reduce the Pledged Facilities Increment and Pledged Housing Increment, and accordingly, could have an adverse impact on the security for and the ability of the District to repay the Series 2023AB Bonds.

Likewise, delinquencies in the payment of property taxes by the owners of land in the Initial Project Areas, and the impact of bankruptcy proceedings on the ability of taxing agencies to collect property taxes, could have an adverse effect on the District's ability to make timely payments on the Series 2023AB Bonds. Any reduction in Pledged Facilities Increment and Pledged Housing Increment, whether for any of these reasons or any other reasons, could have an adverse effect on the District's ability to pay the principal of and interest on the Series 2023AB Bonds. See "LIMITATIONS ON TAX INCREMENT REVENUES – Teeter Plan" herein.

Exempt Property

The total assessed value in the Project Areas can be reduced through the reclassification of taxable property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes, such as non-profit housing).

If a substantial portion of land within the Project Areas became exempt from property taxes, the Pledged Facilities Increment and Pledged Housing Increment might not be sufficient to support payment of principal of and interest on the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds, respectively, when due, the 2022 Facilities Reserve Account for the Series 2023A Facilities Bonds and the 2022 Housing Reserve Account for the Series 2023B Housing Bonds may become depleted, and a default could occur with respect to the payment of such principal and interest. See "LIMITATIONS ON TAX INCREMENT REVENUES – Teeter Plan" herein.

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 District 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.

Seismic Risks

General. The City is located in a seismically active region. Active earthquake faults underlie both the City and the surrounding Bay Area. Seismic events may cause damage, or temporary or permanent loss of occupancy to buildings in the Project Areas, as well as to transportation infrastructure that serves the Project Areas. These faults include the San Andreas Fault, which passes within about three miles of the City's border, and the Hayward Fault, which runs under Oakland, Berkeley and other cities on the east side of San Francisco Bay, about 10 miles away, as well as 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 and the only automobile access to the Project Areas, 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.

California Earthquake Probabilities Study. 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 earthquakes of magnitude 6.7 (the magnitude of the 1994 Northridge earthquake) or larger will occur in the San Francisco Bay Area before the year 2045. In addition, the U.S.G.S. released a report in April 2017 entitled The HayWired Earthquake Scenario, which estimates that property damage and direct business disruption losses from a magnitude 7.0 earthquake on the Hayward Fault would be more than $82 billion (in 2016 dollars). Most of the losses are expected to be attributable to shaking damage, liquefaction, and landslides (in that order). Eighty percent of shaking damage is expected to be caused by the magnitude 7.0 mainshock, with the rest of the damage resulting from aftershocks occurring over a 2-year period thereafter. Such earthquakes could be very destructive. In addition to the potential damage to buildings subject to property tax, 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, infrastructure and residential and business real property values, including in the Project Areas.

A separate City report dated March 2020 cited to liquefaction maps by the United States Geological Survey for large past earthquakes. These maps show that Treasure Island and small portions of Yerba Buena Island had very high liquefaction susceptibility in connection with those earthquakes.

Earthquake Safety Implementation Plan ("ESIP"). ESIP began in early 2012, evolving out of the key recommendations of the Community Action Plan for Seismic Safety ("CAPSS"), a 10-year-long study evaluating the seismic vulnerabilities San Francisco faces. The CAPSS Study prepared by the Applied Technology Council looked at the impact to all of San Francisco's buildings and recommended a 30-year plan for action. As a result of this plan, San Francisco has mandated the retrofit of nearly 5,000 soft-story buildings housing over 111,000 residents by September 2021. As of October 29, 2023, 92% of the buildings have been brought into compliance. Currently, the City is implementing a façade ordinance requiring owners of 5-story or higher buildings to submit inspection reports every 10 years. The first set of inspections focus on pre-1910 buildings. Inspection reports for more recent buildings will be phased in over the next four years. Future tasks will address the seismic vulnerability of older nonductile concrete and concrete tilt-up buildings, which are at high risk of severe damage or collapse in an earthquake. This retrofit program is currently in development.

Tall Buildings Safety Strategy Report and Executive Directive. The City commissioned a first in the nation "Tall Buildings Study" by the Applied Technology Council to consider the impact of earthquakes on buildings taller than 240 feet. The Treasure Island development program has only 4 parcels zoned for buildings higher than 240 feet, of which two are planned on parcels in the District. However, none of the completed Bristol or the other buildings currently under construction in the District (The Residences, Isle House, Hawkins or Portico) are currently planned to be taller than 240 feet . The final report following the study, released in January 2019, evaluates best practices for geotechnical engineering, seismic risks, standards for post-earthquake structural evaluations, barriers to re-occupancy, and costs and benefits of higher performance goals for new construction. The study estimates that for a tall building designed to current seismic standards, it might take two to six months to mobilize for and repair damage from a major earthquake, depending on the building location, geologic conditions, and the structural and foundation systems. The report identifies and summarizes sixteen recommendations for reducing seismic risk prior to earthquakes for new and existing buildings, reducing seismic risk following earthquakes, and improving the City's understanding of its tall building seismic risk. See "THE TREASURE ISLAND PROJECT – Infrastructure" herein.

On January 24, 2019, Mayor London N. Breed issued an executive directive instructing City departments to work with community stakeholders, develop regulations to address geotechnical and engineering issues, clarify emergency response and safety inspection roles, and establish a Disaster Recovery Task Force for citywide recovery planning, including a comprehensive recovery plan for the financial district and surrounding neighborhoods by the end of the year. All of these tasks are currently underway. In November 2019, an exercise was conducted to test post-earthquake building safety inspection protocol and logistics. San Francisco was the first jurisdiction to test this statewide program. The City's Disaster Recovery Taskforce had its kick-off meeting in February 2020 to evaluate plans for development of a Disaster Recovery Framework and Downtown Resilience Plan, following several months of groundwork by a consultant team. In consultation with the Structural Engineers Association of Northern California ("SEAONC"), Administrative Bulletin AB-111 – "Guidelines for Preparation of Geotechnical and Earthquake Ground Motion Reports for Foundation Design and Construction of Tall Buildings" was adopted on June 15, 2020, which presented requirements and guidelines for developing geotechnical site investigations and preparing geotechnical reports for the foundation design and construction of tall buildings in the City.

Climate Change; Risk of Sea Level Rise and Flooding Damage

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution.

The *Fourth National Climate Assessment*, published by the U.S. Global Change Research Program in November 2018 ("NCA4"), finds that more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems and social systems over the next 25 to 100 years. NCA4 states that rising temperatures, sea level rise, and changes in extreme events are expected to increasingly disrupt and damage critical infrastructure and property and regional economies and industries that depend on natural resources and favorable climate conditions. Disruptions could include more frequent and longer-lasting power outages, fuel shortages and service disruptions. NCA4 states that the continued increase in the frequency and extent of high-tide flooding due to sea level rise threatens coastal public infrastructure. NCA4 also states that expected increases in the severity and frequency of heavy precipitation events will affect inland infrastructure, including access to roads, the viability of bridges and the safety of pipelines.

Sea levels are expected to continue to rise in the future due to the increasing temperature of the oceans causing thermal expansion and growing ocean volume from glaciers and ice caps melting into the oceans. Between 1854 and 2016, sea level rose about nine inches according to the tidal gauge at Fort Point, a location underneath the Golden Gate Bridge. Weather and tidal patterns, including 100-year or more storms and king tides, may exacerbate the effects of climate related sea level rise. Coastal areas like the City are at risk of substantial flood damage over time, affecting private development and public infrastructure, including roads, utilities, emergency services, schools, and parks. As a result, the City could lose considerable tax revenues and many residents, businesses, and governmental operations along the waterfront could be displaced, and the City could be required to mitigate these effects at a potentially material cost.

Adapting to sea level rise is a key component of the City's policies. The City and its enterprise departments have been preparing for future sea level rise for many years and have issued a number of public reports. For example, in March 2016, the City released a report entitled "Sea Level Rise Action Plan," identifying geographic zones at risk of sea level rise and providing a framework for adaptation strategies to confront these risks. That study shows an upper range of end-of-century projections for permanent sea level rise, including the effects of temporary flooding due to a 100-year storm, of up to 108 inches above the 2015 average high tide. To implement this Plan, the Mayor's Sea Level Rise Coordinating Committee, cochaired 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 April 2017, the Working Group of the California Ocean Protection Council Science Advisory Team (in collaboration with several state agencies, including the California Natural Resources Agency, the Governor's Office of Planning and Research, and the California Energy Commission) published a report, that was formally adopted in March 2018, entitled "Rising Seas in California: An Update on Sea Level Rise Science" (the "Sea Level Rise Report") to provide a new synthesis of the state of science regarding sea level rise. The Sea Level Rise Report provides the basis for State guidance to state and local agencies for incorporating sea level rise into design, planning, permitting, construction, investment and other decisions. Among many findings, the Sea Level Rise Report indicates that the effects of sea level rise are already being felt in coastal California with more extensive coastal flooding during storms, exacerbated tidal flooding, and increased coastal erosion. In addition, the report notes that the rate of ice sheet loss from Greenland and Antarctic ice sheets poses a particular risk of sea level rise for the California coastline. The City has incorporated the projections from the 2018 report into its Guidance for Incorporating Sea Level Rise Guidance into ongoing Capital Planning. The Guidance requires that City projects over $5 million consider mitigation and/or adaptation measures.

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 SFO could largely be under water.

Portions of the San Francisco Bay Area, including the Project Areas, 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.

Projections of the effects of global climate change on the City are complex and depend on many factors that are outside the City's control. 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 City 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 City 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 City and the local economy during the term of the Series 2023AB Bonds. While the effects of climate change may be mitigated by the City's past and future investment in adaptation strategies, the City can give no assurance about the net effects of those strategies and whether the City will be required to take additional adaptive mitigation measures. If necessary, such additional measures could require significant capital resources.

In September 2017, the San Francisco City Attorney filed a lawsuit on behalf of the People of the State of California in San Francisco Superior Court against the five largest investor-owned oil companies seeking to have the companies pay into an abatement fund to help fund infrastructure for climate change adaptation. In July 2018, the United States District Court for the Northern District of California denied the People's motion for remand to State court and then dismissed the lawsuit, which the City had joined as a plaintiff. The plaintiffs appealed these decisions to the United States Court of Appeals for the Ninth Circuit, which in May 2020 vacated the District Court's order that found the case arose under federal law, remanding the case back to the District Court to determine if there were any other grounds for federal jurisdiction. In June 2021, the U.S. Supreme Court declined to review the Ninth Circuit's decision. In October 2022, the District Court ordered the case remanded to State court and stayed the remand pending any appeals. The defendants have appealed the District Court's decision to the Ninth Circuit, which has scheduled oral argument on the issue in November 2023. While the City believes that the claims in this lawsuit are meritorious, it can give no assurance regarding whether the lawsuit will be successful and obtain the requested relief from the courts, or contributions to the abatement fund from the defendant oil companies.

Treasure Island and Yerba Buena Island may be particularly susceptible to the impacts of sea level rise or other impacts of climate change or flooding because of their location and topography. An assessment and strategy report related to sea-level rise was issued in connection with the current permit issued by the San Francisco Bay Conservation and Development Commission ("BCDC") for the Treasure Island Project. The BCDC permit, issued in 2016, requires an update on sea level rise every five years. The first such update was prepared for TIDG by an outside consultant and issued in October 2021. The update looked at changes in sea-level-rise policy and projections since the commencement of the Treasure Island Project and evaluated if the adopted sea-level-rise policy projections and adaptation measures remain applicable or need revision. The update also looked at (i) the amount of sea level rise that has occurred since the start of the project and (ii) whether the amount of sea level rise would draw into consideration any documented impacts to public access areas in the form of flooding and settlement. The update concluded that the 2016 assessment and strategy report remains consistent with the most recent sea-level rise projections. The update did not call for a change to the adopted approach to sea-level rise adaptation.

The City is unable to predict whether sea level rise or other impacts of climate change or flooding from a major storm will occur, when they may occur, and if any such events occur, whether they will have a material adverse effect on the business operations or financial condition of the City, the local economy or, in particular, the assessed values of taxable property in the Project Areas and the ability of a property owner in the Project Areas to pay property taxes levied.

Other Natural Disasters and Other Events

In addition to earthquake and sea-level rise (discussed above), other natural or man-made disasters or events, such as flood, wildfire, tsunamis, toxic dumping, international conflicts, civil unrest or acts of terrorism, could also adversely impact persons and property within the City generally and/or specifically in the Project Areas, damage City and District infrastructure and adversely impact the City's ability to provide municipal services.

In September 2010, a PG&E high pressure natural gas transmission pipeline exploded in San Bruno, California, with catastrophic results. PG&E owns, operates and maintains numerous gas transmission and distribution pipelines throughout the City. In August 2013, a massive wildfire in Tuolumne County and the Stanislaus National Forest burned over 257,135 acres (the "Rim Fire"), which area included portions of the City's Hetch Hetchy Project. The Hetch Hetchy Project is comprised of dams (including O'Shaughnessy Dam), reservoirs (including Hetch Hetchy Reservoir which supplies 85% of San Francisco's drinking water), hydroelectric generation and transmission facilities and water transmission facilities. Hetch Hetchy facilities affected by the Rim Fire included two power generating stations and the southern edge of the Hetch Hetchy Reservoir. There was no impact to drinking water quality. The City's hydroelectric power generation system was interrupted by the fire, forcing the San Francisco Public Utilities Commission to spend approximately $1.6 million buying power on the open market and using existing banked energy with PG&E. The Rim Fire inflicted approximately $40 million in damage to parts of the City's water and power infrastructure located in the region. Certain portions of the Hetch Hetchy Project are old and deteriorating, and outages at critical points of the project could disrupt water delivery to significant portions of the region and/or cause significant costs and liabilities to the City.

Many areas of northern California have suffered from wildfires in more recent years, including the Tubbs fire which burned across several counties north of the Bay Area in October 2017 (part of a series of fires covering approximately 245,000 acres and causing 44 deaths and approximately $14 billion in damage), the Camp fire which burned across Butte County, California in November 2018 (covering almost 240 square miles and resulting in numerous deaths and over $16 billion in property damage) and Kincade Fire which burned across Sonoma County, California in late 2019 (covering over 77,000 acres). Spurred by findings that these fires were caused, in part, by faulty powerlines owned by PG&E, the power company subsequently adopted mitigation strategies which results in pre-emptive distribution circuit and high power transmission line shut offs during periods of extreme fire danger (i.e., high winds, high temperatures and low humidity) to portions of the Bay Area, including the City. In recent years, parts of the City experienced black out days as a result of PG&E's wildfire prevention strategy. Future shut offs are expected to continue and it is uncertain what effects future PG&E shut offs will have on the local economy.

In recent years, California experienced numerous significant wildfires. In addition to their direct impact on health and safety and property damage in California, the smoke from these wildfires has impacted, and future wildfires may impact, the quality of life in the Bay Area and the City and may have short-term and future impacts on commercial and tourist activity in the City, as well as the desirability of the City and the Bay Area as places to live, potentially negatively affecting real estate trends and values.

The California Geological Survey ("CGS"), in concert with the California Emergency Management Agency and the Tsunami Research Center at the University of Southern California, produced new statewide tsunami hazard zone maps in July 2021. CGS has identified much of the District and all of Treasure Island as being located in the San Francisco tsunami hazard zone.

Hazardous Substances

A serious risk in terms of the potential reduction in the value of a parcel within the Project Areas would be the discovery of a hazardous substance that was not discovered prior to the transfer of the parcels forming the Project Areas. See "THE TREASURE ISLAND PROJECT" and "THE INITIAL PROJECT AREAS – Overview" herein. In general, the owners and operators of a parcel within the Project Areas may be required by law to remedy conditions of such parcel relating to release or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but other California laws with regard to hazardous substances are also similarly stringent. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of the property whether or not the owner or operator had anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the parcels within the Project Areas be affected by a hazardous substance, would be to reduce the marketability and value of such parcel by the costs of remedying the condition. Any prospective purchaser would become obligated to remedy the condition.

Further it is possible that liabilities may arise in the future with respect to any of the parcels resulting from the current existence on the parcel of a substance currently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the current existence on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method in which it is handled. All of these possibilities could significantly affect the value of a parcel within the Project Areas that is realizable upon a delinquency.

A January 23, 2020 complaint relating to environmental conditions with respect to the Treasure Island Project has been dismissed, and the time for appeal has lapsed.

Bankruptcy and Foreclosure

The payment of the property taxes from which Pledged Facilities Increment and Pledged Housing Increment 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 or by the laws of the State relating to judicial foreclosure.

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.

The various legal opinions to be delivered concurrently with the delivery of the Series 2023AB 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. 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 possibility of delinquent tax installments not being paid in full and thereby increase the likelihood of a delay or default in payment of the principal of and interest on the Series 2023AB Bonds.

Investment Risk

As provided in the Indenture, moneys in the funds and accounts under the Facilities Indenture and the Housing Indenture may be invested in Permitted Investments and moneys in the the account(s) which will hold increment into which Pledged Facilities Increment and Pledged Housing Increment are deposited may be invested by the District in any obligations in which the District 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 Facilities Indenture or the Housing Indenture could have a material adverse effect on the security for the Series 2023AB Bonds.

Ballot Initiatives and Legislative Measures

The State electorate or Legislature could adopt a constitutional or legislative property tax reduction with the effect of reducing available Gross Tax Increment from which the, respective, repayment and security sources for the Series 2023AB Bonds are derived. 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 the Gross Tax Increment and adversely affect the Pledged Facilities Increment and Pledged Housing Increment securing the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds, respectively.

Measures qualified for the ballot pursuant to California's constitutional initiative process and the State Legislature have in the past altered the spending limitations or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the Legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the City, the District or other local districts to increase revenues or to increase appropriations or on the ability of a landowner to complete the development of property.

Acceleration

If the District defaults on its respective obligations under the Facilities Indenture or the Housing Indenture, the Trustee has the right to accelerate the Series 2023A Facilities Bonds or the Series 2023B Housing Bonds, as the case may be, 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 such accelerated Series 2023AB Bonds.

Limitations on Remedies

Remedies available to the owners of Series 2023A Facilities Bonds and Series 2023B Housing Bonds may be limited by a variety of factors and may be inadequate to assure the timely payment of principal of and interest on the Series 2023AB Bonds. Bond Counsel has limited its opinions as to the enforceability of the Series 2023AB Bonds and of the Facilities Indenture and the Housing Indenture to the extent that enforceability may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium, or other similar laws affecting generally the enforcement of creditor's rights, by equitable principles and by the exercise of judicial discretion. The lack of availability of certain remedies or the limitation of remedies may entail risks of delay, limitation or modification of the rights of the Owners.

Enforceability of the rights and remedies of the Owners of Series 2023A Facilities Bonds and Series 2023B Housing Bonds, and the obligations incurred by the District, may become subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the applicable limitations on remedies against public agencies in the State. See "RISK FACTORS – Bankruptcy and Foreclosure" herein.

Limited Secondary Market

As stated herein, investment in the Series 2023AB Bonds poses certain financial risks which may not be appropriate for certain investors, and only persons with substantial financial resources who understand and appreciate the risk of such investments should consider investment in the Series 2023AB Bonds. The Series 2023AB Bonds have not been rated by any national rating agency, and the City has not undertaken to obtain a rating. See "NO RATING" herein. There can be no guarantee that there will be a secondary market for purchase or sale of the Series 2023AB Bonds or, if a secondary market exists, that the Series 2023AB Bonds can or could be sold for any particular price.

Cybersecurity

The City, 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"). As a recipient and provider of personal, private, or sensitive information, the City has been the subject of cybersecurity incidents which have resulted in or could have resulted in adverse consequences to the City's Systems Technology and required a response action to mitigate the consequences. For example, in November 2016, the San Francisco Municipal Transportation Agency ("SFMTA") was subject to a ransomware attack which disrupted some of the SFMTA's internal computer systems. Although the attack neither interrupted Muni train services nor compromised customer privacy or transaction information, SFMTA took the precaution of turning off the ticket machines and fare gates in the Muni Metro subway stations from Friday, November 25 until the morning of Sunday, November 27.

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the City's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage from cybersecurity incidents or cyber-attacks, the City invests in multiple forms of cybersecurity and operational safeguards. In November 2016, the City adopted a City-wide Cyber Security Policy ("Cyber Policy") to support, maintain, and secure critical infrastructure and data systems. The objectives of the Cyber Policy include the protection of critical infrastructure and information, manage risk, improve cyber security event detection and remediation, and facilitate cyber awareness across all City departments. The City's Department of Technology has established a cybersecurity team to work across all City departments to implement the Cyber Policy. The City's Cyber Policy is reviewed periodically.

The City has also appointed a City Chief Information Security Officer ("CCISO"), who is directly responsible for understanding the business and related cybersecurity needs of the City's 54 departments. The CCISO is responsible for identifying, evaluating, responding, and reporting on information security risks in a manner that meets compliance and regulatory requirements, and aligns with and supports the risk posture of the City.

While City cybersecurity and operational safeguards are periodically tested, no assurances can be given by the City that such measures will ensure against other cybersecurity threats and attacks. Cybersecurity breaches could damage the City's Systems Technology and cause material disruption to the City's operations and the provision of City services. The costs of remedying any such damage or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose the City to material litigation and other legal risks, which could cause the City to incur material costs related to such legal claims or proceedings.

CONTINUING DISCLOSURE

Pursuant to a Continuing Disclosure Certificate relating to the Series 2023A Facilities Bonds (the "2023A Disclosure Certificate"), the District has covenanted for the benefit of owners of the Series 2023A Facilities Bonds to provide certain financial information and operating data relating to the District (the "2023A Annual Report") on an annual basis, and to provide notices of the occurrences of certain enumerated events. Pursuant to a Continuing Disclosure Certificate, relating to the Series 2023B Housing Bonds (the "2023B Disclosure Certificate," and together with the 2023A Disclosure Certificate, the "Disclosure Certificates"), the District has covenanted for the benefit of owners of the Series

2023B Housing Bonds to provide certain financial information and operating data relating to the District (the "2023B Annual Report" and together with the 2023A Annual Report, the "Annual Reports") on an annual basis, and to provide notices of the occurrences of certain enumerated events. The Annual Reports and the notices of enumerated events will be filed with the MSRB on EMMA. Each Annual Report is to be filed not later than nine months after the end of the City's fiscal year (which date shall be June 30 of each year), commencing with the report for the 2023-24 Fiscal Year (which is due not later than March 31, 2024). The specific nature of information to be contained in the 2023A Annual Report or the notice of events is summarized in APPENDIX E-1 – "FORM OF SERIES 2023A CONTINUING DISCLOSURE CERTIFICATE" attached hereto. The specific nature of information to be contained in the 2023B Annual Report or the notice of events is summarized in APPENDIX E-2 – "FORM OF SERIES 2023B CONTINUING DISCLOSURE CERTIFICATE" attached hereto. These covenants have been made by the District in order to assist the Underwriter in complying with the Rule.

The City has conducted a review of the compliance of the City, with their respective previous continuing disclosure undertakings pursuant to Rule 15c2-12. On March 6, 2018, Moody's Investors Service, Inc. ("Moody's") upgraded certain of the City and County of San Francisco Finance Corporation lease-backed obligations to "Aa1" from "Aa2." The City timely filed notice of the upgrade with EMMA, but inadvertently did not link the notice to all relevant CUSIP numbers. The City has taken action to link such information to the applicable CUSIP numbers.

The Annual Report for fiscal year 2016-17, which was timely prepared, provided investors a link to the City's 2016-17 audited financial statements ("2016-17 Audited Financial Statements") on the City's website. However, the 2016-17 Audited Financial Statements were not posted on EMMA. The City subsequently filed the 2016-17 Audited Financial Statements and a notice of such late filing on EMMA.

As of May 6, 2021, the City was a party to certain continuing disclosure undertakings relating to municipal securities which require the City to file notice filings on EMMA within ten days in the event of the incurrence of financial obligations and certain other events, if material. On May 6, 2021, the City extended for two years certain liquidity facilities relating to series 1 and 1-T and series 2 and 2-T of its commercial paper program. On July 1, 2021, the City filed on EMMA an event notice relating to these extensions.

For fiscal year 2021-22, although the City's Annual Comprehensive Financial Report was posted on EMMA, it was not linked to all of the CUSIP numbers for the City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) Special Tax Bonds, Series 2022A and 2022B. The City has taken action to link such Annual Comprehensive Financial Report to the applicable CUSIP numbers.

TAX MATTERS

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 Series 2023AB 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 Series 2023AB 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 Internal Revenue Code of 1986, as amended (the "Tax Code") that must be satisfied subsequent to the issuance of the Series 2023AB 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 Series 2023AB Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a Series 2023AB 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 Series 2023AB 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 this section. The original issue discount accrues over the term to maturity of the Series 2023AB 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 Series 2023AB Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Series 2023AB Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Series 2023AB Bonds who purchase the Series 2023AB Bonds after the initial offering of a substantial amount of such maturity. Owners of such Series 2023AB Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Series 2023AB 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 Series 2023AB Bonds is sold to the public.

Under the Tax Code, bond premium is amortized on an annual basis over the term of the Series 2023AB Bond (said term being the shorter of the Series 2023AB 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 Series 2023AB Bond for purposes of determining taxable gain or loss upon disposition. The amount of bond premium on a Series 2023AB Bond is amortized each year over the term to maturity of the 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 Series 2023AB Bond premium is not deductible for federal income tax purposes. Owners of premium Series 2023AB 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 Series 2023AB Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the Series 2023AB 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 Series 2023AB 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 Series 2023AB 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 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 Series 2023AB Bonds, or as to the consequences of owning or receiving interest on the Series 2023AB Bonds, as of any future date. Prospective purchasers of the Series 2023AB 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 Series 2023AB Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Series 2023AB 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 Series 2023AB Bonds, the ownership, sale or disposition of the Series 2023AB Bonds, or the amount, accrual or receipt of interest on the Series 2023AB Bonds.

Form of Opinion. The forms of opinions of Bond Counsel are set forth as Appendix F-1 and Appendix F-2 attached hereto.

UNDERWRITING

The District has sold the Series 2023AB Bonds to the California Statewide Communities Development Authority ("CSCDA"). Stifel, Nicolaus & Co. Incorporated (the "Underwriter") simultaneously purchased the Series 2023A Facilities Bonds from CSCDA at a purchase price of $7,510,254.73, representing the principal amount of the Series 2023A Facilities Bonds less an Underwriter's discount of $124,196.87 and plus net original issue premium of $19,451.60 and the Series 2023B Housing Bonds at a purchase price of $1,559,591.80, representing the principal amount of the Series 2023B Housing Bonds less an Underwriter's discount of $26,013.65 and less original issue discount of $9,394.55. The Underwriter intends to offer the Series 2023AB Bonds to the public initially at the prices set forth on the inside cover pages of this Official Statement, which prices may subsequently change without any requirement of prior notice.

The Underwriter reserves the right to join with dealers and other underwriters in offering the Series 2023AB Bonds to the public. The Underwriter may offer and sell the Series 2023AB Bonds to certain dealers (including dealers depositing Series 2023AB Bonds into investment trusts) at prices lower than the public offering prices, and such dealers may reallow any such discounts on sales to other dealers.

The Underwriter and its affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the District. The Underwriter and its affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the District.

LEGAL OPINIONS AND OTHER LEGAL MATTERS

The legal opinions of Jones Hall, A Professional Law Corporation, San Francisco, California, as Bond Counsel, approving the validity of the Series 2023A Facilities Bonds and the Series 2023B Housing Bonds, in substantially the respective forms set forth in Appendix F-1 and Appendix F-2 attached hereto, will be made available to purchasers of the Series 2023AB Bonds at the time of original delivery. Bond Counsel has not undertaken on behalf of the Owners or the Beneficial Owners of the Series 2023AB Bonds to review the Official Statement and assumes no responsibility to such Owners and Beneficial Owners for the accuracy of the information contained herein. Certain legal matters will be passed upon for the District by the City Attorney, and by Norton Rose Fulbright US LLP, Los Angeles, California, Disclosure Counsel, with respect to the issuance of the Series 2023AB Bonds.

Compensation paid to Jones Hall, A Professional Law Corporation, as Bond Counsel, and Norton Rose Fulbright US LLP, as Disclosure Counsel, is contingent on the issuance of the Series 2023AB Bonds.

Norton Rose Fulbright (US) LLP, Los Angeles, California has served as Disclosure Counsel to the District, and in such capacity has advised District staff with respect to applicable securities laws and participated with responsible District officials and staff in conferences and meetings where information contained in this Official Statement was reviewed for accuracy and completeness. Disclosure Counsel is not responsible for the accuracy or completeness of the statements or information presented in this Official Statement and has not undertaken to independently verify any of such statements or information. The District is solely responsible for the accuracy and completeness of the statements and information contained in this Official Statement. Upon issuance and delivery of the Series 2023AB Bonds, Disclosure Counsel will deliver a letter to the District, and the Underwriter and its affiliates to the effect that, subject to the assumptions, exclusions, qualifications and limitations set forth therein (including without limitation exclusion of any information relating to The Depository Trust Company, Cede & Co., the book-entry system, the CUSIP numbers, forecasts, projections, estimates, assumptions and expressions of opinions and the other financial and statistical data included herein, and information in Appendices B and G hereof, as to all of which Disclosure Counsel will express no view), no facts have come to the attention of the personnel with Norton Rose Fulbright (US) LLP directly involved in rendering legal advice and assistance to the City which caused them to believe that this Official Statement as of its date and as of the date of delivery of the Series 2023AB 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. No purchaser or holder, other than the addresses of the letter, or other person or party, will be entitled to or may rely on such letter of Disclosure Counsel.

TRANSFER RESTRICTIONS

Under the Facilities Indenture and the Housing Indenture, the Series 2023AB Bonds are only to be sold (including in secondary market transactions) to "Qualified Purchasers," which is defined in the Indenture to include Qualified Institutional Buyers as defined in Rule 144A promulgated under the Securities Act of 1933 and institutional Accredited Investors (which consists of Accredited Investors within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act of 1933).

Neither the Underwriter nor any Holder or Beneficial Owner of the Series 2023AB Bonds shall deposit the Series 2023AB Bonds in any trust or account under its control and sell any shares, participatory interest or certificates in such trust and account, and neither the Underwriter nor any Holder or Beneficial Owner shall deposit the Series 2023AB Bonds in any trust or account under its control the majority of the assets of which constitute the Series 2023AB Bonds, and sell shares, participatory interest or certificates in such trust or account except to Qualified Purchasers; provided that none of the Underwriter, Holders or Beneficial Owners shall have an obligation to independently establish or confirm that any transferee of a Series 2023AB Bond is Qualified Purchaser, however any actual transfer of a Series 2023AB Bond to any entity that is not a Qualified Purchaser shall be deemed null and void as provided in the Indenture.

Under the Facilities Indenture and the Housing Indenture, no transfer, sale or other disposition of any Series 2023AB Bond, or any beneficial interest therein, may be made except to an entity that is a Qualified Purchaser that is purchasing such Series 2023AB Bond for its own account for investment purposes and not with a view to distributing such Series 2023AB Bond. Each purchaser of any Series 2023AB Bond or ownership interest therein will be deemed to have acknowledged, represented, warranted, and agreed with and to the District, the Underwriter and the Trustee as follows:

1. Respectively, that the Series 2023A Facilities Bonds are payable solely from Pledged Facilities Increment and from certain funds and accounts established and maintained pursuant to the Facilities Indenture or that the Series 2023B Housing Bonds are payable solely from Pledged Housing Increment and from certain funds and accounts established and maintained pursuant to the Housing Indenture;

2. That it is a Qualified Purchaser and that it is purchasing the Series 2023AB Bonds for its own account and not with a view to, or for offer or sale in connection with any distribution thereof in violation of the Securities Act of 1933 or other applicable securities laws;

3. That such purchaser acknowledges that the Series 2023AB Bonds and beneficial ownership interests therein may only be transferred to Qualified Purchasers;

4. That the District, the Trustee, the Underwriter and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements; and

If a holder of the Series 2023AB Bonds makes an assignment of its beneficial ownership interest in the Series 2023AB Bonds, the assignor will notify the assignee of the restrictions on purchase and transfer described herein.

NO LITIGATION REGARDING SERIES 2023AB BONDS

A certificate of the District to the effect that no litigation is pending (for which service of process has been received) concerning the validity of the Series 2023AB Bonds will be furnished to the Underwriter and its affiliates at the time of the original delivery of the Series 2023AB Bonds. The District is not aware of any litigation pending or threatened which questions the existence of the District or contests the authority of the District to issue the Series 2023AB Bonds.

Ongoing Investigations. In January 2020, the City's former Director of Public Works, Mohammad Nuru, was criminally charged with public corruption, including honest services wire fraud and lying to Federal Bureau of Investigation ("FBI") agents. In February 2020, then-City Attorney Dennis Herrera and Controller Ben Rosenfield announced the initiation of a joint investigation stemming from the federal criminal charges against Mr. Nuru. The City Attorney's Office focused on holding public officials and City vendors accountable. The Controller undertook a public integrity review of contracts, purchase orders, and grants to the City.

Mr. Nuru resigned from employment with the City in February 2020. In January 2022, Mr. Nuru pled guilty to taking bribes from contractors, developers, and entities he regulated, including bribes from Walter Wong, a San Francisco construction company executive and permit expediting consultant, who ran or controlled multiple entities doing business with the City. In August 2022, the district court judge sentenced Mr. Nuru to 84 months in prison.

Mr. Wong was criminally charged in June 2020 with conspiring with City officials and laundering money. As part of the criminal investigation into Mr. Nuru and Mr. Wong, the SFPUC received a federal, criminal, grand jury subpoena in June 2020 to produce documents, communications, contracts and records, including the complete personnel file of the SFPUC's former General Manager, Harlan L. Kelly, Jr.

In November 2020, Mr. Kelly was charged in a criminal complaint with one count of honest services wire fraud. The complaint alleged that Mr. Kelly also engaged in a long-running bribery scheme and corrupt partnership with Mr. Wong. The complaint further alleged that as part of the scheme, Mr. Wong provided items of value to Mr. Kelly in exchange for official acts by Mr. Kelly that benefited or attempted to benefit Mr. Wong's business ventures. According to the criminal complaint against Mr. Kelly, Mr. Wong bribed Mr. Kelly with thousands of dollars in airfare, meals, jewelry, and travel expenses, as well as by making improvements to Mr. Kelly's home.

Mr. Wong pled guilty in July 2020 and continues to cooperate with the ongoing federal criminal investigation. Mr. Wong has not been sentenced.

Mr. Wong settled civilly with the City in May 2021. As part of his civil settlement, he and his companies agreed to pay the City more than $300,000 in ethics fines and more than $1 million in restitution. The total restitution amount to the City includes $73,000 that he received through the SFPUC when Mr. Kelly was General Manager.

Mr. Kelly resigned from employment with the City, effective November 30, 2020. Michael Carlin, former-Deputy General Manager of the SFPUC, then served as the Acting General Manager of the SFPUC through October 31, 2021. Mr. Herrera began serving as General Manager of the SFPUC on November 1, 2021.

Since Mr. Nuru's arrest in January 2020, the Controller's Office, in consultation with the City Attorney, has issued 11 public integrity reviews. Ten of the 11 reports focus primarily on City departments other than the SFPUC. The Controller's Office's December 9, 2021 Public Integrity Audit looked specifically at SFPUC's Social Impact Partnership Program and made seven recommendations to strengthen internal controls and oversight. The SFPUC concurred with all seven of those recommendations, and as of September 2023, five of the seven recommendations had been implemented and two were in progress.

In October 2021, a criminal grand jury returned an indictment against Mr. Kelly and Victor Makras, a San Francisco real estate broker and property developer. Mr. Makras formerly served on several City boards and commissions, including the Port Commission, Police Commission, Public Utilities Commission, and Retirement Board. In addition to the original charges against Mr. Kelly of conspiracy with Mr. Wong, the indictment added charges of bank fraud and bank fraud conspiracy related to a $1.3 million loan Mr. Kelly obtained from Quicken Loans.

Mr. Makras' case was severed from Mr. Kelly's, and in August 2022, a jury convicted Mr. Makras of bank fraud for his role in making false statements to the bank in support of the loan to Mr. Kelly. In December 2022, Mr. Makras was sentenced to three years of probation and fined $15,200.

On July 14, 2023, Mr. Kelly was convicted of one count of conspiracy to commit honest services wire fraud, one count of honest services wire fraud, and four counts related to charges stemming from a bank fraud scheme. The jury found Mr. Kelly not guilty of two honest services wire fraud counts. Mr. Kelly has not been sentenced.

On August 29, 2023, the San Francisco District Attorney charged Lanita Henriquez, who served as the director of the San Francisco Community Challenge Grant Program under the Office of the San Francisco City Administrator, and Rudolph Dwayne Jones, a former City official who occasionally served as a prime contractor and a subcontractor to the SFPUC, with counts of misappropriation of public monies, bribery, and financial conflict of interest in a government contract. It is alleged that Ms. Henriquez and Mr. Jones misappropriated public money between 2016 and 2020, that Mr. Jones wrote Ms. Henriquez multiple checks in 2017 and 2018 totaling $25,000, while Ms. Henriquez directed government grant contracts exceeding $1.4 million to entities controlled by Mr. Jones, in which entities Ms. Henriquez also had a financial stake, between 2016 and 2020.

The San Francisco District Attorney has not alleged any impropriety in connection with the sole grant program administered by Ms. Henriquez. At the direction of the City Administrator, City departments have undertaken a review of contracts between the City and contracts retaining Mr. Jones and/or RDJ Enterprises, LLC, an entity affiliated with Mr. Jones (collectively, "RDJ") in order to terminate or cancel any subcontract, service order, or other contractual arrangement with RDJ.

The FBI investigation is ongoing, and the City can give no assurance when the FBI will complete its investigation. The San Francisco District Attorney's Office Public Integrity Task Force has also independently investigated certain of the matters described here, and the City can give no assurance when this task force will complete its investigation.

NO RATING

The District has not made, and does not intend to make, any application to any rating agency for the assignment of a rating on the Series 2023AB Bonds. Ratings are obtained as a matter of convenience for prospective investors, and the assignment of a rating is based upon the independent investigations, studies, and assumptions of rating agencies. The determination by the District not to obtain a rating does not, directly or indirectly, express any view by the District of the credit quality of the Series 2023AB Bonds. The lack of a bond rating could impact the market price or liquidity for the Series 2023AB Bonds in the secondary market. See "RISK FACTORS – Limited Secondary Market" herein.

MUNICIPAL ADVISOR

The District has retained CSG Advisors Incorporated, as Municipal Advisor in connection with the issuance of the Series 2023AB Bonds. The Municipal Advisor has assisted in the District's review and preparation of this Official Statement and in other matters relating to the planning, structuring, and sale of the Series 2023AB Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent financial advisory firm and is not engaged in the business of underwriting, trading or distributing the Series 2023AB Bonds.

Compensation paid to the Municipal Advisor is contingent upon the successful issuance of the Series 2023AB Bonds.

FISCAL CONSULTANT REPORT

In connection with the issuance of the Series 2023AB Bonds, the District has engaged Keyser Marston Associates, Inc., Berkeley, California, to prepare a Fiscal Consultant Report. See APPENDIX H – "FISCAL CONSULTANT REPORT" attached herein.

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MISCELLANEOUS

All of the preceding summaries of the Facilities Indenture, the Housing Indenture, other applicable legislation, agreements and other documents are made subject to the provisions of such documents and do not purport to be complete documents of any or all of such provisions. Reference is hereby made to such documents on file with the District for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the Series 2023AB Bonds. Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement has been authorized by the Board of Supervisors.

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION
FINANCING DISTRICT NO. 1

By: /s/ Anna Van Degna
Director of the Office of Public Finance

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APPENDIX A

ECONOMIC AND DEMOGRAPHIC INFORMATION FOR THE CITY AND COUNTY OF SAN FRANCISCO

The information contained in this Appendix A is provided for informational purposes only. No representation is made that any of the information contained in this Appendix A is material to the holders from time to time of the Series 2023AB Bonds, and the City has not undertaken in its Continuing Disclosure Certificate to update this information. The Series 2023A Facilities Bonds are limited obligations of the District, secured by and payable solely from the Pledged Facilities Increment and the funds pledged therefor under the Facilities Indenture. The Series 2023A Facilities Bonds are not payable from any other source of funds other than the Pledged Facilities Increment and the funds pledged therefor under the Facilities Indenture. The Series 2023B Housing Bonds are limited obligations of the District, secured by and payable solely from the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture. The Series 2023B Housing Bonds are not payable from any other source of funds other than the Pledged Housing Increment and the funds pledged therefor under the Housing Indenture.

Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds are 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 District and only to the limited extent set forth in the Facilities Indenture and the Housing Indenture, respectively), and none of the City, the State or any of their political subdivisions other than the District is liable therefor. Neither the Series 2023A Facilities Bonds nor the Series 2023B Housing Bonds constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the City, or the District has pledged any other tax revenues or property or its full faith and credit to the payment of debt service on the Series 2023A Facilities Bonds or the Series 2023B Housing Bonds. Although the District receives certain tax increment revenues, the District has no taxing power.

General

The City was established in 1850 and is the only legal subdivision of the State of California with the governmental powers of both a city and a county. The City's legislative power is exercised through a Board of Supervisors, while its executive power is vested upon a Mayor and other appointed and elected officials. Key public services provided by the City include public safety and protection, public transportation, water and sewer, parks and recreation, public health, social services and land-use and planning regulation. The heads of most of these departments are appointed by the Mayor and advised by commissions and boards appointed by City elected officials.

Elected officials include the Mayor, Members of the Board of Supervisors, Assessor-Recorder, City Attorney, District Attorney, Public Defender, Sheriff, Superior Court Judges, and Treasurer. Since November 2000, the eleven-member Board of Supervisors has been elected through district elections. The eleven district elections are staggered for five and six seats at a time and held in even-numbered years. Board members serve four-year terms and vacancies are filled by Mayoral appointment.

COVID 19 Pandemic

The economic and demographic data contained in this appendix are the latest available, but include data as of dates and for periods before the economic impact of the COVID 19 pandemic and measures instituted to slow it. Accordingly, the data for such dates and periods are not indicative of the current financial condition or future prospects of the District, the City, and the region or of expected Pledged Facilities Increment or Pledged Housing Increment. See "RISK FACTORS – Public Health Emergencies" in the forepart of this Official Statement.

Population

The populations of the City and County of San Francisco for the last 10 years are shown in the following table.

POPULATION
City and County of San Francisco
2014 through 2023[(1)]

Fiscal Year	Population
2014	852,948
2015	863,450
2016	871,613
2017	878,697
2018	885,716
2019	886,885
2020	873,965
2021	853,414
2022	837,036
2023	831,703

(1) For 2014-2019 and 2021-2023, population statistics are as of January 1. For 2020, population statistics are as of April 1.
Source: California Department of Finance.

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Employment

The following table summarizes employment in the City and County of San Francisco from 2018 through 2022. Trade, transportation and utilities, professional and business services, education/health services and leisure/hospitality are the largest employment sectors in the City.

EMPLOYMENT BY INDUSTRY
City and County of San Francisco
2018 through 2022

Industry	Employment[1]				
	2018	2019	2020	2021	2022
All Farm	200	400	200	300	300
Mining, Logging and Construction	23,200	24,100	23,200	22,100	23200
Manufacturing	13,200	13,800	13,400	11,700	13,400
Trade, Transportation & Utilities	82,600	84,300	73,200	70,100	72,700
Information	46,100	52,500	54,600	58,200	64,300
Financial Activities	59,900	62,000	60,300	61,000	64,200
Professional and Business Services	195,400	203,100	200,900	200,600	219,100
Education and Health Services	90,300	94,100	91,500	93,900	95,800
Leisure and Hospitality	98,500	101,800	59,100	57,000	75,900
Other Services	27,700	28,000	21,800	22,800	25,700
Government	98,200	98,800	98,200	101,300	105,900
Total Civilian Labor Force	735,100	762,900	696,500	699,000	760,400

[1] Employment is reported by place of work: it does not include persons involved in labor-management disputes. Figures are rounded to the nearest hundred. Columns may not sum to totals due to rounding.
Source: California State Employment Development Department, Labor Market Information Division.

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The following tables summarize the civilian labor force, employment and unemployment in the City and County of San Francisco from 2013 to 2022.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT
City and County of San Francisco
Annual Averages, 2013 through 2022
(not seasonally adjusted)

Year	Civilian Labor Force	Employed Labor Force(1)	Unemployed Labor Force(2)	Unemployment Rate(3)
2013	514,200	485,800	28,400	5.5
2014	527,300	504,000	23,300	4.4
2015	541,400	521,600	19,800	3.7
2016	555,300	537,000	18,300	3.3
2017	563,000	546,400	16,600	2.9
2018	568,700	555,100	13,600	2.4
2019	580900	568,000	12,900	2.2
2020	560,100	515,600	44,500	7.9
2021	548,600	520,800	27,800	5.1
2022	572,600	558,000	14,600	2.5

(1) Includes persons involved in labor-management trade disputes.
(2) Includes all persons without jobs who are actively seeking work.
(3) Calculated using unrounded data.
Source: California State Employment Development Department, Labor Market Information Division.

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Major Private Employers

The following table shows the largest private employers located in the City and County of San Francisco as of January 2023.

LARGEST PRIVATE EMPLOYERS
City and County of San Francisco

Employer	Number of Employees	Rank
Salesforce Inc.	11,953	1
United Airlines	10,000	2
Sutter Health	6,134	3
Wells Fargo & Co.	5,886	4
Kaiser Permanente	4,676	5
Allied Universal	3,827	6
Uber Technologies Inc.	3,413	7
First Republic Bank	3,296	8
Accenture	2,353	9
Cisco Systems Inc.	1,863	10
Total	53,401	

Source: San Francisco Business Times, "Largest Employers in San Francisco" (published January 6, 2023).
Note: Since the publication date of the rankings above, JPMorgan Chase & Co. acquired the substantial majority of assets and assumed the deposits and certain other liabilities of First Republic Bank from the Federal Deposit Insurance Corporation.

Construction Activity

The level of construction activity in the City and County of San Francisco as measured by total building permits for residential units is shown in the following tables.

BUILDING PERMITS
City and County of San Francisco
2018 through 2022[(1)]

	2018	2019	2020	2021	2022
Valuation ($000)					
Residential	$2,231,737	$1,730,003	$1,555,933	$1,948,973	$2,735,548
Non-Residential	2,293,555	1,461,943	1,253,946	1,013,680	1,594,894
TOTAL	$4,525,292	$3,191,946	$2,809,881	$2,962,653	$4,330,442
Dwelling Units					
Single Family	95	135	65	135	272
Multiple family	5,098	3,208	2,127	2,816	6,174
TOTAL	5,184	3,343	2,192	2,951	6,446

Source: Construction Industry Research Board/CIRB.
(1) Totals may not add due to rounding.

Taxable Sales

Taxable sales in the City and County of San Francisco from 2018 through 2022 are shown in the following table.

TAXABLE SALES
2018 through 2022
($ in Thousands)

	2018	2019	2020	2021	2022
Clothing and Clothing Accessories Stores	$2,046,414	$2,029,312	$1,163,031	$1,587,968	$1,746,756
General Merchandise	790,845	755,350	560,059	667,930	691,405
Food and Beverage Stores	856,217	861,757	746,455	722,410	768,428
Food Services and Drinking Places	4,844,464	5,046,263	2,081,728	2,953,373	4,266,095
Home Furnishings & Appliances	1,018,006	1,034,213	768,022	919,239	940,945
Building Material and Garden Equipment and Supplies Dealers	681,369	718,692	642,104	685,895	691,182
Motor Vehicle and Parts Dealers	674,008	601,929	593,476	625,719	575,323
Gasoline Stations	583,480	548,509	304,977	432,768	612,261
Other Retail Stores	2,535,667	2,671,219	2,690,590	2,508,494	2,633,438
Total Retail and Food Services	$14,030,469	$14,267,242	$9,550,442	$11,103,794	$12,925,834
All Other Outlets	6,312,251	6,689,891	4,839,280	5,503,320	6,685,572
Total All Outlets(1)	$20,342,721	$20,957,132	$14,389,723	$16,607,114	$19,611,406

(1) Columns may not sum to totals due to rounding.
Source: California State Board of Equalization; and California Department of Tax and Fee Administration.

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Assessed Valuation of Taxable Property

Assessed valuations of taxable property in the City and County of San Francisco for fiscal years 2008-09 through 2023-24 are shown in the following table:

ASSESSED VALUATION OF TAXABLE PROPERTY
Fiscal Years 2008-09 through 2023-24
($ in Thousands)

Fiscal Year	Net Assessed[(1)] Valuation (NAV)	% Change from Prior Year	Total Tax Rate per $100[(2)]	Total Tax Levy[(3)]	Total Tax Collected[(3)]	% Collected June 30
2008-09	$141,274,628	8.7%	1.163	$1,702,533	$1,661,717	97.6%
2009-10	150,233,436	6.3%	1.159	1,808,505	1,764,100	97.5%
2010-11	157,865,981	5.1%	1.164	1,888,048	1,849,460	98.0%
2011-12	158,649,888	0.5%	1.172	1,918,680	1,883,666	98.2%
2012-13	165,043,120	4.0%	1.169	1,997,645	1,970,662	98.6%
2013-14	172,489,208	4.5%	1.188	2,138,245	2,113,284	98.8%
2014-15	181,809,981	5.4%	1.174	2,139,050	2,113,968	98.8%
2015-16	194,392,572	6.9%	1.183	2,290,280	2,268,876	99.1%
2016-17	211,532,524	8.8%	1.179	2,492,789	2,471,486	99.1%
2017-18	234,074,597	10.7%	1.172	2,732,615	2,709,048	99.1%
2018-19	259,329,479	10.8%	1.163	2,999,794	2,977,664	99.3%
2019-20	281,073,307	8.4%	1.180	3,509,022	3,475,682	99.0%
2020-21	299,686,811	6.6%	1.198	3,823,246	3,785,038	99.0%
2021-22	307,712,666	2.7%	1.182	3,864,100	3,832,546	99.2%
2022-23	331,431,694	7.7%	1.180	4,067,270	4,032,813	99.2%
2023-24	343,913,585	3.8%	N/A	N/A	N/A	N/A

(1) Net Assessed Valuation (NAV) is Total Assessed Value for Secured and Unsecured Rolls, less Non-reimbursable Exemptions and Homeowner Exemptions.
(2) Annual tax rate for unsecured property is the same rate as the previous year's secured tax rate.
(3) The Total Tax Levy and Total Tax Collected through fiscal year 2022-23 is based on year-end current year secured and unsecured levies as adjusted through roll corrections, excluding supplemental assessments, as included in the statistical report received from the Office of the Treasurer and Tax Collector, City and County of San Francisco.

Source: Office of the Controller, City and County of San Francisco.

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Income

The following tables provide a summary of per capita personal income for the City and County of San Francisco, the State of California and the United States, and personal income and annual percent change for the City and County of San Francisco, for 2012 through 2021.

PER CAPITA PERSONAL INCOME
2012 through 2021

Year	San Francisco	California	United States
2012	$87,665	$48,121	$44,548
2013	88,675	48,502	44,798
2014	97,887	51,266	46,887
2015	105,711	54,546	48,725
2016	112,804	56,560	49,613
2017	119,208	58,804	51,550
2018	128,812	61,508	53,786
2019	130,464	64,919	56,250
2020	141,134	70,647	59,765
2021	160,749	76,614	64,143

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Transportation

The City is reliant on a complex multimodal infrastructure consisting of roads, bridges, highways, rail, tunnels, airports, and bike and pedestrian paths. The development, maintenance, and operation of these different modes of transportation are overseen by various agencies, including the California Department of Transportation ("Caltrans") and San Francisco Municipal Transportation Agency ("SFMTA"). The Metropolitan Transportation Commission plays a role in the planning and funding of the City's transportation. These and other organizations collectively manage several interstate highways and state routes, two subway networks, two commuter rail agencies, trans-bay bridges, transbay ferry service, local bus service, international airports, and an extensive network of roads, tunnels, and bike paths.

SFMTA is a department of the City responsible for the management of all ground transportation in the City. The SFMTA has oversight over the Municipal Railway (Muni) public transit, as well as bicycling, paratransit, parking, traffic, walking, and taxis. The SFMTA is governed by a Board of Directors who are appointed by the Mayor and confirmed by the San Francisco Board of Supervisors. The SFMTA Board provides policy oversight, including budgetary approval, and changes of fares, fees, and fines, ensuring representation of the public interest. The San Francisco Municipal Railway, known as Muni, is the primary public transit system of the City and operates a combined light rail and subway system, the Muni Metro, as well as large bus and trolley coach networks. Additionally, it runs a historic streetcar line, which runs on Market Street from Castro Street to Fisherman's Wharf. It also operates the famous cable cars, which have been designated as a National Historic Landmark and are a major tourist attraction.

Bay Area Rapid Transit ("BART"), a regional Rapid Transit system, connects San Francisco with the East Bay through the underwater Transbay Tube. The line runs under Market Street to Civic Center where it turns south to the Mission District, the southern part of the city, and through northern San Mateo County, to the San Francisco International Airport, and Millbrae. Another commuter rail system, Caltrain, runs from San Francisco along the San Francisco Peninsula to San Jose and Gilroy. Amtrak California

Thruway Motorcoach runs a shuttle bus from three locations in San Francisco to its station across the bay in Emeryville. Additionally, BART offers connections to San Francisco from Amtrak's station in Richmond.

San Francisco Bay Ferry operates from the Ferry Building and Pier 39 to points in Oakland, Alameda-Bay Farm Island, South San Francisco, and north to Vallejo in Solano County. The Golden Gate Ferry is the other ferry operator with service between San Francisco and Marin County. SolTrans runs supplemental bus service between the Ferry Building and Vallejo. To accommodate the large amount of San Francisco citizens who commute to the Silicon Valley daily, companies like Google and Apple provide private bus transportation for their employees, from San Francisco locations to their corporate campuses on the peninsula. See also "THE TREASURE ISLAND PROJECT – Transportation" in the forepart of the Official Statement.

See "RISK FACTORS – Public Health Emergencies" in the forepart of this Official Statement.

Public Education

San Francisco Unified School District ("SFUSD") established in 1851, is the only public school district within the City and is among the largest school district in California. SFUSD administers both the school district and the San Francisco County Office of Education, making it a "single district county."

The University of California, San Francisco ("UCSF") is the sole campus of the University of California system entirely dedicated to graduate education in health and biomedical sciences and operates the UCSF Medical Center which is a major local employer A 43-acre Mission Bay campus was opened in 2003, complementing its original facility in Parnassus Heights and contains research space and facilities to foster biotechnology and life sciences entrepreneurship. UCSF operates approximately 20 facilities across the City.

The University of California, Hastings College of the Law, founded in Civic Center in 1878, is the oldest law school in California. San Francisco's two University of California institutions have formed an official affiliation in the UCSF/UC Hastings Consortium on Law, Science & Health Policy.

San Francisco State University is part of the California State University system and is located near Lake Merced. The school awards undergraduate, master's and doctoral degrees in over 100 disciplines.

The City College of San Francisco, with its main facility in the Ingleside district, is one of the largest two-year community colleges in the country and offers an extensive continuing education program.

See "RISK FACTORS – Public Health Emergencies" in the forepart of this Official Statement.

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APPENDIX B

INFRASTRUCTURE FINANCING PLAN

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Amended and Restated
Infrastructure Financing Plan

Infrastructure and Revitalization Financing District No. 1
(Treasure Island)
Prepared for:
City and County of San Francisco

Amended by Ordinance of the Board of Supervisors
of the City and County of San Francisco on February 15, 2022

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Appendix D – Net Available Increment and Conditional City Increment (Amended to reflect amended Table 3)

I. INTRODUCTION

General. This Amended and Restated Infrastructure Financing Plan ("**Infrastructure Financing Plan**") amends and restates the Infrastructure Plan dated August 15, 2016 (the "**Original Infrastructure Financing Plan**"), which was adopted in connection with the original formation of "City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)" (the "**IRFD**").

This Infrastructure Financing Plan was:

> (i) prepared at the direction of the Board of Supervisors (the "**Board**") of the City and County of San Francisco (the "**City**"), in its capacity as the legislative body of the IRFD, by Resolution No. 497-21 adopted on October 26, 2021, and signed by the Mayor on November 5, 2021, pursuant to Government Code Section 53369.13,
>
> (ii) approved by the Board, in its capacity as the legislative body of the City, which is the only entity that is allocating property tax increment to the IRFD, pursuant to Resolution No. 568-21 adopted on December 14, 2021, and signed by the Mayor on December 22, 2021, pursuant to Government Code Section 53369.19,
>
> (iii) approved by the qualified electors of the IRFD at a mail ballot election held on January 17. 2022, and
>
> (iv) approved by the Board, in its capacity as legislative body of the IRFD, by Ordinance No. 29-22 finally passed on February 15, 2022, and signed by the Mayor on February 25, 2022 (the "**Ordinance**"), pursuant to Government Code Section 53369.23.

The IRFD will be funded solely from a portion of the property tax increment that would otherwise be distributed to the General Fund of the City. No other taxing agency's revenues will be affected by or available to the IRFD. Consequently, this Infrastructure Financing Plan will discuss the tax increment of the City only.

Amendments to the Original Infrastructure Financing Plan. This Infrastructure Financing Plan amends the Original Infrastructure Financing Plan in the following ways:

(i) The Board has been notified by the California State Board of Equalization that the boundaries of the IRFD and the Initial Project Areas (defined below) must conform to the boundaries of assessor parcel numbers established by the San Francisco Assessor-Recorder in order for the Board of Equalization to assign tax rate areas to the Initial Project Areas. Accordingly, territory has been added to the IRFD and the boundaries of the IRFD and certain Initial Project Areas have been amended to reflect the final development parcels for certain portions of Treasure Island and Yerba Buena Island. These amendments are documented in the boundary map and the legal descriptions included in this Infrastructure Financing Plan. See "Appendix A".

(ii) Because the Board of Supervisors anticipates the need to make future changes to the boundaries of the IRFD and the Project Areas (including the Initial Project Areas and future Project Areas) in order to conform to final development parcels approved by the Board of Supervisors so that the California State Board of Equalization can assign tax rate areas, this Infrastructure Financing Plan amends the Original Infrastructure Financing Plan to establish a procedure by which future amendments of the boundaries of the IRFD may be approved by the Board of Supervisors as the legislative body of the IRFD without further hearings or approvals, as long as the amendments will not impair the IRFD's ability to pay debt service on its bonds or, in and of themselves, reduce the debt service coverage on any bonds below the amount required to issue parity debt. See "Future Amendments of this Infrastructure Financing Plan".

(iii) This Infrastructure Financing Plan amends the Original Infrastructure Financing Plan to reduce the tax increment allocated to the IRFD in order to conform to existing law. See "Section VII - Financing Section" below.

(iv) This Infrastructure Financing Plan amends the Original Infrastructure Financing Plan to provide that actions related to the IRFD, the Project Areas and this Infrastructure Financing Plan shall not require the approval of the qualified electors in the IRFD if the IRFD Law is amended to eliminate any such requirement. See "Future Amendments of this Infrastructure Financing Plan".

Summary of Infrastructure Financing Plan. As required by California Government Code Section 53369 et seq. (the "**IRFD Law**"), including Section 53369.14 therein, this Infrastructure Financing Plan contains the following information:

A. A map and legal description of the proposed IRFD. The amended map and legal description, which were approved as described in "Section I - Introduction," are attached hereto as Appendix A. Property may be annexed to the IRFD in the future in the manner set forth in Section IV, and the map and legal descriptions will be updated accordingly.

B. A description of the facilities required to serve the development proposed in the area of the IRFD including those to be provided by the private sector, those to be provided by governmental entities without assistance under the IRFD Law, those improvements and facilities to be financed with assistance from the proposed IRFD, and those to be provided jointly. The description shall include the proposed location, timing, and costs of the improvements and facilities. See Section V for more details. As used herein, the facilities to be financed from the IRFD consist of both facilities (herein, "**Facilities**") and affordable housing (as defined herein, "**Housing Costs**" and together with the Facilities, the "**IRFD Improvements**").

C. A finding that the IRFD Improvements are of communitywide significance (see Section VI for more details).

D. A financing section, which shall contain all of the following information (see Section VII for more details):

1. A specification of the maximum portion of the incremental tax revenue of the City proposed to be committed to the IRFD for each year during which the IRFD will receive incremental tax revenue. The portion may change over time.

2. A projection of the amount of tax revenues expected to be received by the IRFD in each year during which the IRFD will receive tax revenues. **This is a projection and for illustrative purposes only based on currently expected land uses and development schedules; it is not a limit on the amount of tax increment that can be allocated to the IRFD on an annual basis. Actual results may vary.**

3. A plan for financing the IRFD Improvements, including a detailed description of any intention to incur debt.

4. A limit on the total number of tax increment dollars that may be allocated to the IRFD pursuant to this Infrastructure Financing Plan.

5. A date on which the IRFD will cease to exist, by which time all tax allocation, including any allocation of net available revenue, to the IRFD will end. The date shall not be more than 40 years from the date on which the ordinance forming the IRFD is adopted, or a later date, if specified by the ordinance on which the allocation of tax increment will begin. As discussed more completely in Section VII, the IRFD will consist of multiple project areas with varying tax increment commencement dates, so the IRFD will terminate on the same date as the final project area in the IRFD terminates. As set forth herein, the Board reserves the right to amend this Infrastructure Financing Plan to extend the 40-year duration of Project Areas and the period for allocation of tax increment within a Project Area if the IRFD Law is amended to allow a longer period.

No further vote of the qualified electors in the IRFD shall be required if the law is changed and the Board approves such an extension by ordinance. See "Future Amendments of this Infrastructure Financing Plan."

6. An analysis of the costs to the City of providing facilities and services to the area of the IRFD while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the City as a result of expected development in the area of the IRFD. **The analyses described in the two preceding sentences and set forth in this Infrastructure Financing Plan reflect certain assumptions and projections and, accordingly, are merely estimates for illustrative purposes only. Actual results may vary.**

7. An analysis of the projected fiscal impact of the IRFD and the associated development upon the City. **The analysis described in the preceding sentence and set forth in this Infrastructure Financing Plan reflects certain assumptions and projections and, accordingly, is merely an estimate for illustrative purposes only. Actual results may vary.**

8. A plan for financing any potential costs that may be incurred by reimbursing a developer of a project that is both located entirely within the boundaries of the IRFD and qualifies for the Transit Priority Project Program, pursuant to California Government Code Section 65470, including any permit and affordable housing expenses related to the project.

E. If any dwelling units occupied by persons or families of low or moderate income are proposed to be removed or destroyed in the course of private development or facilities construction within the area of the IRFD, a plan providing for replacement of those units and relocation of those persons or families consistent with the requirements of Section 53369.6 of the IRFD Law. See Section VII for a further discussion of the replacement housing plan.

Future Amendments of this Infrastructure Financing Plan.

1. General. The Board reserves the right, and nothing in this Infrastructure Financing Plan limits the ability of the Board, to update or amend this Infrastructure Financing Plan and the Development Agreements (as defined herein) in accordance with and subject to applicable law.

2. Amendments related to Changes in the IRFD Law. In addition, and in furtherance of the foregoing, the Board reserves the right to amend this Infrastructure Financing Plan by ordinance, and without any public hearing or vote of the qualified electors of the IRFD or other proceedings, for the following purposes:

(a) to extend the 40-year duration of Project Areas and the period for allocation of tax increment within a Project Area, if and to the extent the IRFD Law is amended to allow a longer period;

(b) to increase the maximum amount of bonded indebtedness and other debt for the IRFD based on the increased period of tax increment allocation described in the preceding clause (a);

(c) for the purpose of financing Housing Costs, to allocate to the IRFD (i) any property tax revenue that was not previously allocated to the IRFD, including but not limited to any ad valorem property tax revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and Taxation Code, if and to the extent the IRFD Law is amended to permit such an allocation, and (ii) subject to compliance with the DDA Financing Plan, the Conditional City Increment;

(d) to adopt any alternative amendment or annexation procedure with respect to the IRFD that is permitted by an amendment to the IRFD Law;

(e) to amend the list of IRFD Facilities as long as the Board finds that the resulting IRFD Facilities are permitted by the IRFD Law, will serve the development in the IRFD and are of communitywide significance; and

(f) to eliminate the requirement for the approval of qualified electors for actions related to the IRFD, the Project Areas and this Infrastructure Financing Plan if the IRFD Law is amended to eliminate any such requirement.

3. Amendments of IRFD and Project Area Boundaries Related to Tax Rate Areas. The Board of Supervisors anticipates that it will need to make future changes to the boundaries of the IRFD and the Project Areas in order to conform to final development parcels approved by the Board so that the California State Board of Equalization can assign tax rate areas to the Project Areas. Accordingly, the Board reserves the right, and nothing in this Infrastructure Financing Plan limits the ability of the Board, to amend the boundaries of the IRFD or the Project Areas by ordinance, and without any public hearing or vote of the qualified electors of the IRFD or other proceedings,

to the extent necessary to provide for the assignment of tax rate areas, as long as an independent fiscal consultant determines that the change will not impair the IRFD's ability to pay debt service on its bonds or, in and of themselves, reduce the debt service coverage on any bonds below the amount required to issue parity debt. For the avoidance of doubt, the authority to change the boundaries of the IRFD and the Project Areas pursuant to this Infrastructure Financing Plan applies to (i) the Initial Project Areas and (ii) each new Project Area created through annexation of property to the IRFD pursuant to Section IV, in each case as amended or expanded as described in this Infrastructure Financing Plan or permitted by the IRFD Law.

II. DESCRIPTION OF TREASURE ISLAND PROJECT

The Treasure Island project (the "**Project**") is currently intended to be comprised of approximately nine future development stages on the islands known as Treasure Island and Yerba Buena Island (collectively, "**Treasure Island**"). As detailed on Table 1, it is currently anticipated that the Project will include up to a total of 5,827 market rate residential units, 2,173 below market rate units, 451,000 square feet of retail, 100,000 square feet of commercial space, and 500 hotel rooms.

Appendix A contains a map of Yerba Buena Island and Treasure Island. It is anticipated that the territory planned to be developed as part of the Project that is not initially part of the IRFD will be annexed to the IRFD in the future, in accordance with the procedures set forth in the IRFD Law, the Resolution of Intention for the IRFD (Board of Supervisors Resolution No. 503-16, adopted by the Board of Supervisors on December 6, 2016 and approved by the Mayor on December 16, 2016), and this Infrastructure Financing Plan. If the anticipated future annexations to the IRFD occur as expected, the ultimate boundaries of the IRFD will encompass the entirety of the development parcels in the Project. A map and the legal description of the property initially contained in the IRFD is set forth in Appendix A, as such map and legal description have been amended.

The Project is being developed by Treasure Island Community Development, LLC, or permitted transferees, as the master developer ("**TICD**" or "**Developer**"). In connection with the development of the Project, (i) TICD and the Treasure Island Development Authority, a California non-profit public benefit corporation ("**TIDA**"), entered into the Disposition and Development Agreement dated June 28, 2011 (the "**TIDA DDA**") and (ii) TICD and the City entered into the Development Agreement dated June 28, 2011 (the "**City DA**" and along with the TIDA DDA, collectively, the "**Development Agreements**"). Attached to both the TIDA DDA and the City DA is the Financing Plan (the "**DDA Financing Plan**"), which discusses, among other things, facilities and Housing Costs (as such term is defined in the DDA Financing Plan) to be financed by the formation of an infrastructure financing district. Although the DDA Financing Plan discusses infrastructure district financing through legislation that is different than the IRFD Law (because the IRFD Law had not been created at the time), the City finds that the IRFD Law is a better vehicle for financing the Project and all references in the DDA Financing Plan to “IFD” or “IFD Act” shall mean “IRFD” and “IRFD Law,” respectively, and that the IRFD will be used to comply with the requirements of the DDA Financing Plan. Except for the change from IFD to IRFD and from IFD Act to IRFD Law, which has been agreed to by the Developer, nothing in this Infrastructure Financing Plan is intended to amend the Development Agreements.

The entirety of Treasure Island (not including certain lands retained by the U.S. Government) is entitled for development. Development will occur in Major Phases and Sub-Phases, as such terms are defined in and as completed in accordance with the TIDA DDA, as it may be revised from time to time.

Major Phase 1, which includes Yerba Buena, Stage 1, Stage 2, and Stage 3, has been approved by TIDA. The Major Phase application outlines the development plan for approximately 3,474 market rate residential homes, 827 below market rate units, 451,000 square feet of retail, 100,000 square feet of commercial space and 500 hotel rooms. The first two stages of Major Phase 1 – i.e., Yerba Buena and Stage 1 - have received sub-phase approval from TIDA, and development has commenced in these areas. It is these two stages of Major Phase 1 that comprise the Initial Project Areas (as defined herein) of the IRFD.

As Annexation Territory (as defined in Section IV) is annexed to the IRFD, information similar to the paragraph immediately above will be contained in the Annexation Supplement (as defined in Section IV) for each annexation of Annexation Territory.

The scope and timing of future stages are conceptual at this time, and will be determined by the demand for the finished homes on Treasure Island and based on the phasing of development consistent with the Development Agreements.

All new development is anticipated to be complete and fully absorbed by 2035. It is anticipated that there may be an approximate 2-year lag between the date that development is completed and the date the full assessed value of such development is reflected on the tax roll.

Table 1 – Projected Treasure Island Development – Project-Wide

Development*	Market Rate Units ("MRU")	Inclusionary Below Market Rate Units ("Inclusionary BMR")	TIDA Below Market Rate Units ("TIDA BMR")	Anticipated Construction Commencement Date for MRU and Inclusionary BMR (but not TIDA BMR)	Total Residential Square Footage	Hotel Rooms	Retail Square Footage	Commercial Square Footage
Yerba Buena Island	285	15	0	2017	528,000	50		
Stage 1	1825	96	196	2017	2,367,350	200		
Stage 2	745	19	107	2018	990,000	250	451,000	100,000
Stage 3	619	53	341	2019	1,101,800			
Stage 4	416	20	0	2020	479,600			
Stage 5	486	30	353	2022	961,000			
Stage 6	378	16	61	2022	515,500			
Stage 7	527	29	499	2023	1,211,900			
Stage 8	546	29	309	2026	971,400			
Totals	5,827	307	1,866		9,126,550	500	451,000	100,000

* Projected residential and Hotel developments may also include incidental commercial/retail improvements.

THE ANALYSIS DESCRIBED IN THIS SECTION AND SET FORTH IN THIS INFRASTRUCTURE FINANCING PLAN REFLECTS CERTAIN ASSUMPTIONS AND PROJECTIONS AND, ACCORDINGLY, IS MERELY AN ESTIMATE FOR ILLUSTRATIVE PURPOSES ONLY. ACTUAL RESULTS MAY VARY.

THE TYPE OF DEVELOPMENT AND THE NUMBER OF UNITS AND SQUARE FOOTAGE OF RETAIL/COMMERCIAL SPACE ARE BASED ON CURRENT PROJECTIONS; ACTUAL DEVELOPMENT MAY, AND WILL LIKELY, VARY. NOTHING IN THIS INFRASTRUCTURE FINANCING PLAN SHALL LIMIT THE ABILITY OF THE DEVELOPER TO REVISE THE SCOPE AND TIMING OF THE PROJECT.

Project Areas A-E. The IRFD will be initially formed over the property identified in the boundary map attached as Appendix A in five project areas (herein, each a "**Project Area**" and, collectively, the "**Initial Project Areas**") - Project Area A (consisting of Yerba Buena Island), Project Area B (consisting of part of Treasure Island Stage 1), Project Area C (consisting of part of Treasure Island Stage 1), Project Area D (consisting of part of Treasure Island Stage 1), and Project Area E (consisting of part of Treasure Island Stage 1). The anticipated maximum development in Project Areas A-E is shown in Table 2 below.

Table 2 – Treasure Island Private Development in Project Areas A-E

	Project Area A (Yerba Buena Island)	Project Area B (Treasure Island Stage 1)	Project Area C (Treasure Island Stage 1)	Project Area D (Treasure Island Stage 1)	Project Area E (Treasure Island Stage 1)	Totals
Townhomes	220	32	0	0	0	252
Low-Rise Residential	0	266	0	0	0	266
Mid-Rise Residential	80	159	0	0	0	239
High-Rise Residential	0	0	556	620	0	1,176
High-Rise Branded Condominiums	0	0	0	0	193	193
Rental Apartments	0	95	0	0	0	95
Total Residential Units	300	552	556	620	193	2,221
Market Rate Units	285 (95%)	497 (90%)	556 (100%)	579 (93%)	193 (100%)	2,110 (95%)
Inclusionary BMR Units[1]	15 (5%)	55 (10%)	0 (0%)	41 (7%)	0 (0%)	111 (5%)
Hotel Rooms	50	0	0	0	200	250
Total Residential Square Footage[2]	528,000	616,900	611,600	682,000	241,250	2,679,750

[1] Does not include the projected affordable units to be constructed by TIDA on TIDA-owned land (which will be exempt from taxation).

The numbers in Table 2 represent the current maximum density for the Initial Project Areas. ***The type of development and the number of units and square footage of retail/commercial space are based on current projections; actual development may, and will likely, vary. The Net Available Increment allocated to the IRFD will be based on the actual development within the IRFD.***

As Annexation Territory is annexed to the IRFD, information similar to Table 2 will be contained in the Annexation Supplement for each annexation of Annexation Territory.

III. DESCRIPTION OF THE PROPOSED IRFD

A. Boundaries of the IRFD

The amended map showing the boundaries of the IRFD (the "**Boundary Map**"), including each of the Initial Project Areas, and the amended legal description of the property in the IRFD, are attached hereto as Appendix A.

B. Project Areas

Pursuant to Section 53369.5 of the IRFD Law, the IRFD may be divided into separate Project Areas, each with distinct limitations. As shown on the Boundary Map, the IRFD will initially consist of five (5) Project Areas. Pursuant to Section IV herein, additional Project Areas may be designated in connection with the annexation of additional property to the IRFD.

C. Approval of Boundaries

The boundaries of the IRFD and the Initial Project Areas, and the procedures for amending the boundaries, were approved as described in "Section I - Introduction."

IV. PROCEDURE FOR ANNEXATION OF PROPERTY TO THE IRFD

A. Authority for Project Areas and Annexation

Section 53369.5(b) of the IRFD Law provides as follows:

> A district may include areas that are not contiguous. A district may be divided into project areas, each of which may be subject to distinct limitations established under this chapter. The legislative body may, at any time, add territory to a district or amend this infrastructure financing plan for the district by conducting the same procedures for the formation of a district or approval of bonds, if applicable, as provided pursuant to this chapter.

B. Findings of the Board

The Board hereby finds and determines as follows:

- The IRFD Law allows the annexation of property into an IRFD subsequent to the initial formation of the IRFD.

- The IRFD Law allows the creation of Project Areas within the boundaries of the IRFD that may have distinct limitations, and any tax increment generated from a Project Area is allocated to the IRFD.

- When property is annexed into the IRFD, a vote shall be required of the qualified electors of the territory to be annexed only.

- Property that is annexed into the IRFD may annex into an existing Project Area, in which case it will be subject to the limitations applicable to that Project Area, or into a separate and newly-created Project Area with unique limitations that are set forth in the Annexation Supplement (as defined below).

- This Infrastructure Financing Plan defines the procedures for the annexation of property into the IRFD, and such procedures are consistent with the Resolution of Intention and the IRFD Law.

C. Initiation of Annexation

Annexation of property to the IRFD shall be initiated by a petition executed by the owners of the property desiring to annex into the IRFD (the "**Annexation Territory**"). The petition shall include (i) the name of the owner(s) of the Annexation Territory, (ii) the legal description of the Annexation Territory (which may be by reference to Assessor's Parcel Numbers or lots on a recorded map), (iii) either the identity of the existing Project Area into which the Annexation Territory is to be annexed or a request to designate the Annexation Territory as a new Project Area, (iv) if the Annexation Territory is to be designated as a new Project Area, the Commencement Year (as defined in Section VII) for the new Project Area, (v) the anticipated amount of additional Bonds (as defined herein) that may be issued as a result of the allocation of the tax increment derived from the Annexation Territory, and (vi) authorization to use the Net Available Increment derived from the Annexation Territory and any additional Bond proceeds for purposes of financing the IRFD Improvements described in Section V.

D. Procedures for Annexation

This section summarizes the procedures for annexation of Annexation Territory to the IRFD. The intent of this section is to establish a clear process for each and every annexation of Annexation Territory, subject to any changes in the IRFD Law or any changes to this Infrastructure Financing Plan. Numerous annexations over time are expected.

1. <u>Adopt a Resolution of Intention to Annex</u>. Within sixty (60) days following the receipt of a petition for annexation, the Board shall adopt a resolution of intention to annex the applicable Annexation Territory into the IRFD (the "**Resolution of Intention to Annex**"). Each Resolution of Intention to Annex shall do all of the following:

a. State that annexation of the Annexation Territory to the IRFD is proposed under the terms of the IRFD Law and this Infrastructure Financing Plan and describe the boundaries of the Annexation Territory, which may be accomplished by reference to a map on file in the office of the clerk of the City, and shall include a legal description of the Annexation Territory.

b. Identify the existing Project Area into which the Annexation Territory is proposed to be annexed, or, if the property owners have requested that the Annexation Territory be annexed into the IRFD as a new Project Area, identify the name and location of the new Project Area.

c. Identify the Base Year for determining the Net Available Increment to be derived from the Annexation Territory, which shall be Fiscal Year 2016-17.

d. State that upon annexation of the Annexation Territory to the IRFD, the IRFD Improvements described in this Infrastructure Financing Plan may be financed with the Net Available Increment derived from the Annexation Territory, including any additional Bond proceeds that may be generated as the result of the increased allocation of Net Available Increment derived from the Annexation Territory.

e. If a new Project Area is requested, establish (i) the Commencement Year for when Net Available Increment from the Annexation Territory will commence to be allocated to the IRFD, which shall be the same as the Commencement Year identified in the petition of the landowners, unless the landowners of the Annexation Territory agree in writing to an alternative Commencement Year, and (ii) the termination date, which shall be 40 years after the Commencement Year (or such longer period permitted by the IRFD Law and approved by the Board).

f. Pursuant to resolution, the Board approved the issuance of Bonds for the Initial Project Areas of the IRFD in a maximum principal amount of (i) $780 million plus (ii) the amount approved by the Board and the qualified electors of the Annexation Territory in connection with each annexation of Annexation Territory to the IRFD. Therefore, each Resolution of Intention to Annex will state that the annexation of the Annexation Territory to the IRFD will include an authorization to issue a maximum additional principal amount of Bonds above the $780 million authorized for the Initial Project Areas. Such additional Bonds will be issued upon the same terms, and subject to the same limitations, as the Bonds set forth in the resolutions forming the IRFD.

g. State that Annexation Territory, if annexed to the IRFD, will be subject to the appropriations limit established for the IRFD.

h. Fix a time and place for a public hearing on the proposed annexation with the date of the public hearing to be no sooner than 60 days after the proposed Annexation Supplement (as defined below) of this Infrastructure Financing Plan has been sent to the Clerk of the Board.

2. Resolution of Intention to Issue Bonds. For each annexation, the Board shall adopt a resolution stating its intent to issue additional Bonds secured by the Net Available Increment for the IRFD as a whole as a result of the additional bonding capacity derived from the addition of the Annexation Territory. Any bonds issued in the IRFD will be secured by all of the property in the IRFD, including all Project Areas. The resolution shall contain the information described in Section 53369.41 of the IRFD Law.

3. Annexation Supplement. After adopting a Resolution of Intention to Annex, the Board will adopt a resolution designating and directing TIDA to prepare an appendix to this

Infrastructure Financing Plan for the applicable Annexation Territory (each an "**Annexation Supplement**"). Upon its completion, each Annexation Supplement will be sent to each landowner in the Annexation Territory, and the Board, as the legislative body of the only affected taxing entity, will approve such Annexation Supplement, and such Annexation Supplement will be a permanent part of this Infrastructure Financing Plan.

4. Distribution of Copies of Resolution of Intention to Annex; Notice of Public Hearing. The clerk of the Board shall mail a copy of each Resolution of Intention to Annex to each owner of land within the applicable Annexation Territory and to the Clerk of the Board. In addition, a notice of each public hearing shall be given by publication not less than once a week for four successive weeks in a newspaper of general circulation published in the City. The notice shall state that the IRFD will be used to finance public works, briefly describe the public works, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the IRFD and the Annexation Territory and state the day, hour, and place when and where any persons having any objections to the annexation of the Annexation Territory or the proposed Annexation Supplement, or the regularity of any of the prior proceedings, may appear before the Board and object to the annexation of the Annexation Territory or the adoption of the Annexation Supplement by the Board.

5. Conduct Public Hearing. The Board shall conduct a public hearing prior to approving any Annexation Supplement to this Infrastructure Financing Plan and approving the annexation of the Annexation Territory to the IRFD. The public hearing shall be called no sooner than 60 days after the applicable Annexation Supplement has been sent to each owner of property in the Annexation Territory. At the hour set in the required notices, the Board shall proceed to hear and pass upon all written and oral objections. The hearing may be continued from time to time. The Board shall consider all evidence and testimony for and against the annexation of the Annexation Territory and the adoption of the Annexation Supplement.

6. Calling Special Election.

a. At the conclusion of a public hearing on an annexation of Annexation Territory, the Board may adopt a resolution proposing such annexation and proposing adoption of the Annexation Supplement, or it may abandon the proceedings. In the resolution of annexation, the Board will submit the proposal to annex the Annexation Territory to the IRFD, the authorization to issue Bonds for the IRFD (as increased by the inclusion of the Annexation Territory), and the appropriations limit of the IRFD to the qualified electors of the Annexation Territory in an election that complies with Sections 53369.20-53369.22 of the IRFD Law.

b. For each annexation, the qualified electors for the election shall be the qualified electors for the applicable Annexation Territory only, as defined in Section 53369.20 of the IRFD Law.

7. Adoption of an Ordinance. After the canvass of returns of any election on the annexation of property to the IRFD, and if two-thirds of the votes cast by the qualified electors in the Annexation Territory upon the question of annexing the Annexation Territory to the IRFD are in favor of such annexation, the Board shall, by ordinance, adopt the Annexation Supplement and order the annexation of the Annexation Territory to the IRFD with full force and effect of law. The ordinance shall identify the Commencement Year if the Annexation Territory is designated as a new Project Area and the principal amount of the Bonds added to the maximum aggregate principal amount of Bonds for the IRFD as a result of the annexation. If two-thirds of the votes cast by the qualified electors in the Annexation Territory upon the question of annexing the Annexation Territory to the IRFD are not in favor of such annexation, the Board shall take no further action with respect to the proposed annexation of such Annexation Territory for one year from the date of the election.

V. DESCRIPTION OF THE FACILITIES REQUIRED TO SERVE THE PROJECT

Based on the information available to the City as of the date of this Infrastructure Financing Plan and subject to change, the following is a description of the facilities required to serve the Project.

A. Facilities to be Provided by the Private Sector

The Facilities required to serve development that will be provided by the private sector are as follows:

- Improvements to strengthen the perimeter of Treasure Island.
- Interior soil stabilization and raising the level of Treasure Island.
- Public infrastructure on Treasure Island, including roads and highways, curbs and gutters, sidewalks, streetlights, storm drains, water improvements, fire protections, recycled water improvements, storm drains, retaining walls, landscaping, conduit and cables, and other public utilities.
- Open space, parks and shoreline improvements.
- Improvements to the Ferry Terminal.
- Improvements required for development of the Project.

These Facilities are described in more detail in Appendix C.

These Facilities will be constructed throughout Treasure Island as development progresses (currently estimated to continue through 2035).

Some, but not all, of these Facilities are anticipated to be financed or reimbursed through the IRFD, consistent with the DDA Financing Plan. All of the Facilities listed in Appendix C under the caption “Facilities to be Provided by the Private Sector” are to be constructed by the Developer of the Project. To the extent not financed by the IRFD (or other forms of public finance, including Mello-Roos Financings (see subsection C of Section VII)), the costs listed in Appendix C under the caption “Facilities to be Provided by the Private Sector” will be borne by the Developer.

B. Facilities to be Provided by Governmental Entities Without Assistance from the IRFD

The City will construct a Wastewater Treatment Plant on Treasure Island expected to cost approximately $65 million. This Wastewater Treatment Plan will not be financed with assistance from the IRFD.

C. Facilities to be Financed with Assistance from the Proposed IRFD

The housing to be developed by TIDA and the Facilities required to serve development in the area of the IRFD, including anticipated Annexation Territories, are summarized in Appendix C. The Facilities include both those provided by the private sector and those provided by the public sector, and the Housing Costs include affordable housing to be provided by TIDA.

As set forth in Section VII and the DDA Financing Plan:

- 82.5% of Net Available Increment will be used to finance Facilities (directly or through Bonds);

- 17.5% of the Net Available Increment will be dedicated to TIDA to be used for Housing Costs (directly or through Bonds); and

- Once Developer has been paid or reimbursed for all Qualified Project Costs to which it is entitled for the Project as a whole (not just the Initial Project Areas) as defined in and in accordance with the Development Agreements, the City may dedicate 100% of the Net Available Increment to TIDA for Housing Costs or Facilities set forth on Appendix C as may be updated and approved by the TIDA Board and the City’s Board.

As shown, the total cost of the Facilities for the entire Project to be provided by the private sector in current dollars is estimated at approximately $1.9 billion.

As shown, the estimated Housing Costs to be incurred by TIDA in current dollars is approximately \$970 million. Housing Costs of affordable housing built by TIDA will be financed out of the 17.5% of the Net Available Increment allocated to TIDA for affordable housing until the Developer has been paid or reimbursed for all Qualified Project Costs to which it is entitled for the Project as a whole (not just the Initial Project Areas) under the Development Agreements; thereafter, 100% of the Net Available Increment may be used to financing Housing Costs to be incurred by TIDA.

As shown, the total cost of Facilities to be provided by TIDA or the City in current dollars is estimated at approximately \$250 million.

By mutual agreement, the City and Developer may agree to issue Facilities-only or affordable housing-only bonds to finance only Facilities or affordable housing, respectively, or divide the allocation in some other manner depending on the timing of construction expenditures, provided the overall allocation must satisfy the requirements of the DDA Financing Plan.

D. Facilities to be Provided Jointly by the Private Sector and Governmental Entities

None.

VI. COMMUNITYWIDE BENEFITS OF IRFD-FUNDED FACILITIES

The IRFD Improvements will substantially benefit not just the immediate Treasure Island neighborhood, but the City as a whole. Treasure Island will be transformed from its current condition into a new and vibrant neighborhood, with all new utility connections, streets, landscaping, passive and active open space, and transportation upgrades, as well as new commercial and residential uses. These new and improved amenities will both support the new community as well as draw visitors from within San Francisco as well as neighboring areas. The Treasure Island neighborhood is unique in that it contains a concentration of streets of citywide and regional importance because of its proximity to the Bay Bridge and the bridge's on- and off-ramps in the neighborhood, in addition to its proximity to the downtown, the City's major job center.

Treasure Island has been targeted as a key part of the City to absorb future growth per the Development Agreements. Funding the IRFD Improvements on Treasure Island will support and catalyze planned growth in the City. Should these IRFD Improvements not be funded and constructed, housing development on Treasure Island will be less robust and will be a less desirable area for growth, pushing development pressures into outlying areas of the City and the region, contrary to existing local and regional policies, which would exacerbate local and regional congestion, greenhouse gas emissions, and job-housing imbalance locally and regionally. By supporting growth on Treasure Island with necessary public infrastructure and improvements, future residents will be provided the option of taking the ferry or public transit to the East Bay or into the City center, and from there to take Muni, BART, or Caltrans. The transit hub on Treasure Island will be located within walking distance of every residence on Treasure Island and an on-island shuttle will bring residents from around Treasure Island to the Transit Hub, thereby reducing the need for any residents to drive. The construction of affordable housing will serve a significant communitywide benefit in helping to alleviate the regional housing crisis, particularly the significant need for affordable housing located near job centers. The open space program includes a 25-plus acre Sports Park providing flexible-programming athletic fields capable of supporting a variety of active recreational activities and team sports to foster healthy and active lifestyles for residents and visitors as well as providing needed regional service sports facilities and space for large gatherings and events. Additionally, passive uses of open space will be added, including urban farms, walking trails, and parks.

As described above, the construction of affordable housing will serve a significant communitywide benefit in helping to alleviate the regional housing crisis, particularly the significant need for affordable housing located near job centers.

The City and TIDA found that the IRFD Improvements are of community-wide significance in Section 3.2(b) of the DDA Financing Plan. The Board of Supervisors also found that the IRFD Improvements are of community-wide significance in the Resolution of Intention.

VII. FINANCING SECTION

The financing plan delineated in this Infrastructure Financing Plan is based on the best information available regarding the scope, timing, and value of future development. However, given the time horizon for the entire Project development and the conceptual nature of some of the planned developments, actual values may be different than the projections contained herein.

The IRFD will receive incremental property tax revenue that would otherwise be allocated to the City. No other taxing entity is affected by or participating in the IRFD. Consequently, the tax increment revenues as discussed in this Infrastructure Financing Plan means only the City Portion, as shown in Table 3 below. The version of Table 3 that was included in the Original Infrastructure Financing Plan has been amended as shown below in order to conform to existing law.

Table 3 – Distribution of 1% Property Tax Rate Among Taxing Agencies

		Adopted IFP	*Proposed Amended IFP*
City Portion			
City Pledged Portion	IRFD	56.69%	56.588206%
City Portion Not Dedicated to IRFD but Pledged as Conditional City Increment	General Fund (unless needed by the IRFD as set forth in the DDA Financing Plan)	8.00%	8.000000%
Total City Portion		64.69%	64.588206%
ERAF Portion			
Education Revenue Augmentation Fund		25.33%	25.330113%
Other Taxing Agencies			
San Francisco Unified School District		7.70%	7.698857%
San Francisco Community College Fund		1.44%	1.444422%
San Francisco County Office of Education			0.097335%
Bay Area Rapid Transit District		0.63%	0.632528%
Bay Area Air Quality Management District		0.21%	0.208539%
Total Other Taxing Agencies		9.98%	10.081681%
Total		**100.00%**	**100.000000%**

As used in this Infrastructure Financing Plan, and consistent with the DDA Financing Plan, the “City Pledged Portion” of the property tax amounts that are dedicated to the IRFD and shown in Table 3 above shall be referred to as "**Net Available Increment**" and the City Portion not dedicated to the IRFD but pledged if and as needed to pay debt service on Bonds shall be referred to as the "**Conditional City Increment**".

The IRFD will be funded solely from a diversion of the Net Available Increment that would otherwise be distributed to the General Fund. However, pursuant to the Development Agreements, the Conditional City Increment is pledged for the payment of Bonds issued by the IRFD to the extent Net Available Increment is not available to make a debt service payment (see Section VIII for a discussion of the pledge of the Conditional City Increment). Tax increment revenues payable to ERAF and the Other Taxing Agencies are not affected by or pledged to the IRFD.

As described herein, there are five Initial Project Areas in the IRFD. Each Project Area has its own limitations under the IRFD Law. The base year for the IRFD and each proposed and future Project Area shall be Fiscal Year 2016-2017, but the tax increment revenues will be allocated to each Project Area commencing in the applicable Commencement Year described below in Table 4 (the “**Commencement Year**”).

The Commencement Year shall be calculated separately for each Project Area. Tax increment shall be allocated to a Project Area on the first day of the fiscal year that follows the fiscal year in which at a certain amount of tax increment (i.e., the “**trigger amount**”) is generated in the Project

Area and received by the City, and ending 40 years thereafter (or such longer period, if permitted by the IRFD Law and approved by the Board). The trigger amount for each Initial Project Area is shown in Table 4.

Table 4 – Project Areas and Limitations

Project Area	Location	Base Year	Commencement Year	Last Year
A	Yerba Buena Island	2016-17	The Fiscal Year that follows the Fiscal Year in which at least $150,000 of tax increment is generated in the Project Area and received by the City.	40 years[2] following the Commencement Year
B	Treasure Island Stage 1	2016-17	The Fiscal Year that follows the Fiscal Year in which at least $150,000 of tax increment is generated in the Project Area and received by the City.	40 years[3] following the Commencement Year
C	Treasure Island Stage 1	2016-17	The Fiscal Year that follows the Fiscal Year in which at least $300,000 of tax increment is generated in the Project Area and received by the City.	40 years[3] following the Commencement Year
D	Treasure Island Stage 1	2016-17	The Fiscal Year that follows the Fiscal Year in which at least $300,000 of tax increment is generated in the Project Area and received by the City.	40 years[3] following the Commencement Year
E	Treasure Island Stage 1	2016-17	The Fiscal Year that follows the Fiscal Year in which at least $150,000 of tax increment is generated in the Project Area and received by the City.	40 years[3] following the Commencement Year

A table similar to Table 4 shall be set forth in the Annexation Supplement for each annexation of Annexation Territory.

The annual allocation of tax revenues to the IRFD by the City, as the sole affected taxing entity allocating tax revenues to the IRFD, is contingent upon the IRFD's use of such increment to pay

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[2] Or such longer period if allowed by the IRFD Law and approved by the Board.

for the costs of the IRFD Improvements, and to accomplish other authorized IRFD purposes, including to pay debt service on bonds issued to accomplish such purposes. Each annual allocation of tax revenues to the IRFD by the City under this Infrastructure Financing Plan shall be subject to this condition, and in no event may future allocations of tax revenues be accelerated. For the avoidance of doubt, nothing in the paragraph is intended to require the tax revenues to be immediately spent on such authorized IRFD purposes, it being specifically contemplated that tax revenues may be accumulated and spent for authorized IRFD purposes over time as provided in the IRFD Law.

A. Maximum portion of the incremental tax revenue of the City proposed to be committed to the IRFD for each year during which the IRFD will receive incremental tax revenue

As shown above in Table 3, the City receives 64.588206% of property tax increment generated within the IRFD, including 56.588206% which it dedicated and pledged in the DDA Financing Plan as Net Available Increment to finance the IRFD Improvements and 8.000000% which is dedicated as Conditional City Increment, but will accrue to the City's General Fund if not required for repayment of Bonds (as defined herein). Separately for each Project Area of the IRFD, property tax increment is calculated by applying the 1% base tax levy to incremental assessed property value[3] of the property in a Project Area. Incremental assessed property value is the difference between future assessed value of the property in the Project Area during any year for the Project Area and the aggregate assessed value of the Project Area's properties as shown upon the assessment roll used in connection with the taxation of the property by the City, last equalized prior to the effective date of the ordinance creating the IRFD pursuant to the IRFD Law, and referred to as the base year for the applicable Project Area (as shown in Table 4).

In the Development Agreements and by this Infrastructure Financing Plan, the City has agreed to allocate 100% of the Net Available Increment to the financing of the IRFD Improvements that qualify under the IRFD Law, until all of such IRFD Improvements are financed in full. **Therefore, the maximum portion of incremental tax revenue of the City proposed to be annually committed to the IRFD for each year during which the IRFD will receive incremental tax revenue is 56.588206% of the 1% base property tax levy, as shown above in Table 3 (subject to an additional contribution of the Conditional City Increment if needed as set forth in the DDA Financing Plan).**

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[3] While the current total property tax rate is 1.18%, voter-approved overrides comprise .18%. Therefore, the taxes that are potentially available for distribution are calculated from the 1% County-wide rate.

Under the DDA Financing Plan, the Developer and the City agreed that 17.5% of the Net Available Increment will be allocated to TIDA for Housing Costs. Section 53369.3 of the IRFD Law allows the financing of Housing Costs from tax increment. Consequently, 17.5% of all tax increment revenues that are allocated to the IRFD (as collected and paid annually and as collected from the proceeds of each sale of Bonds, unless otherwise agreed by the City) shall be put in a segregated account to be used by TIDA for Housing Costs. The remaining 82.5% will be used to finance the private sector improvements constituting a portion of the IRFD Improvements. As set forth above in Section V, once the Developer has been paid or reimbursed for all Qualified Project Costs to which it is entitled for the Project as a whole (not just the Initial Project Areas) under the Development Agreements, the City may dedicate 100% of the Net Available Increment to TIDA for Housing Costs or Facilities set forth on Appendix C approved by the TIDA Board and the City's Board.

For the Initial Project Areas, the base year aggregated assessed value of each Initial Project Area in the IRFD properties is anticipated to be $0. The new development anticipated within the Initial Project Areas of the IRFD is anticipated to be valued at $4.24 billion upon build-out in fiscal year 2030-31, resulting in an estimated $42.4 million of annual property tax increment and $24.0 million of annual Net Available Increment in fiscal year 2031-32.

82.5% of Net Available Increment will be used to finance Facilities and 17.5% will be available to TIDA for Housing Costs.

As Annexation Territory is annexed to the IRFD, information similar to the preceding paragraphs in this Section will be contained in the Annexation Supplement for each annexation of Annexation Territory.

This Subsection, as set forth in the Original Infrastructure Financing Plan, has been amended to reflect the changes shown in Table 3.

B. Projection of the amount of tax revenues expected to be received by the IRFD in each year during which the IRFD will receive tax revenues

The anticipated incremental assessed value, property tax increment, Net Available Increment, and Conditional City Increment for the Initial Project Areas of the IRFD are summarized in Table 5 below. The anticipated incremental assessed value, property tax increment, Net Available Increment, and Conditional City Increment for each individual Initial Project Area of the IRFD are summarized in Tables 5A – 5E below in nominal dollars.

The amounts shown in Table 5 and in Tables 5A – 5E are based on the best information available regarding the scope, timing, and value of future development. However, given the time horizon for the entire Project development and the conceptual nature of some of the planned developments, actual values may be different than the projections contained herein. In addition, because the commencement years and final years for receiving Net Available Increment is dependent on the timing of generation and receipt of Net Available Increment within each Project Area, the commencement and final years shown in Table 5 and Tables 5A – 5E are estimates only; actual dates for each Project Area may differ.

Table 5 and Tables 5A – 5E, as set forth in the Original Infrastructure Financing Plan, have been amended to reflect the changes shown in Table 3.

Table 5 – Projected IRFD Assessed Value and Allocation of Tax Increment to IRFD

Aggregate - All Project Areas						
Fiscal Year	Estimated Incremental Assessed Value ($000)	1%Tax Increment ($000)	Net Available Increment - 100% of City Pledged Portion ($000)	Net Available Increment to be Used for Housing Costs- 17.5% ($000)	Net Available Increment to be Used for Facilities - 82.5% ($000)	Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI ($000)
2018/19 (Commencement Yr)	$26,085	$261	$148	$26	$122	$21
2019/20	$187,965	$1,880	$1,064	$186	$878	$150
2020/21	$517,005	$5,170	$2,926	$512	$2,414	$414
2021/22	$789,244	$7,892	$4,466	$782	$3,685	$631
2022/23	$1,155,480	$11,555	$6,539	$1,144	$5,394	$924
2023/24	$1,572,223	$15,722	$8,897	$1,557	$7,340	$1,258
2024/25	$2,051,977	$20,520	$11,612	$2,032	$9,580	$1,642
2025/26	$2,392,416	$23,924	$13,538	$2,369	$11,169	$1,914
2026/27	$2,818,156	$28,182	$15,947	$2,791	$13,157	$2,255
2027/28	$3,275,178	$32,752	$18,534	$3,243	$15,290	$2,620
2028/29	$3,691,970	$36,920	$20,892	$3,656	$17,236	$2,954
2029/30	$3,989,524	$39,895	$22,576	$3,951	$18,625	$3,192
2030/31	$4,155,143	$41,551	$23,513	$4,115	$19,398	$3,324
2031/32	$4,244,730	$42,447	$24,020	$4,204	$19,817	$3,396
2032/33	$4,336,250	$43,362	$24,538	$4,294	$20,244	$3,469
2033/34	$4,429,744	$44,297	$25,067	$4,387	$20,680	$3,544
2034/35	$4,525,254	$45,253	$25,608	$4,481	$21,126	$3,620
2035/36	$4,622,824	$46,228	$26,160	$4,578	$21,582	$3,698
2036/37	$4,722,499	$47,225	$26,724	$4,677	$22,047	$3,778
2037/38	$4,824,323	$48,243	$27,300	$4,777	$22,522	$3,859
2038/39	$4,928,344	$49,283	$27,889	$4,881	$23,008	$3,943
2039/40	$5,034,609	$50,346	$28,490	$4,986	$23,504	$4,028
2040/41	$5,143,165	$51,432	$29,104	$5,093	$24,011	$4,115
2041/42	$5,254,064	$52,541	$29,732	$5,203	$24,529	$4,203
2042/43	$5,367,354	$53,674	$30,373	$5,315	$25,058	$4,294
2043/44	$5,483,088	$54,831	$31,028	$5,430	$25,598	$4,386
2044/45	$5,601,318	$56,013	$31,697	$5,547	$26,150	$4,481
2045/46	$5,722,098	$57,221	$32,380	$5,667	$26,714	$4,578
2046/47	$5,845,484	$58,455	$33,079	$5,789	$27,290	$4,676
2047/48	$5,971,532	$59,715	$33,792	$5,914	$27,878	$4,777
2048/49	$6,100,298	$61,003	$34,520	$6,041	$28,479	$4,880
2049/50	$6,231,842	$62,318	$35,265	$6,171	$29,094	$4,985
2050/51	$6,366,223	$63,662	$36,025	$6,304	$29,721	$5,093
2051/52	$6,503,503	$65,035	$36,802	$6,440	$30,362	$5,203
2052/53	$6,643,744	$66,437	$37,596	$6,579	$31,017	$5,315
2053/54	$6,787,011	$67,870	$38,406	$6,721	$31,685	$5,430
2054/55	$6,933,368	$69,334	$39,235	$6,866	$32,369	$5,547
2055/56	$7,082,883	$70,829	$40,081	$7,014	$33,067	$5,666
2056/57	$7,235,622	$72,356	$40,945	$7,165	$33,780	$5,788
2057/58	$7,391,657	$73,917	$41,828	$7,320	$34,508	$5,913
2058/59	$6,228,846	$62,288	$35,248	$6,168	$29,080	$4,983
2059/60	$2,815,585	$28,156	$15,933	$2,788	$13,145	$2,252
2060/61	$803,495	$8,035	$4,547	$796	$3,751	$643
2061/62	$820,555	$8,206	$4,643	$813	$3,831	$656
Cumulative Total over 44 year IRFD Term	n/a	$1,906,237	$1,078,705	$188,773	$889,932	$152,499

Table 5A – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area A

Project Area A - Yerba Buena Island						
Fiscal Year	Estimated Incremental Assessed Value ($000)	1%Tax Increment ($000)	Net Available Increment - 100% of City Pledged Portion ($000)	Net Available Increment to be Used for Housing Costs- 17.5% ($000)	Net Available Increment to be Used for Facilities - 82.5% ($000)	Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI ($000)
2018/19 (Commencement Yr)	$26,085	$261	$148	$26	$122	$21
2019/20	$85,054	$851	$481	$84	$397	$68
2020/21	$245,663	$2,457	$1,390	$243	$1,147	$197
2021/22	$369,072	$3,691	$2,089	$365	$1,723	$295
2022/23	$525,421	$5,254	$2,973	$520	$2,453	$420
2023/24	$628,252	$6,283	$3,555	$622	$2,933	$503
2024/25	$641,750	$6,417	$3,632	$636	$2,996	$513
2025/26	$655,537	$6,555	$3,710	$649	$3,060	$524
2026/27	$669,621	$6,696	$3,789	$663	$3,126	$536
2027/28	$684,007	$6,840	$3,871	$677	$3,193	$547
2028/29	$698,703	$6,987	$3,954	$692	$3,262	$559
2029/30	$713,714	$7,137	$4,039	$707	$3,332	$571
2030/31	$729,049	$7,290	$4,126	$722	$3,404	$583
2031/32	$744,713	$7,447	$4,214	$737	$3,477	$596
2032/33	$760,714	$7,607	$4,305	$753	$3,551	$609
2033/34	$777,058	$7,771	$4,397	$770	$3,628	$622
2034/35	$793,754	$7,938	$4,492	$786	$3,706	$635
2035/36	$810,810	$8,108	$4,588	$803	$3,785	$649
2036/37	$828,231	$8,282	$4,687	$820	$3,867	$663
2037/38	$846,028	$8,460	$4,788	$838	$3,950	$677
2038/39	$864,206	$8,642	$4,890	$856	$4,035	$691
2039/40	$882,776	$8,828	$4,995	$874	$4,121	$706
2040/41	$901,745	$9,017	$5,103	$893	$4,210	$721
2041/42	$921,122	$9,211	$5,212	$912	$4,300	$737
2042/43	$940,916	$9,409	$5,324	$932	$4,393	$753
2043/44	$961,135	$9,611	$5,439	$952	$4,487	$769
2044/45	$981,788	$9,818	$5,556	$972	$4,584	$785
2045/46	$1,002,886	$10,029	$5,675	$993	$4,682	$802
2046/47	$1,024,438	$10,244	$5,797	$1,014	$4,783	$820
2047/48	$1,046,452	$10,465	$5,922	$1,036	$4,885	$837
2048/49	$1,068,941	$10,689	$6,049	$1,059	$4,990	$855
2049/50	$1,091,912	$10,919	$6,179	$1,081	$5,098	$874
2050/51	$1,115,378	$11,154	$6,312	$1,105	$5,207	$892
2051/52	$1,139,349	$11,393	$6,447	$1,128	$5,319	$911
2052/53	$1,163,834	$11,638	$6,586	$1,153	$5,433	$931
2053/54	$1,188,846	$11,888	$6,727	$1,177	$5,550	$951
2054/55	$1,214,397	$12,144	$6,872	$1,203	$5,669	$972
2055/56	$1,240,496	$12,405	$7,020	$1,228	$5,791	$992
2056/57	$1,267,157	$12,672	$7,171	$1,255	$5,916	$1,014
2057/58	$1,294,391	$12,944	$7,325	$1,282	$6,043	$1,036
Cumulative Total over 40 IRFD Term	n/a	$335,454	$189,827	$33,220	$156,608	$26,836

Table 5B – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area B

Project Area B - Treasure Island Stage 1						
Fiscal Year	Estimated Incremental Assessed Value ($000)	1%Tax Increment ($000)	Net Available Increment - 100% of City Pledged Portion ($000)	Net Available Increment to be Used for Housing Costs- 17.5% ($000)	Net Available Increment to be Used for Facilities - 82.5% ($000)	Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI ($000)
2019/20 (Commencement Yr)	$71,899	$719	$407	$71	$336	$58
2020/21	$190,598	$1,906	$1,079	$189	$890	$152
2021/22	$337,812	$3,378	$1,912	$335	$1,577	$270
2022/23	$445,554	$4,456	$2,521	$441	$2,080	$356
2023/24	$537,685	$5,377	$3,043	$532	$2,510	$430
2024/25	$646,424	$6,464	$3,658	$640	$3,018	$517
2025/26	$660,326	$6,603	$3,737	$654	$3,083	$528
2026/27	$674,528	$6,745	$3,817	$668	$3,149	$540
2027/28	$689,036	$6,890	$3,899	$682	$3,217	$551
2028/29	$703,855	$7,039	$3,983	$697	$3,286	$563
2029/30	$718,994	$7,190	$4,069	$712	$3,357	$575
2030/31	$734,458	$7,345	$4,156	$727	$3,429	$588
2031/32	$750,255	$7,503	$4,246	$743	$3,503	$600
2032/33	$766,392	$7,664	$4,337	$759	$3,578	$613
2033/34	$782,877	$7,829	$4,430	$775	$3,655	$626
2034/35	$799,716	$7,997	$4,525	$792	$3,733	$640
2035/36	$816,917	$8,169	$4,623	$809	$3,814	$654
2036/37	$834,489	$8,345	$4,722	$826	$3,896	$668
2037/38	$852,438	$8,524	$4,824	$844	$3,980	$682
2038/39	$870,774	$8,708	$4,928	$862	$4,065	$697
2039/40	$889,505	$8,895	$5,034	$881	$4,153	$712
2040/41	$908,639	$9,086	$5,142	$900	$4,242	$727
2041/42	$928,184	$9,282	$5,252	$919	$4,333	$743
2042/43	$948,150	$9,482	$5,365	$939	$4,426	$759
2043/44	$968,546	$9,685	$5,481	$959	$4,522	$775
2044/45	$989,381	$9,894	$5,599	$980	$4,619	$792
2045/46	$1,010,665	$10,107	$5,719	$1,001	$4,718	$809
2046/47	$1,032,406	$10,324	$5,842	$1,022	$4,820	$826
2047/48	$1,054,615	$10,546	$5,968	$1,044	$4,923	$844
2048/49	$1,077,303	$10,773	$6,096	$1,067	$5,029	$862
2049/50	$1,100,478	$11,005	$6,227	$1,090	$5,138	$880
2050/51	$1,124,153	$11,242	$6,361	$1,113	$5,248	$899
2051/52	$1,148,337	$11,483	$6,498	$1,137	$5,361	$919
2052/53	$1,173,041	$11,730	$6,638	$1,162	$5,476	$938
2053/54	$1,198,277	$11,983	$6,781	$1,187	$5,594	$959
2054/55	$1,224,057	$12,241	$6,927	$1,212	$5,715	$979
2055/56	$1,250,391	$12,504	$7,076	$1,238	$5,837	$1,000
2056/57	$1,277,292	$12,773	$7,228	$1,265	$5,963	$1,022
2057/58	$1,304,773	$13,048	$7,383	$1,292	$6,091	$1,044
2058/59	$1,332,844	$13,328	$7,542	$1,320	$6,222	$1,066
Cumulative Total over 40 IRFD Term	n/a	$348,261	$197,074	$34,488	$162,586	$27,861

Table 5C – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area C

Project Area C - Treasure Island Stage 1						
Fiscal Year	Estimated Incremental Assessed Value ($000)	1%Tax Increment ($000)	Net Available Increment - 100% of City Pledged Portion ($000)	Net Available Increment to be Used for Housing Costs- 17.5% ($000)	Net Available Increment to be Used for Facilities - 82.5% ($000)	Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI ($000)
2020/21 (Commencement Yr)r	$36,972	$370	$209	$37	$173	$30
2021/22	$37,711	$377	$213	$37	$176	$30
2022/23	$90,938	$909	$515	$90	$425	$73
2023/24	$221,541	$2,215	$1,254	$219	$1,034	$177
2024/25	$379,388	$3,794	$2,147	$376	$1,771	$304
2025/26	$510,855	$5,109	$2,891	$506	$2,385	$409
2026/27	$740,918	$7,409	$4,193	$734	$3,459	$593
2027/28	$1,021,746	$10,217	$5,782	$1,012	$4,770	$817
2028/29	$1,043,884	$10,439	$5,907	$1,034	$4,873	$835
2029/30	$1,066,502	$10,665	$6,035	$1,056	$4,979	$853
2030/31	$1,089,609	$10,896	$6,166	$1,079	$5,087	$872
2031/32	$1,113,217	$11,132	$6,299	$1,102	$5,197	$891
2032/33	$1,137,337	$11,373	$6,436	$1,126	$5,310	$910
2033/34	$1,161,979	$11,620	$6,575	$1,151	$5,425	$930
2034/35	$1,187,156	$11,872	$6,718	$1,176	$5,542	$950
2035/36	$1,212,877	$12,129	$6,863	$1,201	$5,662	$970
2036/37	$1,239,156	$12,392	$7,012	$1,227	$5,785	$991
2037/38	$1,266,005	$12,660	$7,164	$1,254	$5,910	$1,013
2038/39	$1,293,435	$12,934	$7,319	$1,281	$6,038	$1,035
2039/40	$1,321,459	$13,215	$7,478	$1,309	$6,169	$1,057
2040/41	$1,350,091	$13,501	$7,640	$1,337	$6,303	$1,080
2041/42	$1,379,343	$13,793	$7,805	$1,366	$6,439	$1,103
2042/43	$1,409,229	$14,092	$7,975	$1,396	$6,579	$1,127
2043/44	$1,439,762	$14,398	$8,147	$1,426	$6,722	$1,152
2044/45	$1,470,957	$14,710	$8,324	$1,457	$6,867	$1,177
2045/46	$1,502,827	$15,028	$8,504	$1,488	$7,016	$1,202
2046/47	$1,535,389	$15,354	$8,688	$1,520	$7,168	$1,228
2047/48	$1,568,656	$15,687	$8,877	$1,553	$7,323	$1,255
2048/49	$1,602,643	$16,026	$9,069	$1,587	$7,482	$1,282
2049/50	$1,637,367	$16,374	$9,266	$1,621	$7,644	$1,310
2050/51	$1,672,843	$16,728	$9,466	$1,657	$7,810	$1,338
2051/52	$1,709,088	$17,091	$9,671	$1,692	$7,979	$1,367
2052/53	$1,746,118	$17,461	$9,881	$1,729	$8,152	$1,397
2053/54	$1,783,951	$17,840	$10,095	$1,767	$8,328	$1,427
2054/55	$1,822,603	$18,226	$10,314	$1,805	$8,509	$1,458
2055/56	$1,862,093	$18,621	$10,537	$1,844	$8,693	$1,490
2056/57	$1,902,438	$19,024	$10,766	$1,884	$8,882	$1,522
2057/58	$1,943,658	$19,437	$10,999	$1,925	$9,074	$1,555
2058/59	$1,985,770	$19,858	$11,237	$1,966	$9,271	$1,589
2059/60	$2,028,795	$20,288	$11,481	$2,009	$9,471	$1,623
Cumulative Total over 40 IRFD Term	n/a	$505,263	$285,919	$50,036	$235,883	$40,421

Table 5D – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area D

Project Area D - Treasure Island Stage 1						
Fiscal Year	Estimated Incremental Assessed Value ($000)	1%Tax Increment ($000)	Net Available Increment - 100% of City Pledged Portion ($000)	Net Available Increment to be Used for Housing Costs- 17.5% ($000)	Net Available Increment to be Used for Facilities - 82.5% ($000)	Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI ($000)
2019/20 (Commencement Yr)	$31,011	$310	$175	$31	$145	$25
2020/21	$43,773	$438	$248	$43	$204	$35
2021/22	$44,648	$446	$253	$44	$208	$36
2022/23	$45,541	$455	$258	$45	$213	$36
2023/24	$46,452	$465	$263	$46	$217	$37
2024/25	$111,750	$1,118	$632	$111	$522	$89
2025/26	$238,487	$2,385	$1,350	$236	$1,113	$191
2026/27	$375,254	$3,753	$2,123	$372	$1,752	$300
2027/28	$478,608	$4,786	$2,708	$474	$2,234	$383
2028/29	$835,222	$8,352	$4,726	$827	$3,899	$668
2029/30	$1,071,304	$10,713	$6,062	$1,061	$5,001	$857
2030/31	$1,174,127	$11,741	$6,644	$1,163	$5,481	$939
2031/32	$1,199,566	$11,996	$6,788	$1,188	$5,600	$960
2032/33	$1,225,557	$12,256	$6,935	$1,214	$5,722	$980
2033/34	$1,252,110	$12,521	$7,085	$1,240	$5,846	$1,002
2034/35	$1,279,239	$12,792	$7,239	$1,267	$5,972	$1,023
2035/36	$1,306,956	$13,070	$7,396	$1,294	$6,102	$1,046
2036/37	$1,335,274	$13,353	$7,556	$1,322	$6,234	$1,068
2037/38	$1,364,204	$13,642	$7,720	$1,351	$6,369	$1,091
2038/39	$1,393,762	$13,938	$7,887	$1,380	$6,507	$1,115
2039/40	$1,423,960	$14,240	$8,058	$1,410	$6,648	$1,139
2040/41	$1,454,813	$14,548	$8,233	$1,441	$6,792	$1,164
2041/42	$1,486,334	$14,863	$8,411	$1,472	$6,939	$1,189
2042/43	$1,518,538	$15,185	$8,593	$1,504	$7,089	$1,215
2043/44	$1,551,439	$15,514	$8,779	$1,536	$7,243	$1,241
2044/45	$1,585,054	$15,851	$8,970	$1,570	$7,400	$1,268
2045/46	$1,619,397	$16,194	$9,164	$1,604	$7,560	$1,296
2046/47	$1,654,484	$16,545	$9,362	$1,638	$7,724	$1,324
2047/48	$1,690,331	$16,903	$9,565	$1,674	$7,891	$1,352
2048/49	$1,726,955	$17,270	$9,773	$1,710	$8,062	$1,382
2049/50	$1,764,372	$17,644	$9,984	$1,747	$8,237	$1,411
2050/51	$1,802,600	$18,026	$10,201	$1,785	$8,415	$1,442
2051/52	$1,841,656	$18,417	$10,422	$1,824	$8,598	$1,473
2052/53	$1,881,559	$18,816	$10,647	$1,863	$8,784	$1,505
2053/54	$1,922,326	$19,223	$10,878	$1,904	$8,974	$1,538
2054/55	$1,963,976	$19,640	$11,114	$1,945	$9,169	$1,571
2055/56	$2,006,529	$20,065	$11,355	$1,987	$9,368	$1,605
2056/57	$2,050,004	$20,500	$11,601	$2,030	$9,570	$1,640
2057/58	$2,094,421	$20,944	$11,852	$2,074	$9,778	$1,676
2058/59	$2,139,800	$21,398	$12,109	$2,119	$9,990	$1,712
Cumulative Total over 40 IRFD Term	n/a	$500,314	$283,119	$49,546	$233,573	$40,025

Table 5E – Projected IRFD Assessed Value and Allocation of Tax Increment for Project Area E

Project Area E - Treasure Island Stage 1						
Fiscal Year	Estimated Incremental Assessed Value ($000)	1%Tax Increment ($000)	Net Available Increment - 100% of City Pledged Portion ($000)	Net Available Increment to be Used for Housing Costs- 17.5% ($000)	Net Available Increment to be Used for Facilities - 82.5% ($000)	Conditional City Increment Available for Bond Debt Service Coverage - 8.00% of TI ($000)
2022/23 (Commencement Yr)	$48,026	$480	$272	$48	$224	$38
2023/24	$138,292	$1,383	$783	$137	$646	$111
2024/25	$272,665	$2,727	$1,543	$270	$1,273	$218
2025/26	$327,210	$3,272	$1,852	$324	$1,528	$262
2026/27	$357,835	$3,578	$2,025	$354	$1,671	$286
2027/28	$401,781	$4,018	$2,274	$398	$1,876	$321
2028/29	$410,305	$4,103	$2,322	$406	$1,916	$328
2029/30	$419,010	$4,190	$2,371	$415	$1,956	$335
2030/31	$427,900	$4,279	$2,421	$424	$1,998	$342
2031/32	$436,979	$4,370	$2,473	$433	$2,040	$350
2032/33	$446,250	$4,463	$2,525	$442	$2,083	$357
2033/34	$455,719	$4,557	$2,579	$451	$2,128	$365
2034/35	$465,389	$4,654	$2,634	$461	$2,173	$372
2035/36	$475,264	$4,753	$2,689	$471	$2,219	$380
2036/37	$485,349	$4,853	$2,747	$481	$2,266	$388
2037/38	$495,648	$4,956	$2,805	$491	$2,314	$397
2038/39	$506,166	$5,062	$2,864	$501	$2,363	$405
2039/40	$516,908	$5,169	$2,925	$512	$2,413	$414
2040/41	$527,878	$5,279	$2,987	$523	$2,464	$422
2041/42	$539,081	$5,391	$3,051	$534	$2,517	$431
2042/43	$550,521	$5,505	$3,115	$545	$2,570	$440
2043/44	$562,205	$5,622	$3,181	$557	$2,625	$450
2044/45	$574,138	$5,741	$3,249	$569	$2,680	$459
2045/46	$586,324	$5,863	$3,318	$581	$2,737	$469
2046/47	$598,768	$5,988	$3,388	$593	$2,795	$479
2047/48	$611,478	$6,115	$3,460	$606	$2,855	$489
2048/49	$624,457	$6,245	$3,534	$618	$2,915	$500
2049/50	$637,712	$6,377	$3,609	$632	$2,977	$510
2050/51	$651,249	$6,512	$3,685	$645	$3,040	$521
2051/52	$665,073	$6,651	$3,764	$659	$3,105	$532
2052/53	$679,192	$6,792	$3,843	$673	$3,171	$543
2053/54	$693,610	$6,936	$3,925	$687	$3,238	$555
2054/55	$708,335	$7,083	$4,008	$701	$3,307	$567
2055/56	$723,373	$7,234	$4,093	$716	$3,377	$579
2056/57	$738,730	$7,387	$4,180	$732	$3,449	$591
2057/58	$754,414	$7,544	$4,269	$747	$3,522	$604
2058/59	$770,432	$7,704	$4,360	$763	$3,597	$616
2059/60	$786,789	$7,868	$4,452	$779	$3,673	$629
2060/61	$803,495	$8,035	$4,547	$796	$3,751	$643
2061/62	$820,555	$8,206	$4,643	$813	$3,831	$656
Cumulative Total over 40 IRFD Term	n/a	$216,945	$122,765	$21,484	$101,281	$17,356

The Board will allocate the Net Available Increment to the IRFD, which will be applied to meet all of its obligations, including: (A) for 82.5% of the Net Available Increment (i) accumulation and expenditure on Facilities, and (ii) payment of debt service, debt service coverage requirements, and replenishment of any debt service reserve fund for Bonds secured by the 82.5% of the Net Available Increment; and (B) for 17.5% of the Net Available Increment (i) accumulation and expenditure on Housing Costs, and (ii) payment of debt service, debt service coverage requirements, and replenishment of any debt service reserve fund for Bonds secured by the 17.5% of the Net Available Increment.

As Annexation Territory is annexed into the IRFD, the Annexation Supplement shall contain a table similar to the tables above for the tax increment revenues expected from each annexation of Annexation Territory.

C. Plan for financing the IRFD Improvements, including a detailed description of any intention to incur debt

The IRFD Improvements will be financed through a combination of annual tax increment revenue allocated to the IRFD (in the manner permitted by the IRFD Law, including, without limitation, Section 53369.2), as well as indebtedness (herein, "**Bonds**") secured by the property tax increment committed to the IRFD.

Under proceedings to form the IRFD, the IRFD is authorized to issue, in one or more series, up to (i) $780 million in Bonds, plus (ii) the amount approved by the Board and the qualified electors of the Annexation Territory in connection with each annexation of Annexation Territory to the IRFD. Pursuant to the IRFD Law, the Board intends to issue Bonds, in one or more series, secured by the Net Available Increment generated from all Project Areas in the IRFD. The Bonds may be taxable or tax-exempt, and may be current-interest bonds, capital appreciation bonds, fixed-rate bonds, or variable-rate bonds. Pursuant to Section 53369.14(d)(5) of the IRFD Law, the Board may issue Bonds with a final maturity date of up to 30 years from the date of issuance.

As Annexation Territory is annexed to the IRFD, the Annexation Supplement for each annexation shall estimate the additional bond capacity that results from the tax increment revenue to be generated by the Annexation Territory.

D. Limit on the total number of dollars of taxes that may be allocated to the IRFD pursuant to this Infrastructure Financing Plan

It is estimated that:

- a total of $1.079 billion of Net Available Increment and $152 million of Conditional City Increment[4] will be generated within the Initial Project Areas of the IRFD over the life of the IRFD to finance the IRFD Improvements,

- plus additional amounts of Net Available Increment and Conditional City Increment generated from Annexation Territory annexed to the IRFD following approval of such annexation by the Board and the qualified electors within such Annexation Territory.

The amount generated within the Initial Project Areas represents 100% of the total tax increment that would otherwise be allocated to the General Fund of the City from the properties in the Initial Project Areas of the IRFD over the life of the IRFD. This amount is necessary to fund debt service on the Bonds used to fund the private sector Facilities and is expected to be sufficient to pay any pay-as-you-go administrative and capital expenses for the Initial Project Areas.

The annual allocation of tax increment to the IRFD for purposes of Section 53369.30(b) of the IRFD Law shall be the amount appropriated by the Board for deposit in the special fund or funds established for the IRFD; provided, however, that the Board hereby commits to appropriate and, therefore, allocate Net Available Increment from the Initial Project Areas to (i) to pay debt service on any Bonds issued for the IRFD and to comply with any other covenants related to Bonds issued for the IRFD as set forth in the Development Agreements and the approval actions relating to each Bond issuance and (ii) reimburse the Developer in accordance with the DDA Financing Plan.

After providing an allowance for variations in future inflation, it has been determined that the total nominal number of tax increment dollars to be allocated to the Initial Project Areas of the IRFD over the life of the IRFD shall not exceed $1.53 billion of Net Available Increment and $216 million of Conditional City Increment. The combined total of Net Available Increment and Conditional City Increment allocated to the Initial Projects Areas of the IRFD shall not exceed $1.75 billion. The IRFD cash flow projection assuming these factors is set forth in Appendix D, Table 1 (Net Available Increment) and Table 2 (Conditional City Increment). This Subsection and Appendix D, as set forth in the Original Infrastructure Financing Plan, have been amended to reflect the changes shown in Table 3.

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[4] The use of Conditional City Increment is restricted as described in Section VIII.

As Annexation Territory is annexed to the IRFD, the increase in the allocation of tax increment dollars to the IRFD as a result of the annexation of Annexation Territory, along with information similar to that set forth above, shall be included in the Annexation Supplement for each annexation of the Annexation Territory.

E. IRFD termination date by Project Area

Each Initial Project Area of the IRFD will terminate forty (40) years (or such longer period as allowed by the IRFD Law and approved by the Board) from the date specified as the Commencement Year, as shown in Table 4 and in any corresponding table in an Annexation Supplement. As additional land is annexed to the IRFD into its own Project Area, the termination date will be the fortieth (40^{th}) year (or such longer period as allowed by the IRFD Law and approved by the Board) from the date specified in the Annexation Supplement as the Commencement Year (which may be any year selected by the land owner annexing into the IRFD). See Table 4 for a list of the termination dates for the Initial Project Areas.

As Annexation Territory is annexed to the IRFD, a table similar to Table 4 shall be included in the Annexation Supplement for each annexation of Annexation Territory. The IRFD will terminate on the same date as the final Project Area (as may be created by annexation of Annexation Territory) in the IRFD terminates.

F. Analysis of City service costs and revenues to be generated by the Project

An assessment of the annual revenue and cost impacts of the entire Project on the City is presented in Appendix B. As shown, net of revenues allocated to the IRFD, the Project is expected to generate an annual surplus to the City (i.e., the General Fund, the MTA Fund, the Library Fund, and the Children's Fund) during construction and upon buildout. The diversion of revenues to the IRFD is not anticipated to adversely impact the City's ability to provide services to the area. Upon stabilization, the IRFD properties are anticipated to annually generate a net surplus of $11.1 million to the City after the diversion to the IRFD and payment of all Bonds. The annual surplus upon stabilization to the City's General Fund is anticipated to total $7.4 million.

The fiscal impact analysis attached to this Infrastructure Financing Plan as Appendix B has been amended from the version attached to the Original Infrastructure Financing Plan only to reflect the reduced amount of tax increment allocated to the IRFD in order to conform to existing law, as shown in Table 3.

G. Analysis of fiscal impact of IRFD on each affected taxing entity

The only taxing entity that is affected by the IRFD is the City. The impacts on the General Fund of the City are detailed in the fiscal impact analysis provided as Appendix B. The fiscal impact analysis attached to this Infrastructure Financing Plan as Appendix B has been amended from the version attached to the Original Infrastructure Financing Plan only to reflect the reduced amount of tax increment allocated to the IRFD in order to conform to existing law, as shown in Table 3. See Appendix B and subsection F above.

H. Transit Priority Project Program analysis

As part of the Project entitlements, the City created an innovative and robust transit and transportation program designed to reduce private automobile use. The parameters of the development, including building heights, densities, the affordable housing program and the transportation program, were approved as an integrated whole in June 2011. The City does not currently intend to provide any increase in densities under the Transit Priority Project Program set forth in Government Code Section 65470(c). To the extent that the City and Developer may apply for state or federal funds as a transit priority project under Government Code Section 65470 or any other state or federal law, nothing in this subsection H shall prevent such application or award.

I. Replacement Housing

The plan providing for the replacement of dwelling units occupied by persons or families of low or moderate income proposed to be removed or destroyed in the course of private development or facilities construction within the area of the IRFD and the relocation of such persons or families consistent with Section 53369.6 of the IRFD Law is set forth in the TIDA DDA Housing Plan (the "**Housing Plan**"), which is shown as Exhibit E to the TIDA DDA. Furthermore, in order to comply with Sections 53369.6(d) and 53369.6(e) of the IRFD Law and other applicable laws, TIDA adopted the Transition Housing Rules and Regulations (the "**THRRs**") to provide certain benefits to households legally occupying the housing units at the time they are required to move in connection with the Project, including for pre-DDA households the opportunity to occupy transition units, moving benefits, and down-payment assistance. All occupants are also provided with advisory services in accordance with applicable law. The TIDA DDA provides that, as a mutual condition to close on any Sub-Phase and transfer from TIDA to Developer, the THRRs must be implemented as to all units in that Sub-Phase. Finally, the Housing Plan provides that the Developer shall not have the right to demolish any existing occupied residential units on Yerba Buena Island or Treasure Island until the Transition Requirements, as defined in Section 10.3.3(h) of the TIDA DDA have been satisfied. For the complete terms of the foregoing provisions, reference is hereby made to the TIDA DDA and the Housing Plan.

Those portions of the Initial Project Areas that are not currently owned by TIDA were transferred to the Developer by TIDA on February 22, 2016. The Developer commenced demolition of improvements in the Initial Project Areas in March, 2016. Demolition on Yerba Buena Island was completed in August, 2016; demolition on Treasure Island is expected to be completed in December, 2016. In the Initial Project Areas, a total of 70 residential units were demolished. These 70 units are the total units demolished in the Initial Project Areas – both market and low-income units. None of these 70 units were occupied at the time of demolition.

Under the Housing Plan, in the Initial Project Areas, the Developer is constructing approximately 111 low-income units, and TIDA is expected to construct approximately 196 low-income units. Accordingly, the number of low-income units being constructed in the Initial Project Areas far exceeds the number of low-income units demolished in such area. A minimum of 70 replacement units will be constructed prior to the end of the 4-year time period required by Section 53369.6 of the IRFD Law.

The Board finds that the satisfaction of the conditions for demolition and replacement housing in the Housing Plan, including the THRRs, satisfies Section 53369.6 of the IRFD Law as it relates to the Initial Project Areas.

As used in this section, the term "**low-income unit**" means a unit occupied by persons or families of low or moderate income at affordable housing cost (as defined in California Health and Safety Code Section 50052.5) or affordable rent (as defined in California Health and Safety Code Section 50053).

As Annexation Territory is annexed to the IRFD, if dwelling units are to be demolished, a section similar to this subsection I shall be included in the Annexation Supplement for each annexation of Annexation Territory.

VIII. MISCELLANEOUS PROVISIONS

A. *Conditional City Increment*

Under Section 3.3(e) of the DDA Financing Plan, the Developer and the City agreed that the City would allocate the "Conditional City Increment" to the IRFD for the limited purpose of paying debt service on Bonds in the event that the Net Available Increment is insufficient for that purpose. The Conditional City Increment is identified in Table 3.

In connection with the issuance of Bonds, the Conditional City Increment shall be added to the Net Available Increment when determining coverage on the Bonds and such amounts shall be pledged to the payment of debt service on the Bonds. However, in any given year, should the Net Available Increment be sufficient to cover the debt service on the Bonds, the Conditional City Increment shall not be remitted to the IRFD, or, if previously remitted to the IRFD, shall be returned to the City.

If the Conditional City Increment is ever used to pay debt service on Bonds, then in future years after first paying or setting aside amounts needed for debt service due during such Fiscal Year on Bonds for the IRFD secured by or payable from Net Available Increment, the IRFD shall repay the City out of Net Available Increment for any Conditional City Increment used to pay debt service on Bonds in an amount equal to the Conditional City Increment used to pay debt service on the Bonds plus interest through the date of repayment of the amount of Conditional City Increment used to pay debt service on the Bonds at the Default Interest Rate (as defined in the DDA Financing Plan).

B. *Limitations on Receipt of Tax Increment Revenues*

The Developer agreed to certain restrictions on the receipt of Net Available Increment under certain circumstances. Accordingly, the limitations on receipt of Net Available Increment described in Sections 3.8 and 3.9 of the DDA Financing Plan are incorporated into this Infrastructure Financing Plan.

C. *Mello-Roos Financing*

Under the DDA Financing Plan, the City and the Developer agreed to form one or more community facilities districts (each a "**CFD**") under the Mello-Roos Community Facilities Act of 1982 (the "**CFD Act**") to finance various facilities. Some of the Facilities are also eligible for financing by the CFD. The Developer and the City intend to use both the CFDs and the IRFD to fund all of the eligible facilities required to be constructed for the Project. In addition, the TIDA Board and the Board may authorize Net Available Increment be used to pay debt service on one or more CFDs.

D. *Validation*

In Case No. CGC-17-557496, the Superior Court of the State of California issued a judgment on May 9, 2018, as to the validity of the Original Infrastructure Financing Plan, including any amendments of the Original Infrastructure Financing Plan consistent with the IRFD Law.

The amendments of the Original Infrastructure Financing Plan set forth in this Infrastructure Financing Plan are consistent with the IRFD Law and, therefore, this Infrastructure Financing Plan is legal, valid and binding.

Legal Description:

Project Area A

- Legal for 1Y (APN NO. 8948-001)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 19 AS SHOWN ON FINAL TRANSFER MAP NO. 8674, FILED FOR RECORD ON DECEMBER 7, 2015 IN BOOK FF OF SURVEY MAPS AT PAGES 177 THROUGH 192, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for 2Y-H (APN NO. 8949-002)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 2 AS SHOWN ON FINAL MAP 9228, FILED FOR RECORD ON APRIL 19, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 7 TO 23, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for 3Y (APN NO. 8952-001)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 003 AS SHOWN ON FINAL MAP NO. 9856, FILED FOR RECORD ON JULY 10, 2020 IN BOOK 1 OF FINAL MAPS AT PAGES 48 TO 63, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for 4Y (APN NOS.: 8954-004, 8954-005)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

ALL OF LOTS 001 AND 002 AS SHOWN ON FINAL MAP NO. 9856, FILED FOR RECORD ON JULY 10, 2020 IN BOOK 1 OF FINAL MAPS AT PAGES 48 TO 63, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

Project Area B

- Legal for B1-A (APN NOS.: 8901-003, 8901-004)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOTS 13 AND 14 AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 170 TO 179, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for C2.2 (APN NO. 8903-004)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 8 AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 170 TO 179, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for C2.3 (APN NO. 8904-004)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 3 AS SHOWN ON FINAL MAP NO. 10297, FILED FOR RECORD ON APRIL 4, 2021 IN BOOK 1 OF FINAL MAPS AT PAGES 187 TO 191, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for C3.3 and C3.4 (APN NOS.: 8906-005 & 8906-006 or 8906-009)
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 1 AS SHOWN ON FINAL MAP NO. 10297, FILED FOR RECORD ON APRIL 4, 2021 IN BOOK 1 OF FINAL MAPS AT PAGES 187 TO 191, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

Project Area C

- <u>Legal for C1.1 and C1.2 (APN NO. 8902-004)</u>
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 12 AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 170 TO 179, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

Project Area D

- <u>Legal for C2.1 (APN NO. 8902-003)</u>
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 7 AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 170 TO 179, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- <u>Legal for C3.5 (APN NOS.: 8906-007, 8906-008)</u>
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOTS 2 AND 6 AS SHOWN ON FINAL MAP NO. 10297, FILED FOR RECORD ON APRIL 4, 2021 IN BOOK 1 OF FINAL MAPS AT PAGES 187 TO 191, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

Project Area E

- <u>Legal for C2.4 (APN NO.: 8904-005)</u>
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT 10 AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 170 TO 179, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- <u>Legal for C2-H (APN NO.: 8904-006)</u>
  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

ALL OF LOT 11 AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 7 TO 23, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for APN NO. 1939-107

  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT F AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 7 TO 23, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for APN NO. 1939-111

  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT J AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 7 TO 23, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

- Legal for APN NO. 1939-112

  All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

  ALL OF LOT K AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 7 TO 23, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

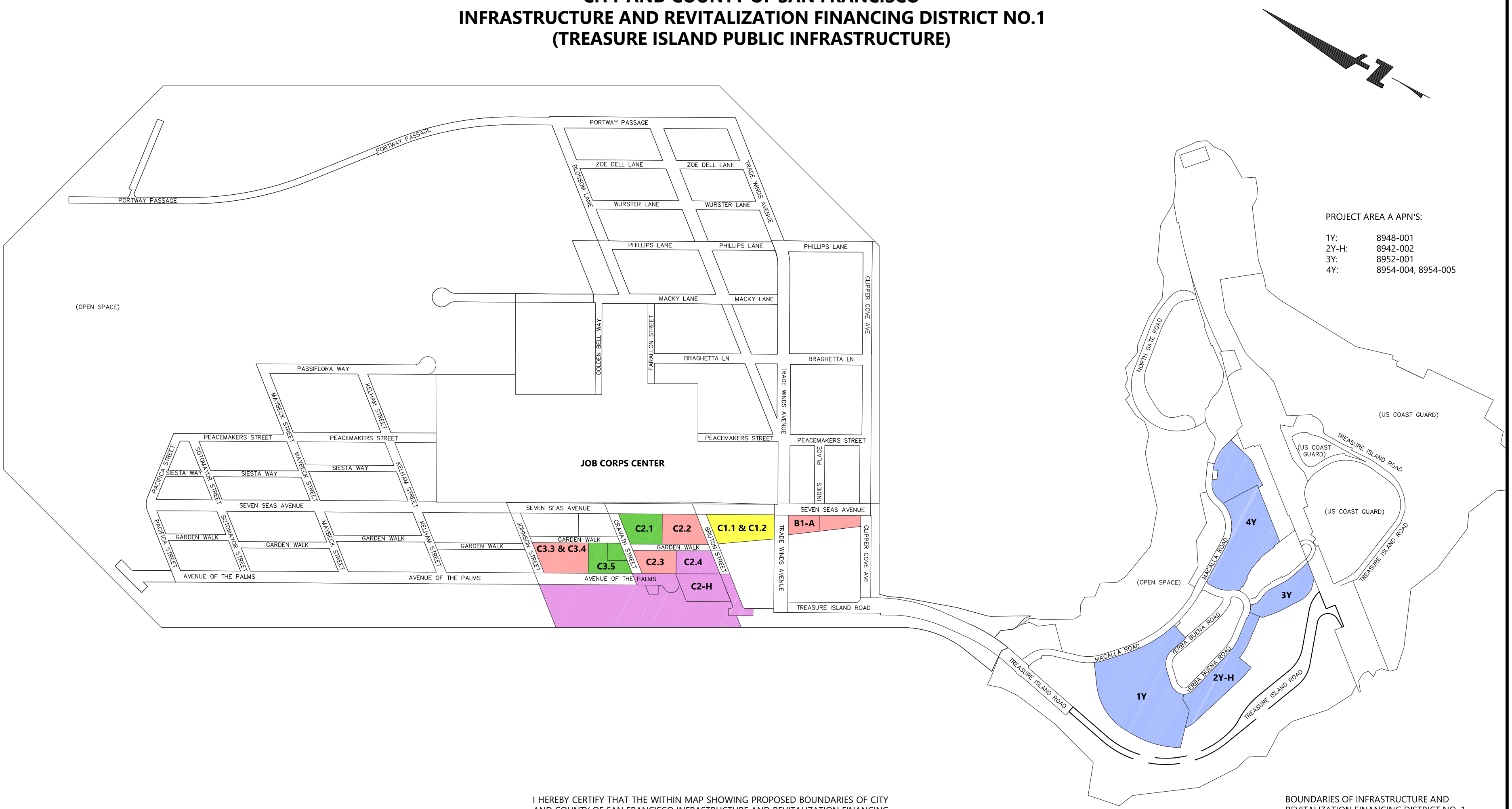
- Legal for APN NO. 1939-116

All that real property situate in the City and County of San Francisco, State of California and being more particularly described as follows:

ALL OF LOT P AS SHOWN ON FINAL MAP NO. 9235, FILED FOR RECORD ON SEPTEMBER 13, 2018 IN BOOK 134 OF CONDOMINIUM MAPS AT PAGES 7 TO 23, OFFICIAL RECORDS OF SAN FRANCISCO COUNTY.

Amended Boundary Map:

PROPOSED BOUNDARIES OF
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1
(TREASURE ISLAND PUBLIC INFRASTRUCTURE)



PROJECT AREA A APN'S:

1Y:	8948-001
2Y-H:	8942-002
3Y:	8952-001
4Y:	8954-004, 8954-005

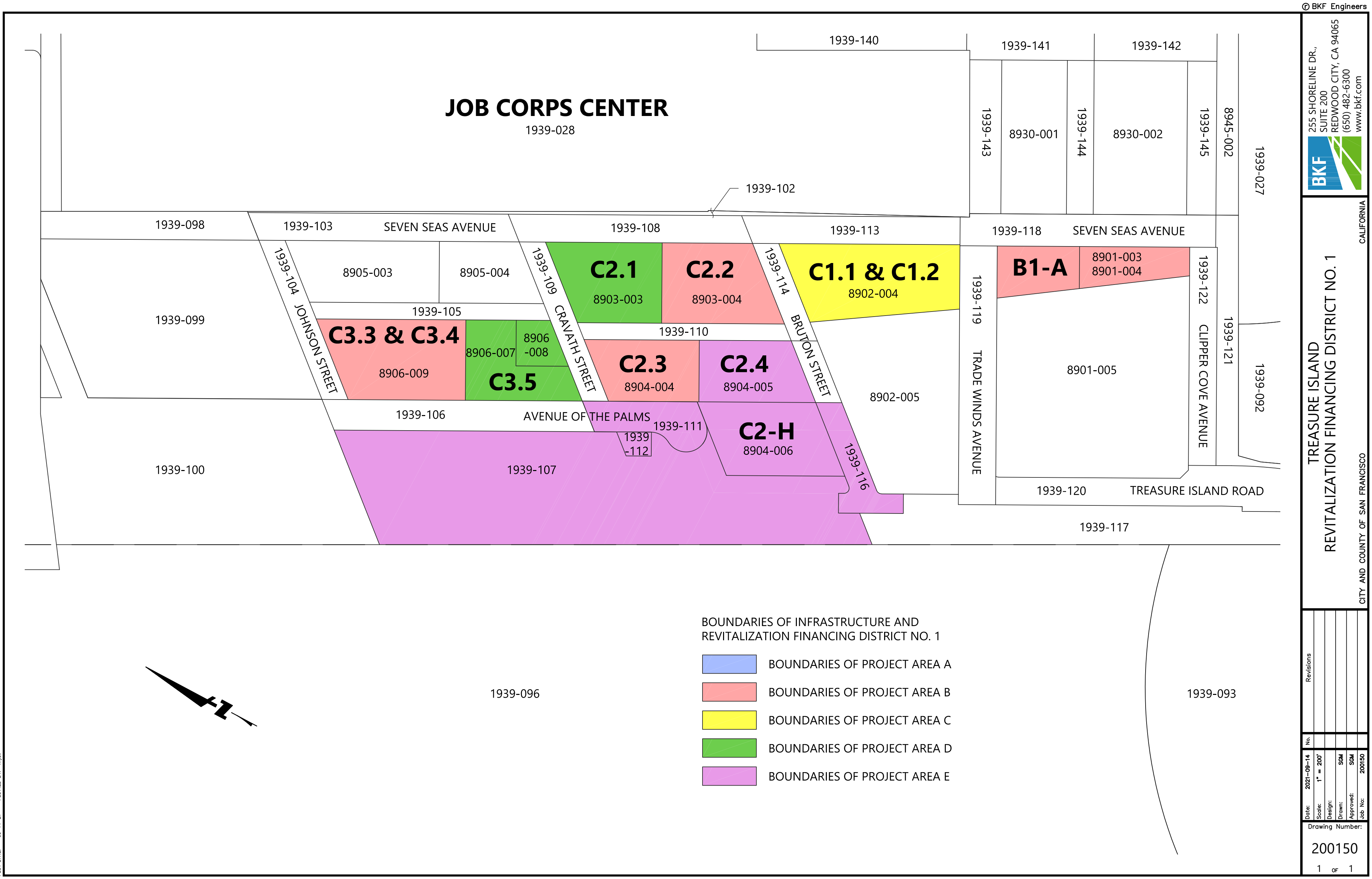
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1 (TREASURE ISLAND PUBLIC INFRASTRUCTURE) WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, AT A REGULAR MEETING THEREOF, HELD ON THE 15th DAY OF FEBRUARY, 2022, BY ITS ORDINANCE NO. 29-22.

(CLERK OF THE BOARD OF SUPERVISORS)

BOUNDARIES OF INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1

- BOUNDARIES OF PROJECT AREA A
- BOUNDARIES OF PROJECT AREA B
- BOUNDARIES OF PROJECT AREA C
- BOUNDARIES OF PROJECT AREA D
- BOUNDARIES OF PROJECT AREA E

BKF


JOB CORPS CENTER
1939-028
1939-140
1939-141
1939-142
1939-143
8930-001
1939-144
8930-002
1939-145
8945-002
1939-027
1939-102
1939-098
1939-103
SEVEN SEAS AVENUE
1939-108
1939-113
1939-118
SEVEN SEAS AVENUE
1939-104
8905-003
8905-004
1939-109
C2.1
8903-003
C2.2
8903-004
1939-114
C1.1 & C1.2
8902-004
1939-119
B1-A
8901-003
8901-004
1939-122
1939-099
1939-105
JOHNSON STREET
C3.3 & C3.4
8906-009
8906-007
8906
-008
C3.5
CRAVATH STREET
1939-110
C2.3
8904-004
C2.4
8904-005
BRUTON STREET
8902-005
TRADE WINDS AVENUE
8901-005
CLIPPER COVE AVENUE
1939-121
1939-092
1939-106
AVENUE OF THE PALMS
1939-111
1939
-112
C2-H
8904-006
1939-116
1939-100
1939-107
1939-120
TREASURE ISLAND ROAD
1939-117
BOUNDARIES OF INFRASTRUCTURE AND
REVITALIZATION FINANCING DISTRICT NO. 1
BOUNDARIES OF PROJECT AREA A
BOUNDARIES OF PROJECT AREA B
BOUNDARIES OF PROJECT AREA C
BOUNDARIES OF PROJECT AREA D
BOUNDARIES OF PROJECT AREA E
1939-096
1939-093
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255 SHORELINE DR.,
SUITE 200
REDWOOD CITY, CA 94065
(650) 482-6300
www.bkf.com
TREASURE ISLAND
REVITALIZATION FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO
CALIFORNIA
Revisions
No.
Date: 2021-09-14
Scale: 1" = 200'
Design:
Drawn: SGM
Approved: SGM
Job No: 200150
Drawing Number:
200150
1 OF 1

APPENDIX B: Fiscal Impact Analysis of City
(Amended to reflect amended Table 3)

KEYSER MARSTON ASSOCIATES

DRAFT

ASSESSMENT OF FISCAL IMPACTS
TO THE CITY AND COUNTY OF SAN FRANCISCO
TREASURE ISLAND / YERBA BUENA ISLAND
DEVELOPMENT PROJECT

Prepared for
City and County of San Francisco

Prepared by
Keyser Marston Associates, Inc.

August 2016
Amended October 27, 2021

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I. EXECUTIVE SUMMARY

The City and County of San Francisco (CCSF), is considering adopting an Infrastructure and Revitalization Financing District (IRFD) to fund a portion of the cost of developing public facilities and affordable housing that will support the Treasure Island/Yerba Buena Island Development Project (the Project). The process for adopting an IRFD is governed by California Government Code Sections 53369 -53369.49. The fiscal impact analysis presented in this report has been prepared to meet the requirements of Section 53369.14 (d) (6), specifically addressing the following:

"The costs to the city of providing facilities and services to the area of the district while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the city as a result of expected development in the area of the district."[1]

The Project consists of the development of a mixed use community on Treasure Island and Yerba Buena Island to be undertaken by Treasure Island Community Development LLC (TICD) and the Treasure Island Development Authority (TIDA). It is anticipated that the Project will include 8,000 housing units, two hotels totaling 250 rooms, 451,000 square feet of retail and 100,000 square feet of office. The Project will also contain over 300 acres of privately maintained parks and open space, among other community amenities. Completion and full occupancy of the Project is anticipated by FY2031/32 (16 years). Upon buildout, the Project's service population is projected to reach 16,326 residents and 2,544 employees.

The IRFD will initially include a portion of the Project, with an estimated 2,221 market rate and inclusionary units and 250 hotel rooms. It is anticipated that additional properties will be added to the IRFD over time. Because City services to the Islands generally cannot be apportioned to the various individual components of the Project, this fiscal impact analysis addresses the impacts of the anticipated entire Project. The analysis reflects the anticipated development program and phasing schedule provided by TICD in March 2016 (27.2% affordable scenario), as well as current fiscal information derived from CCSF's FY 2015/16 Budget and Appropriation Ordinance.

This analysis updates the fiscal impact estimates contained in the "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project" prepared by Economic & Planning Systems, Inc. (EPS) in May 2011. The 2011 analysis was approved as part of the approval of the Project's Development Agreement between TICD and TIDA. Consistent with the approach of the May 2011 analysis, this fiscal analysis addresses the additional General Fund service costs to be generated by the Project beyond the cost of General Fund services that are currently being provided to the Islands. There are some differences in approach, however, which are detailed in Section IIC.

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[1] The CCSF is the only taxing agency that is proposed to participate in the IRFD. Therefore, this fiscal analysis addresses only the impacts on the CCSF.

It is anticipated that the IRFD for the entire Project will be comprised of several project areas. Each project area will have a 40-year term, with a start date conditioned upon achievement of an assessed valuation threshold, selected specifically for each project area. Given that the overall term of the IRFD is not known at this time, this fiscal analysis evaluates the impacts of the entire Project over an extended period of time to ensure that the potential aggregate of 40-year terms is captured by the analysis. A 52-year term, extending from FY 2015/16 through FY 2067/68 has been evaluated.

The analysis evaluates the cumulative and annual fiscal impacts on the CCSF General Fund, the Municipal Transit Agency (MTA) Fund ("MTA Fund"), and the Library Preservation Fund ("Library Fund"). The analysis assumes the diversion of 100% of the General Fund's 56.588206% share of annual property tax increment to the IRFD throughout the entire study period.[2]

The analysis is presented in the attached Tables 1 through 26, Appendix Tables A-1 through A-4 and in Section III of this report.

A. Net Fiscal impacts to the General Fund

The Project is anticipated to generate a cumulative surplus to the City's General Fund over the anticipated window of the term of the IRFD. It is estimated that the cumulative surplus to the City's General Fund from FY 2015/16 through FY 2067/68 will total approximately $688.2 million in nominal dollars or $328.7 million in current (2016) dollars (3% discount rate). The Project is anticipated to generate an annual General Fund surplus throughout the study period, with an estimated annual surplus upon stabilization of $12.2 million in nominal dollars or $6.8 million in current (2016) dollars.

Exhibit 1 – Net General Fund Impacts				
	Cumulative Impacts (FY 2015/16 – FY 2067/68)		Annual Impacts Upon Build-out / Stabilization (FY 2035/36)	
	$2016 millions	$nominal millions	$2016 millions	$nominal millions
Revenues*	$981.2	$2,426.7	$21.9	$39.5
Expenditures	($652.6)	($1,738.5)	($15.1)	($27.3)
Net Surplus (Expense)	**$328.7**	**$688.2**	**$6.8**	**$12.2**

* Includes annual recurring and construction-related revenues

[2] This is a conservative assumption. A portion of property tax revenue will likely be retained by the City prior to and following the 40-year terms of the individual IRFD project areas.

B. Net Fiscal Impacts to MTA and Library Preservation Funds

The Project is anticipated to generate a cumulative surplus and ongoing annual surpluses after build-out to the MTA and Library Preservation Funds. The sum of operating revenues and General Fund transfers (required by the City's Charter) to be generated by the Project are anticipated to exceed the estimated cost to the funds of providing enhanced services in all fiscal years and result in a cumulative surplus. The cumulative surplus is estimated to total $201 million (2016$). The annual surplus upon stabilization is estimated to total $3.8 million (2016$).

Exhibit 2 – Net MTA and Library Fund Impacts				
	Cumulative Impacts (FY 2015/16 – FY 2067/68)		Annual Impacts Upon Buildout / Stabilization (FY 2035/36)	
	$2016 millions	$nominal millions	$2016 millions	$nominal millions
Revenues	$277.8	$718.6	$6.4	$11.6
Expenditures	($76.8)	($222.8)	($2.7)	($4.8)
Net Surplus (Expense)	**$201.0**	**$495.8**	**$3.8**	**$6.8**

C. Aggregate Net Fiscal Impacts to General Fund, MTA Fund and Library Preservation Fund

The Project's aggregate impact on the General Fund, MTA Fund and Library Preservation Fund is anticipated to be positive on a cumulative basis and on an annual basis throughout the study period. The cumulative city surplus is estimated to total $529.6 million (2016$). The annual city surplus upon stabilization is estimated to total $10.5 million (2016$).

Exhibit 3 – Net General Fund, MTA and Library Fund Impacts				
	Cumulative Impacts (FY 2015/16 – FY 2067/68)		Annual Impacts Upon Buildout / Stabilization (FY 2035/36)	
	$2016 millions	$nominal millions	$2016 millions	$nominal millions
Revenues	$1,259.0	$3,145.3	$28.3	$51.1
Expenditures	($729.4)	($1,961.3)	($17.8)	($32.1)
Net Surplus (Expense)	**$529.6**	**$1,184.0**	**$10.5**	**$19.0**

D. Other City Revenues to be Generated by the Project

The Project will generate additional revenues to the City. These include traditional sources of revenue as well as revenues resulting from the terms of the Development Agreement. Traditional sources include building permit fees, development impact fees and ongoing revenues that are "restricted" to specific purposes. Ongoing "restricted" revenues include General Fund transfers to the Children's Services Fund, as well as franchise fees, fines, licenses and forfeiture revenues to be generated by the Project. These revenues are presented in Table 2A.

Project specific revenue sources include: a subsidy payment for affordable housing totaling $17,500 per market rate unit, funding for parks and open space maintenance, funding for community facilities, and funding for transportation. Given that these are limited revenue contributions that will not be available on a recurring basis, and some are payments to mitigate impacts generated by the Project, they have not been quantified and included in this fiscal analysis.

II. INTRODUCTION

The City and County of San Francisco (CCSF), is considering adopting an Infrastructure and Revitalization Financing District (IRFD) to fund a portion of the cost of developing public facilities and affordable housing that will support the Treasure Island/Yerba Buena Island Development Project (the Project). The process for adopting an IRFD is governed by California Government Code Sections 53369 -53369.49. The fiscal impact analysis presented in this report has been prepared to meet the requirements of Section 53369.14 (d) (6), specifically addressing the following:

"The costs to the city of providing facilities and services to the area of the district while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the city as a result of expected development in the area of the district."[3]

A. Project Description

The subject Project consists of the development of a 360-acre site on Yerba Buena and Treasure Island (the Islands) with residential, commercial and hotel uses, in addition to 300 acres of privately maintained parks and open space. The developer, Treasure Island Community Development LLC (TICD), anticipates the Project to reach completion and full occupancy by FY 2031/32, or within the next 16 years. Exhibit 4 summarizes the anticipated development program, which includes:

- 8,000 housing units, including:
  - 5,521 for sale units, of which 223 are Below Market Rate (BMR) units
  - 613 rental units, of which 84 are BMR units
  - 1,866 additional BMR rental units to be built on sites owned by TIDA and the Treasure Island Homeless Development Initiative (TIHDI)
- Two hotels with a total of 250 rooms
- 451,000 square feet of retail
- 100,000 square feet of office

Pricing of for-sale residential units is anticipated to range from $1.1 million to $1.8 million for market rate units and $175,000 to $353,000 for BMR units (Exhibit 5).

[3] The CCSF is the only taxing agency that is proposed to participate in the IRFD. Therefore, this fiscal analysis addresses only the impacts on the CCSF.

Exhibit 4 – Proposed Development Program (27.2% Affordable scenario)				
Land Use			**Total**	
Residential				
TIDI Units	Market	BMR		
For Sale	5,298	223	5,521	DU
For Rent	529	84	613	DU
	5,827	307	6,134	
TIDA/TIHDI Units			1,866	DU
			8,000	**DU**
Hotel				
Full Service Hotel			200	Rms
Spa Hotel			50	Rms
			250	**Rms**
Commercial				
Retail			451,000	Sq Ft
Office			100,000	Sq Ft
			551,000	**Sq Ft**

Exhibit 5 –Targeted Pricing of For-Sale Units				
Unit Type	**Market Units**	**Market Sale Price (2016$)**	**BMR Units**	**BMR Sale Price (2016$)**
YBI Townhomes	200	$1,790,000	10	$347,000
TI Townhomes	271	$1,410,000	0	$353,000
Flats	2,044	$1,037,000	117	$288,000
Neighborhood Tower	1,771	$1,202,000	96	$226,000
Branded Condo	895	$1,377,000	0	$226,000
Highrise	117	$1,140,000	0	$175,000
Total Units	***5,298***		***223***	

B. Service Population

Upon buildout, the Project's service population is projected to reach 16,326 residents and 2,544 employees (Exhibit 6). Density factors used for estimating employment are referenced in the table below. The total residential population is estimated by unit type based on average household size information from the American Community Survey (2014) for comparable census block groups in San Francisco. The average household size of the Project reflects a factor of 2.04 residents per household, which is slightly below the San Francisco average of 2.10 (Appendix Table A-4). The service population is equivalent to the sum of the resident and employee population (day and evening population).

Exhibit 6 – Project Demographics		
Service Population	**Measure**	**Estimate**
Households	*99.8% occupied*	7,984
Residents	*Appendix Table A-4*	16,326
Employees		
Retail	*3.3 emp/1,000 sf*	1,371
Office	*3.1 emp/1,000 sf*	281
Hotel	*0.80 emp/rm*	200
Other Employment	*Table 8*	159
Residential Employment	*0.07 emp/du*	533
		2,544
Service Population:		
Day & Evening Population	*pop + emp.*	18,869

C. Approach

The subject analysis evaluates the marginal impacts of the Project on the CCSF General Fund, Municipal Transit Agency (MTA) Fund, and Library Preservation Fund. The analysis runs from FY 2015/16 through FY 2067/68, which encompasses the full construction period and the duration of the IRFD.[4]

The fiscal impacts are presented net of General Fund tax increment to be diverted to the IRFD. The analysis assumes the diversion of 100% of the General Fund's 56.588206% share of annual property tax increment for the duration of the study period to the IRFD.[5]

This analysis updates the fiscal impact estimates contained in the "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project" prepared by Economic & Planning Systems, Inc. (EPS) in May 2011. The 2011 analysis was approved as part of the approval of the Project's Development Agreement between TICD and TIDA. Consistent with the approach of the May 2011 analysis, this fiscal analysis addresses the marginal additional General Fund service costs to be generated by the Project beyond the cost of General Fund services that are

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[4] The IRFD is comprised of multiple project areas. Each project area will have a term of 40 years, with start and termination dates specific to each project area. The termination dates have not yet been established for any of the project areas, but it is likely that none will extend beyond 2067/68.

[5] This is a conservative assumption. A portion of property tax revenue will likely be retained by the City during the study period, prior to and following the 40-year terms of the individual IRFD project areas.

currently being provided to the Islands. The approach of the subject analysis does, however, differ from the previous analysis in several respects:

1. *Charter-required transfers of aggregate discretionary revenues from the General Fund to the MTA Fund, Children's Services Fund and Library Preservation Fund.* While the previous analysis considered only the General Fund transfer to MTA, the subject analysis reflects the impacts to the General Fund net of the three transfers. The baseline revenue transfers reflected in the analysis are as follows:
   - MTA Fund – 9.19% of General Fund Aggregate Discretionary Revenue (ADR)
   - Library Preservation Fund – 2.29% of ADR
   - Children's Services Fund – 8.76% of ADR

2. *Property tax set-asides from the General Fund to the Open Space Fund, Children's Services Fund and Library Preservation Fund.* In the subject analysis, property tax set-asides to the Open Space Fund, Children's Services Fund and Library Preservation Fund, representing 8% of the base property tax increment, are assumed to be retained by the General Fund to fund General Fund services. Pursuant to the Development Agreement, this revenue shall be available to meet debt coverage requirements for IRFD bonds. The prior analysis apportioned 8% of base property tax increment to the foregoing funds.

3. *Policy changes.* The subject analysis reflects policy changes that have taken effect following the completion of the prior analysis. Proposition B, passed by voters in 2014, stipulates that the baseline revenue transfer amount to the MTA Fund must be adjusted annually to reflect the change in the CCSF service population. This population-based adjustment to the citywide General Fund transfer is calculated as a General Fund expense in the subject analysis. In addition, the subject analysis reflects changes to the allocation of Transit Occupancy Tax (TOT) revenues. TOT revenues that were diverted to the Convention Facilities Fund at the time of the 2011 analysis are now assumed to be retained by the General Fund, per the FY 2015/16 Adopted Budget.

4. *Exclusion of certain General Fund revenue sources.* The subject analysis excludes two revenue categories that were included as General Fund revenues in the 2011 analysis. The Controller's Office has indicated that General Fund revenues categorized as Licenses, Permits and Fees and Fines, Forfeitures and Penalties are generally restricted for specific expenditures not available to fund General Fund service costs. These revenues have been estimated, but not included as General Fund revenues.

Projections contained in the subject analysis are based on a combination of project-specific estimating sources and on average revenue and cost factors derived from the CCSF budget ordinance. Project-specific estimating sources are derived from information provided by the Developer, such as improvement values, and/or input from CCSF departments regarding the service needs of the Project. Average revenue and cost factors are derived per resident, per employee or per service population unit (residents and employees combined) for the City as a whole and applied to the corresponding population of the Project (as shown on Exhibit 6).

The IRFD will initially include a portion of the Project, with an estimated 2,221 market rate and inclusionary units and 250 hotel rooms. It is anticipated that additional properties will be added to the IRFD over time. Because City services to the Islands generally cannot be apportioned to the various individual components of the Project, this fiscal impact analysis addresses the impacts of the anticipated entire Project. The analysis reflects the anticipated development program and phasing schedule provided by TICD in March 2016 (27.2% affordable scenario), as well as current fiscal information derived from CCSF's FY 2015/16 Budget and Appropriation Ordinance.

The assessed valuation schedule reflected in the subject fiscal analysis does not precisely mirror the schedule contained in the main body of the IRFD's Infrastructure Financing Plan (IFP) because: 1) the IFP projection reflects only a portion of the Project while the fiscal impact analysis reflects the entire project; 2) the IFP reflects a "maximum density" development scenario for the initial five project areas while the fiscal analysis reflects a somewhat lower density scenario for the initial five areas; and 3) the IFP reflects specific 40-year terms for each of the five project areas while the fiscal analysis addresses impacts over a longer time period in order to capture the potential window for all of the project areas to ultimately be annexed to the IRFD.

With the exception of property-based revenues, revenue and service cost factors are assumed to increase at an annual rate of 3% per year. Assessed property values for the purposes of estimating VLF and property tax revenues are based on IRFD assessed value projections. Assessed values are assumed to increase at the Proposition 13 statutory rate of 2% per year.

Annual projections contained in the attached tables are presented in nominal (inflated) dollars, unless otherwise noted. Current (2016) dollar figures are calculated based on a 3% per year discount rate and are included in summary tables for comparison purposes.

III. FISCAL IMPACTS

A. Summary of Net Fiscal Impacts to the General Fund

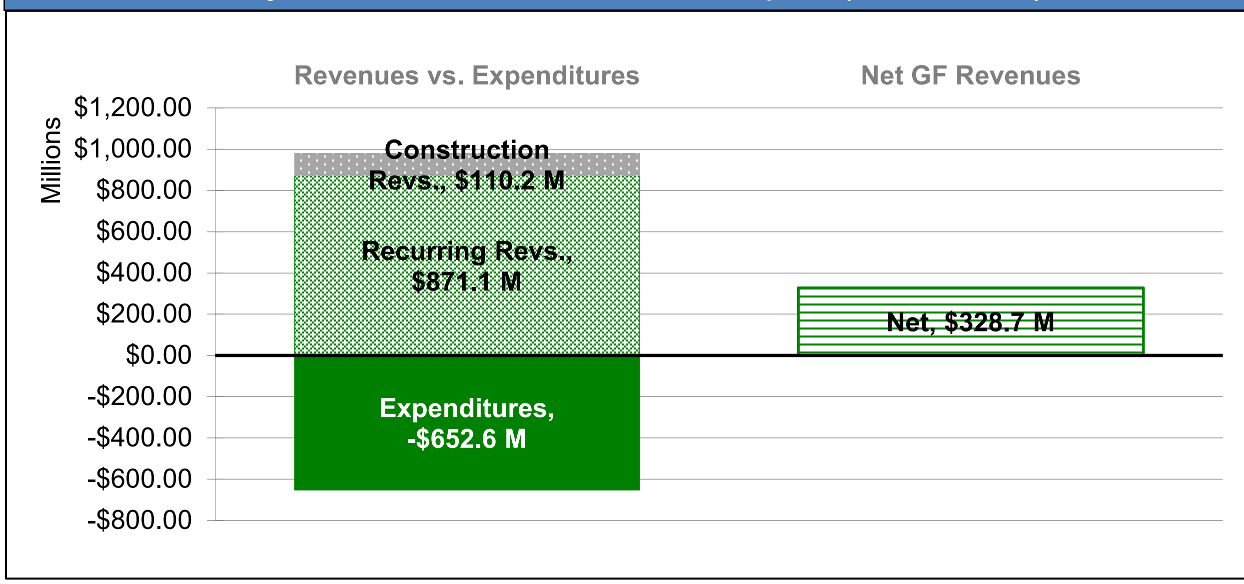
Exhibits 7 and 8 and Table 1 (attached) present the revenue and service cost impacts of the Project on the CCSF General Fund after the expected diversion of tax increment to the IRFD.

The Project is anticipated to generate a surplus to the City's General Fund, amounting to $328.7 million (2016$) over the full 52-year study period. Per Exhibit 7, the net surplus in stabilized year FY 2035/36 would total $6.8 million (2016$).

Exhibit 7 – Summary of General Fund Fiscal Impacts

General Fund Impact	Cumulative FY 2015/16 – FY 2067/68		Stabilized Year FY 2035/36	
	$2016 millions	$nominal	$2016 millions	$nominal
Recurring Revenues/Expenditures				
Revenues	$871.1	$2,284.4	$21.9	$39.5
Expenditures	$652.6	$1,738.5	$15.1	$27.3
Net Recurring	$218.5	$545.9	$6.8	$12.2
Construction-Related Revenues	$110.2	$142.3	$0.0	$0.0
Net General Fund Impact	$328.7	$688.2	$6.8	$12.2

Exhibit 8 – Summary of Cumulative General Fund Fiscal Impacts ($2016 millions)



B. General Fund Revenues

Exhibits 9 through 12 and Tables 2-A and 2-B (attached) provide additional information on the revenue impacts of the Project on the CCSF General Fund after the expected diversion of tax increment to the IRFD. Detailed assumptions are provided on Table 10 and calculations are provided on Tables 11A through 15 (recurring revenues) and Tables 24 through 26 (construction-related revenues).

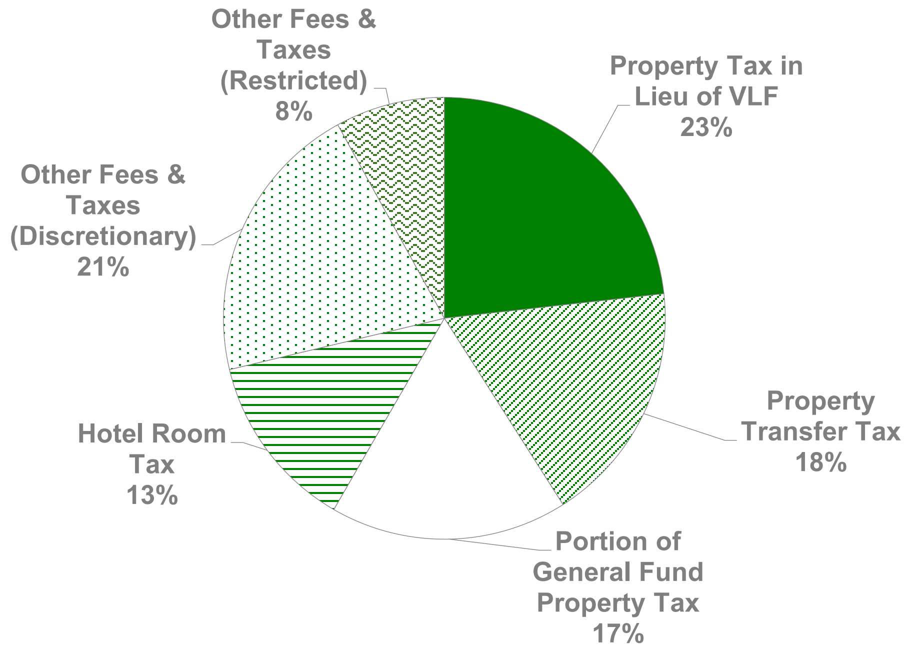
1. Recurring Revenues

Cumulative recurring General Fund revenues are estimated to total $871.1 million (2016$). Upon stabilization, the Project is estimated to generate approximately $21.9 million in annual General Fund revenues by year FY 2035/36 (2016$). VLF revenues are expected to be the leading category (23%), followed by property transfer taxes (18%), and the 8% General Fund share of base property taxes (17%). Public Safety Sales Tax revenues are a restricted revenue source; remaining revenue sources are assumed to be discretionary.

Exhibit 9 – Recurring General Fund Revenues

General Fund Revenues	Cumulative FY 2015/16 - FY 2067/68		Stabilized Year FY 2035/36		% Share
	$2016 millions	$nominal	$2016 millions	$nominal	
Recurring Revenues					
Portion of General Fund Property Tax	$125.5	$305.2	$3.8	$6.9	17%
Property Tax in Lieu of VLF	$186.8	$489.5	$5.1	$9.2	23%
Property Transfer Tax	$162.6	$439.0	$3.9	$7.0	18%
Sales and Use Tax	$117.4	$316.9	$2.8	$5.1	13%
Telephone Users Tax	$21.8	$58.2	$0.5	$0.9	2%
Access Line Tax	$20.2	$53.9	$0.5	$0.8	2%
Water Users Tax	$0.5	$1.4	$0.0	$0.0	0%
Gas Electric Steam Users Tax	$5.7	$15.3	$0.1	$0.2	1%
Gross Receipts Tax	$24.3	$65.3	$0.6	$1.0	3%
Business License Tax	$1.7	$4.6	$0.0	$0.1	0%
Hotel Room Tax	$130.9	$336.6	$2.8	$5.1	13%
Subtotal-Discretionary	$797.5	$2,085.8	$20.1	$36.4	92%
Public Safety Sales Tax	$73.6	$198.6	$1.8	$3.2	8%
TOTAL	**$871.1**	**$2,284.4**	**$21.9**	**$39.5**	**100%**

Exhibit 10 – Recurring Revenues by Source in Stabilized Year FY 2035/36



2. One-Time Construction Revenues

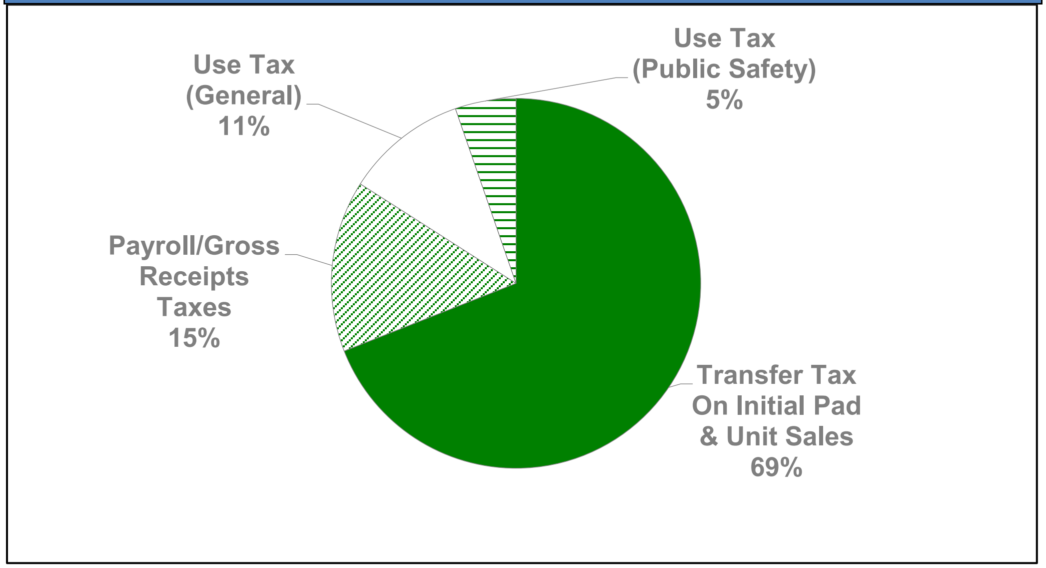
In addition to recurring revenues, the Project will generate one-time, construction-related revenues amounting to $110.2 million (2016$) through buildout (Exhibit 11). Exhibit 9 illustrates the distribution of cumulative construction-related revenues. Transfer taxes on initial pad and unit sales account for 69% of revenues, followed by gross receipts taxes paid by contractors (15%) and use tax revenues from purchases of construction materials, including unrestricted use tax revenues (11%) and use tax revenues for public safety purposes (5%). The estimate of gross receipts taxes includes a small amount of payroll taxes to be paid by contractors before the payroll tax fully phases out in 2018.

Exhibit 11 – Construction-Related Revenues

General Fund Revenues (Construction-Related)	Cumulative FY 2015/16 - FY 2031/32		% Share
	$2016 millions	$nominal	
Construction Revenues			
Transfer Tax On Initial Pad & Unit Sales	$76.1	$99.2	69%
Gross Receipts Taxes / Construction	$16.0	$20.3	15%
Payroll Tax / Construction	$0.6	$0.6	1%
Construction Sales Tax (General)	$11.7	$14.8	11%
Subtotal-Discretionary	$104.3	$134.9	95%
Construction Sales Tax (Public Safety)	$5.9	$7.4	5%
Total Construction Revenues	**$110.2**	**$142.3**	**100%**

** Payroll tax is phased out in 2018.*

Exhibit 12 – Cumulative Construction Revenues by Source (FY 2016 – FY 2032)



3. Property Tax In-Lieu of Motor Vehicle License Fees (VLF) Revenues

Pursuant to SB 1096, the City receives subvention revenues from the State in the form of an allocation of property tax revenues to replace a large portion of the motor vehicle license fee revenues that were distributed proportionate to population prior to the adoption of the legislation in 2004. These subvention payments are based on the growth in assessed value relative to the Citywide assessed value as of 2004/05. Under the State's formula, the City receives $1.07 per $1,000 of growth in assessed property values. Revenue from the Project is based on the Project's contribution to growth in assessed values (Tables 10, 11A).

4. Property Transfer Tax Revenues

The CCSF collects a property transfer tax of $6.80 per $1,000 of transferred value on transactions between $250,000 and $1 million, $7.50 per $1,000 on transactions up to $5 million, $20.00 per $1,000 on transactions of up to $10 million, and $25.00 per $1,000 on transactions of $10 million or more. This analysis estimates property transfer taxes based on sales values of the initial site acquisition, completed pads and residential units, absorption rates, and the assumption that for-sale homes will be resold, on average, every 10 years. The resale value of market rate and below market units is assumed to increase annually by 1% and 3%, respectively. A tax rate of $20 per $1,000 is assumed for initial site acquisition and residential pad sales; a rate of $7.50 per $1,000 is assumed for hotel pad sales and market rate residential units; finally, a rate of $6.80 per $1,000 is assumed for sales of BMR units. Rental and commercial buildings are assumed to be subject to extensive hold periods (Tables 10, 15, 25).

5. 8% Portion of General Fund Property Tax Increment – 8% of 1% Base Property Tax Levy

100% of the General Fund's 56.588206% share of annual property tax increment will be diverted to the IRFD over the life of the IRFD and will not be available to fund General Fund service costs. The General Fund receives an additional 8% of the 1% base tax levy. While the 8% portion of the base tax levy is traditionally set aside for the Open Space Fund, Children's Services Fund and Library Preservation Fund, it is assumed that this "8% Portion of General Fund tax increment" is retained by the General Fund and is used to fund city services. The share of property taxes retained by the General Fund is anticipated to total $125.5 million through FY2067/68 (2016$), including $3.8 million (2016$) annually upon stabilization.

The property's assessed value in FY 2015/16 is assumed to be $0. Future assessed values are estimated based on values projected in TICD's pro forma. Values of residential units reflect targeted sales prices presented on Exhibit 2. Assessed values are assumed to increase at the Prop. 13 statutory rate of 2% per year and readjust to market values upon sale (Tables 10, 11A).

6. Transient Occupancy Tax ("Hotel Tax")

Hotel tax revenues reflect room rates and occupancy rates to be achieved by the 50-room hotel on Yerba Buena Island and the 200-room hotel on Treasure Island, based on information provided by TICD and analysis of the performance of competitive hotels in the market place. Based on this information, the Yerba Buena Island hotel would generate approximately $178,000 in annual revenue per room, assuming an average daily rate of $650 and stabilized occupancy of 75%. The Treasure Island hotel would generate approximately $82,000 in annual revenue per room, assuming an average daily rate of $300 and stabilized occupancy of 75%. The hotel tax rate in San Francisco is 14%, resulting in annual TOT revenues per room of approximately $11,500 for the Treasure Island hotel and $25,000 for the Yerba Buena Island hotel. One hundred percent of TOT revenues are assumed to accrue to the General Fund, pursuant to the FY2015/16 Adopted Budget (Tables 10, 11A).

7. Sales and Use Tax Revenues

The CCSF General Fund receives 1% of taxable sales. Recurring sales tax revenues will be generated from on-site retail sales and through spending by Project residents within the City. Construction-related sales tax revenues comprise business-to-business sales generated from the purchase of construction materials. Consistent with the 2011 EPS study, business-to-business taxable sales generated by office tenants are not considered, and employee spending is assumed to be reflected in on-site retail sales. Specific sales tax assumptions by source are summarized below:

- *Retailer-generated:* Taxable sales generated by on-site retailers are estimated assuming gross (taxable and non-taxable) sales productivity of $600 per rentable square foot, with

80% of sales being taxable. The anticipated sales performance of the Project aligns with that of competitive Class A retail space in San Francisco, such as Stonestown Galleria. Consistent with the 2011 EPS study, on-site sales are reduced by 25% to avoid double-counting of on-site resident expenditures (Tables 10, 13).

- *Hotel-generated*: Non-room revenues are assumed to comprise one-third of total hotel revenues and half of these sales are assumed to be taxable, consistent with the 2011 EPS study. Based on projected room rates, taxable sales per room are estimated to be $21,000 for the Treasure Island hotel and $44,000 for the Yerba Buena Island hotel (Tables 10, 13).
- *Resident-generated:* Taxable sales generated by new residents are implied from the estimated household incomes by unit type of Project residents and consumer expenditure data published by the Bureau of Labor Statistics. Estimates are reduced to account for expenditures that are anticipated to occur outside of San Francisco based on the City's existing capture rate of retail expenditure potential, derived from California Board of Equalization and U.S. Census data (Tables 10, 12).
- *Construction-generated:* Use tax revenues generated by construction contractors are estimated based on development costs provided in the TICD development pro forma and typical relationships between "hard" and "soft" development costs and material and labor costs. The revenue estimate reflects the assumption that San Francisco is designated as the point of sale by the general and sub-contractors for 50% of materials purchased for the construction of the Project (Tables 10, 25).

8. Public Safety Sales Tax Revenues

Unlike other General Fund revenue sources included in this analysis, Public Safety Sales Tax revenues are restricted to specific public safety uses. The City and County receives an annual allocation of the half-cent statewide Public Safety Sales Tax (Proposition 172) in proportion to its share of statewide taxable sales. For purposes of this analysis it is assumed that the CCSF disbursement will grow proportionally to the increase in taxable sales supported by the Project (Tables 10, 11, 26). For taxable sales assumptions, refer to the discussion of the general (1%) sales and use tax, above.

9. Payroll/ Gross Receipts Tax Revenues

Passed by voters in November 2012, the gross receipts tax replaces the City and County's payroll tax, and phases in from 2014 to 2018. Consequently, construction contractors are the only businesses expected to generate payroll taxes (Table 10).

Per the San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax, the tax rate varies by business type and by the amount of gross receipts generated. Businesses generating less than $1 million each year in gross receipts are exempt from the tax.

Average retail and hotel gross receipts are based on the sales productivity levels used to estimate sales and hotel taxes. Construction and rental and leasing gross receipts are based on the TICD pro forma. Tax rates are assigned to these businesses by selecting the applicable industry and size category from the rate schedule. For office tenants, gross receipts taxes are estimated based on 2015 gross receipts tax revenue generated per employee by all San Francisco firms, adjusted to account for phase-in factors that apply to gross receipts tax rates through 2018 (Tables 10, 14, 25).

Payroll tax rates for fiscal years 2015/16 through 2018/19 are determined in accordance with San Francisco Business and Tax Regulations Code, Article 12-A: Payroll Expense Tax Ordinance. It is assumed that payroll constitutes 40% of construction hard costs and that 25% of payroll expenditures are exempt from taxation (Tables 10, 25).

10. Business Registration Fee Revenues

Per the San Francisco Business and Tax Regulations Code, Article 12: Business Registration, the fee per business is charged by tier based on the level of gross receipts generated. The number of businesses at the project is calculated assuming 3,000 square feet per retail business and 5,000 square feet per office business. Two hotels are assumed. Average gross receipts for office, retail and hotel businesses used to determine applicable fee rates are consistent with gross receipts tax estimating assumptions (Tables 10, 14).

11. Utility Users Tax Revenues

The City and County of San Francisco imposes a 7.5% tax on charges for certain utilities services. These include non-residential telephone, electricity, natural gas, steam, and water services, and both residential and non-residential cellular telephone services. For purposes of this analysis, the utility users tax has been estimated based on CCSF budget factors for FY 2015/16. The budget factors have been calculated on a per employee basis for electricity, natural gas, steam, and water taxes, and on a per service population basis for telephone services (Tables 10, 11).

12. Access Line Tax Revenues

Access line taxes are levied against residential and commercial users. For purposes of this analysis, the access tax is estimated based on CCSF budget factors for FY 2015/16. The budget factors have been calculated on a per service population basis. Based on the City's 2015/16 budget, access line tax revenues total approximately $31.25 per resident/employee (Tables 10, 11).

13. Licenses, Permits and Franchise Fees and Fines, Forfeitures and Penalties

Licenses, permits, and franchise fees, and fines, forfeitures, and penalties are excluded from the General Fund revenue sources. The Controller's Office has indicated that these revenue categories are comprised primarily of restricted revenues dedicated to specific expenditures that have not been included in the analysis. For informational purposes, Table 2-A estimates total revenues to be generated by the Project for each category of restricted revenues.

C. General Fund Expenses

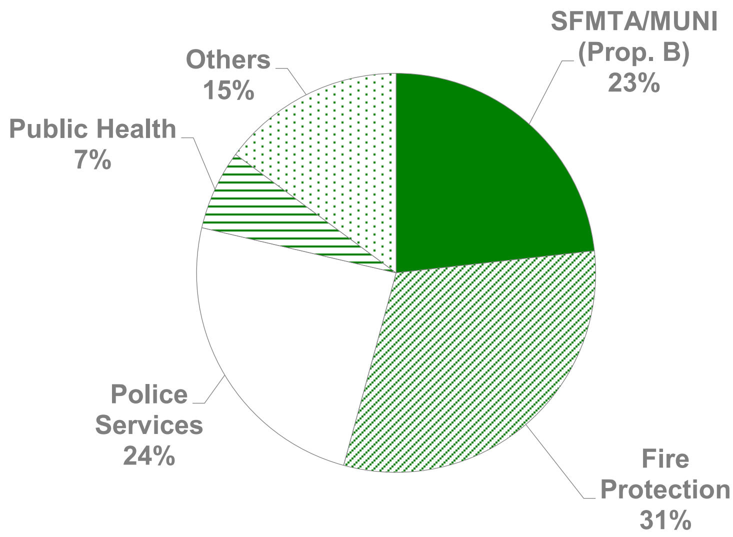
Exhibits 13 and 14 and Tables 2-A and 2-B provide information on the expense impacts of the Project on the CCSF General Fund after the expected diversion of tax increment to the IRFD. Detailed expense assumptions are provided on Table 16 and calculations are provided on Tables 17 through 23.

Cumulative General Fund expenses are estimated to total $652.6 million (2016$). The Project is estimated to generate approximately $15.1 million in General Fund expenditures in stabilized year FY 2035/36 (2016$). Exhibit 14 illustrates the distribution of recurring General Fund expenditures. Fire Protection is expected to be the leading expense category (31%), followed by Police Services (24%) and the population-based transfer to MTA required under Proposition B (23%).

Exhibit 13 – General Fund Expenditures

General Fund Expenditures – $2016 millions	Cumulative FY 2015/16 - FY 2067/68		Stabilized Year FY 2035/36		% Share
	$2016 millions	$nominal	$2016 millions	$nominal	
Recurring Expenditures					
Elections	$12.1	$32.2	$0.3	$0.5	2%
Assessor/Recorder	$6.5	$16.3	$0.1	$0.2	1%
311	$3.6	$9.5	$0.1	$0.1	1%
Police Services	$151.6	$414.0	$3.7	$6.7	24%
Fire Protection	$208.7	$547.9	$4.7	$8.5	31%
911 Emergency Response	$18.4	$49.0	$0.4	$0.8	3%
Public Health	$42.3	$112.6	$1.0	$1.8	6%
Public Works	$40.5	$108.6	$1.0	$1.7	6%
Library/Community Facilities	$17.9	$45.4	$0.4	$0.7	2%
MTA/MUNI (Prop. B)	$151.0	$402.9	$3.5	$6.3	23%
Total	**$652.6**	**$1,738.5**	**$15.1**	**$27.3**	**100%**

Exhibit 14 – Expenditures by Source in Stabilized Year FY 2035/36



1. General Fund Transfer to MTA Fund

For purposes of ensuring adequate funding for public transit, the San Francisco Charter requires an annual transfer from the General Fund to the MTA Fund. The base transfer amount is equivalent to 9.193% of aggregate General Fund discretionary revenues. Proposition B, passed by voters in 2014, stipulates that the base transfer amount must be adjusted annually to reflect the change in the CCSF service population. In this analysis, the baseline transfer is deducted from gross revenues to be generated by the Project, while the Proposition B transfer is calculated as a General Fund expense. The annual Proposition B transfer from the General Fund to MTA is calculated by applying the current transfer amount per service population unit to the Project's service population (Tables 16, 21-A).

Per the San Francisco Charter, a supplementary transfer may be required to compensate MTA for increases in transit service. KMA compared the net costs of enhanced transit services on Treasure Island to the projected base transfer (including Proposition B) to determine the need for additional General Fund support. Based on this analysis, as presented on Table 21-A, base General Fund transfers, as well as MTA operating revenue and intergovernmental transfers to be generated by the Project are anticipated to exceed the estimated cost to MTA of providing enhanced services in all fiscal years. Based on this assessment, no supplementary General Fund transfer to MTA has been assumed.

2. Fire Department Expenditures

The San Francisco Fire Department anticipates that upon buildout, the Project will require two engine trucks, two ladder trucks, two ambulances, and a battalion chief. In addition, the 2011 EPS report indicates that there is currently one engine, one ladder truck, one ambulance, and one hose tender on the Islands. The estimate of marginal expenditures therefore reflects the addition of one engine, one ladder truck, one ambulance, the battalion chief, as well as the phasing out of the hose tender. Personnel costs are based on the 2015-16 Salary Ordinance and staffing ratios by apparatus provided in the 2011 EPS report. Capital costs by apparatus reflect cost estimates from the 2011 EPS report, adjusted for inflation. All capital costs are annualized based on their useful life, per the EPS report. Based on the most recent TICD Schedule of Performance (June 2016), it is assumed that new fire expenses will be phased in upon completion of the new fire station on Treasure Island in FY 2023-24 (Tables 16, 18, 19).

3. Police Department Expenditures

Based on a service level of 1.7 sworn officers per 1,000 residents and employees as determined in the 2011 EPS report, the Project is anticipated to require 32 officers upon buildout. In addition, the EPS report indicates that there are currently 11 sworn officers serving the Treasure Island station. Therefore, the marginal cost of the Project reflects the addition of 21 sworn officers. The factor for total Police expenditures on Treasure Island is $297 per unit of service population, which has been extrapolated from the targeted service level and the staffing cost per sworn officer estimated by the San Francisco Office of the Controller in 2015. Existing service costs are estimated based on the same study of staffing costs and are netted out from the total public safety cost to determine the marginal impact of the Project (Tables 16, 17).

4. 911/ Emergency Communications

The factor for Emergency Communications expenditures is $25 per resident, in accordance with a service level of 1.18 emergency calls per resident. The service level is based on the 2011 EPS study, while staffing costs are derived from the 2015 Adopted Salary Ordinance (Tables 16, 17).

5. Public Health

The factor for Public Health expenditures is $60 per resident, which reflects modifications to the analysis of public health costs contained in the 2011 EPS study. The prior analysis estimates Public Health costs based on average usage of emergency room and inpatient services per low to moderate income resident, and the cost to the General Fund to provide these services. In the present analysis, the service cost per low to moderate income resident is adjusted for inflation and applied to the population of low and moderate income residents upon buildout of the Project. The total cost is divided by the total resident population to determine the Public Health cost per resident (Tables 16, 17).

6. Public Works

Public Works expenses include maintenance of street infrastructure built by the Project. The Project will add 1,849,420 square feet of streets which will be publicly maintained. The annual cost per mile for street sweeping and for capital repairs is based on the EPS report and adjusted for inflation. Maintenance costs of new street infrastructure are phased in over the development program as specific population thresholds are met (Tables 16, 20). It is also assumed that private sources will share in maintenance costs during the construction period. A portion of new Public Works expenses will be offset by restricted Public Works revenues generated by the Project:

- *Gas Tax* – The CCSF Gas Tax fund is anticipated to receive revenues proportional to the Project's residential population as a percentage of the City's current population. The current factor for Gas Tax revenues is $20 per resident based on the CCSF FY 2015/16 budget (Table 10);
- *Prop. K Sales Tax* – Public Works receives a portion of the half-cent local sales tax for transportation capital projects approved by voters in 2003. In accordance with the Proposition K expenditure plan, it is assumed that Public Works will receive 10% of tax revenues for street maintenance and renovation projects (Table 10).

Currently, TIDA funds Public Works work orders on Treasure Island related to street cleaning, street repair, urban forestry, and building repair through lease revenues. Based on conversations with TIDA staff, it is assumed that these expenditures will phase out over the course of the development or continue to be funded through lease revenues.

7. Library / Community Facilities

Per the 2011 EPS report, the Project is anticipated to include certain community facility expenses to be supported by the General Fund and/or other funds. These facilities may include: a community center, a library, and senior and youth services. It is assumed that Library expenditures will be funded by baseline transfers to the Library Preservation Fund, while Community facility expenditures will be funded by the General Fund. Operations costs and the initial cost of furnishings, fixtures, and equipment for planned facilities are based on estimates from the 2011 EPS report, adjusted for inflation. Initial capital costs are amortized over five years with a five percent interest rate, starting in FY 2021/22 (Table 23).

8. Elections

The factor for Elections expenditures is $17 per resident, based on a service level of 800 voters per polling place, per the 2011 EPS study. The average cost per polling place reflects the EPS estimate, adjusted for inflation (Tables 16, 17).

9. Assessor-Recorder

The Project will require one full-time equivalent position in the Office of the Assessor Recorder, per the 2011 EPS study. The staffing cost is derived from the 2015 Adopted Salary Ordinance (Tables 16, 17).

10. 311

The factor for 311 Call Center expenditures is $5 per resident, based on a service level of 4.59 calls per resident, per the 2011 EPS study, and staffing costs derived from the 2015 Adopted Salary Ordinance. The expenditure factor has been reduced to reflect transfers from enterprise funds which reimburse half of the Call Center's costs, according to the CCSF FY2015/16 budget (Tables 16, 17).

11. Open Space

It is assumed that property owners will be responsible for maintaining the Project's 300 acres of open space.

12. Other General Fund Expenditures

Consistent with the 2011 study, the Project is assumed to have no impact on remaining General Fund program areas, including: Culture and Recreation, Human Welfare and Neighborhood Development, Economic Development and other General Administration programs (Table 16).

D. Summary of Fiscal Impacts to Baseline Funds

Under current City policies, approximately 20% of aggregate discretionary revenues (ADR) are transferred from the General Fund to the MTA, Library Preservation and Children's Services Funds, as detailed on Exhibit 15. The Project is anticipated generate additional General Fund discretionary revenues to be transferred to the foregoing funds, as well as additional costs to the funds to provide enhanced services on the Islands.

Exhibit 15 – General Fund Set-Asides

Fund	Set-aside %	
MTA*	9.19%	of ADR
Library Preservation	2.29%	of ADR
Children's Services	8.76%	of ADR

* Baseline transfer only. Proposition B population adjustment still calculated as expense. ADR = Aggregate General Fund Discretionary Revenues

The sum of operating revenues and General Fund transfers to be generated by the Project to the MTA and Library Preservation Funds are anticipated to exceed the estimated cost of providing enhanced services in all fiscal years and result in a cumulative surplus. The cumulative surplus is anticipated to total $201 million (2016$) through FY2067/68 (Exhibit 16). Per Exhibit 17, the annual surplus upon stabilization in FY 2035/36 is anticipated to be $3.8 million (2016$). While corresponding service costs have not been estimated, General Fund transfers to the Children's Services Fund are anticipated to total $96.7 million through FY2067/68 (Exhibit 18).

Exhibit 16 – Cumulative Fiscal Impact on MTA and Library Preservation Funds						
FY2015-16 to FY2067/68	**Fund Revenues**		**Fund Expense**		**Net Fund Impact**	
	$2016 millions	**$nominal millions**	**$2016 millions**	**$nominal millions**	**$2016 millions**	**$nominal millions**
MTA	$252.5	$655.7	($66.2)	($195.9)	$186.3	$459.8
Library Preservation	$25.2	$62.9	($10.6)	($26.9)	$14.6	$36.0
Net Surplus	**$277.8**	**$718.6**	**($76.8)**	**($222.8)**	**$201.0**	**$495.8**

Exhibit 17 – Annual Fiscal Impact on MTA and Library Preservation Fuds: Stabilized Year FY2035/36						
FY2015-16	**Fund Revenues**		**Fund Expense**		**Net Fund Impact**	
	$2016 millions	**$nominal millions**	**$2016 millions**	**$nominal millions**	**$2016 millions**	**$nominal millions**
MTA	$5.8	$10.5	($2.4)	($4.4)	$3.4	$6.1
Library Preservation	$0.6	$1.0	($0.2)	($0.4)	$0.4	$0.6
Net Surplus	**$6.4**	**$11.6**	**($2.7)**	**($4.8)**	**$3.8**	**$6.8**

Exhibit 18 – Fiscal Revenues to Children's Services Fund				
Children's Services Fund Revenues	**Cumulative FY 2015/16 - FY 2067/68**		**Stabilized Year FY 2035/36**	
	$2016 millions	**$nominal**	**$2016 millions**	**$nominal**
Total General Fund Transfers	$96.7	$240.8	$2.2	$4.0

1. Net Impact On MTA Fund

The Project's total net impact on MTA consists of: (1) the base share of General Fund revenues generated by the Project to be transferred to MTA; (2) the increase in the citywide base transfer amount attributable to growth in the Project's service population (per Proposition B); and (3) the net service cost to MTA to provide enhanced service to Treasure Island. While the San Francisco Charter provides for a supplementary transfer to MTA to fund changes in service levels, no such transfer is included in the subject analysis, based on the finding that baseline transfers to the MTA are anticipated to exceed the marginal service costs in all fiscal years.

The estimate of net service costs is based on the "Enhanced Level of Service scenario" analyzed in the 2011 EPS fiscal report and the Transportation Implementation Plan (2011), which includes the implementation of the proposed Civic Center line. The scenario reflects eight phases reaching total annual ridership of approximately 3 million and 10 buses in service upon buildout, representing an increase of approximately 2.5 million annual passengers and 6 buses over the current condition. The following MTA revenue and expenditure inputs are used to estimate net service costs of enhanced transit service, as shown on Tables 21A through 22B:

MTA Expenditures

- *Operating costs:* Operating costs for the eight phases of the Transportation Plan are based on the 2011 EPS study and adjusted for inflation (Table 22-A).
- *Other MTA costs:* According to the 2011 EPS report, other MTA costs will include annual maintenance of stop signs, signals and bike lines. The cost of these services upon buildout is based upon the EPS study and adjusted for inflation. The buildout cost is phased in over the development period based on annual growth in the service population (Table 22-B).
- *Capital costs*
  - Vehicles: The cost per articulated bus is extrapolated from MTA's 2014 procurement contract with New Flyer of America Inc. to purchase 61 articulated low floor buses, including an allowance for tax, warranty, and consultant support. Per the 2011 EPS report, 20% of new vehicle costs are assumed to be covered by the Project Developer; the remaining costs are amortized over a 14-year period with a 5% interest rate (Tables 21-B, 22-B).
  - Bus Facility: The cost of storage and maintenance space for new buses is assumed to be approximately $768,000 per vehicle. The facility cost per bus is extrapolated from the capital cost of the Islais Motor Creek Facility, which is capable of storing 165 motor coaches. Phase I of the $126 million project containing the bus yard was completed in 2013, while construction of Phase II's operations and maintenance facility is currently underway. Facility costs are amortized over a 30-year period with a 5% interest rate, consistent with the 2011 EPS report (Tables 21-B, 22-B).

MTA Revenues (in addition to baseline transfers)

- *Farebox revenue:* MTA is assumed to generate farebox revenue of $0.86 per passenger trip. Revenue per trip is extrapolated from fare revenues reported in the FY 2015-2016 MTA Operating Budget and monthly MTA ridership reported by the National Transit Database. Cable cars have been excluded from the estimate (Table 22-B).
- *Advertising:* Net advertising revenue is assumed to be $3,500 per vehicle. The estimate is derived from total advertising revenue budgeted for FY 2015-2016 and the average number of MTA vehicles operating at peak demand reported by the National Transit Database. Per the 2011 EPS report, gross revenues are reduced by 50% to account for administrative expenses (Table 22-B).
- *Proposition K sales tax:* MTA receives a portion of the half-cent local sales tax for transportation capital projects approved by voters in 2003. Consistent with the prior EPS report, Proposition K sales tax revenues are estimated based on taxable sales generated by the project and the share of Proposition K revenues available for transit system

maintenance and renovation. According to the Proposition K expenditure plan, 37% of Proposition K tax revenues are allocated for these purposes (Table 22-B).

- *State sales tax (AB 1107):* Taxable sales from the Project will generate AB 1107 sales tax revenue. AB 1107 is a half-cent sales tax which provides funding support to BART, MTA and AC Transit. AB 1107 sales tax revenues are estimated according to taxable sales generated by the Project and MUNI's share of the tax. Pursuant to MTC policy, MTA receives 12.5% of AB 1107 tax revenues (Table 22-B).
- *State Transit Assistance:* Under the State Transit Assistance (STA) program, MTA receives a portion of state gasoline tax revenues, which are allocated based on population and total local revenues spent on transit. The estimate of marginal STA revenues generated by the Project is based on average STA revenues per resident, as derived from MTA's FY 15/16 Adopted Budget and current demographics for San Francisco (Table 22-B).
- *Transportation Development Act sales tax:* Under the Transportation Development Act (TDA) of 1971, MTA receives one-quarter percent of the state sales tax for sales occurring within the City and County of San Francisco. TDA tax revenues are estimated based on the Project's taxable sales and the TDA portion of the state tax rate (Table 22-B).

2. Net Impact on the Library Preservation Fund

The Project's impact on the Library Preservation Fund consists of: (1) the base share of General Fund revenues generated by the Project to be transferred to MTA, and (2) the net service cost to Library to operate a reading room planned for Treasure Island. Operations costs and the initial cost of furnishings, fixtures, and equipment for the planned library facility on Treasure Island are based on estimates from the 2011 EPS report, adjusted for inflation. Initial capital costs are amortized over five years with a five percent interest rate, starting in FY 2021/22 (Table 23).

3. Children's Services Fund Revenues

The analysis has not evaluated costs to the Children's Services Fund to service the project. The estimate of total revenues to be transferred from the General Fund to the Children's Services Fund can be found on Exhibit 18 and Table 2-C in the Appendix.

E. Aggregate Net Fiscal Impacts to City and County of San Francisco

The Project's aggregate impact on the General Fund, MTA Fund and Library Preservation Fund is anticipated to be significantly positive both on a cumulative basis and on an annual basis both preceding and following full build-out. Per Exhibits 19 and 20, the cumulative surplus through FY2067/68 is projected to be $529.6 million (2016$). The aggregate annual surplus to all funds upon stabilization is $10.5 million (2016$). The net surplus does not include additional restricted revenues to be generated by the Project to the Children's Services Fund (Exhibit 18).

Exhibit 19 – Summary of Aggregate Fiscal Impact on General Fund, MTA Fund and Library Preservation Fund

All Funds Impact - $2016 millions	Cumulative FY 2015/16 - FY 2067/68		Stabilized Year FY 2035/36	
	$2016 millions		$nominal	$2016 millions
City and County				
Aggregate Revenues	$1,259.0	$3,145.3	$28.3	$51.1
Aggregate Expenditures	($729.4)	($1,961.3)	($17.8)	($32.1)
Total Net Impact - City and County	**$529.6**	**$1,184.0**	**$10.5**	**$19.0**
Net Impact - General Fund	***$328.7***	***$688.2***	***$6.8***	***$12.2***
Net Impact - Baseline Funds	***$201.0***	***$495.8***	***$3.8***	***$6.8***

Exhibit 20 – Cumulative Fiscal Impact on All Funds ($2016 millions)

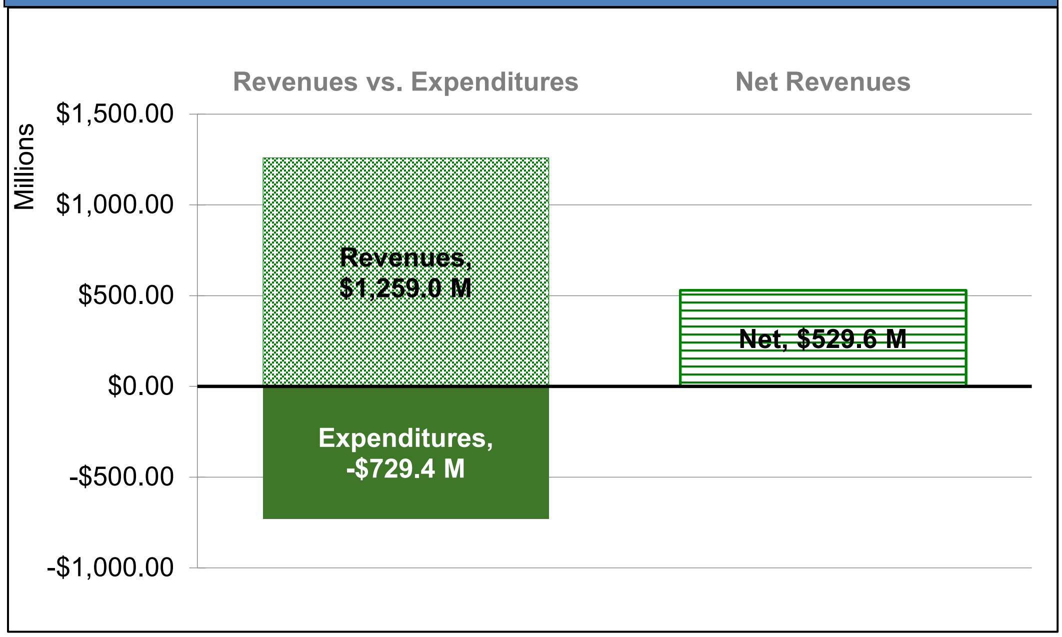


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Table 1

NET FISCAL IMPACT ON ALL FUNDS[1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	Fiscal Year July 1-June 30 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
		3% discount	*3% discount*									
A. GENERAL FUND IMPACT[2]												
Recurring General Fund Revenue	2,284,390,000	871,062,000	21,880,000	0	0	0	31,000	330,000	1,017,000	4,437,000	5,918,000	9,069,000
Recurring General Fund Expense	1,738,460,000	652,551,000	15,126,000	0	0	0	39,000	382,000	774,000	1,599,000	2,460,000	6,257,000
Net Recurring Revenue (Expense)	545,930,000	218,510,000	6,754,000	0	0	0	-8,000	-52,000	243,000	2,838,000	3,458,000	2,812,000
Construction-Related Revenue	142,272,000	110,175,000	0	375,000	1,894,000	4,412,000	5,959,000	7,454,000	10,773,000	9,299,000	10,045,000	13,295,000
TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**688,202,000**	**328,686,000**	**6,754,000**	**375,000**	**1,894,000**	**4,412,000**	**5,951,000**	**7,402,000**	**11,016,000**	**12,137,000**	**13,503,000**	**16,107,000**
				Cumulative	*2,269,000*	*6,681,000*	*12,632,000*	*20,034,000*	*31,050,000*	*43,187,000*	*56,690,000*	*72,797,000*
B. IMPACT ON OTHER FUNDS												
Net MTA Revenue (Expense)	459,829,000	186,321,000	3,404,000	71,000	288,000	645,000	946,000	1,453,000	2,027,000	2,816,000	3,954,000	5,047,000
Net Library Revenue (Expense)	35,954,000	14,639,000	354,000	8,000	40,000	95,000	128,000	165,000	262,000	203,000	129,000	162,000
TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS	**495,783,000**	**200,960,000**	**3,758,000**	**79,000**	**328,000**	**740,000**	**1,074,000**	**1,618,000**	**2,289,000**	**3,019,000**	**4,083,000**	**5,209,000**
				Cumulative	*407,000*	*1,147,000*	*2,221,000*	*3,839,000*	*6,128,000*	*9,147,000*	*13,230,000*	*18,439,000*
C. TOTAL CITYWIDE IMPACT												
General Fund Revenue/(Expense)	688,202,000	328,686,000	6,754,000	375,000	1,894,000	4,412,000	5,951,000	7,402,000	11,016,000	12,137,000	13,503,000	16,107,000
Other Funds Revenue (Expense)	495,783,000	200,960,000	3,758,000	79,000	328,000	740,000	1,074,000	1,618,000	2,289,000	3,019,000	4,083,000	5,209,000
TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS	**1,183,985,000**	**529,646,000**	**10,512,000**	**454,000**	**2,222,000**	**5,152,000**	**7,025,000**	**9,020,000**	**13,305,000**	**15,156,000**	**17,586,000**	**21,316,000**
				Cumulative	*2,676,000*	*7,828,000*	*14,853,000*	*23,873,000*	*37,178,000*	*52,334,000*	*69,920,000*	*91,236,000*
D. OTHER RESTRICTED REVENUE												
Children's Services Fund	240,797,000	96,688,000	2,210,000	29,000	155,000	363,000	489,000	633,000	1,003,000	1,236,000	1,423,000	2,044,000
Licenses, Permits and Fees	59,063,000	59,063,000	514,000	0	0	0	4,000	23,000	59,000	116,000	173,000	226,000
Fines, Forfeitures and Penalties	10,145,000	10,145,000	89,000	0	0	0	1,000	4,000	10,000	20,000	30,000	39,000

Notes

[1] See Tables 2-A through 2-C for detail.
[2] Excludes 56.588206% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

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Table 1

NET FISCAL IMPACT ON ALL FUNDS[1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
		3% discount	*3% discount*									
A. GENERAL FUND IMPACT[2]												
Recurring General Fund Revenue	2,284,390,000	871,062,000	21,880,000	11,701,000	13,893,000	16,723,000	20,870,000	23,763,000	28,477,000	31,207,000	33,697,000	35,829,000
Recurring General Fund Expense	1,738,460,000	652,551,000	15,126,000	10,991,000	13,125,000	14,889,000	17,108,000	19,560,000	21,651,000	23,310,000	24,274,000	25,002,000
Net Recurring Revenue (Expense)	545,930,000	218,510,000	6,754,000	710,000	768,000	1,834,000	3,762,000	4,203,000	6,826,000	7,897,000	9,423,000	10,827,000
Construction-Related Revenue	142,272,000	110,175,000	0	14,056,000	12,606,000	14,292,000	12,357,000	9,970,000	7,525,000	6,120,000	1,840,000	0
TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**688,202,000**	**328,686,000**	**6,754,000**	**14,766,000**	**13,374,000**	**16,126,000**	**16,119,000**	**14,173,000**	**14,351,000**	**14,017,000**	**11,263,000**	**10,827,000**
				87,563,000	*100,937,000*	*117,063,000*	*133,182,000*	*147,355,000*	*161,706,000*	*175,723,000*	*186,986,000*	*197,813,000*
B. IMPACT ON OTHER FUNDS												
Net MTA Revenue (Expense)	459,829,000	186,321,000	3,404,000	4,248,000	6,819,000	8,176,000	9,654,000	10,788,000	5,607,000	6,129,000	5,354,000	5,499,000
Net Library Revenue (Expense)	35,954,000	14,639,000	354,000	236,000	253,000	362,000	503,000	518,000	574,000	610,000	569,000	575,000
TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS	**495,783,000**	**200,960,000**	**3,758,000**	**4,484,000**	**7,072,000**	**8,538,000**	**10,157,000**	**11,306,000**	**6,181,000**	**6,739,000**	**5,923,000**	**6,074,000**
				22,923,000	*29,995,000*	*38,533,000*	*48,690,000*	*59,996,000*	*66,177,000*	*72,916,000*	*78,839,000*	*84,913,000*
C. TOTAL CITYWIDE IMPACT												
General Fund Revenue/(Expense)	688,202,000	328,686,000	6,754,000	14,766,000	13,374,000	16,126,000	16,119,000	14,173,000	14,351,000	14,017,000	11,263,000	10,827,000
Other Funds Revenue (Expense)	495,783,000	200,960,000	3,758,000	4,484,000	7,072,000	8,538,000	10,157,000	11,306,000	6,181,000	6,739,000	5,923,000	6,074,000
TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS	**1,183,985,000**	**529,646,000**	**10,512,000**	**19,250,000**	**20,446,000**	**24,664,000**	**26,276,000**	**25,479,000**	**20,532,000**	**20,756,000**	**17,186,000**	**16,901,000**
				110,486,000	*130,932,000*	*155,596,000*	*181,872,000*	*207,351,000*	*227,883,000*	*248,639,000*	*265,825,000*	*282,726,000*
D. OTHER RESTRICTED REVENUE												
Children's Services Fund	240,797,000	96,688,000	2,210,000	2,366,000	2,466,000	2,915,000	3,143,000	3,239,000	3,490,000	3,665,000	3,552,000	3,615,000
Licenses, Permits and Fees	59,063,000	59,063,000	514,000	303,000	389,000	466,000	544,000	635,000	713,000	787,000	825,000	850,000
Fines, Forfeitures and Penalties	10,145,000	10,145,000	89,000	52,000	67,000	80,000	93,000	109,000	122,000	135,000	142,000	146,000

Notes
[1] See Tables 2-A through 2-C for detail.
[2] Excludes 56.588206% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

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Table 1

NET FISCAL IMPACT ON ALL FUNDS[1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42
		3% discount	*3% discount*									
A. GENERAL FUND IMPACT[2]												
Recurring General Fund Revenue	2,284,390,000	871,062,000	21,880,000	37,553,000	38,525,000	39,518,000	40,543,000	41,596,000	42,680,000	43,788,000	44,927,000	46,092,000
Recurring General Fund Expense	1,738,460,000	652,551,000	15,126,000	25,751,000	26,524,000	27,320,000	28,140,000	28,984,000	29,854,000	30,750,000	31,672,000	32,621,000
Net Recurring Revenue (Expense)	545,930,000	218,510,000	6,754,000	11,802,000	12,001,000	12,198,000	12,403,000	12,612,000	12,826,000	13,038,000	13,255,000	13,471,000
Construction-Related Revenue	142,272,000	110,175,000	0	0	0	0	0	0	0	0	0	0
TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**688,202,000**	**328,686,000**	**6,754,000**	**11,802,000**	**12,001,000**	**12,198,000**	**12,403,000**	**12,612,000**	**12,826,000**	**13,038,000**	**13,255,000**	**13,471,000**
				209,615,000	*221,616,000*	*233,814,000*	*246,217,000*	*258,829,000*	*271,655,000*	*284,693,000*	*297,948,000*	*311,419,000*
B. IMPACT ON OTHER FUNDS												
Net MTA Revenue (Expense)	459,829,000	186,321,000	3,404,000	5,771,000	5,957,000	6,148,000	6,345,000	6,545,000	7,439,000	7,654,000	7,873,000	8,100,000
Net Library Revenue (Expense)	35,954,000	14,639,000	354,000	611,000	625,000	639,000	654,000	669,000	684,000	700,000	715,000	732,000
TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS	**495,783,000**	**200,960,000**	**3,758,000**	**6,382,000**	**6,582,000**	**6,787,000**	**6,999,000**	**7,214,000**	**8,123,000**	**8,354,000**	**8,588,000**	**8,832,000**
				91,295,000	*97,877,000*	*104,664,000*	*111,663,000*	*118,877,000*	*127,000,000*	*135,354,000*	*143,942,000*	*152,774,000*
C. TOTAL CITYWIDE IMPACT												
General Fund Revenue/(Expense)	688,202,000	328,686,000	6,754,000	11,802,000	12,001,000	12,198,000	12,403,000	12,612,000	12,826,000	13,038,000	13,255,000	13,471,000
Other Funds Revenue (Expense)	495,783,000	200,960,000	3,758,000	6,382,000	6,582,000	6,787,000	6,999,000	7,214,000	8,123,000	8,354,000	8,588,000	8,832,000
TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS	**1,183,985,000**	**529,646,000**	**10,512,000**	**18,184,000**	**18,583,000**	**18,985,000**	**19,402,000**	**19,826,000**	**20,949,000**	**21,392,000**	**21,843,000**	**22,303,000**
				300,910,000	*319,493,000*	*338,478,000*	*357,880,000*	*377,706,000*	*398,655,000*	*420,047,000*	*441,890,000*	*464,193,000*
D. OTHER RESTRICTED REVENUE												
Children's Services Fund	240,797,000	96,688,000	2,210,000	3,795,000	3,892,000	3,991,000	4,093,000	4,198,000	4,306,000	4,416,000	4,529,000	4,645,000
Licenses, Permits and Fees	59,063,000	59,063,000	514,000	876,000	902,000	929,000	957,000	986,000	1,015,000	1,046,000	1,077,000	1,109,000
Fines, Forfeitures and Penalties	10,145,000	10,145,000	89,000	150,000	155,000	160,000	164,000	169,000	174,000	180,000	185,000	191,000

Notes
[1] See Tables 2-A through 2-C for detail.
[2] Excludes 56.588206% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 1

NET FISCAL IMPACT ON ALL FUNDS[1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51
		3% discount	*3% discount*									
A. GENERAL FUND IMPACT[2]												
Recurring General Fund Revenue	2,284,390,000	871,062,000	21,880,000	47,293,000	48,529,000	49,798,000	51,097,000	52,434,000	53,806,000	55,216,000	56,663,000	58,150,000
Recurring General Fund Expense	1,738,460,000	652,551,000	15,126,000	33,602,000	34,608,000	35,648,000	36,716,000	37,818,000	38,954,000	40,121,000	41,325,000	42,567,000
Net Recurring Revenue (Expense)	545,930,000	218,510,000	6,754,000	13,691,000	13,921,000	14,150,000	14,381,000	14,616,000	14,852,000	15,095,000	15,338,000	15,583,000
Construction-Related Revenue	142,272,000	110,175,000	0	0	0	0	0	0	0	0	0	0
TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**688,202,000**	**328,686,000**	**6,754,000**	**13,691,000**	**13,921,000**	**14,150,000**	**14,381,000**	**14,616,000**	**14,852,000**	**15,095,000**	**15,338,000**	**15,583,000**
				325,110,000	*339,031,000*	*353,181,000*	*367,562,000*	*382,178,000*	*397,030,000*	*412,125,000*	*427,463,000*	*443,046,000*
B. IMPACT ON OTHER FUNDS												
Net MTA Revenue (Expense)	459,829,000	186,321,000	3,404,000	8,331,000	8,729,000	8,972,000	9,225,000	9,487,000	9,751,000	10,028,000	10,306,000	10,598,000
Net Library Revenue (Expense)	35,954,000	14,639,000	354,000	749,000	766,000	784,000	801,000	820,000	839,000	858,000	878,000	898,000
TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS	**495,783,000**	**200,960,000**	**3,758,000**	**9,080,000**	**9,495,000**	**9,756,000**	**10,026,000**	**10,307,000**	**10,590,000**	**10,886,000**	**11,184,000**	**11,496,000**
				161,854,000	*171,349,000*	*181,105,000*	*191,131,000*	*201,438,000*	*212,028,000*	*222,914,000*	*234,098,000*	*245,594,000*
C. TOTAL CITYWIDE IMPACT												
General Fund Revenue/(Expense)	688,202,000	328,686,000	6,754,000	13,691,000	13,921,000	14,150,000	14,381,000	14,616,000	14,852,000	15,095,000	15,338,000	15,583,000
Other Funds Revenue (Expense)	495,783,000	200,960,000	3,758,000	9,080,000	9,495,000	9,756,000	10,026,000	10,307,000	10,590,000	10,886,000	11,184,000	11,496,000
TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS	**1,183,985,000**	**529,646,000**	**10,512,000**	**22,771,000**	**23,416,000**	**23,906,000**	**24,407,000**	**24,923,000**	**25,442,000**	**25,981,000**	**26,522,000**	**27,079,000**
				486,964,000	*510,380,000*	*534,286,000*	*558,693,000*	*583,616,000*	*609,058,000*	*635,039,000*	*661,561,000*	*688,640,000*
D. OTHER RESTRICTED REVENUE												
Children's Services Fund	240,797,000	96,688,000	2,210,000	4,765,000	4,888,000	5,013,000	5,143,000	5,275,000	5,412,000	5,552,000	5,695,000	5,842,000
Licenses, Permits and Fees	59,063,000	59,063,000	514,000	1,143,000	1,177,000	1,212,000	1,249,000	1,286,000	1,325,000	1,364,000	1,405,000	1,447,000
Fines, Forfeitures and Penalties	10,145,000	10,145,000	89,000	196,000	202,000	208,000	215,000	221,000	228,000	234,000	241,000	249,000

Notes

[1] See Tables 2-A through 2-C for detail.
[2] Excludes 56.588206% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 1

NET FISCAL IMPACT ON ALL FUNDS[1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60
		3% discount	*3% discount*									
A. GENERAL FUND IMPACT[2]												
Recurring General Fund Revenue	2,284,390,000	871,062,000	21,880,000	59,676,000	61,247,000	62,858,000	64,515,000	66,216,000	67,961,000	69,759,000	71,600,000	72,578,000
Recurring General Fund Expense	1,738,460,000	652,551,000	15,126,000	43,841,000	45,158,000	46,512,000	47,905,000	49,345,000	50,824,000	52,348,000	53,921,000	55,538,000
Net Recurring Revenue (Expense)	545,930,000	218,510,000	6,754,000	15,835,000	16,089,000	16,346,000	16,610,000	16,871,000	17,137,000	17,411,000	17,679,000	17,040,000
Construction-Related Revenue	142,272,000	110,175,000	0	0	0	0	0	0	0	0	0	0
TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**688,202,000**	**328,686,000**	**6,754,000**	**15,835,000**	**16,089,000**	**16,346,000**	**16,610,000**	**16,871,000**	**17,137,000**	**17,411,000**	**17,679,000**	**17,040,000**
				458,881,000	*474,970,000*	*491,316,000*	*507,926,000*	*524,797,000*	*541,934,000*	*559,345,000*	*577,024,000*	*594,064,000*
B. IMPACT ON OTHER FUNDS												
Net MTA Revenue (Expense)	459,829,000	186,321,000	3,404,000	10,897,000	11,204,000	11,520,000	12,310,000	12,643,000	12,985,000	13,339,000	13,704,000	13,969,000
Net Library Revenue (Expense)	35,954,000	14,639,000	354,000	919,000	939,000	961,000	984,000	1,007,000	1,030,000	1,053,000	1,078,000	1,077,000
TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS	**495,783,000**	**200,960,000**	**3,758,000**	**11,816,000**	**12,143,000**	**12,481,000**	**13,294,000**	**13,650,000**	**14,015,000**	**14,392,000**	**14,782,000**	**15,046,000**
				257,410,000	*269,553,000*	*282,034,000*	*295,328,000*	*308,978,000*	*322,993,000*	*337,385,000*	*352,167,000*	*367,213,000*
C. TOTAL CITYWIDE IMPACT												
General Fund Revenue/(Expense)	688,202,000	328,686,000	6,754,000	15,835,000	16,089,000	16,346,000	16,610,000	16,871,000	17,137,000	17,411,000	17,679,000	17,040,000
Other Funds Revenue (Expense)	495,783,000	200,960,000	3,758,000	11,816,000	12,143,000	12,481,000	13,294,000	13,650,000	14,015,000	14,392,000	14,782,000	15,046,000
TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS	**1,183,985,000**	**529,646,000**	**10,512,000**	**27,651,000**	**28,232,000**	**28,827,000**	**29,904,000**	**30,521,000**	**31,152,000**	**31,803,000**	**32,461,000**	**32,086,000**
				716,291,000	*744,523,000*	*773,350,000*	*803,254,000*	*833,775,000*	*864,927,000*	*896,730,000*	*929,191,000*	*961,277,000*
D. OTHER RESTRICTED REVENUE												
Children's Services Fund	240,797,000	96,688,000	2,210,000	5,994,000	6,150,000	6,309,000	6,473,000	6,642,000	6,815,000	6,992,000	7,175,000	7,262,000
Licenses, Permits and Fees	59,063,000	59,063,000	514,000	1,491,000	1,536,000	1,582,000	1,629,000	1,678,000	1,728,000	1,780,000	1,834,000	1,889,000
Fines, Forfeitures and Penalties	10,145,000	10,145,000	89,000	256,000	264,000	272,000	280,000	288,000	297,000	306,000	315,000	324,000

Notes
[1] See Tables 2-A through 2-C for detail.
[2] Excludes 56.588206% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 1

NET FISCAL IMPACT ON ALL FUNDS[1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
		3% discount	*3% discount*								
A. GENERAL FUND IMPACT[2]											
Recurring General Fund Revenue	2,284,390,000	871,062,000	21,880,000	72,249,000	73,322,000	74,511,000	74,238,000	75,491,000	75,568,000	77,647,000	79,784,000
Recurring General Fund Expense	1,738,460,000	652,551,000	15,126,000	57,202,000	58,918,000	60,686,000	62,508,000	64,384,000	66,317,000	68,304,000	70,353,000
Net Recurring Revenue (Expense)	545,930,000	218,510,000	6,754,000	15,047,000	14,404,000	13,825,000	11,730,000	11,107,000	9,251,000	9,343,000	9,431,000
Construction-Related Revenue	142,272,000	110,175,000	0	0	0	0	0	0	0	0	0
TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**688,202,000**	**328,686,000**	**6,754,000**	**15,047,000**	**14,404,000**	**13,825,000**	**11,730,000**	**11,107,000**	**9,251,000**	**9,343,000**	**9,431,000**
				609,111,000	*623,515,000*	*637,340,000*	*649,070,000*	*660,177,000*	*669,428,000*	*678,771,000*	*688,202,000*
B. IMPACT ON OTHER FUNDS											
Net MTA Revenue (Expense)	459,829,000	186,321,000	3,404,000	14,093,000	14,380,000	14,685,000	14,827,000	15,152,000	15,346,000	15,778,000	16,217,000
Net Library Revenue (Expense)	35,954,000	14,639,000	354,000	1,038,000	1,038,000	1,040,000	999,000	1,001,000	969,000	991,000	1,016,000
TOTAL NET REVENUE (EXPENSE) TO OTHER CCSF FUNDS	**495,783,000**	**200,960,000**	**3,758,000**	**15,131,000**	**15,418,000**	**15,725,000**	**15,826,000**	**16,153,000**	**16,315,000**	**16,769,000**	**17,233,000**
				382,344,000	*397,762,000*	*413,487,000*	*429,313,000*	*445,466,000*	*461,781,000*	*478,550,000*	*495,783,000*
C. TOTAL CITYWIDE IMPACT											
General Fund Revenue/(Expense)	688,202,000	328,686,000	6,754,000	15,047,000	14,404,000	13,825,000	11,730,000	11,107,000	9,251,000	9,343,000	9,431,000
Other Funds Revenue (Expense)	495,783,000	200,960,000	3,758,000	15,131,000	15,418,000	15,725,000	15,826,000	16,153,000	16,315,000	16,769,000	17,233,000
TOTAL NET REVENUE (EXPENSE) TO ALL CCSF FUNDS	**1,183,985,000**	**529,646,000**	**10,512,000**	**30,178,000**	**29,822,000**	**29,550,000**	**27,556,000**	**27,260,000**	**25,566,000**	**26,112,000**	**26,664,000**
				991,455,000	*1,021,277,000*	*1,050,827,000*	*1,078,383,000*	*1,105,643,000*	*1,131,209,000*	*1,157,321,000*	*1,183,985,000*
D. OTHER RESTRICTED REVENUE											
Children's Services Fund	240,797,000	96,688,000	2,210,000	7,204,000	7,300,000	7,408,000	7,355,000	7,469,000	7,453,000	7,656,000	7,864,000
Licenses, Permits and Fees	59,063,000	59,063,000	514,000	1,945,000	2,004,000	2,064,000	2,126,000	2,189,000	2,255,000	2,323,000	2,392,000
Fines, Forfeitures and Penalties	10,145,000	10,145,000	89,000	334,000	344,000	355,000	365,000	376,000	387,000	399,000	411,000

Notes
[1] See Tables 2-A through 2-C for detail.
[2] Excludes 56.588206% of base property tax levy, which is dedicated to funding infrastructure and affordable housing.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	Fiscal Year: July 1 - June 30 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
		3% discount	*3% discount*									
A. RECURRING GENERAL FUND IMPACTS												
RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT[1]												
Portion of General Fund Property Tax[2]	$305,197,000	$125,512,000	$3,800,000	0	0	0	0	50,000	156,000	313,000	603,000	1,044,000
Property Tax in Lieu of VLF	$489,456,000	$186,843,000	$5,082,000	0	0	0	0	67,000	209,000	418,000	806,000	1,397,000
Property Transfer Tax	$438,962,000	$162,638,000	$3,883,000	0	0	0	0	42,000	234,000	530,000	889,000	1,220,000
Sales and Use Tax	$316,887,000	$117,370,000	$2,796,000	0	0	0	14,000	77,000	185,000	384,000	542,000	729,000
Telephone Users Tax	$58,182,000	$21,809,000	$507,000	0	0	0	4,000	22,000	54,000	111,000	161,000	211,000
Access Line Tax	$53,935,000	$20,216,000	$470,000	0	0	0	3,000	20,000	50,000	102,000	149,000	195,000
Water Users Tax	$1,405,000	$521,000	$12,000	0	0	0	0	0	1,000	2,000	2,000	3,000
Gas Electric Steam Users Tax	$15,263,000	$5,664,000	$134,000	0	0	0	1,000	4,000	7,000	22,000	27,000	34,000
Gross Receipts Tax	$65,292,000	$24,284,000	$574,000	0	0	0	0	0	5,000	112,000	132,000	182,000
Business License Tax	$4,602,000	$1,716,000	$40,000	0	0	0	0	0	0	12,000	12,000	14,000
Hotel Room Tax	$336,572,000	$130,915,000	$2,828,000	0	0	0	0	0	0	2,190,000	2,256,000	3,583,000
Subtotal-Discretionary	$2,085,753,000	$797,490,000	$20,127,000	0	0	0	22,000	282,000	901,000	4,196,000	5,579,000	8,612,000
Public Safety Sales Tax	$198,637,000	$73,572,000	$1,753,000	0	0	0	9,000	48,000	116,000	241,000	339,000	457,000
TOTAL	$2,284,390,000	$871,062,000	$21,880,000	0	0	0	31,000	330,000	1,017,000	4,437,000	5,918,000	9,069,000
RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT[3]												
Elections	$32,234,000	$12,101,000	$281,000	0	0	0	2,000	13,000	32,000	63,000	94,000	124,000
Assessor/Recorder	$16,321,000	$6,546,000	$133,000	0	0	0	0	150,000	155,000	160,000	164,000	169,000
311	$9,502,000	$3,568,000	$82,000	0	0	0	1,000	4,000	9,000	19,000	28,000	36,000
Police Services	$414,006,000	$151,573,000	$3,691,000	0	0	0	0	0	0	0	0	0
Fire Protection	$547,871,000	$208,697,000	$4,690,000	0	0	0	0	0	0	0	0	2,970,000
911 Emergency Response	$48,985,000	$18,389,000	$427,000	0	0	0	3,000	19,000	49,000	96,000	143,000	188,000
Public Health	$112,564,000	$42,257,000	$981,000	0	0	0	7,000	44,000	112,000	221,000	329,000	431,000
Public Works	$108,600,000	$40,454,000	$951,000	0	0	0	0	0	42,000	69,000	168,000	239,000
Library/Community Facilities	$45,431,000	$17,924,000	$376,000	0	0	0	0	0	0	205,000	418,000	641,000
SFMTA/MUNI (Prop. B)	$402,946,000	$151,041,000	$3,515,000	0	0	0	26,000	152,000	375,000	766,000	1,116,000	1,459,000
TOTAL	$1,738,460,000	$652,551,000	$15,126,000	0	0	0	39,000	382,000	774,000	1,599,000	2,460,000	6,257,000
NET RECURRING GENERAL FUND REVENUE (EXPENSE)	**$545,930,000**	**$218,510,000**	**$6,754,000**	**0**	**0**	**0**	**(8,000)**	**(52,000)**	**243,000**	**2,838,000**	**3,458,000**	**2,812,000**
				Cumulative	*0*	*0*	*(8,000)*	*(60,000)*	*183,000*	*3,021,000*	*6,479,000*	*9,291,000*
B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)[4]	**$142,272,000**	**$110,175,000**	**$0**	**375,000**	**1,894,000**	**4,412,000**	**5,959,000**	**7,454,000**	**10,773,000**	**9,299,000**	**10,045,000**	**13,295,000**
				Cumulative	*2,269,000*	*6,681,000*	*12,640,000*	*20,094,000*	*30,867,000*	*40,166,000*	*50,211,000*	*63,506,000*
C. TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**$688,202,000**	**$328,686,000**	**$6,754,000**	**375,000**	**1,894,000**	**4,412,000**	**5,951,000**	**7,402,000**	**11,016,000**	**12,137,000**	**13,503,000**	**16,107,000**
				Cumulative	*2,269,000*	*6,681,000*	*12,632,000*	*20,034,000*	*31,050,000*	*43,187,000*	*56,690,000*	*72,797,000*
D. OTHER RESTRICTED GENERAL FUND REVENUES[1]												
Licenses, Permits and Fees	$59,063,000	$22,173,000	$514,000	0	0	0	4,000	23,000	59,000	116,000	173,000	226,000
Fines, Fofeitures and Penalties	$10,145,000	$3,809,000	$89,000	0	0	0	1,000	4,000	10,000	20,000	30,000	39,000

Notes:

1 Excluding baseline transfers. See Table 11-A.
2 Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
3 Table 17.
4 Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-2033
		3% discount	*3% discount*									
A. RECURRING GENERAL FUND IMPACTS												
RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT[1]												
Portion of General Fund Property Tax[2]	$305,197,000	$125,512,000	$3,800,000	1,460,000	1,891,000	2,590,000	3,145,000	3,804,000	4,417,000	4,991,000	5,554,000	6,134,000
Property Tax in Lieu of VLF	$489,456,000	$186,843,000	$5,082,000	1,952,000	2,529,000	3,464,000	4,207,000	5,088,000	5,908,000	6,675,000	7,428,000	8,204,000
Property Transfer Tax	$438,962,000	$162,638,000	$3,883,000	1,677,000	2,245,000	2,857,000	3,479,000	4,109,000	4,750,000	5,425,000	6,089,000	6,422,000
Sales and Use Tax	$316,887,000	$117,370,000	$2,796,000	1,235,000	1,441,000	1,636,000	2,529,000	2,773,000	4,064,000	4,319,000	4,487,000	4,622,000
Telephone Users Tax	$58,182,000	$21,809,000	$507,000	291,000	368,000	436,000	533,000	615,000	710,000	778,000	814,000	839,000
Access Line Tax	$53,935,000	$20,216,000	$470,000	270,000	341,000	404,000	494,000	570,000	658,000	722,000	755,000	778,000
Water Users Tax	$1,405,000	$521,000	$12,000	6,000	6,000	7,000	13,000	13,000	18,000	19,000	20,000	21,000
Gas Electric Steam Users Tax	$15,263,000	$5,664,000	$134,000	64,000	69,000	76,000	135,000	143,000	199,000	209,000	215,000	223,000
Gross Receipts Tax	$65,292,000	$24,284,000	$574,000	261,000	278,000	290,000	674,000	712,000	867,000	893,000	920,000	948,000
Business License Tax	$4,602,000	$1,716,000	$40,000	22,000	22,000	23,000	44,000	45,000	61,000	63,000	65,000	67,000
Hotel Room Tax	$336,572,000	$130,915,000	$2,828,000	3,689,000	3,800,000	3,914,000	4,032,000	4,153,000	4,277,000	4,406,000	4,537,000	4,674,000
Subtotal-Discretionary	$2,085,753,000	$797,490,000	$20,127,000	10,927,000	12,990,000	15,697,000	19,285,000	22,025,000	25,929,000	28,500,000	30,884,000	32,932,000
Public Safety Sales Tax	$198,637,000	$73,572,000	$1,753,000	774,000	903,000	1,026,000	1,585,000	1,738,000	2,548,000	2,707,000	2,813,000	2,897,000
TOTAL	$2,284,390,000	$871,062,000	$21,880,000	11,701,000	13,893,000	16,723,000	20,870,000	23,763,000	28,477,000	31,207,000	33,697,000	35,829,000
RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT[3]												
Elections	$32,234,000	$12,101,000	$281,000	165,000	212,000	254,000	297,000	347,000	389,000	430,000	450,000	464,000
Assessor/Recorder	$16,321,000	$6,546,000	$133,000	174,000	180,000	185,000	191,000	196,000	202,000	208,000	214,000	221,000
311	$9,502,000	$3,568,000	$82,000	49,000	63,000	75,000	88,000	102,000	115,000	127,000	133,000	137,000
Police Services	$414,006,000	$151,573,000	$3,691,000	708,000	1,479,000	2,165,000	3,154,000	3,981,000	4,944,000	5,614,000	5,923,000	6,101,000
Fire Protection	$547,871,000	$208,697,000	$4,690,000	6,119,000	6,303,000	6,492,000	6,687,000	6,887,000	7,094,000	7,307,000	7,526,000	7,752,000
911 Emergency Response	$48,985,000	$18,389,000	$427,000	251,000	322,000	387,000	451,000	527,000	591,000	653,000	685,000	705,000
Public Health	$112,564,000	$42,257,000	$981,000	577,000	741,000	888,000	1,037,000	1,211,000	1,358,000	1,501,000	1,573,000	1,620,000
Public Works	$108,600,000	$40,454,000	$951,000	279,000	611,000	736,000	977,000	1,497,000	1,473,000	1,494,000	1,527,000	1,572,000
Library/Community Facilities	$45,431,000	$17,924,000	$376,000	655,000	670,000	685,000	536,000	552,000	569,000	586,000	603,000	621,000
SFMTA/MUNI (Prop. B)	$402,946,000	$151,041,000	$3,515,000	2,014,000	2,544,000	3,022,000	3,690,000	4,260,000	4,916,000	5,390,000	5,640,000	5,809,000
TOTAL	$1,738,460,000	$652,551,000	$15,126,000	10,991,000	13,125,000	14,889,000	17,108,000	19,560,000	21,651,000	23,310,000	24,274,000	25,002,000
NET RECURRING GENERAL FUND REVENUE (EXPENSE)	**$545,930,000**	**$218,510,000**	**$6,754,000**	**710,000**	**768,000**	**1,834,000**	**3,762,000**	**4,203,000**	**6,826,000**	**7,897,000**	**9,423,000**	**10,827,000**
				10,001,000	*10,769,000*	*12,603,000*	*16,365,000*	*20,568,000*	*27,394,000*	*35,291,000*	*44,714,000*	*55,541,000*
B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)[4]	**$142,272,000**	**$110,175,000**	**$0**	**14,056,000**	**12,606,000**	**14,292,000**	**12,357,000**	**9,970,000**	**7,525,000**	**6,120,000**	**1,840,000**	**0**
				77,562,000	*90,168,000*	*104,460,000*	*116,817,000*	*126,787,000*	*134,312,000*	*140,432,000*	*142,272,000*	*142,272,000*
C. TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**$688,202,000**	**$328,686,000**	**$6,754,000**	**14,766,000**	**13,374,000**	**16,126,000**	**16,119,000**	**14,173,000**	**14,351,000**	**14,017,000**	**11,263,000**	**10,827,000**
				87,563,000	*100,937,000*	*117,063,000*	*133,182,000*	*147,355,000*	*161,706,000*	*175,723,000*	*186,986,000*	*197,813,000*
D. OTHER RESTRICTED GENERAL FUND REVENUES[1]												
Licenses, Permits and Fees	$59,063,000	$22,173,000	$514,000	303,000	389,000	466,000	544,000	635,000	713,000	787,000	825,000	850,000
Fines, Fofeitures and Penalties	$10,145,000	$3,809,000	$89,000	52,000	67,000	80,000	93,000	109,000	122,000	135,000	142,000	146,000

Notes:

1 Excluding baseline transfers. See Table 11-A.
2 Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
3 Table 17.
4 Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42
		3% discount	*3% discount*									
A. RECURRING GENERAL FUND IMPACTS												
RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT[1]												
Portion of General Fund Property Tax[2]	$305,197,000	$125,512,000	$3,800,000	6,596,000	6,729,000	6,863,000	7,000,000	7,140,000	7,283,000	7,429,000	7,578,000	7,729,000
Property Tax in Lieu of VLF	$489,456,000	$186,843,000	$5,082,000	8,823,000	9,000,000	9,179,000	9,363,000	9,550,000	9,742,000	9,936,000	10,135,000	10,337,000
Property Transfer Tax	$438,962,000	$162,638,000	$3,883,000	6,614,000	6,811,000	7,014,000	7,224,000	7,440,000	7,662,000	7,891,000	8,126,000	8,370,000
Sales and Use Tax	$316,887,000	$117,370,000	$2,796,000	4,762,000	4,904,000	5,050,000	5,202,000	5,358,000	5,519,000	5,685,000	5,856,000	6,031,000
Telephone Users Tax	$58,182,000	$21,809,000	$507,000	864,000	890,000	916,000	944,000	972,000	1,002,000	1,031,000	1,062,000	1,094,000
Access Line Tax	$53,935,000	$20,216,000	$470,000	801,000	825,000	849,000	875,000	901,000	928,000	956,000	985,000	1,015,000
Water Users Tax	$1,405,000	$521,000	$12,000	21,000	22,000	22,000	23,000	24,000	25,000	26,000	26,000	26,000
Gas Electric Steam Users Tax	$15,263,000	$5,664,000	$134,000	229,000	236,000	242,000	250,000	258,000	266,000	274,000	282,000	290,000
Gross Receipts Tax	$65,292,000	$24,284,000	$574,000	976,000	1,006,000	1,036,000	1,066,000	1,099,000	1,132,000	1,166,000	1,200,000	1,236,000
Business License Tax	$4,602,000	$1,716,000	$40,000	69,000	71,000	73,000	75,000	77,000	80,000	82,000	85,000	87,000
Hotel Room Tax	$336,572,000	$130,915,000	$2,828,000	4,814,000	4,958,000	5,108,000	5,260,000	5,418,000	5,581,000	5,748,000	5,921,000	6,097,000
Subtotal-Discretionary	$2,085,753,000	$797,490,000	$20,127,000	34,569,000	35,452,000	36,352,000	37,282,000	38,237,000	39,220,000	40,224,000	41,256,000	42,312,000
Public Safety Sales Tax	$198,637,000	$73,572,000	$1,753,000	2,984,000	3,073,000	3,166,000	3,261,000	3,359,000	3,460,000	3,564,000	3,671,000	3,780,000
TOTAL	$2,284,390,000	$871,062,000	$21,880,000	37,553,000	38,525,000	39,518,000	40,543,000	41,596,000	42,680,000	43,788,000	44,927,000	46,092,000
RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT[3]												
Elections	$32,234,000	$12,101,000	$281,000	478,000	492,000	507,000	522,000	538,000	554,000	571,000	588,000	605,000
Assessor/Recorder	$16,321,000	$6,546,000	$133,000	227,000	234,000	241,000	249,000	256,000	264,000	272,000	280,000	288,000
311	$9,502,000	$3,568,000	$82,000	141,000	145,000	149,000	154,000	159,000	163,000	168,000	173,000	178,000
Police Services	$414,006,000	$151,573,000	$3,691,000	6,284,000	6,472,000	6,666,000	6,866,000	7,073,000	7,285,000	7,503,000	7,728,000	7,960,000
Fire Protection	$547,871,000	$208,697,000	$4,690,000	7,984,000	8,224,000	8,470,000	8,724,000	8,986,000	9,256,000	9,533,000	9,819,000	10,114,000
911 Emergency Response	$48,985,000	$18,389,000	$427,000	726,000	748,000	771,000	794,000	817,000	842,000	867,000	893,000	920,000
Public Health	$112,564,000	$42,257,000	$981,000	1,669,000	1,719,000	1,771,000	1,824,000	1,878,000	1,935,000	1,993,000	2,053,000	2,114,000
Public Works	$108,600,000	$40,454,000	$951,000	1,619,000	1,668,000	1,718,000	1,770,000	1,823,000	1,877,000	1,935,000	1,992,000	2,051,000
Library/Community Facilities	$45,431,000	$17,924,000	$376,000	640,000	659,000	679,000	699,000	720,000	742,000	764,000	787,000	811,000
SFMTA/MUNI (Prop. B)	$402,946,000	$151,041,000	$3,515,000	5,983,000	6,163,000	6,348,000	6,538,000	6,734,000	6,936,000	7,144,000	7,359,000	7,580,000
TOTAL	$1,738,460,000	$652,551,000	$15,126,000	25,751,000	26,524,000	27,320,000	28,140,000	28,984,000	29,854,000	30,750,000	31,672,000	32,621,000
NET RECURRING GENERAL FUND REVENUE (EXPENSE)	**$545,930,000**	**$218,510,000**	**$6,754,000**	**11,802,000**	**12,001,000**	**12,198,000**	**12,403,000**	**12,612,000**	**12,826,000**	**13,038,000**	**13,255,000**	**13,471,000**
				67,343,000	*79,344,000*	*91,542,000*	*103,945,000*	*116,557,000*	*129,383,000*	*142,421,000*	*155,676,000*	*169,147,000*
B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)[4]	**$142,272,000**	**$110,175,000**	**$0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
				142,272,000	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*
C. TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**$688,202,000**	**$328,686,000**	**$6,754,000**	**11,802,000**	**12,001,000**	**12,198,000**	**12,403,000**	**12,612,000**	**12,826,000**	**13,038,000**	**13,255,000**	**13,471,000**
				209,615,000	*221,616,000*	*233,814,000*	*246,217,000*	*258,829,000*	*271,655,000*	*284,693,000*	*297,948,000*	*311,419,000*
D. OTHER RESTRICTED GENERAL FUND REVENUES[1]												
Licenses, Permits and Fees	$59,063,000	$22,173,000	$514,000	876,000	902,000	929,000	957,000	986,000	1,015,000	1,046,000	1,077,000	1,109,000
Fines, Fofeitures and Penalties	$10,145,000	$3,809,000	$89,000	150,000	155,000	160,000	164,000	169,000	174,000	180,000	185,000	191,000

Notes:

[1] Excluding baseline transfers. See Table 11-A.

[2] Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.

[3] Table 17.

[4] Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51
		3% discount	*3% discount*									
A. RECURRING GENERAL FUND IMPACTS												
RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT[1]												
Portion of General Fund Property Tax[2]	$305,197,000	$125,512,000	$3,800,000	7,884,000	8,041,000	8,202,000	8,366,000	8,533,000	8,704,000	8,879,000	9,056,000	9,237,000
Property Tax in Lieu of VLF	$489,456,000	$186,843,000	$5,082,000	10,544,000	10,755,000	10,971,000	11,190,000	11,413,000	11,642,000	11,874,000	12,112,000	12,355,000
Property Transfer Tax	$438,962,000	$162,638,000	$3,883,000	8,619,000	8,877,000	9,143,000	9,415,000	9,697,000	9,987,000	10,285,000	10,593,000	10,909,000
Sales and Use Tax	$316,887,000	$117,370,000	$2,796,000	6,212,000	6,398,000	6,590,000	6,788,000	6,992,000	7,201,000	7,417,000	7,639,000	7,869,000
Telephone Users Tax	$58,182,000	$21,809,000	$507,000	1,127,000	1,161,000	1,196,000	1,232,000	1,269,000	1,307,000	1,346,000	1,386,000	1,428,000
Access Line Tax	$53,935,000	$20,216,000	$470,000	1,045,000	1,076,000	1,109,000	1,142,000	1,177,000	1,212,000	1,248,000	1,285,000	1,324,000
Water Users Tax	$1,405,000	$521,000	$12,000	27,000	28,000	30,000	30,000	31,000	32,000	33,000	34,000	35,000
Gas Electric Steam Users Tax	$15,263,000	$5,664,000	$134,000	298,000	308,000	317,000	326,000	336,000	346,000	357,000	367,000	378,000
Gross Receipts Tax	$65,292,000	$24,284,000	$574,000	1,274,000	1,312,000	1,351,000	1,392,000	1,433,000	1,476,000	1,521,000	1,567,000	1,613,000
Business License Tax	$4,602,000	$1,716,000	$40,000	89,000	93,000	95,000	98,000	101,000	104,000	107,000	110,000	113,000
Hotel Room Tax	$336,572,000	$130,915,000	$2,828,000	6,281,000	6,469,000	6,663,000	6,863,000	7,070,000	7,281,000	7,500,000	7,725,000	7,957,000
Subtotal-Discretionary	$2,085,753,000	$797,490,000	$20,127,000	43,400,000	44,518,000	45,667,000	46,842,000	48,052,000	49,292,000	50,567,000	51,874,000	53,218,000
Public Safety Sales Tax	$198,637,000	$73,572,000	$1,753,000	3,893,000	4,011,000	4,131,000	4,255,000	4,382,000	4,514,000	4,649,000	4,789,000	4,932,000
TOTAL	$2,284,390,000	$871,062,000	$21,880,000	47,293,000	48,529,000	49,798,000	51,097,000	52,434,000	53,806,000	55,216,000	56,663,000	58,150,000
RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT[3]												
Elections	$32,234,000	$12,101,000	$281,000	624,000	642,000	662,000	681,000	702,000	723,000	745,000	767,000	790,000
Assessor/Recorder	$16,321,000	$6,546,000	$133,000	297,000	306,000	315,000	324,000	334,000	344,000	354,000	365,000	376,000
311	$9,502,000	$3,568,000	$82,000	184,000	189,000	195,000	201,000	207,000	213,000	219,000	226,000	233,000
Police Services	$414,006,000	$151,573,000	$3,691,000	8,199,000	8,445,000	8,699,000	8,959,000	9,228,000	9,505,000	9,790,000	10,084,000	10,387,000
Fire Protection	$547,871,000	$208,697,000	$4,690,000	10,417,000	10,730,000	11,052,000	11,383,000	11,725,000	12,077,000	12,439,000	12,812,000	13,197,000
911 Emergency Response	$48,985,000	$18,389,000	$427,000	948,000	976,000	1,005,000	1,036,000	1,067,000	1,099,000	1,132,000	1,166,000	1,200,000
Public Health	$112,564,000	$42,257,000	$981,000	2,178,000	2,243,000	2,310,000	2,380,000	2,451,000	2,525,000	2,600,000	2,678,000	2,759,000
Public Works	$108,600,000	$40,454,000	$951,000	2,113,000	2,176,000	2,242,000	2,309,000	2,377,000	2,450,000	2,523,000	2,599,000	2,677,000
Library/Community Facilities	$45,431,000	$17,924,000	$376,000	835,000	860,000	886,000	912,000	940,000	968,000	997,000	1,027,000	1,058,000
SFMTA/MUNI (Prop. B)	$402,946,000	$151,041,000	$3,515,000	7,807,000	8,041,000	8,282,000	8,531,000	8,787,000	9,050,000	9,322,000	9,601,000	9,890,000
TOTAL	$1,738,460,000	$652,551,000	$15,126,000	33,602,000	34,608,000	35,648,000	36,716,000	37,818,000	38,954,000	40,121,000	41,325,000	42,567,000
NET RECURRING GENERAL FUND REVENUE (EXPENSE)	**$545,930,000**	**$218,510,000**	**$6,754,000**	**13,691,000**	**13,921,000**	**14,150,000**	**14,381,000**	**14,616,000**	**14,852,000**	**15,095,000**	**15,338,000**	**15,583,000**
				182,838,000	*196,759,000*	*210,909,000*	*225,290,000*	*239,906,000*	*254,758,000*	*269,853,000*	*285,191,000*	*300,774,000*
B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)[4]	**$142,272,000**	**$110,175,000**	**$0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
				142,272,000	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*
C. TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**$688,202,000**	**$328,686,000**	**$6,754,000**	**13,691,000**	**13,921,000**	**14,150,000**	**14,381,000**	**14,616,000**	**14,852,000**	**15,095,000**	**15,338,000**	**15,583,000**
				325,110,000	*339,031,000*	*353,181,000*	*367,562,000*	*382,178,000*	*397,030,000*	*412,125,000*	*427,463,000*	*443,046,000*
D. OTHER RESTRICTED GENERAL FUND REVENUES[1]												
Licenses, Permits and Fees	$59,063,000	$22,173,000	$514,000	1,143,000	1,177,000	1,212,000	1,249,000	1,286,000	1,325,000	1,364,000	1,405,000	1,447,000
Fines, Fofeitures and Penalties	$10,145,000	$3,809,000	$89,000	196,000	202,000	208,000	215,000	221,000	228,000	234,000	241,000	249,000

Notes:

1 Excluding baseline transfers. See Table 11-A.
2 Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
3 Table 17.
4 Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60	2060-61
		3% discount	*3% discount*										
A. RECURRING GENERAL FUND IMPACTS													
RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT[1]													
Portion of General Fund Property Tax[2]	$305,197,000	$125,512,000	$3,800,000	9,422,000	9,610,000	9,802,000	9,998,000	10,199,000	10,402,000	10,610,000	10,822,000	10,125,000	8,071,000
Property Tax in Lieu of VLF	$489,456,000	$186,843,000	$5,082,000	12,602,000	12,853,000	13,111,000	13,373,000	13,640,000	13,913,000	14,192,000	14,476,000	14,764,000	15,060,000
Property Transfer Tax	$438,962,000	$162,638,000	$3,883,000	11,235,000	11,571,000	11,918,000	12,274,000	12,640,000	13,019,000	13,408,000	13,810,000	14,222,000	14,648,000
Sales and Use Tax	$316,887,000	$117,370,000	$2,796,000	8,105,000	8,348,000	8,599,000	8,856,000	9,122,000	9,396,000	9,678,000	9,967,000	10,267,000	10,575,000
Telephone Users Tax	$58,182,000	$21,809,000	$507,000	1,471,000	1,515,000	1,560,000	1,607,000	1,656,000	1,705,000	1,756,000	1,809,000	1,863,000	1,919,000
Access Line Tax	$53,935,000	$20,216,000	$470,000	1,363,000	1,405,000	1,446,000	1,490,000	1,535,000	1,581,000	1,628,000	1,677,000	1,727,000	1,779,000
Water Users Tax	$1,405,000	$521,000	$12,000	36,000	37,000	38,000	39,000	41,000	41,000	43,000	44,000	45,000	47,000
Gas Electric Steam Users Tax	$15,263,000	$5,664,000	$134,000	389,000	401,000	413,000	426,000	439,000	451,000	465,000	479,000	494,000	508,000
Gross Receipts Tax	$65,292,000	$24,284,000	$574,000	1,661,000	1,712,000	1,763,000	1,816,000	1,870,000	1,926,000	1,985,000	2,044,000	2,105,000	2,168,000
Business License Tax	$4,602,000	$1,716,000	$40,000	116,000	120,000	124,000	128,000	132,000	136,000	140,000	144,000	148,000	152,000
Hotel Room Tax	$336,572,000	$130,915,000	$2,828,000	8,195,000	8,442,000	8,694,000	8,956,000	9,224,000	9,501,000	9,787,000	10,080,000	10,382,000	10,693,000
Subtotal-Discretionary	$2,085,753,000	$797,490,000	$20,127,000	54,595,000	56,014,000	57,468,000	58,963,000	60,498,000	62,071,000	63,692,000	65,352,000	66,142,000	65,620,000
Public Safety Sales Tax	$198,637,000	$73,572,000	$1,753,000	5,081,000	5,233,000	5,390,000	5,552,000	5,718,000	5,890,000	6,067,000	6,248,000	6,436,000	6,629,000
TOTAL	$2,284,390,000	$871,062,000	$21,880,000	59,676,000	61,247,000	62,858,000	64,515,000	66,216,000	67,961,000	69,759,000	71,600,000	72,578,000	72,249,000
RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT[3]													
Elections	$32,234,000	$12,101,000	$281,000	814,000	838,000	863,000	889,000	916,000	943,000	971,000	1,001,000	1,031,000	1,062,000
Assessor/Recorder	$16,321,000	$6,546,000	$133,000	387,000	399,000	411,000	423,000	436,000	449,000	462,000	476,000	491,000	505,000
311	$9,502,000	$3,568,000	$82,000	240,000	247,000	254,000	262,000	270,000	278,000	286,000	295,000	304,000	313,000
Police Services	$414,006,000	$151,573,000	$3,691,000	10,698,000	11,019,000	11,350,000	11,689,000	12,041,000	12,402,000	12,774,000	13,157,000	13,552,000	13,958,000
Fire Protection	$547,871,000	$208,697,000	$4,690,000	13,592,000	14,000,000	14,420,000	14,853,000	15,298,000	15,757,000	16,230,000	16,717,000	17,218,000	17,735,000
911 Emergency Response	$48,985,000	$18,389,000	$427,000	1,237,000	1,274,000	1,312,000	1,351,000	1,392,000	1,433,000	1,476,000	1,521,000	1,566,000	1,613,000
Public Health	$112,564,000	$42,257,000	$981,000	2,841,000	2,927,000	3,014,000	3,105,000	3,198,000	3,294,000	3,393,000	3,495,000	3,599,000	3,707,000
Public Works	$108,600,000	$40,454,000	$951,000	2,757,000	2,840,000	2,925,000	3,012,000	3,103,000	3,196,000	3,292,000	3,391,000	3,493,000	3,597,000
Library/Community Facilities	$45,431,000	$17,924,000	$376,000	1,089,000	1,122,000	1,156,000	1,190,000	1,226,000	1,263,000	1,301,000	1,340,000	1,380,000	1,421,000
SFMTA/MUNI (Prop. B)	$402,946,000	$151,041,000	$3,515,000	10,186,000	10,492,000	10,807,000	11,131,000	11,465,000	11,809,000	12,163,000	12,528,000	12,904,000	13,291,000
TOTAL	$1,738,460,000	$652,551,000	$15,126,000	43,841,000	45,158,000	46,512,000	47,905,000	49,345,000	50,824,000	52,348,000	53,921,000	55,538,000	57,202,000
NET RECURRING GENERAL FUND REVENUE (EXPENSE)	**$545,930,000**	**$218,510,000**	**$6,754,000**	**15,835,000**	**16,089,000**	**16,346,000**	**16,610,000**	**16,871,000**	**17,137,000**	**17,411,000**	**17,679,000**	**17,040,000**	**15,047,000**
				316,609,000	*332,698,000*	*349,044,000*	*365,654,000*	*382,525,000*	*399,662,000*	*417,073,000*	*434,752,000*	*451,792,000*	*466,839,000*
B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)[4]	**$142,272,000**	**$110,175,000**	**$0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
				142,272,000	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*
C. TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**$688,202,000**	**$328,686,000**	**$6,754,000**	**15,835,000**	**16,089,000**	**16,346,000**	**16,610,000**	**16,871,000**	**17,137,000**	**17,411,000**	**17,679,000**	**17,040,000**	**15,047,000**
				458,881,000	*474,970,000*	*491,316,000*	*507,926,000*	*524,797,000*	*541,934,000*	*559,345,000*	*577,024,000*	*594,064,000*	*609,111,000*
D. OTHER RESTRICTED GENERAL FUND REVENUES[1]													
Licenses, Permits and Fees	$59,063,000	$22,173,000	$514,000	1,491,000	1,536,000	1,582,000	1,629,000	1,678,000	1,728,000	1,780,000	1,834,000	1,889,000	1,945,000
Fines, Fofeitures and Penalties	$10,145,000	$3,809,000	$89,000	256,000	264,000	272,000	280,000	288,000	297,000	306,000	315,000	324,000	334,000

Notes:

1 Excluding baseline transfers. See Table 11-A.
2 Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
3 Table 17.
4 Table 2-B.

Table 2-A

NET GENERAL FUND IMPACT: RECURRING AND TOTAL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
		3% discount	*3% discount*							
A. RECURRING GENERAL FUND IMPACTS										
RECURRING GENERAL FUND REVENUE - NEW FROM PROJECT[1]										
Portion of General Fund Property Tax[2]	$305,197,000	$125,512,000	$3,800,000	7,369,000	6,736,000	4,586,000	3,912,000	2,004,000	2,044,000	2,084,000
Property Tax in Lieu of VLF	$489,456,000	$186,843,000	$5,082,000	15,361,000	15,668,000	15,982,000	16,301,000	16,628,000	16,960,000	17,299,000
Property Transfer Tax	$438,962,000	$162,638,000	$3,883,000	15,087,000	15,538,000	16,002,000	16,481,000	16,975,000	17,483,000	18,006,000
Sales and Use Tax	$316,887,000	$117,370,000	$2,796,000	10,893,000	11,219,000	11,556,000	11,903,000	12,260,000	12,627,000	13,006,000
Telephone Users Tax	$58,182,000	$21,809,000	$507,000	1,977,000	2,036,000	2,097,000	2,160,000	2,225,000	2,292,000	2,360,000
Access Line Tax	$53,935,000	$20,216,000	$470,000	1,832,000	1,887,000	1,944,000	2,002,000	2,063,000	2,124,000	2,188,000
Water Users Tax	$1,405,000	$521,000	$12,000	48,000	49,000	51,000	53,000	54,000	56,000	57,000
Gas Electric Steam Users Tax	$15,263,000	$5,664,000	$134,000	523,000	539,000	555,000	572,000	589,000	607,000	625,000
Gross Receipts Tax	$65,292,000	$24,284,000	$574,000	2,233,000	2,300,000	2,370,000	2,440,000	2,513,000	2,589,000	2,667,000
Business License Tax	$4,602,000	$1,716,000	$40,000	157,000	162,000	167,000	171,000	177,000	182,000	187,000
Hotel Room Tax	$336,572,000	$130,915,000	$2,828,000	11,014,000	11,344,000	11,684,000	12,035,000	12,396,000	12,768,000	13,152,000
Subtotal-Discretionary	$2,085,753,000	$797,490,000	$20,127,000	66,494,000	67,478,000	66,994,000	68,030,000	67,884,000	69,732,000	71,631,000
Public Safety Sales Tax	$198,637,000	$73,572,000	$1,753,000	6,828,000	7,033,000	7,244,000	7,461,000	7,684,000	7,915,000	8,153,000
TOTAL	$2,284,390,000	$871,062,000	$21,880,000	73,322,000	74,511,000	74,238,000	75,491,000	75,568,000	77,647,000	79,784,000
RECURRING GENERAL FUND EXPENSE - NEW FROM PROJECT[3]										
Elections	$32,234,000	$12,101,000	$281,000	1,093,000	1,126,000	1,160,000	1,195,000	1,231,000	1,268,000	1,306,000
Assessor/Recorder	$16,321,000	$6,546,000	$133,000	520,000	536,000	552,000	569,000	586,000	603,000	621,000
311	$9,502,000	$3,568,000	$82,000	322,000	332,000	342,000	352,000	363,000	374,000	385,000
Police Services	$414,006,000	$151,573,000	$3,691,000	14,377,000	14,808,000	15,253,000	15,710,000	16,182,000	16,667,000	17,167,000
Fire Protection	$547,871,000	$208,697,000	$4,690,000	18,267,000	18,815,000	19,380,000	19,961,000	20,560,000	21,177,000	21,812,000
911 Emergency Response	$48,985,000	$18,389,000	$427,000	1,662,000	1,712,000	1,763,000	1,816,000	1,870,000	1,926,000	1,984,000
Public Health	$112,564,000	$42,257,000	$981,000	3,819,000	3,933,000	4,051,000	4,173,000	4,298,000	4,427,000	4,560,000
Public Works	$108,600,000	$40,454,000	$951,000	3,705,000	3,816,000	3,931,000	4,049,000	4,171,000	4,295,000	4,424,000
Library/Community Facilities	$45,431,000	$17,924,000	$376,000	1,464,000	1,508,000	1,553,000	1,600,000	1,648,000	1,697,000	1,748,000
SFMTA/MUNI (Prop. B)	$402,946,000	$151,041,000	$3,515,000	13,689,000	14,100,000	14,523,000	14,959,000	15,408,000	15,870,000	16,346,000
TOTAL	$1,738,460,000	$652,551,000	$15,126,000	58,918,000	60,686,000	62,508,000	64,384,000	66,317,000	68,304,000	70,353,000
NET RECURRING GENERAL FUND REVENUE (EXPENSE)	**$545,930,000**	**$218,510,000**	**$6,754,000**	**14,404,000**	**13,825,000**	**11,730,000**	**11,107,000**	**9,251,000**	**9,343,000**	**9,431,000**
				481,243,000	*495,068,000*	*506,798,000*	*517,905,000*	*527,156,000*	*536,499,000*	*545,930,000*
B. NET CONSTRUCTION-RELATED REVENUE (EXPENSE)[4]	**$142,272,000**	**$110,175,000**	**$0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
				142,272,000	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*
C. TOTAL NET GENERAL FUND REVENUE (EXPENSE)	**$688,202,000**	**$328,686,000**	**$6,754,000**	**14,404,000**	**13,825,000**	**11,730,000**	**11,107,000**	**9,251,000**	**9,343,000**	**9,431,000**
				623,515,000	*637,340,000*	*649,070,000*	*660,177,000*	*669,428,000*	*678,771,000*	*688,202,000*
D. OTHER RESTRICTED GENERAL FUND REVENUES[1]										
Licenses, Permits and Fees	$59,063,000	$22,173,000	$514,000	2,004,000	2,064,000	2,126,000	2,189,000	2,255,000	2,323,000	2,392,000
Fines, Fofeitures and Penalties	$10,145,000	$3,809,000	$89,000	344,000	355,000	365,000	376,000	387,000	399,000	411,000

Notes:

1 Excluding baseline transfers. See Table 11-A.
2 Reflects 8% of base 1% tax levy. The balance of General Fund Property tax revenues are dedicated to funding infrastructure and affordable housing.
3 Table 17.
4 Table 2-B.

Table 2-B

NET GENERAL FUND IMPACT: CONSTRUCTION-RELATED
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Fiscal Year: July 1 - June 30 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
		3% discount											
NET CONSTRUCTION REVENUES													
Transfer Tax On Initial Pad & Unit Sales	$99,174,000	$76,053,000	116,000	1,118,000	2,826,000	3,644,000	4,095,000	8,133,000	6,693,000	5,460,000	8,997,000	9,764,000	8,337,000
Gross Receipts Taxes / Construction	$20,294,000	$15,979,000	28,000	175,000	554,000	1,115,000	1,619,000	1,275,000	1,256,000	2,215,000	2,078,000	2,072,000	2,064,000
Payroll Tax / Construction	$574,000	$554,000	111,000	226,000	237,000	0	0	0	0	0	0	0	0
Construction Sales Tax (General)	$14,820,000	$11,726,000	80,000	250,000	530,000	800,000	1,160,000	910,000	900,000	1,580,000	1,480,000	1,480,000	1,470,000
Subtotal-Discretionary	$134,862,000	$104,312,000	335,000	1,769,000	4,147,000	5,559,000	6,874,000	10,318,000	8,849,000	9,255,000	12,555,000	13,316,000	11,871,000
Construction Sales Tax (Public Safety)	$7,410,000	$5,863,000	40,000	125,000	265,000	400,000	580,000	455,000	450,000	790,000	740,000	740,000	735,000
TOTAL	$142,272,000	$110,175,000	375,000	1,894,000	4,412,000	5,959,000	7,454,000	10,773,000	9,299,000	10,045,000	13,295,000	14,056,000	12,606,000
			Cumulative	*2,269,000*	*6,681,000*	*12,640,000*	*20,094,000*	*30,867,000*	*40,166,000*	*50,211,000*	*63,506,000*	*77,562,000*	*90,168,000*

Notes:

1 Excluding baseline transfers. See Table 24.

Table 2-B

NET GENERAL FUND IMPACT: CONSTRUCTION-RELATED
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-2033	2033-34	2034-35	2035-36
		3% discount										
NET CONSTRUCTION REVENUES												
Transfer Tax On Initial Pad & Unit Sales	$99,174,000	$76,053,000	10,381,000	8,672,000	6,491,000	6,487,000	6,120,000	1,840,000	0	0	0	0
Gross Receipts Taxes / Construction	$20,294,000	$15,979,000	1,886,000	1,780,000	1,679,000	498,000	0	0	0	0	0	0
Payroll Tax / Construction	$574,000	$554,000	0	0	0	0	0	0	0	0	0	0
Construction Sales Tax (General)	$14,820,000	$11,726,000	1,350,000	1,270,000	1,200,000	360,000	0	0	0	0	0	0
Subtotal-Discretionary	$134,862,000	$104,312,000	13,617,000	11,722,000	9,370,000	7,345,000	6,120,000	1,840,000	0	0	0	0
Construction Sales Tax (Public Safety)	$7,410,000	$5,863,000	675,000	635,000	600,000	180,000	0	0	0	0	0	0
TOTAL	$142,272,000	$110,175,000	14,292,000	12,357,000	9,970,000	7,525,000	6,120,000	1,840,000	0	0	0	0
			104,460,000	*116,817,000*	*126,787,000*	*134,312,000*	*140,432,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*	*142,272,000*

Notes:

[1] Excluding baseline transfers. See Table 24.

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	Fiscal Year: July 1 - June 30 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
		3% discount	*3% discount*									
CONSTRUCTION-RELATED TRANSFERS[1]												
Baseline Transfers (Deducted from Revenues)												
MTA	$12,398,000	$9,590,000	$0	31,000	163,000	381,000	511,000	632,000	949,000	813,000	851,000	1,154,000
Library	$3,082,000	$2,384,000	$0	8,000	40,000	95,000	127,000	157,000	236,000	202,000	212,000	287,000
TOTAL	$15,480,000	$11,974,000	$0	39,000	203,000	476,000	638,000	789,000	1,185,000	1,015,000	1,063,000	1,441,000
RECURRING TRANSFERS												
Baseline Transfers (Deducted from Revenues)[2]												
MTA	$240,389,000	$91,913,000	$2,320,000	0	0	0	2,000	32,000	104,000	484,000	643,000	993,000
Library	$59,780,000	$22,857,000	$577,000	0	0	0	1,000	8,000	26,000	120,000	160,000	247,000
Subtotal - Baseline Transfers	$300,169,000	$114,770,000	$2,897,000	0	0	0	3,000	40,000	130,000	604,000	803,000	1,240,000
Other Transfers (Treated As Expense)	$0	$0	$0									
MTA - Prop B.[3]	$402,946,000	$151,041,000	$3,515,000	0	0	0	26,000	152,000	375,000	766,000	1,116,000	1,459,000
Library - Supplemental [4]	$0	$0	$0	0	0	0	0	0	0	0	0	0
TOTAL	$1,003,284,000	$380,581,000	$6,412,000	0	0	0	29,000	192,000	505,000	1,370,000	1,919,000	2,699,000
TOTAL TRANSFERS IN												
MTA	$655,733,000	$252,543,000	$5,835,000	31,000	163,000	381,000	539,000	816,000	1,428,000	2,063,000	2,610,000	3,606,000
Library	$62,862,000	$25,241,000	$577,000	8,000	40,000	95,000	128,000	165,000	262,000	322,000	372,000	534,000
TOTAL	$718,595,000	$277,784,000	$6,412,000	39,000	203,000	476,000	667,000	981,000	1,690,000	2,385,000	2,982,000	4,140,000
NET OPERATIONAL (EXPENSE)/REVENUES												
MTA[3]	($195,904,000)	($66,222,000)	($2,431,000)	40,000	125,000	264,000	407,000	637,000	599,000	753,000	1,344,000	1,441,000
Library[4]	($26,908,000)	($10,602,000)	($223,000)	0	0	0	0	0	0	(119,000)	(243,000)	(372,000)
TOTAL	($222,812,000)	($76,824,000)	($2,654,000)	40,000	125,000	264,000	407,000	637,000	599,000	634,000	1,101,000	1,069,000
NET FUND BALANCES[5]												
MTA[3]	$459,829,000	$186,321,000	$3,404,000	71,000	288,000	645,000	946,000	1,453,000	2,027,000	2,816,000	3,954,000	5,047,000
Library[4]	$35,954,000	$14,639,000	$354,000	8,000	40,000	95,000	128,000	165,000	262,000	203,000	129,000	162,000
TOTAL	$495,783,000	$200,960,000	$3,758,000	79,000	328,000	740,000	1,074,000	1,618,000	2,289,000	3,019,000	4,083,000	5,209,000
CHILDREN'S SERVICES FUND REVENUES[5]												
Construction-Related Transfers	$11,809,000	$9,134,000	$0	29,000	155,000	363,000	487,000	602,000	904,000	775,000	810,000	1,099,000
Recurring Transfers	$228,988,000	$87,554,000	$2,210,000	0	0	0	2,000	31,000	99,000	461,000	613,000	945,000
TOTAL	$240,797,000	$96,688,000	$2,210,000	29,000	155,000	363,000	489,000	633,000	1,003,000	1,236,000	1,423,000	2,044,000

Notes:

1 Table 24.
2 Table 11-A.
3 Table 21-A.
4 Table 23.

5 Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-2033
		3% discount	*3% discount*									
CONSTRUCTION-RELATED TRANSFERS[1]												
Baseline Transfers (Deducted from Revenues)												
MTA	$12,398,000	$9,590,000	$0	1,224,000	1,091,000	1,252,000	1,078,000	861,000	675,000	563,000	169,000	0
Library	$3,082,000	$2,384,000	$0	304,000	271,000	311,000	268,000	214,000	168,000	140,000	42,000	0
TOTAL	$15,480,000	$11,974,000	$0	1,528,000	1,362,000	1,563,000	1,346,000	1,075,000	843,000	703,000	211,000	0
RECURRING TRANSFERS												
Baseline Transfers (Deducted from Revenues)[2]												
MTA	$240,389,000	$91,913,000	$2,320,000	1,259,000	1,497,000	1,809,000	2,223,000	2,538,000	2,988,000	3,285,000	3,560,000	3,795,000
Library	$59,780,000	$22,857,000	$577,000	313,000	372,000	450,000	553,000	631,000	743,000	817,000	885,000	944,000
Subtotal - Baseline Transfers	$300,169,000	$114,770,000	$2,897,000	1,572,000	1,869,000	2,259,000	2,776,000	3,169,000	3,731,000	4,102,000	4,445,000	4,739,000
Other Transfers (Treated As Expense)	$0	$0	$0									
MTA - Prop B.[3]	$402,946,000	$151,041,000	$3,515,000	2,014,000	2,544,000	3,022,000	3,690,000	4,260,000	4,916,000	5,390,000	5,640,000	5,809,000
Library - Supplemental [4]	$0	$0	$0	0	0	0	0	0	0	0	0	0
TOTAL	$1,003,284,000	$380,581,000	$6,412,000	3,586,000	4,413,000	5,281,000	6,466,000	7,429,000	8,647,000	9,492,000	10,085,000	10,548,000
TOTAL TRANSFERS IN												
MTA	$655,733,000	$252,543,000	$5,835,000	4,497,000	5,132,000	6,083,000	6,991,000	7,659,000	8,579,000	9,238,000	9,369,000	9,604,000
Library	$62,862,000	$25,241,000	$577,000	617,000	643,000	761,000	821,000	845,000	911,000	957,000	927,000	944,000
TOTAL	$718,595,000	$277,784,000	$6,412,000	5,114,000	5,775,000	6,844,000	7,812,000	8,504,000	9,490,000	10,195,000	10,296,000	10,548,000
NET OPERATIONAL (EXPENSE)/REVENUES												
MTA[3]	($195,904,000)	($66,222,000)	($2,431,000)	(249,000)	1,687,000	2,093,000	2,663,000	3,129,000	(2,972,000)	(3,109,000)	(4,015,000)	(4,105,000)
Library[4]	($26,908,000)	($10,602,000)	($223,000)	(381,000)	(390,000)	(399,000)	(318,000)	(327,000)	(337,000)	(347,000)	(358,000)	(369,000)
TOTAL	($222,812,000)	($76,824,000)	($2,654,000)	(630,000)	1,297,000	1,694,000	2,345,000	2,802,000	(3,309,000)	(3,456,000)	(4,373,000)	(4,474,000)
NET FUND BALANCES[5]												
MTA[3]	$459,829,000	$186,321,000	$3,404,000	4,248,000	6,819,000	8,176,000	9,654,000	10,788,000	5,607,000	6,129,000	5,354,000	5,499,000
Library[4]	$35,954,000	$14,639,000	$354,000	236,000	253,000	362,000	503,000	518,000	574,000	610,000	569,000	575,000
TOTAL	$495,783,000	$200,960,000	$3,758,000	4,484,000	7,072,000	8,538,000	10,157,000	11,306,000	6,181,000	6,739,000	5,923,000	6,074,000
CHILDREN'S SERVICES FUND REVENUES[5]												
Construction-Related Transfers	$11,809,000	$9,134,000	$0	1,166,000	1,040,000	1,192,000	1,026,000	821,000	643,000	536,000	161,000	0
Recurring Transfers	$228,988,000	$87,554,000	$2,210,000	1,200,000	1,426,000	1,723,000	2,117,000	2,418,000	2,847,000	3,129,000	3,391,000	3,615,000
TOTAL	$240,797,000	$96,688,000	$2,210,000	2,366,000	2,466,000	2,915,000	3,143,000	3,239,000	3,490,000	3,665,000	3,552,000	3,615,000

Notes:

1 Table 24.
2 Table 11-A.
3 Table 21-A.
4 Table 23.
5 Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39	2039-40	2040-41	2041-42
		3% discount	*3% discount*									
CONSTRUCTION-RELATED TRANSFERS[1]												
Baseline Transfers (Deducted from Revenues)												
MTA	$12,398,000	$9,590,000	$0	0	0	0	0	0	0	0	0	0
Library	$3,082,000	$2,384,000	$0	0	0	0	0	0	0	0	0	0
TOTAL	$15,480,000	$11,974,000	$0	0	0	0	0	0	0	0	0	0
RECURRING TRANSFERS												
Baseline Transfers (Deducted from Revenues)[2]												
MTA	$240,389,000	$91,913,000	$2,320,000	3,984,000	4,086,000	4,190,000	4,297,000	4,407,000	4,520,000	4,636,000	4,755,000	4,877,000
Library	$59,780,000	$22,857,000	$577,000	991,000	1,016,000	1,042,000	1,069,000	1,096,000	1,124,000	1,153,000	1,182,000	1,213,000
Subtotal - Baseline Transfers	$300,169,000	$114,770,000	$2,897,000	4,975,000	5,102,000	5,232,000	5,366,000	5,503,000	5,644,000	5,789,000	5,937,000	6,090,000
Other Transfers (Treated As Expense)	$0	$0	$0									
MTA - Prop B.[3]	$402,946,000	$151,041,000	$3,515,000	5,983,000	6,163,000	6,348,000	6,538,000	6,734,000	6,936,000	7,144,000	7,359,000	7,580,000
Library - Supplemental [4]	$0	$0	$0	0	0	0	0	0	0	0	0	0
TOTAL	$1,003,284,000	$380,581,000	$6,412,000	10,958,000	11,265,000	11,580,000	11,904,000	12,237,000	12,580,000	12,933,000	13,296,000	13,670,000
TOTAL TRANSFERS IN												
MTA	$655,733,000	$252,543,000	$5,835,000	9,967,000	10,249,000	10,538,000	10,835,000	11,141,000	11,456,000	11,780,000	12,114,000	12,457,000
Library	$62,862,000	$25,241,000	$577,000	991,000	1,016,000	1,042,000	1,069,000	1,096,000	1,124,000	1,153,000	1,182,000	1,213,000
TOTAL	$718,595,000	$277,784,000	$6,412,000	10,958,000	11,265,000	11,580,000	11,904,000	12,237,000	12,580,000	12,933,000	13,296,000	13,670,000
NET OPERATIONAL (EXPENSE)/REVENUES												
MTA[3]	($195,904,000)	($66,222,000)	($2,431,000)	(4,196,000)	(4,292,000)	(4,390,000)	(4,490,000)	(4,596,000)	(4,017,000)	(4,126,000)	(4,241,000)	(4,357,000)
Library[4]	($26,908,000)	($10,602,000)	($223,000)	(380,000)	(391,000)	(403,000)	(415,000)	(427,000)	(440,000)	(453,000)	(467,000)	(481,000)
TOTAL	($222,812,000)	($76,824,000)	($2,654,000)	(4,576,000)	(4,683,000)	(4,793,000)	(4,905,000)	(5,023,000)	(4,457,000)	(4,579,000)	(4,708,000)	(4,838,000)
NET FUND BALANCES[5]												
MTA[3]	$459,829,000	$186,321,000	$3,404,000	5,771,000	5,957,000	6,148,000	6,345,000	6,545,000	7,439,000	7,654,000	7,873,000	8,100,000
Library[4]	$35,954,000	$14,639,000	$354,000	611,000	625,000	639,000	654,000	669,000	684,000	700,000	715,000	732,000
TOTAL	$495,783,000	$200,960,000	$3,758,000	6,382,000	6,582,000	6,787,000	6,999,000	7,214,000	8,123,000	8,354,000	8,588,000	8,832,000
CHILDREN'S SERVICES FUND REVENUES[5]												
Construction-Related Transfers	$11,809,000	$9,134,000	$0	0	0	0	0	0	0	0	0	0
Recurring Transfers	$228,988,000	$87,554,000	$2,210,000	3,795,000	3,892,000	3,991,000	4,093,000	4,198,000	4,306,000	4,416,000	4,529,000	4,645,000
TOTAL	$240,797,000	$96,688,000	$2,210,000	3,795,000	3,892,000	3,991,000	4,093,000	4,198,000	4,306,000	4,416,000	4,529,000	4,645,000

Notes:

1 Table 24.
2 Table 11-A.
3 Table 21-A.
4 Table 23.
5 Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48	2048-49	2049-50	2050-51
		3% discount	*3% discount*									
CONSTRUCTION-RELATED TRANSFERS[1]												
Baseline Transfers (Deducted from Revenues)												
MTA	$12,398,000	$9,590,000	$0	0	0	0	0	0	0	0	0	0
Library	$3,082,000	$2,384,000	$0	0	0	0	0	0	0	0	0	0
TOTAL	$15,480,000	$11,974,000	$0	0	0	0	0	0	0	0	0	0
RECURRING TRANSFERS												
Baseline Transfers (Deducted from Revenues)[2]												
MTA	$240,389,000	$91,913,000	$2,320,000	5,002,000	5,131,000	5,263,000	5,399,000	5,538,000	5,681,000	5,828,000	5,978,000	6,133,000
Library	$59,780,000	$22,857,000	$577,000	1,244,000	1,276,000	1,309,000	1,342,000	1,377,000	1,413,000	1,449,000	1,487,000	1,525,000
Subtotal - Baseline Transfers	$300,169,000	$114,770,000	$2,897,000	6,246,000	6,407,000	6,572,000	6,741,000	6,915,000	7,094,000	7,277,000	7,465,000	7,658,000
Other Transfers (Treated As Expense)	$0	$0	$0									
MTA - Prop B.[3]	$402,946,000	$151,041,000	$3,515,000	7,807,000	8,041,000	8,282,000	8,531,000	8,787,000	9,050,000	9,322,000	9,601,000	9,890,000
Library - Supplemental [4]	$0	$0	$0	0	0	0	0	0	0	0	0	0
TOTAL	$1,003,284,000	$380,581,000	$6,412,000	14,053,000	14,448,000	14,854,000	15,272,000	15,702,000	16,144,000	16,599,000	17,066,000	17,548,000
TOTAL TRANSFERS IN												
MTA	$655,733,000	$252,543,000	$5,835,000	12,809,000	13,172,000	13,545,000	13,930,000	14,325,000	14,731,000	15,150,000	15,579,000	16,023,000
Library	$62,862,000	$25,241,000	$577,000	1,244,000	1,276,000	1,309,000	1,342,000	1,377,000	1,413,000	1,449,000	1,487,000	1,525,000
TOTAL	$718,595,000	$277,784,000	$6,412,000	14,053,000	14,448,000	14,854,000	15,272,000	15,702,000	16,144,000	16,599,000	17,066,000	17,548,000
NET OPERATIONAL (EXPENSE)/REVENUES												
MTA[3]	($195,904,000)	($66,222,000)	($2,431,000)	(4,478,000)	(4,443,000)	(4,573,000)	(4,705,000)	(4,838,000)	(4,980,000)	(5,122,000)	(5,273,000)	(5,425,000)
Library[4]	($26,908,000)	($10,602,000)	($223,000)	(495,000)	(510,000)	(525,000)	(541,000)	(557,000)	(574,000)	(591,000)	(609,000)	(627,000)
TOTAL	($222,812,000)	($76,824,000)	($2,654,000)	(4,973,000)	(4,953,000)	(5,098,000)	(5,246,000)	(5,395,000)	(5,554,000)	(5,713,000)	(5,882,000)	(6,052,000)
NET FUND BALANCES[5]												
MTA[3]	$459,829,000	$186,321,000	$3,404,000	8,331,000	8,729,000	8,972,000	9,225,000	9,487,000	9,751,000	10,028,000	10,306,000	10,598,000
Library[4]	$35,954,000	$14,639,000	$354,000	749,000	766,000	784,000	801,000	820,000	839,000	858,000	878,000	898,000
TOTAL	$495,783,000	$200,960,000	$3,758,000	9,080,000	9,495,000	9,756,000	10,026,000	10,307,000	10,590,000	10,886,000	11,184,000	11,496,000
CHILDREN'S SERVICES FUND REVENUES[5]												
Construction-Related Transfers	$11,809,000	$9,134,000	$0	0	0	0	0	0	0	0	0	0
Recurring Transfers	$228,988,000	$87,554,000	$2,210,000	4,765,000	4,888,000	5,013,000	5,143,000	5,275,000	5,412,000	5,552,000	5,695,000	5,842,000
TOTAL	$240,797,000	$96,688,000	$2,210,000	4,765,000	4,888,000	5,013,000	5,143,000	5,275,000	5,412,000	5,552,000	5,695,000	5,842,000

Notes:

1 Table 24.
2 Table 11-A.
3 Table 21-A.
4 Table 23.
5 Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59	2059-60
		3% discount	*3% discount*									
CONSTRUCTION-RELATED TRANSFERS[1]												
Baseline Transfers (Deducted from Revenues)												
MTA	$12,398,000	$9,590,000	$0	0	0	0	0	0	0	0	0	0
Library	$3,082,000	$2,384,000	$0	0	0	0	0	0	0	0	0	0
TOTAL	$15,480,000	$11,974,000	$0	0	0	0	0	0	0	0	0	0
RECURRING TRANSFERS												
Baseline Transfers (Deducted from Revenues)[2]												
MTA	$240,389,000	$91,913,000	$2,320,000	6,292,000	6,456,000	6,623,000	6,796,000	6,972,000	7,154,000	7,341,000	7,532,000	7,623,000
Library	$59,780,000	$22,857,000	$577,000	1,565,000	1,605,000	1,647,000	1,690,000	1,734,000	1,779,000	1,825,000	1,873,000	1,896,000
Subtotal - Baseline Transfers	$300,169,000	$114,770,000	$2,897,000	7,857,000	8,061,000	8,270,000	8,486,000	8,706,000	8,933,000	9,166,000	9,405,000	9,519,000
Other Transfers (Treated As Expense)	$0	$0	$0									
MTA - Prop B.[3]	$402,946,000	$151,041,000	$3,515,000	10,186,000	10,492,000	10,807,000	11,131,000	11,465,000	11,809,000	12,163,000	12,528,000	12,904,000
Library - Supplemental[4]	$0	$0	$0	0	0	0	0	0	0	0	0	0
TOTAL	$1,003,284,000	$380,581,000	$6,412,000	18,043,000	18,553,000	19,077,000	19,617,000	20,171,000	20,742,000	21,329,000	21,933,000	22,423,000
TOTAL TRANSFERS IN												
MTA	$655,733,000	$252,543,000	$5,835,000	16,478,000	16,948,000	17,430,000	17,927,000	18,437,000	18,963,000	19,504,000	20,060,000	20,527,000
Library	$62,862,000	$25,241,000	$577,000	1,565,000	1,605,000	1,647,000	1,690,000	1,734,000	1,779,000	1,825,000	1,873,000	1,896,000
TOTAL	$718,595,000	$277,784,000	$6,412,000	18,043,000	18,553,000	19,077,000	19,617,000	20,171,000	20,742,000	21,329,000	21,933,000	22,423,000
NET OPERATIONAL (EXPENSE)/REVENUES												
MTA[3]	($195,904,000)	($66,222,000)	($2,431,000)	(5,581,000)	(5,744,000)	(5,910,000)	(5,617,000)	(5,794,000)	(5,978,000)	(6,165,000)	(6,356,000)	(6,558,000)
Library[4]	($26,908,000)	($10,602,000)	($223,000)	(646,000)	(666,000)	(686,000)	(706,000)	(727,000)	(749,000)	(772,000)	(795,000)	(819,000)
TOTAL	($222,812,000)	($76,824,000)	($2,654,000)	(6,227,000)	(6,410,000)	(6,596,000)	(6,323,000)	(6,521,000)	(6,727,000)	(6,937,000)	(7,151,000)	(7,377,000)
NET FUND BALANCES[5]												
MTA[3]	$459,829,000	$186,321,000	$3,404,000	10,897,000	11,204,000	11,520,000	12,310,000	12,643,000	12,985,000	13,339,000	13,704,000	13,969,000
Library[4]	$35,954,000	$14,639,000	$354,000	919,000	939,000	961,000	984,000	1,007,000	1,030,000	1,053,000	1,078,000	1,077,000
TOTAL	$495,783,000	$200,960,000	$3,758,000	11,816,000	12,143,000	12,481,000	13,294,000	13,650,000	14,015,000	14,392,000	14,782,000	15,046,000
CHILDREN'S SERVICES FUND REVENUES[5]												
Construction-Related Transfers	$11,809,000	$9,134,000	$0	0	0	0	0	0	0	0	0	0
Recurring Transfers	$228,988,000	$87,554,000	$2,210,000	5,994,000	6,150,000	6,309,000	6,473,000	6,642,000	6,815,000	6,992,000	7,175,000	7,262,000
TOTAL	$240,797,000	$96,688,000	$2,210,000	5,994,000	6,150,000	6,309,000	6,473,000	6,642,000	6,815,000	6,992,000	7,175,000	7,262,000

Notes:

1 Table 24.
2 Table 11-A.
3 Table 21-A.
4 Table 23.
5 Children's Fund expenditures not estimated

Table 2-C

IMPACT ON OTHER FUNDS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	Cumulative TOTAL NOMINAL $	Cumulative TOTAL 2016$	Annual FY2035-2036 2016$	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
		3% discount	*3% discount*								
CONSTRUCTION-RELATED TRANSFERS[1]											
Baseline Transfers (Deducted from Revenues)											
MTA	$12,398,000	$9,590,000	$0	0	0	0	0	0	0	0	0
Library	$3,082,000	$2,384,000	$0	0	0	0	0	0	0	0	0
TOTAL	$15,480,000	$11,974,000	$0	0	0	0	0	0	0	0	0
RECURRING TRANSFERS											
Baseline Transfers (Deducted from Revenues)[2]											
MTA	$240,389,000	$91,913,000	$2,320,000	7,563,000	7,664,000	7,777,000	7,721,000	7,841,000	7,824,000	8,037,000	8,256,000
Library	$59,780,000	$22,857,000	$577,000	1,881,000	1,906,000	1,934,000	1,920,000	1,950,000	1,946,000	1,998,000	2,053,000
Subtotal - Baseline Transfers	$300,169,000	$114,770,000	$2,897,000	9,444,000	9,570,000	9,711,000	9,641,000	9,791,000	9,770,000	10,035,000	10,309,000
Other Transfers (Treated As Expense)	$0	$0	$0								
MTA - Prop B.[3]	$402,946,000	$151,041,000	$3,515,000	13,291,000	13,689,000	14,100,000	14,523,000	14,959,000	15,408,000	15,870,000	16,346,000
Library - Supplemental [4]	$0	$0	$0	0	0	0	0	0	0	0	0
TOTAL	$1,003,284,000	$380,581,000	$6,412,000	22,735,000	23,259,000	23,811,000	24,164,000	24,750,000	25,178,000	25,905,000	26,655,000
TOTAL TRANSFERS IN											
MTA	$655,733,000	$252,543,000	$5,835,000	20,854,000	21,353,000	21,877,000	22,244,000	22,800,000	23,232,000	23,907,000	24,602,000
Library	$62,862,000	$25,241,000	$577,000	1,881,000	1,906,000	1,934,000	1,920,000	1,950,000	1,946,000	1,998,000	2,053,000
TOTAL	$718,595,000	$277,784,000	$6,412,000	22,735,000	23,259,000	23,811,000	24,164,000	24,750,000	25,178,000	25,905,000	26,655,000
NET OPERATIONAL (EXPENSE)/REVENUES											
MTA[3]	($195,904,000)	($66,222,000)	($2,431,000)	(6,761,000)	(6,973,000)	(7,192,000)	(7,417,000)	(7,648,000)	(7,886,000)	(8,129,000)	(8,385,000)
Library[4]	($26,908,000)	($10,602,000)	($223,000)	(843,000)	(868,000)	(894,000)	(921,000)	(949,000)	(977,000)	(1,007,000)	(1,037,000)
TOTAL	($222,812,000)	($76,824,000)	($2,654,000)	(7,604,000)	(7,841,000)	(8,086,000)	(8,338,000)	(8,597,000)	(8,863,000)	(9,136,000)	(9,422,000)
NET FUND BALANCES[5]											
MTA[3]	$459,829,000	$186,321,000	$3,404,000	14,093,000	14,380,000	14,685,000	14,827,000	15,152,000	15,346,000	15,778,000	16,217,000
Library[4]	$35,954,000	$14,639,000	$354,000	1,038,000	1,038,000	1,040,000	999,000	1,001,000	969,000	991,000	1,016,000
TOTAL	$495,783,000	$200,960,000	$3,758,000	15,131,000	15,418,000	15,725,000	15,826,000	16,153,000	16,315,000	16,769,000	17,233,000
CHILDREN'S SERVICES FUND REVENUES[5]											
Construction-Related Transfers	$11,809,000	$9,134,000	$0	0	0	0	0	0	0	0	0
Recurring Transfers	$228,988,000	$87,554,000	$2,210,000	7,204,000	7,300,000	7,408,000	7,355,000	7,469,000	7,453,000	7,656,000	7,864,000
TOTAL	$240,797,000	$96,688,000	$2,210,000	7,204,000	7,300,000	7,408,000	7,355,000	7,469,000	7,453,000	7,656,000	7,864,000

Notes:

1 Table 24.
2 Table 11-A.
3 Table 21-A.
4 Table 23.
5 Children's Fund expenditures not estimated

Table 3

PROJECT DESCRIPTION
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	TOTAL AT BUILDOUT			
	MARKET	**BMR**	**TOTAL**	**UNITS**
PROJECT BUILD-OUT				
RESIDENTIAL				
For Sale				
YBI Townhomes	200	10	210	DU
TI Townhomes	271	0	271	DU
Flats	2,044	117	2,161	DU
Neighborhood Tower	1,771	96	1,867	DU
High Rise	895	0	895	DU
Branded condo w/ hotel svcs.	117	0	117	DU
	5,298	223	5,521	DU
For Rent	529	84	613	DU
TIDA			1,866	DU
			8,000	DU
COMMERCIAL				
Full Service Hotel			200	Rms.
YBI Spa Hotel			50	Rms.
Retail			451,000	SQ.FT.
Office			100,000	SQ.FT.

Source: TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).

Table 4

CUMULATIVE DEVELOPMENT ABSORPTION
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	TOTAL AT BUILDOUT	CUMULATIVE ABSORPTION [1]																	
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
																		Build-out	
RESIDENTIAL																			
Market Rate																			
For Sale Units																			
YBI Townhomes	200 Units	0	0	0	34	103	171	200	200	200	200	200	200	200	200	200	200	200	200
TI Townhomes	271 Units	0	0	0	0	34	94	101	101	136	151	211	252	271	271	271	271	271	271
Flats	2,044 Units	0	0	0	0	91	272	454	636	817	999	1,180	1,362	1,544	1,725	1,907	2,044	2,044	2,044
Neighborhood Tower	1,771 Units	0	0	0	0	0	0	171	341	512	683	854	1,024	1,195	1,366	1,537	1,707	1,771	1,771
High Rise	895 Units	0	0	0	0	0	0	0	0	0	120	240	360	480	600	720	840	895	895
Branded condo w/ hotel svcs.	117 Units	0	0	0	0	0	0	0	0	72	117	117	117	117	117	117	117	117	117
Rental	529 Units	0	0	0	0	0	35	139	257	268	343	405	422	422	529	529	529	529	529
	5,827 Units	0	0	0	34	228	573	1,065	1,535	2,005	2,612	3,207	3,737	4,229	4,808	5,281	5,708	5,827	5,827
BMR																			
For Sale Units																			
YBI Townhomes	10 Units	0	0	0	2	5	9	10	10	10	10	10	10	10	10	10	10	10	10
TI Townhomes	0 Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flats	117 Units	0	0	0	0	5	16	26	36	47	57	68	78	88	99	109	117	117	117
Neighborhood Tower	96 Units	0	0	0	0	0	0	9	19	28	37	46	56	65	74	83	93	96	96
High Rise	0 Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Branded condo w/ hotel svcs.	0 Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental	84 Units	0	0	0	0	0	6	22	41	42	54	64	67	67	84	84	84	84	84
	307 Units	0	0	0	2	10	30	67	106	127	159	188	211	230	267	286	304	307	307
TIDA	1,866 Units	0	0	0	6	37	96	274	433	538	752	1,014	1,206	1,404	1,602	1,728	1,839	1,866	1,866
Total	8,000 Units	0	0	0	42	275	699	1,406	2,074	2,670	3,523	4,409	5,154	5,863	6,677	7,295	7,851	8,000	8,000
COMMERCIAL																			
Full Service Hotel	200 Rms	0	0	0	0	0	0	200	200	200	200	200	200	200	200	200	200	200	200
YBI Spa Hotel	50 Rms	0	0	0	0	0	0	0	0	50	50	50	50	50	50	50	50	50	50
Retail	451,000 SF	0	0	0	0	0	0	0	0	0	109,000	109,000	109,000	249,000	249,000	451,000	451,000	451,000	451,000
Office	100,000 SF	0	0	0	0	0	0	0	0	0	0	0	0	100,000	100,000	100,000	100,000	100,000	100,000

Notes:
[1] Absorption reflects home sales / completion of construction.

Source: TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).

Table 5

ANNUAL DEVELOPMENT ABSORPTION
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	TOTAL AT BUILDOUT	ANNUAL ABSORPTION [1]																	
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
																		Build-out	
RESIDENTIAL																			
Market Rate																			
For Sale Units																			
YBI Townhomes	200 Units	0	0	0	34	69	69	29	0	0	0	0	0	0	0	0	0	0	0
TI Townhomes	271 Units	0	0	0	0	34	60	7	0	35	15	60	41	19	0	0	0	0	0
Flats	2,044 Units	0	0	0	0	91	182	182	182	182	182	182	182	182	182	182	137	0	0
Neighborhood Tower	1,771 Units	0	0	0	0	0	0	171	171	171	171	171	171	171	171	171	171	64	0
High Rise	895 Units	0	0	0	0	0	0	0	0	0	120	120	120	120	120	120	120	55	0
Branded condo w/ hotel svcs.	117 Units	0	0	0	0	0	0	0	0	72	45	0	0	0	0	0	0	0	0
Rental	529 Units	0	0	0	0	0	35	104	118	10	75	62	17	0	107	0	0	0	0
	5,827 Units	0	0	0	34	193	346	491	471	470	607	594	531	491	579	472	428	119	0
BMR																			
For Sale Units																			
YBI Townhomes	10 Units	0	0	0	2	3	3	1	0	0	0	0	0	0	0	0	0	0	0
TI Townhomes	0 Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flats	117 Units	0	0	0	0	5	10	10	10	10	10	10	10	10	10	10	8	0	0
Neighborhood Tower	96 Units	0	0	0	0	0	0	9	9	9	9	9	9	9	9	9	9	3	0
High Rise	0 Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Branded condo w/ hotel svcs.	0 Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental	84 Units	0	0	0	0	0	6	16	19	2	12	10	3	0	17	0	0	0	0
	307 Units	0	0	0	2	9	19	38	38	21	32	30	22	20	37	20	17	3	0
TIDA	1,866 Units	0	0	0	6	32	59	178	159	105	214	263	192	198	198	126	111	27	0
Total	8,000 Units	0	0	0	42	234	424	707	668	596	853	887	745	709	814	618	556	149	0
COMMERCIAL																			
Full Service Hotel	200 Rms	0	0	0	0	0	0	200	0	0	0	0	0	0	0	0	0	0	0
YBI Spa Hotel	50 Rms	0	0	0	0	0	0	0	0	50	0	0	0	0	0	0	0	0	0
Retail	451,000 SF	0	0	0	0	0	0	0	0	0	109,000	0	0	140,000	0	202,000	0	0	0
Office	100,000 SF	0	0	0	0	0	0	0	0	0	0	0	0	100,000	0	0	0	0	0

Notes:
[1] Absorption reflects home sales / completion of construction.

Source: TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).

Table 6

HOUSEHOLD, POPULATION AND EMPLOYMENT ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS AT BUILDOUT	MEASURE	CUMULATIVE DEMOGRAPHICS 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32 *Build-out*	2032-33
RESIDENTIAL																				
A. HOUSEHOLDS																				
Market Rate		Avg.																		
For Sale Units	Units[1]	Occupancy																		
YBI Townhomes	200 DU	100%	0	0	0	34	103	171	200	200	200	200	200	200	200	200	200	200	200	200
TI Townhomes	271 DU	100%	0	0	0	0	34	94	101	101	136	151	211	252	271	271	271	271	271	271
Flats	2,044 DU	100%	0	0	0	0	91	272	454	636	817	999	1,180	1,362	1,544	1,725	1,907	2,044	2,044	2,044
Neighborhood Tower	1,771 DU	100%	0	0	0	0	0	0	171	341	512	683	854	1,024	1,195	1,366	1,537	1,707	1,771	1,771
High Rise	895 DU	100%	0	0	0	0	0	0	0	0	0	120	240	360	480	600	720	840	895	895
Branded condo w/ hotel svcs.	117 DU	100%	0	0	0	0	0	0	0	0	72	117	117	117	117	117	117	117	117	117
Rental	529 DU	97%	0	0	0	0	0	34	135	249	259	332	393	409	409	513	513	513	513	513
	5,827		0	0	0	34	228	572	1,061	1,528	1,997	2,602	3,195	3,725	4,216	4,792	5,265	5,693	5,811	5,811
BMR		Avg.																		
For Sale Units	Units[1]	Occupancy																		
YBI Townhomes	10 DU	100%	0	0	0	2	5	9	10	10	10	10	10	10	10	10	10	10	10	10
TI Townhomes	0 DU	100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flats	117 DU	100%	0	0	0	0	5	16	26	36	47	57	68	78	88	99	109	117	117	117
Neighborhood Tower	96 DU	100%	0	0	0	0	0	0	9	19	28	37	46	56	65	74	83	93	96	96
High Rise	0 DU	100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Branded condo w/ hotel svcs.	0 DU	100%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental	84 DU	100%	0	0	0	0	0	6	22	41	42	54	64	67	67	84	84	84	84	84
	307		0	0	0	2	10	30	67	106	127	159	188	211	230	267	286	304	307	307
TIDA	1,866 DU	100%	0	0	0	6	37	96	274	433	538	752	1,014	1,206	1,404	1,602	1,728	1,839	1,866	1,866
TOTAL	8,000 DU		0	0	0	42	275	698	1,402	2,066	2,662	3,512	4,397	5,141	5,851	6,661	7,280	7,835	7,984	7,984
B. POPULATION[2]																				
Market Rate		HH Size: [3]																		
For Sale																				
YBI Townhomes	200 HH	2.71	0	0	0	93	279	465	542	542	542	542	542	542	542	542	542	542	542	542
TI Townhomes	271 HH	2.71	0	0	0	0	92	255	274	274	369	409	572	683	734	734	734	734	734	734
Flats	2,044 HH	2.03	0	0	0	0	184	553	922	1,290	1,659	2,028	2,396	2,765	3,134	3,502	3,871	4,149	4,149	4,149
Neighborhood Tower	1,771 HH	2.03	0	0	0	0	0	0	347	693	1,040	1,386	1,733	2,080	2,426	2,773	3,120	3,466	3,595	3,595
High Rise	895 HH	1.65	0	0	0	0	0	0	0	0	0	198	397	595	794	992	1,191	1,389	1,480	1,480
Branded condo w/ hotel svcs.	117 HH	1.65	0	0	0	0	0	0	0	0	119	193	193	193	193	193	193	193	193	193
Rental	513 HH	2.10	0	0	0	0	0	72	283	524	545	698	824	860	860	1,078	1,078	1,078	1,078	1,078
	5,811		0	0	0	93	555	1,344	2,367	3,323	4,273	5,455	6,658	7,718	8,683	9,815	10,728	11,552	11,772	11,772

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 6

HOUSEHOLD, POPULATION AND EMPLOYMENT ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS AT BUILDOUT		MEASURE	CUMULATIVE DEMOGRAPHICS 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
																				Build-out	
BMR																					
For Sale																					
YBI Townhomes	10	HH	2.71	0	0	0	5	14	23	27	27	27	27	27	27	27	27	27	27	27	27
TI Townhomes	0	HH	2.71	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flats	117	HH	2.03	0	0	0	0	11	32	53	74	95	116	137	158	179	200	222	238	238	238
Neighborhood Tower	96	HH	2.03	0	0	0	0	0	0	19	38	56	75	94	113	132	150	169	188	195	195
High Rise	0	HH	1.65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Branded condo w/ hotel svcs.	0	HH	1.65	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental	84	HH	2.10	0	0	0	0	0	12	46	86	89	114	135	141	141	176	176	176	176	176
	307			0	0	0	5	24	67	145	224	268	333	393	439	479	554	594	629	636	636
TIDA	1,866	HH	2.10	0	0	0	12	78	202	575	910	1,130	1,578	2,130	2,532	2,949	3,365	3,630	3,862	3,919	3,919
TOTAL POPULATION	7,984	HH		0	0	0	109	658	1,613	3,087	4,457	5,671	7,366	9,181	10,689	12,111	13,734	14,952	16,043	16,326	16,326
C. EMPLOYMENT			Employment Density[5]																		
Retail[4]	411	sf (1,000s)	3.33	0	0	0	0	0	0	0	0	0	331	331	331	757	757	1,371	1,371	1,371	1,371
Office[4]	91	sf (1,000s)	3.08	0	0	0	0	0	0	0	0	0	0	0	0	281	281	281	281	281	281
Hotel	250	Rooms	0.80	0	0	0	0	0	0	160	160	200	200	200	200	200	200	200	200	200	200
Other Employment	See Table 8			0	0	0	16	48	76	102	117	136	155	156	157	158	159	159	159	159	159
Residential Based	8,000	DU	0.07	0	0	0	3	18	47	94	138	178	235	294	344	391	445	486	523	533	533
				0	0	0	19	66	123	356	415	514	921	981	1,032	1,786	1,842	2,497	2,534	2,544	2,544
DAY & NIGHT TIME POPULATION			pop + employmt	0	0	0	128	724	1,736	3,443	4,872	6,185	8,287	10,162	11,721	13,897	15,576	17,449	18,577	18,870	18,870

Notes:
1 Table 4.
2 Based on occupied housing units (section A, above).
3 See Appendix Table A-4 for household size assumptions.
4 Based on occupied commercial space. Table 7.
5 Densities reflect EPS study (2011).

Table 7

OCCUPIED COMMERCIAL SPACE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS AT BUILDOUT[1]		MEASURE	CUMULATIVE COMMERCIAL SPACE (1,000s)																	
				2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32 *Build-out*	2032-33
OCCUPIED COMMERCIAL SPACE																					
LEASABLE AREA			Efficiency[2]																		
Retail	451	gsf (1,000s)	0.96	0	0	0	0	0	0	0	0	0	105	105	105	239	239	433	433	433	433
Office	100	gsf (1,000s)	0.96	0	0	0	0	0	0	0	0	0	0	0	0	96	96	96	96	96	96
OCCUPIED SPACE			Occupancy[2]																		
Retail	433	nsf (1,000s)	0.95	0	0	0	0	0	0	0	0	0	99	99	99	227	227	411	411	411	411
Office	96	nsf	0.95	0	0	0	0	0	0	0	0	0	0	0	0	91	91	91	91	91	91

[1] Table 4.
[2] KMA assumption.

Table 8

OTHER EMPLOYMENT ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS AT BUILDOUT		MEASURE[2]		CUMULATIVE OTHER EMPLOYMENT 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33
																					Build-out	
			Population Threshold[1]		0%	0%	0%	1%	4%	10%	19%	27%	35%	45%	56%	65%	74%	84%	92%	98%	100%	100%
OTHER EMPLOYMENT																						
Paid Parking Spaces	5.0	emp.	270	spaces/emp	0.0	0.0	0.0	0.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Open Space and Plaza Maintenance	84.0	emp.	0.3	emp./ac.	0.0	0.0	0.0	12.0	24.0	36.0	48.0	60.0	72.0	84.0	84.0	84.0	84.0	84.0	84.0	84.0	84.0	84.0
Recycling Center	4.0	emp.			0.0	0.0	0.0	2.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Energy Generation	12.0	emp.			0.0	0.0	0.0	0.0	4.0	8.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Art Park	4.0	emp.			0.0	0.0	0.0	2.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Environmental Education Center	3.0	emp.			0.0	0.0	0.0	0.0	0.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Wastewater Treatment	6.0	emp.			0.0	0.0	0.0	0.0	3.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Health and Wellness Facilities	12.0	emp.			0.0	0.0	0.0	0.0	4.0	8.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
School	0.0	emp.	15.3	students/emp	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Childcare Facilities	8.0	emp.	6.0	children/emp	0.0	0.0	0.0	0.0	0.0	0.0	1.0	2.0	3.0	4.0	5.0	6.0	7.0	8.0	8.0	8.0	8.0	8.0
Urban Farm	6.0	emp.			0.0	0.0	0.0	0.0	0.0	2.0	4.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Sailing Center	3.0	emp.			0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Marina and Ferry Quay	4.0	emp.	100.0	slips/emp	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
On-Island Shuttle	8.0	emp.	2.5	emp/bus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Subtotal	159.0				0.0	0.0	0.0	16.0	48.0	76.0	102.0	117.0	136.0	155.0	156.0	157.0	158.0	159.0	159.0	159.0	159.0	159.0
PUBLIC SERVICE EMPLOYMENT (EXCLUDED)[3]																						
Fire	23.4	emp.			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32.8	23.4	23.4	23.4	23.4	23.4	23.4	23.4	23.4	23.4
Police	32.1	emp.			0.0	0.0	0.0	0.2	1.2	3.0	5.9	8.3	10.5	14.1	17.3	19.9	23.7	26.5	29.7	31.6	32.1	32.1
MUNI	15.0	emp.	2.5	emp/bus	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.5	12.5	12.5	12.5	12.5	15.0	15.0
East Bay Bus	20.0	emp.	2.5	emp/bus	0.0	0.0	0.0	0.0	0.0	5.0	8.0	13.0	13.0	13.0	13.0	13.0	13.0	20.0	20.0	20.0	20.0	20.0
Ferry	12.0	emp.	4.0	emp/ferry	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.0	8.0	12.0	12.0	12.0	12.0	12.0	12.0
Subtotal	102.5				0.0	0.0	0.0	0.2	1.2	8.0	13.9	21.3	56.3	50.5	57.7	76.8	84.6	94.4	97.6	99.5	102.5	102.5

Notes
1 Share of build-out population. See Table 6.
2 Estimates of other employment provided in EPS report (2011), Table A-16. Employment is applied to new development timeline according to population growth.
3 While included in prior study, the following employment categories have been excluded from the estimated service population.

Table 9

CITYWIDE POPULATION AND EMPLOYMENT
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	POPULATION [1]	EMPLOYMENT [2]	DAY & NIGHTTIME POPULATION [3]
CITY OF SAN FRANCISCO	845,602	613,200	1,458,802

Notes:
[1] California Department of Finance, Demographic Research Unit. Table E-5 State/County Population Estimates, 1/1/2015.
[2] California Department of Transportation, San Francisco County Economic Forecast.
[3] Population + Employment

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 10

REVENUE SOURCE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

Global Escalation Assumptions	2%	Assessed Value Annual Growth[1]
	3%	Other Revenues Annual Growth[1]
2015 City/County Service Population Estimate for Averages	845,602	Resident Population[2]
	613,200	Employment Base[2]
	1,458,802	Day and Evening Population[2]

I. General Fund Revenue Sources

Property Taxes	8%	remaining General Fund share[3]
Property Tax in Lieu of VLF	$109,881,177	Property Tax Based Revenues for 2004-05[4]
	$103,076,295,556	2004-05 gross AV[5]
	$1.07	per $1,000 in AV growth[5]
	100%	remaining General Fund share[6]
Property Transfer Tax		<u>Initial Site Acquisition</u>
	$20.00	per $1,000 of AV at transfer ($5M-$10M)[7]
		<u>Residential Pad Sales</u>
	$20.00	per $1,000 of AV at transfer ($5M-$10M)[7]
		<u>Hotel Pad Sales</u>
	$7.50	per $1,000 of AV at transfer ($1M-$5M)[7]
		<u>Residential Units: Market Rate</u>
	$7.50	per $1,000 of AV at transfer ($1M-$5M)[7]
	10.0%	Annual Turnover[1]
	3%	Growth in Resale Valuation[1]
		<u>Residential Units: BMR</u>
	$6.80	per $1,000 of AV at transfer ($250,000-$1M)[7]
	10.0%	Annual Turnover[1]
	1%	Growth in Resale Valuation[1]
		<u>Commercial Buildings</u>
		Assumed to be subject to extensive hold periods[1]
Sales Tax		<u>Tax Rate[8]</u>
	1%	General Fund Sales Tax Rate
	0.5%	Public Safety Sales Tax
		<u>On-Site Retail Sales</u>
	96.0%	Efficiency[1]
	5.0%	Vacancy[1]
	$600	Gross Sales Per Occupied Square Foot[9]
	80%	Taxable Share[9]
	25%	Capture of resident expenditures[10]

Table 10

REVENUE SOURCE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

p. 2/5	**Sales Tax Continued**	$0	On-Site Office/Other Commercial Sales (Not Considered)
			Projected Hotel Taxable Sales
		33%	Non-Room Rate Share of Total Hotel Revenue[10]
		50%	Taxable Share of Non-Room Rate Revenue[10]
		$20,531	Taxable Sales / Room (TI Full Service)
		$44,484	Taxable Sales / Room (YBI Hotel)
			Off-Site Retail Sales[11]
			Generated by Residential Units/DU
		$41,629	/DU YBI Townhomes
		$34,199	/DU TI Townhomes
		$24,776	/DU Flats
		$28,413	/DU Neighborhood Tower
		$33,437	/DU High Rise
		$27,960	/DU Branded condo
		$21,101	/DU Rental
		$13,601	/DU TIDA
			Construction-Related
		50%	Materials share of hard costs[10]
		50%	Sales with CCSF as point of sale[10]
	Telephone Users Tax	$49,190,000	Revenues in 2015-16 (Appendix A-1)[12]
		$33.72	Per Resident/Employee
	Access Line Tax	$45,594,000	Revenues in 2015-16 (Appendix A-1)[12]
		$31.25	Per Resident/Employee
	Water Users Tax	$3,740,000	Revenues in 2015-16 (Appendix A-1)[12]
		$6.10	Per Employee
	Gas Electric Steam Users Tax	$40,620,000	Revenues in 2015-16 (Appendix A-1)[12]
		$66.24	Per Employee
	Payroll Tax	1.16%	FY2016 Tax Rate[13]
		0.75%	FY 2017 Tax Rate[13]
		0.38%	FY 2018 Tax Rate[13]
		0.00%	To be phased out by FY2019[13]
		40%	Payroll Share of Construction Hard Cost[1]
		25%	Exemption Allowance[1]

Table 10

REVENUE SOURCE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

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Gross Receipts Tax

	Retail
$600	Gross Sales Per Occupied Square Foot[9]
3,000	Sq. Ft. Per Business[1]
$1.00	tax per $1,000 in GR ($1M - $2.5M)[14]
	Hotel
$3.25	tax per $1,000 in GR ($2.5M-$25M/ YBI)[14]
$4.00	tax per $1,000 in GR ($25M+/Full Service)[14]
	TI Full Service Hotel
$82,125	Annual Room Rate Revenue Per Room[15]
67%	Room Rate Share of Revenue[10]
$123,188	Total Gross Receipts Per Room
	YBI Hotel
$177,938	Annual Room Rate Revenue Per Room[15]
67%	Room Rate Share of Revenue[10]
$266,906	Total Gross Receipts Per Room
	Office/Other
$173,795,000	Gross Receipts from FY2015-16 Adopted Budget[12]
31%	Phase-In Adjustment Factor[16]
$556,144,000	Projected Gross Receipts Tax Revenues Upon Full Adoption
613,200	Employees-San Francisco
$907	Tax Per Employee
	Construction
3%	Vertical cost escalation[17]
$3.50	tax per $1,000 in GR ($1M-$2.5M)[14]
25%	2015/16 Phase In[14]
50%	2016/17 Phase In[14]
75%	2017/18 Phase In[14]
	Rental and Leasing
$44,400	Annual residential rent/unit[18]
$50	Annual retail rent PSF[19]
$70	Annual office rent PSF[19]
5%	Vacancy factor[19]
$2.85	tax per $1M in GR ($1M-$5M)[14]

Table 10

REVENUE SOURCE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

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Business Registration Fees		Retail
	3,000	SqFt / Retail Business[1]
	$200	Rate per retail business earning $1M to $2.5M[20]
		Hotel
	$12,500	Rate for 200-room hotel ($25M+)[20]
	$1,500	Rate for 50-room hotel ($7.5M-$15M)[20]
		Office
	5,000	SqFt / Office Business[1]
	$500	Rate per office business earning $2.5M-$7.5M[20]
Hotel Tax	14%	Tax Rate[21]
	100%	General Fund Share[12]
		TI Full Service Hotel
	$300	Average Room Rate[15]
	75%	Occupancy[15]
	$11,498	Hotel Tax to GF/ Room
		YBI Hotel
	$650	Average Room Rate[15]
	75%	Occupancy[15]
	$24,911	Hotel Tax To GF/ Room
Parking Tax (20% GF Share)	$0	Excluded[22]
II. Other Restricted Revenues [23]		
Licenses, Permits, and Franchise Fees	$26,642,891	Revenues in 2015-16 (Appendix A-1)[12]
	845,602	Residents-San Francisco
	$31.51	Per Resident
Fines, Forfeitures and Penalties	$4,577,144	Revenues in 2015-16 (Appendix A-1)[12]
	845,602	Residents-San Francisco
	$5.41	Per Resident
III. Public Works Revenue Sources		
Gas Tax (Public Works)	$16,903,154	Gas Tax Revenues from FY2015-16 Adopted Budget[12]
	845,602	Residents
	$19.99	Per Resident
Proposition K Sales Tax	0.50%	Sales Tax[24]
	10%	Share Allocated to Streets and Traffic Safety - System Maintenance and Renovation[24]
	0.0500%	

IV. Revenue Set-Asides

MTA	9.193%	share of Aggregate Discretionary Revenues[25]
Library	2.286%	share of Aggregate Discretionary Revenues[25]
Children's Services	8.757%	share of Aggregate Discretionary Revenues[25]
	20.236%	total set-asides

Notes:

[1] KMA assumption.
[2] Table 9.
[3] Analysis reflects 8% of base 1% tax levy. The balance is assumed to be dedicated to affordable housing and infrastructure.
[4] Per SB 1096, growth of property tax in lieu of VLF is proportional to growth in AV since 2004/05.
[5] Values of City and County of San Francisco. California State Controllers Office.
[6] Base analysis assumes 0% of VLF revenues will be deposited into IFD.
[7] San Francisco Business and Tax Regulations Code, Article 12-C: Real Property Transfer Tax
[8] San Francisco Business and Tax Regulations Code, Article 12-D: Uniform Local Sales and Use Tax, and California Board of Equalization.
[9] KMA assumption based on sales data published by California Board of Equalization and Green Street Advisors.
[10] Per the report, "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011.
[11] Appendix Table A-3.
[12] City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.
[13] San Francisco Business and Tax Regulations Code, Article 12-A: Payroll Expense Tax Ordinance.
[14] San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance.
[15] Baseline hotel assumptions provided by TICD. YBI hotel assumptions revised by KMA to reflect recent performance of competitive set of hotels (based on 2016 data published by STR).
[16] GR tax is phased in through FY 2018. For FY16 revenues, KMA assumes a 25% adjustment factor for first three quarters and 50% for final quarter, consistent with factors detailed in San Francisco Business and Tax Regulations Code, Article 12-A-1: Gross Receipts Tax Ordinance.
[17] TICD (March 2016, TI 27.2 Percent Affordable Pro Forma).
[18] KMA assumption. See Appendix Table A-3.
[19] KMA assumption.
[20] San Francisco Business and Tax Regulations Code Article 12: Business Registration Fee.
[21] San Francisco Business and Tax Regulations Code Article 7: Tax on Transient Occupancy of Hotel Rooms.
[22] Per the report, "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011, parking will be under the jurisdiction of the Treasure Island Transportation Management Agency.
[23] Per the CCSF Controller's Office, revenues are generally restricted to specific expenditures not otherwise reflected in the analysis.
[24] San Francisco County Transportation Authority. Prop K Expenditure Plan (last updated January 2016).
[25] City of San Francisco. Office of the Controller. FY2015-16 Revenue Letter.

Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
RECURRING GENERAL FUND REVENUE (NET)[1]												
Discretionary	*20% setaside*											
Portion of G.F. Property Tax [3, 4]		$0	0	0	0	50,000	156,000	313,000	603,000	1,044,000	1,460,000	1,891,000
Property Tax in Lieu of VLF [4]		$0	0	0	0	67,000	209,000	418,000	806,000	1,397,000	1,952,000	2,529,000
Property Transfer Tax		$0	0	0	0	42,000	234,000	530,000	889,000	1,220,000	1,677,000	2,245,000
Sales and Use Tax												
On-Site		$0	0	0	0	0	0	39,000	41,000	64,000	338,000	292,000
Off-Site		$0	0	0	14,000	77,000	185,000	345,000	501,000	665,000	897,000	1,149,000
Telephone Users Tax		$0	0	0	4,000	22,000	54,000	111,000	161,000	211,000	291,000	368,000
Access Line Tax		$0	0	0	3,000	20,000	50,000	102,000	149,000	195,000	270,000	341,000
Water Users Tax		$0	0	0	0	0	1,000	2,000	2,000	3,000	6,000	6,000
Gas Electric Steam Users Tax		$0	0	0	1,000	4,000	7,000	22,000	27,000	34,000	64,000	69,000
Gross Receipts Tax		$0	0	0	0	0	5,000	112,000	132,000	182,000	261,000	278,000
Business License Tax		$0	0	0	0	0	0	12,000	12,000	14,000	22,000	22,000
Hotel Room Tax												
TI Full Service Hotel		$0	0	0	0	0	0	2,190,000	2,256,000	2,324,000	2,393,000	2,465,000
YBI Hotel		$0	0	0	0	0	0	0	0	1,259,000	1,296,000	1,335,000
Subtotal-Discretionary		$0	0	0	22,000	282,000	901,000	4,196,000	5,579,000	8,612,000	10,927,000	12,990,000
Non-Discretionary												
Public Safety Sales Tax		$0	0	0	9,000	48,000	116,000	241,000	339,000	457,000	774,000	903,000
NET GENERAL FUND REVENUE		$0	0	0	31,000	330,000	1,017,000	4,437,000	5,918,000	9,069,000	11,701,000	13,893,000
BASELINE TRANSFERS TO OTHER FUNDS												
Baseline Transfers												
MTA [5]	9.19% of ADR	$0	0	0	2,000	32,000	104,000	484,000	643,000	993,000	1,259,000	1,497,000
Library	2.29% of ADR	$0	0	0	1,000	8,000	26,000	120,000	160,000	247,000	313,000	372,000
Children's Services	8.76% of ADR	$0	0	0	2,000	31,000	99,000	461,000	613,000	945,000	1,200,000	1,426,000
Total Baseline Transfers		$0	0	0	5,000	71,000	229,000	1,065,000	1,416,000	2,185,000	2,772,000	3,295,000
OTHER RESTRICTED REVENUE												
Licenses, Permits, Fees		$0	0	0	4,000	23,000	59,000	116,000	173,000	226,000	303,000	389,000
Fines, Forfeitures, Penalties		$0	0	0	1,000	4,000	10,000	20,000	30,000	39,000	52,000	67,000

[1] Net of baseline transfers. See Table 11-B for gross figures.
[2] Table 10.
[3] Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.
[4] Property tax and VLF projection based on IFD cash flow.
[5] Baseline transfer only. Prop. B transfer calculated on Table 21-A.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
RECURRING GENERAL FUND REVENUE (NET)[1]												
Discretionary	*20% setaside*											
Portion of G.F. Property Tax [3, 4]		2,590,000	3,145,000	3,804,000	4,417,000	4,991,000	5,554,000	6,134,000	6,596,000	6,729,000	6,863,000	7,000,000
Property Tax in Lieu of VLF [4]		3,464,000	4,207,000	5,088,000	5,908,000	6,675,000	7,428,000	8,204,000	8,823,000	9,000,000	9,179,000	9,363,000
Property Transfer Tax		2,857,000	3,479,000	4,109,000	4,750,000	5,425,000	6,089,000	6,422,000	6,614,000	6,811,000	7,014,000	7,224,000
Sales and Use Tax												
On-Site		250,000	906,000	877,000	1,923,000	1,937,000	1,981,000	2,041,000	2,103,000	2,166,000	2,230,000	2,297,000
Off-Site		1,386,000	1,623,000	1,896,000	2,141,000	2,382,000	2,506,000	2,581,000	2,659,000	2,738,000	2,820,000	2,905,000
Telephone Users Tax		436,000	533,000	615,000	710,000	778,000	814,000	839,000	864,000	890,000	916,000	944,000
Access Line Tax		404,000	494,000	570,000	658,000	722,000	755,000	778,000	801,000	825,000	849,000	875,000
Water Users Tax		7,000	13,000	13,000	18,000	19,000	20,000	21,000	21,000	22,000	22,000	23,000
Gas Electric Steam Users Tax		76,000	135,000	143,000	199,000	209,000	215,000	223,000	229,000	236,000	242,000	250,000
Gross Receipts Tax		290,000	674,000	712,000	867,000	893,000	920,000	948,000	976,000	1,006,000	1,036,000	1,066,000
Business License Tax		23,000	44,000	45,000	61,000	63,000	65,000	67,000	69,000	71,000	73,000	75,000
Hotel Room Tax												
TI Full Service Hotel		2,539,000	2,615,000	2,694,000	2,774,000	2,858,000	2,943,000	3,032,000	3,123,000	3,216,000	3,313,000	3,412,000
YBI Hotel		1,375,000	1,417,000	1,459,000	1,503,000	1,548,000	1,594,000	1,642,000	1,691,000	1,742,000	1,795,000	1,848,000
Subtotal-Discretionary		15,697,000	19,285,000	22,025,000	25,929,000	28,500,000	30,884,000	32,932,000	34,569,000	35,452,000	36,352,000	37,282,000
Non-Discretionary												
Public Safety Sales Tax		1,026,000	1,585,000	1,738,000	2,548,000	2,707,000	2,813,000	2,897,000	2,984,000	3,073,000	3,166,000	3,261,000
NET GENERAL FUND REVENUE		16,723,000	20,870,000	23,763,000	28,477,000	31,207,000	33,697,000	35,829,000	37,553,000	38,525,000	39,518,000	40,543,000
BASELINE TRANSFERS TO OTHER FUNDS												
Baseline Transfers												
MTA [5]	9.19% of ADR	1,809,000	2,223,000	2,538,000	2,988,000	3,285,000	3,560,000	3,795,000	3,984,000	4,086,000	4,190,000	4,297,000
Library	2.29% of ADR	450,000	553,000	631,000	743,000	817,000	885,000	944,000	991,000	1,016,000	1,042,000	1,069,000
Children's Services	8.76% of ADR	1,723,000	2,117,000	2,418,000	2,847,000	3,129,000	3,391,000	3,615,000	3,795,000	3,892,000	3,991,000	4,093,000
Total Baseline Transfers		3,982,000	4,893,000	5,587,000	6,578,000	7,231,000	7,836,000	8,354,000	8,770,000	8,994,000	9,223,000	9,459,000
OTHER RESTRICTED REVENUE												
Licenses, Permits, Fees		466,000	544,000	635,000	713,000	787,000	825,000	850,000	876,000	902,000	929,000	957,000
Fines, Forfeitures, Penalties		80,000	93,000	109,000	122,000	135,000	142,000	146,000	150,000	155,000	160,000	164,000

[1] Net of baseline transfers. See Table 11-B for gross figures.
[2] Table 10.
[3] Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.
[4] Property tax and VLF projection based on IFD cash flow.
[5] Baseline transfer only. Prop. B transfer calculated on Table 21-A.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
RECURRING GENERAL FUND REVENUE (NET)[1]													
Discretionary	*20%*	*setaside*											
Portion of G.F. Property Tax [3, 4]			7,140,000	7,283,000	7,429,000	7,578,000	7,729,000	7,884,000	8,041,000	8,202,000	8,366,000	8,533,000	8,704,000
Property Tax in Lieu of VLF [4]			9,550,000	9,742,000	9,936,000	10,135,000	10,337,000	10,544,000	10,755,000	10,971,000	11,190,000	11,413,000	11,642,000
Property Transfer Tax			7,440,000	7,662,000	7,891,000	8,126,000	8,370,000	8,619,000	8,877,000	9,143,000	9,415,000	9,697,000	9,987,000
Sales and Use Tax													
On-Site			2,366,000	2,437,000	2,510,000	2,586,000	2,663,000	2,743,000	2,825,000	2,910,000	2,998,000	3,088,000	3,180,000
Off-Site			2,992,000	3,082,000	3,175,000	3,270,000	3,368,000	3,469,000	3,573,000	3,680,000	3,790,000	3,904,000	4,021,000
Telephone Users Tax			972,000	1,002,000	1,031,000	1,062,000	1,094,000	1,127,000	1,161,000	1,196,000	1,232,000	1,269,000	1,307,000
Access Line Tax			901,000	928,000	956,000	985,000	1,015,000	1,045,000	1,076,000	1,109,000	1,142,000	1,177,000	1,212,000
Water Users Tax			24,000	25,000	26,000	26,000	26,000	27,000	28,000	30,000	30,000	31,000	32,000
Gas Electric Steam Users Tax			258,000	266,000	274,000	282,000	290,000	298,000	308,000	317,000	326,000	336,000	346,000
Gross Receipts Tax			1,099,000	1,132,000	1,166,000	1,200,000	1,236,000	1,274,000	1,312,000	1,351,000	1,392,000	1,433,000	1,476,000
Business License Tax			77,000	80,000	82,000	85,000	87,000	89,000	93,000	95,000	98,000	101,000	104,000
Hotel Room Tax													
TI Full Service Hotel			3,514,000	3,620,000	3,728,000	3,841,000	3,955,000	4,074,000	4,196,000	4,322,000	4,452,000	4,586,000	4,723,000
YBI Hotel			1,904,000	1,961,000	2,020,000	2,080,000	2,142,000	2,207,000	2,273,000	2,341,000	2,411,000	2,484,000	2,558,000
Subtotal-Discretionary			38,237,000	39,220,000	40,224,000	41,256,000	42,312,000	43,400,000	44,518,000	45,667,000	46,842,000	48,052,000	49,292,000
Non-Discretionary													
Public Safety Sales Tax			3,359,000	3,460,000	3,564,000	3,671,000	3,780,000	3,893,000	4,011,000	4,131,000	4,255,000	4,382,000	4,514,000
NET GENERAL FUND REVENUE			41,596,000	42,680,000	43,788,000	44,927,000	46,092,000	47,293,000	48,529,000	49,798,000	51,097,000	52,434,000	53,806,000
BASELINE TRANSFERS TO OTHER FUNDS													
Baseline Transfers													
MTA [5]	9.19%	of ADR	4,407,000	4,520,000	4,636,000	4,755,000	4,877,000	5,002,000	5,131,000	5,263,000	5,399,000	5,538,000	5,681,000
Library	2.29%	of ADR	1,096,000	1,124,000	1,153,000	1,182,000	1,213,000	1,244,000	1,276,000	1,309,000	1,342,000	1,377,000	1,413,000
Children's Services	8.76%	of ADR	4,198,000	4,306,000	4,416,000	4,529,000	4,645,000	4,765,000	4,888,000	5,013,000	5,143,000	5,275,000	5,412,000
Total Baseline Transfers			9,701,000	9,950,000	10,205,000	10,466,000	10,735,000	11,011,000	11,295,000	11,585,000	11,884,000	12,190,000	12,506,000
OTHER RESTRICTED REVENUE													
Licenses, Permits, Fees			986,000	1,015,000	1,046,000	1,077,000	1,109,000	1,143,000	1,177,000	1,212,000	1,249,000	1,286,000	1,325,000
Fines, Forfeitures, Penalties			169,000	174,000	180,000	185,000	191,000	196,000	202,000	208,000	215,000	221,000	228,000

[1] Net of baseline transfers. See Table 11-B for gross figures.
[2] Table 10.
[3] Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.
[4] Property tax and VLF projection based on IFD cash flow.
[5] Baseline transfer only. Prop. B transfer calculated on Table 21-A.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
RECURRING GENERAL FUND REVENUE (NET)[1]												
Discretionary	*20% setaside*											
Portion of G.F. Property Tax [3, 4]		8,879,000	9,056,000	9,237,000	9,422,000	9,610,000	9,802,000	9,998,000	10,199,000	10,402,000	10,610,000	10,822,000
Property Tax in Lieu of VLF [4]		11,874,000	12,112,000	12,355,000	12,602,000	12,853,000	13,111,000	13,373,000	13,640,000	13,913,000	14,192,000	14,476,000
Property Transfer Tax		10,285,000	10,593,000	10,909,000	11,235,000	11,571,000	11,918,000	12,274,000	12,640,000	13,019,000	13,408,000	13,810,000
Sales and Use Tax												
On-Site		3,275,000	3,373,000	3,475,000	3,579,000	3,687,000	3,797,000	3,911,000	4,028,000	4,149,000	4,274,000	4,401,000
Off-Site		4,142,000	4,266,000	4,394,000	4,526,000	4,661,000	4,802,000	4,945,000	5,094,000	5,247,000	5,404,000	5,566,000
Telephone Users Tax		1,346,000	1,386,000	1,428,000	1,471,000	1,515,000	1,560,000	1,607,000	1,656,000	1,705,000	1,756,000	1,809,000
Access Line Tax		1,248,000	1,285,000	1,324,000	1,363,000	1,405,000	1,446,000	1,490,000	1,535,000	1,581,000	1,628,000	1,677,000
Water Users Tax		33,000	34,000	35,000	36,000	37,000	38,000	39,000	41,000	41,000	43,000	44,000
Gas Electric Steam Users Tax		357,000	367,000	378,000	389,000	401,000	413,000	426,000	439,000	451,000	465,000	479,000
Gross Receipts Tax		1,521,000	1,567,000	1,613,000	1,661,000	1,712,000	1,763,000	1,816,000	1,870,000	1,926,000	1,985,000	2,044,000
Business License Tax		107,000	110,000	113,000	116,000	120,000	124,000	128,000	132,000	136,000	140,000	144,000
Hotel Room Tax												
TI Full Service Hotel		4,865,000	5,011,000	5,161,000	5,316,000	5,476,000	5,639,000	5,809,000	5,983,000	6,163,000	6,348,000	6,538,000
YBI Hotel		2,635,000	2,714,000	2,796,000	2,879,000	2,966,000	3,055,000	3,147,000	3,241,000	3,338,000	3,439,000	3,542,000
Subtotal-Discretionary		50,567,000	51,874,000	53,218,000	54,595,000	56,014,000	57,468,000	58,963,000	60,498,000	62,071,000	63,692,000	65,352,000
Non-Discretionary												
Public Safety Sales Tax		4,649,000	4,789,000	4,932,000	5,081,000	5,233,000	5,390,000	5,552,000	5,718,000	5,890,000	6,067,000	6,248,000
NET GENERAL FUND REVENUE		55,216,000	56,663,000	58,150,000	59,676,000	61,247,000	62,858,000	64,515,000	66,216,000	67,961,000	69,759,000	71,600,000
BASELINE TRANSFERS TO OTHER FUNDS												
Baseline Transfers												
MTA [5]	9.19% of ADR	5,828,000	5,978,000	6,133,000	6,292,000	6,456,000	6,623,000	6,796,000	6,972,000	7,154,000	7,341,000	7,532,000
Library	2.29% of ADR	1,449,000	1,487,000	1,525,000	1,565,000	1,605,000	1,647,000	1,690,000	1,734,000	1,779,000	1,825,000	1,873,000
Children's Services	8.76% of ADR	5,552,000	5,695,000	5,842,000	5,994,000	6,150,000	6,309,000	6,473,000	6,642,000	6,815,000	6,992,000	7,175,000
Total Baseline Transfers		12,829,000	13,160,000	13,500,000	13,851,000	14,211,000	14,579,000	14,959,000	15,348,000	15,748,000	16,158,000	16,580,000
OTHER RESTRICTED REVENUE												
Licenses, Permits, Fees		1,364,000	1,405,000	1,447,000	1,491,000	1,536,000	1,582,000	1,629,000	1,678,000	1,728,000	1,780,000	1,834,000
Fines, Forfeitures, Penalties		234,000	241,000	249,000	256,000	264,000	272,000	280,000	288,000	297,000	306,000	315,000

[1] Net of baseline transfers. See Table 11-B for gross figures.
[2] Table 10.
[3] Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.
[4] Property tax and VLF projection based on IFD cash flow.
[5] Baseline transfer only. Prop. B transfer calculated on Table 21-A.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table 11-A

ANNUAL GENERAL FUND REVENUES (NET) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE [2]		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
RECURRING GENERAL FUND REVENUE (NET)[1]											
Discretionary	*20%*	*setaside*									
Portion of G.F. Property Tax [3, 4]			10,125,000	8,071,000	7,369,000	6,736,000	4,586,000	3,912,000	2,004,000	2,044,000	2,084,000
Property Tax in Lieu of VLF [4]			14,764,000	15,060,000	15,361,000	15,668,000	15,982,000	16,301,000	16,628,000	16,960,000	17,299,000
Property Transfer Tax			14,222,000	14,648,000	15,087,000	15,538,000	16,002,000	16,481,000	16,975,000	17,483,000	18,006,000
Sales and Use Tax											
On-Site			4,534,000	4,670,000	4,810,000	4,954,000	5,103,000	5,256,000	5,414,000	5,576,000	5,743,000
Off-Site			5,733,000	5,905,000	6,083,000	6,265,000	6,453,000	6,647,000	6,846,000	7,051,000	7,263,000
Telephone Users Tax			1,863,000	1,919,000	1,977,000	2,036,000	2,097,000	2,160,000	2,225,000	2,292,000	2,360,000
Access Line Tax			1,727,000	1,779,000	1,832,000	1,887,000	1,944,000	2,002,000	2,063,000	2,124,000	2,188,000
Water Users Tax			45,000	47,000	48,000	49,000	51,000	53,000	54,000	56,000	57,000
Gas Electric Steam Users Tax			494,000	508,000	523,000	539,000	555,000	572,000	589,000	607,000	625,000
Gross Receipts Tax			2,105,000	2,168,000	2,233,000	2,300,000	2,370,000	2,440,000	2,513,000	2,589,000	2,667,000
Business License Tax			148,000	152,000	157,000	162,000	167,000	171,000	177,000	182,000	187,000
Hotel Room Tax											
TI Full Service Hotel			6,734,000	6,936,000	7,144,000	7,358,000	7,579,000	7,807,000	8,041,000	8,282,000	8,531,000
YBI Hotel			3,648,000	3,757,000	3,870,000	3,986,000	4,105,000	4,228,000	4,355,000	4,486,000	4,621,000
Subtotal-Discretionary			66,142,000	65,620,000	66,494,000	67,478,000	66,994,000	68,030,000	67,884,000	69,732,000	71,631,000
Non-Discretionary											
Public Safety Sales Tax			6,436,000	6,629,000	6,828,000	7,033,000	7,244,000	7,461,000	7,684,000	7,915,000	8,153,000
NET GENERAL FUND REVENUE			72,578,000	72,249,000	73,322,000	74,511,000	74,238,000	75,491,000	75,568,000	77,647,000	79,784,000
BASELINE TRANSFERS TO OTHER FUNDS											
Baseline Transfers											
MTA [5]	9.19%	of ADR	7,623,000	7,563,000	7,664,000	7,777,000	7,721,000	7,841,000	7,824,000	8,037,000	8,256,000
Library	2.29%	of ADR	1,896,000	1,881,000	1,906,000	1,934,000	1,920,000	1,950,000	1,946,000	1,998,000	2,053,000
Children's Services	8.76%	of ADR	7,262,000	7,204,000	7,300,000	7,408,000	7,355,000	7,469,000	7,453,000	7,656,000	7,864,000
Total Baseline Transfers			16,781,000	16,648,000	16,870,000	17,119,000	16,996,000	17,260,000	17,223,000	17,691,000	18,173,000
OTHER RESTRICTED REVENUE											
Licenses, Permits, Fees			1,889,000	1,945,000	2,004,000	2,064,000	2,126,000	2,189,000	2,255,000	2,323,000	2,392,000
Fines, Forfeitures, Penalties			324,000	334,000	344,000	355,000	365,000	376,000	387,000	399,000	411,000

[1] Net of baseline transfers. See Table 11-B for gross figures.
[2] Table 10.
[3] Reflects 8% of base 1% tax levy. The balance of property tax revenues are dedicated to funding infrastructure and affordable hsg.
[4] Property tax and VLF projection based on IFD cash flow.
[5] Baseline transfer only. Prop. B transfer calculated on Table 21-A.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	revenue appreciation[2]	1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
	residents[3]	0	0	0	109	658	1,613	3,087	4,457	5,671	7,366	9,181
	employees[3]	0	0	0	19	66	123	356	415	514	921	981
	day & night pop[3]	0	0	0	128	724	1,736	3,443	4,872	6,185	8,287	10,162
	Hotel Rooms: TI Full Svc.[4]	0	0	0	0	0	0	200	200	200	200	200
	YBI Hotel[4]	0	0	0	0	0	0	0	0	50	50	50
RECURRING GENERAL FUND REVENUE (GROSS)[1]												
Discretionary												
Portion of G.F. Property Tax[5, 6]		$0	0	0	0	63,000	196,000	392,000	756,000	1,309,000	1,830,000	2,371,000
Property Tax in Lieu of VLF[5]		$0	0	0	0	84,000	262,000	524,000	1,011,000	1,751,000	2,447,000	3,171,000
Property Transfer Tax	Table 15	$0	0	0	0	53,000	293,000	664,000	1,114,000	1,530,000	2,103,000	2,815,000
Sales and Use Tax												
On-Site	Table 13	$0	0	0	0	0	0	49,000	51,000	80,000	424,000	366,000
Off-Site	Table 12	$0	0	0	17,000	96,000	232,000	433,000	628,000	834,000	1,125,000	1,440,000
Telephone Users Tax	$33.72 /res & empl	$0	0	0	5,000	27,000	68,000	139,000	202,000	264,000	365,000	461,000
Access Line Tax	$31.25 /res & empl	$0	0	0	4,000	25,000	63,000	128,000	187,000	245,000	338,000	427,000
Water Users Tax	$6.10 / empl	$0	0	0	0	0	1,000	3,000	3,000	4,000	7,000	8,000
Gas Electric Steam Users Tax	$66.24 / empl	$0	0	0	1,000	5,000	9,000	28,000	34,000	43,000	80,000	87,000
Gross Receipts Tax	Table 14	$0	0	0	0	0	6,000	141,000	166,000	228,000	327,000	348,000
Business License Tax	Table 14	$0	0	0	0	0	0	15,000	15,000	18,000	27,000	28,000
Hotel Room Tax												
TI Full Service Hotel	$11,498 / rm	$0	0	0	0	0	0	2,746,000	2,828,000	2,913,000	3,000,000	3,090,000
YBI Hotel	$24,911 / rm	$0	0	0	0	0	0	0	0	1,578,000	1,625,000	1,674,000
Subtotal-Discretionary		$0	0	0	27,000	353,000	1,130,000	5,262,000	6,995,000	10,797,000	13,698,000	16,286,000
Restricted												
Public Safety Sales Tax	Tables 12, 13 & 23	$0	0	0	9,000	48,000	116,000	241,000	339,000	457,000	774,000	903,000
TOTAL (PRIOR TO BASELINE TRANSFERS)		$0	0	0	36,000	401,000	1,246,000	5,503,000	7,334,000	11,254,000	14,472,000	17,189,000
OTHER RESTRICTED REVENUE												
Licenses, Permits, Fees	$31.51 /res	$0	0	0	4,000	23,000	59,000	116,000	173,000	226,000	303,000	389,000
Fines, Forfeitures, Penalties	$5.41 /res	$0	0	0	1,000	4,000	10,000	20,000	30,000	39,000	52,000	67,000

Notes
1 Prior to baseline transfers. See Table 11-A for net figures.
2 Table 10.
3 Table 6.
4 Table 4.
5 Property tax and VLF projection based on IFD cash flow.
6 Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
	revenue appreciation[2]	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
	residents[3]	10,689	12,111	13,734	14,952	16,043	16,326	16,326	16,326	16,326	16,326	16,326
	employees[3]	1,032	1,786	1,842	2,497	2,534	2,544	2,544	2,544	2,544	2,544	2,544
	day & night pop[3]	11,721	13,897	15,576	17,449	18,577	18,870	18,870	18,870	18,870	18,870	18,870
	Hotel Rooms: TI Full Svc.[4]	200	200	200	200	200	200	200	200	200	200	200
	YBI Hotel[4]	50	50	50	50	50	50	50	50	50	50	50
RECURRING GENERAL FUND REVENUE (GROSS)[1]												
Discretionary												
Portion of G.F. Property Tax[5, 6]		3,247,000	3,943,000	4,769,000	5,538,000	6,257,000	6,963,000	7,690,000	8,270,000	8,436,000	8,604,000	8,776,000
Property Tax in Lieu of VLF[5]		4,343,000	5,274,000	6,379,000	7,407,000	8,368,000	9,313,000	10,285,000	11,061,000	11,283,000	11,508,000	11,739,000
Property Transfer Tax	Table 15	3,582,000	4,362,000	5,152,000	5,955,000	6,801,000	7,634,000	8,051,000	8,292,000	8,539,000	8,794,000	9,057,000
Sales and Use Tax												
On-Site	Table 13	314,000	1,136,000	1,100,000	2,411,000	2,428,000	2,484,000	2,559,000	2,636,000	2,715,000	2,796,000	2,880,000
Off-Site	Table 12	1,737,000	2,035,000	2,377,000	2,684,000	2,986,000	3,142,000	3,236,000	3,333,000	3,433,000	3,536,000	3,642,000
Telephone Users Tax	$33.72 /res & empl	547,000	668,000	771,000	890,000	976,000	1,021,000	1,052,000	1,083,000	1,116,000	1,149,000	1,184,000
Access Line Tax	$31.25 /res & empl	507,000	619,000	715,000	825,000	905,000	946,000	975,000	1,004,000	1,034,000	1,065,000	1,097,000
Water Users Tax	$6.10 / empl	9,000	16,000	16,000	23,000	24,000	25,000	26,000	26,000	27,000	28,000	29,000
Gas Electric Steam Users Tax	$66.24 / empl	95,000	169,000	179,000	250,000	262,000	270,000	279,000	287,000	296,000	304,000	313,000
Gross Receipts Tax	Table 14	363,000	845,000	893,000	1,087,000	1,119,000	1,154,000	1,188,000	1,224,000	1,261,000	1,299,000	1,337,000
Business License Tax	Table 14	29,000	55,000	56,000	76,000	79,000	81,000	84,000	86,000	89,000	91,000	94,000
Hotel Room Tax												
TI Full Service Hotel	$11,498 / rm	3,183,000	3,279,000	3,377,000	3,478,000	3,583,000	3,690,000	3,801,000	3,915,000	4,032,000	4,153,000	4,278,000
YBI Hotel	$24,911 / rm	1,724,000	1,776,000	1,829,000	1,884,000	1,941,000	1,999,000	2,059,000	2,120,000	2,184,000	2,250,000	2,317,000
Subtotal-Discretionary		19,680,000	24,177,000	27,613,000	32,508,000	35,729,000	38,722,000	41,285,000	43,337,000	44,445,000	45,577,000	46,743,000
Restricted												
Public Safety Sales Tax	Tables 12, 13 & 23	1,026,000	1,585,000	1,738,000	2,548,000	2,707,000	2,813,000	2,897,000	2,984,000	3,073,000	3,166,000	3,261,000
TOTAL (PRIOR TO BASELINE TRANSFERS)		20,706,000	25,762,000	29,351,000	35,056,000	38,436,000	41,535,000	44,182,000	46,321,000	47,518,000	48,743,000	50,004,000
OTHER RESTRICTED REVENUE												
Licenses, Permits, Fees	$31.51 /res	466,000	544,000	635,000	713,000	787,000	825,000	850,000	876,000	902,000	929,000	957,000
Fines, Forfeitures, Penalties	$5.41 /res	80,000	93,000	109,000	122,000	135,000	142,000	146,000	150,000	155,000	160,000	164,000

Notes
[1] Prior to baseline transfers. See Table 11-A for net figures.
[2] Table 10.
[3] Table 6.
[4] Table 4.
[5] Property tax and VLF projection based on IFD cash flow.
[6] Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
	revenue appreciation[2]	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
	residents[3]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	employees[3]	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
	day & night pop[3]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
	Hotel Rooms: TI Full Svc.[4]	200	200	200	200	200	200	200	200	200	200	200
	YBI Hotel[4]	50	50	50	50	50	50	50	50	50	50	50
RECURRING GENERAL FUND REVENUE (GROSS)[1]												
Discretionary												
Portion of G.F. Property Tax[5, 6]		8,952,000	9,131,000	9,314,000	9,500,000	9,690,000	9,884,000	10,081,000	10,283,000	10,489,000	10,698,000	10,912,000
Property Tax in Lieu of VLF[5]		11,973,000	12,213,000	12,457,000	12,706,000	12,960,000	13,219,000	13,484,000	13,754,000	14,029,000	14,309,000	14,595,000
Property Transfer Tax	Table 15	9,327,000	9,606,000	9,893,000	10,188,000	10,493,000	10,806,000	11,129,000	11,462,000	11,804,000	12,157,000	12,521,000
Sales and Use Tax												
On-Site	Table 13	2,966,000	3,055,000	3,147,000	3,242,000	3,339,000	3,439,000	3,542,000	3,648,000	3,758,000	3,871,000	3,987,000
Off-Site	Table 12	3,751,000	3,864,000	3,980,000	4,099,000	4,222,000	4,349,000	4,479,000	4,614,000	4,752,000	4,895,000	5,041,000
Telephone Users Tax	$33.72 /res & empl	1,219,000	1,256,000	1,293,000	1,332,000	1,372,000	1,413,000	1,456,000	1,499,000	1,544,000	1,591,000	1,639,000
Access Line Tax	$31.25 /res & empl	1,130,000	1,164,000	1,199,000	1,235,000	1,272,000	1,310,000	1,349,000	1,390,000	1,432,000	1,475,000	1,519,000
Water Users Tax	$6.10 / empl	30,000	31,000	32,000	32,000	33,000	34,000	35,000	37,000	38,000	39,000	40,000
Gas Electric Steam Users Tax	$66.24 / empl	323,000	333,000	343,000	353,000	363,000	374,000	386,000	397,000	409,000	421,000	434,000
Gross Receipts Tax	Table 14	1,378,000	1,419,000	1,462,000	1,505,000	1,550,000	1,597,000	1,645,000	1,694,000	1,745,000	1,797,000	1,851,000
Business License Tax	Table 14	97,000	100,000	103,000	106,000	109,000	112,000	116,000	119,000	123,000	126,000	130,000
Hotel Room Tax												
TI Full Service Hotel	$11,498 / rm	4,406,000	4,538,000	4,674,000	4,815,000	4,959,000	5,108,000	5,261,000	5,419,000	5,581,000	5,749,000	5,921,000
YBI Hotel	$24,911 / rm	2,387,000	2,458,000	2,532,000	2,608,000	2,686,000	2,767,000	2,850,000	2,935,000	3,023,000	3,114,000	3,207,000
Subtotal-Discretionary		47,939,000	49,168,000	50,429,000	51,721,000	53,048,000	54,412,000	55,813,000	57,251,000	58,727,000	60,242,000	61,797,000
Restricted												
Public Safety Sales Tax	Tables 12, 13 & 23	3,359,000	3,460,000	3,564,000	3,671,000	3,780,000	3,893,000	4,011,000	4,131,000	4,255,000	4,382,000	4,514,000
TOTAL (PRIOR TO BASELINE TRANSFERS)		51,298,000	52,628,000	53,993,000	55,392,000	56,828,000	58,305,000	59,824,000	61,382,000	62,982,000	64,624,000	66,311,000
OTHER RESTRICTED REVENUE												
Licenses, Permits, Fees	$31.51 /res	986,000	1,015,000	1,046,000	1,077,000	1,109,000	1,143,000	1,177,000	1,212,000	1,249,000	1,286,000	1,325,000
Fines, Forfeitures, Penalties	$5.41 /res	169,000	174,000	180,000	185,000	191,000	196,000	202,000	208,000	215,000	221,000	228,000

Notes
1 Prior to baseline transfers. See Table 11-A for net figures.
2 Table 10.
3 Table 6.
4 Table 4.
5 Property tax and VLF projection based on IFD cash flow.
6 Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE [2]	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
	revenue appreciation[2]	2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
	residents[3]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	employees[3]	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
	day & night pop[3]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
	Hotel Rooms: TI Full Svc.[4]	200	200	200	200	200	200	200	200	200	200	200
	YBI Hotel[4]	50	50	50	50	50	50	50	50	50	50	50
RECURRING GENERAL FUND REVENUE (GROSS)[1]												
Discretionary												
Portion of G.F. Property Tax[5, 6]		11,131,000	11,353,000	11,580,000	11,812,000	12,048,000	12,289,000	12,535,000	12,786,000	13,041,000	13,302,000	13,568,000
Property Tax in Lieu of VLF[5]		14,887,000	15,185,000	15,489,000	15,799,000	16,114,000	16,437,000	16,766,000	17,101,000	17,443,000	17,792,000	18,148,000
Property Transfer Tax	Table 15	12,894,000	13,280,000	13,677,000	14,085,000	14,507,000	14,941,000	15,388,000	15,847,000	16,322,000	16,810,000	17,313,000
Sales and Use Tax												
On-Site	Table 13	4,106,000	4,229,000	4,356,000	4,487,000	4,622,000	4,760,000	4,903,000	5,050,000	5,202,000	5,358,000	5,518,000
Off-Site	Table 12	5,193,000	5,348,000	5,509,000	5,674,000	5,844,000	6,020,000	6,200,000	6,386,000	6,578,000	6,775,000	6,978,000
Telephone Users Tax	$33.72 /res & empl	1,688,000	1,738,000	1,790,000	1,844,000	1,899,000	1,956,000	2,015,000	2,076,000	2,138,000	2,202,000	2,268,000
Access Line Tax	$31.25 /res & empl	1,564,000	1,611,000	1,660,000	1,709,000	1,761,000	1,813,000	1,868,000	1,924,000	1,982,000	2,041,000	2,102,000
Water Users Tax	$6.10 / empl	41,000	42,000	44,000	45,000	46,000	48,000	49,000	51,000	52,000	54,000	55,000
Gas Electric Steam Users Tax	$66.24 / empl	447,000	460,000	474,000	488,000	503,000	518,000	534,000	550,000	566,000	583,000	601,000
Gross Receipts Tax	Table 14	1,907,000	1,964,000	2,022,000	2,083,000	2,146,000	2,210,000	2,277,000	2,345,000	2,415,000	2,488,000	2,563,000
Business License Tax	Table 14	134,000	138,000	142,000	146,000	151,000	155,000	160,000	165,000	170,000	175,000	180,000
Hotel Room Tax												
TI Full Service Hotel	$11,498 / rm	6,099,000	6,282,000	6,470,000	6,665,000	6,865,000	7,070,000	7,283,000	7,501,000	7,726,000	7,958,000	8,197,000
YBI Hotel	$24,911 / rm	3,304,000	3,403,000	3,505,000	3,610,000	3,718,000	3,830,000	3,945,000	4,063,000	4,185,000	4,311,000	4,440,000
Subtotal-Discretionary		63,395,000	65,033,000	66,718,000	68,447,000	70,224,000	72,047,000	73,923,000	75,845,000	77,820,000	79,849,000	81,931,000
Restricted												
Public Safety Sales Tax	Tables 12, 13 & 23	4,649,000	4,789,000	4,932,000	5,081,000	5,233,000	5,390,000	5,552,000	5,718,000	5,890,000	6,067,000	6,248,000
TOTAL (PRIOR TO BASELINE TRANSFERS)		68,044,000	69,822,000	71,650,000	73,528,000	75,457,000	77,437,000	79,475,000	81,563,000	83,710,000	85,916,000	88,179,000
OTHER RESTRICTED REVENUE												
Licenses, Permits, Fees	$31.51 /res	1,364,000	1,405,000	1,447,000	1,491,000	1,536,000	1,582,000	1,629,000	1,678,000	1,728,000	1,780,000	1,834,000
Fines, Forfeitures, Penalties	$5.41 /res	234,000	241,000	249,000	256,000	264,000	272,000	280,000	288,000	297,000	306,000	315,000

Notes

[1] Prior to baseline transfers. See Table 11-A for net figures.
[2] Table 10.
[3] Table 6.
[4] Table 4.
[5] Property tax and VLF projection based on IFD cash flow.
[6] Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

Table 11-B

ANNUAL GENERAL FUND REVENUES (GROSS) [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE [2]	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
	revenue appreciation[2]	3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
	residents[3]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	employees[3]	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
	day & night pop[3]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
	Hotel Rooms: TI Full Svc.[4]	200	200	200	200	200	200	200	200	200
	YBI Hotel[4]	50	50	50	50	50	50	50	50	50
RECURRING GENERAL FUND REVENUE (GROSS)[1]										
Discretionary										
Portion of G.F. Property Tax[5, 6]		12,694,000	10,118,000	9,238,000	8,445,000	5,750,000	4,904,000	2,512,000	2,562,000	2,613,000
Property Tax in Lieu of VLF[5]		18,510,000	18,881,000	19,258,000	19,643,000	20,036,000	20,437,000	20,846,000	21,263,000	21,688,000
Property Transfer Tax	Table 15	17,830,000	18,364,000	18,914,000	19,480,000	20,062,000	20,662,000	21,281,000	21,918,000	22,574,000
Sales and Use Tax										
On-Site	Table 13	5,684,000	5,855,000	6,030,000	6,211,000	6,397,000	6,589,000	6,787,000	6,991,000	7,200,000
Off-Site	Table 12	7,188,000	7,403,000	7,626,000	7,854,000	8,090,000	8,333,000	8,583,000	8,840,000	9,105,000
Telephone Users Tax	$33.72 /res & empl	2,336,000	2,406,000	2,478,000	2,553,000	2,629,000	2,708,000	2,789,000	2,873,000	2,959,000
Access Line Tax	$31.25 /res & empl	2,165,000	2,230,000	2,297,000	2,366,000	2,437,000	2,510,000	2,586,000	2,663,000	2,743,000
Water Users Tax	$6.10 / empl	57,000	59,000	60,000	62,000	64,000	66,000	68,000	70,000	72,000
Gas Electric Steam Users Tax	$66.24 / empl	619,000	637,000	656,000	676,000	696,000	717,000	739,000	761,000	784,000
Gross Receipts Tax	Table 14	2,639,000	2,718,000	2,800,000	2,884,000	2,971,000	3,059,000	3,151,000	3,246,000	3,344,000
Business License Tax	Table 14	186,000	191,000	197,000	203,000	209,000	215,000	222,000	228,000	235,000
Hotel Room Tax										
TI Full Service Hotel	$11,498 / rm	8,443,000	8,696,000	8,957,000	9,225,000	9,502,000	9,787,000	10,081,000	10,383,000	10,695,000
YBI Hotel	$24,911 / rm	4,573,000	4,710,000	4,852,000	4,997,000	5,147,000	5,301,000	5,460,000	5,624,000	5,793,000
Subtotal-Discretionary		82,924,000	82,268,000	83,363,000	84,599,000	83,990,000	85,288,000	85,105,000	87,422,000	89,805,000
Restricted										
Public Safety Sales Tax	Tables 12, 13 & 23	6,436,000	6,629,000	6,828,000	7,033,000	7,244,000	7,461,000	7,684,000	7,915,000	8,153,000
TOTAL (PRIOR TO BASELINE TRANSFERS)		89,360,000	88,897,000	90,191,000	91,632,000	91,234,000	92,749,000	92,789,000	95,337,000	97,958,000
OTHER RESTRICTED REVENUE										
Licenses, Permits, Fees	$31.51 /res	1,889,000	1,945,000	2,004,000	2,064,000	2,126,000	2,189,000	2,255,000	2,323,000	2,392,000
Fines, Forfeitures, Penalties	$5.41 /res	324,000	334,000	344,000	355,000	365,000	376,000	387,000	399,000	411,000

Notes
[1] Prior to baseline transfers. See Table 11-A for net figures.
[2] Table 10.
[3] Table 6.
[4] Table 4.
[5] Property tax and VLF projection based on IFD cash flow.
[6] Reflects 8% of base 1% tax levy. The balance of G.F. property tax revenues are dedicated to funding infrastructure and affordable hsg.

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Table 12

OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	revenue appreciation[1]	3%	1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
OFF-SITE TAXABLE SALES IN S.F. ($000s) [2]													
A. Market Rate/BMR ($000s)													
For Sale													
YBI Townhomes	$41,629	/du	0	0	0	1,638	5,060	8,687	10,439	10,752	11,074	11,406	11,749
TI Townhomes	$34,199	/du	0	0	0	0	1,309	3,727	4,124	4,248	5,892	6,738	9,698
Flats	$24,776	/du	0	0	0	0	2,677	8,272	14,200	20,477	27,117	34,138	41,555
Neighborhood Tower	$28,413	/du	0	0	0	0	0	0	6,107	12,580	19,436	26,692	34,366
High Rise	$33,437	/du	0	0	0	0	0	0	0	0	0	5,235	10,785
Branded condo	$27,960	/du	0	0	0	0	0	0	0	0	2,550	4,268	4,396
Rental	$21,101	/du	0	0	0	0	0	977	3,952	7,534	8,072	10,647	12,956
			0	0	0	1,638	9,046	21,663	38,822	55,591	74,141	99,124	125,505
B. TIDA ($000s)	$13,601	/du	0	0	0	84	570	1,517	4,449	7,245	9,270	13,339	18,539
TOTAL TAXABLE SALES ($000s)			0	0	0	1,722	9,616	23,180	43,271	62,836	83,411	112,463	144,044
SALES TAX													
General Fund	1.00%	tax	0	0	0	17,000	96,000	232,000	433,000	628,000	834,000	1,125,000	1,440,000
Public Safety	0.50%	tax	0	0	0	9,000	48,000	116,000	216,000	314,000	417,000	562,000	720,000
Proposition K													
System Maintenance (DPW)	0.05%	tax	0	0	0	1,000	5,000	12,000	22,000	31,000	42,000	56,000	72,000
System Maintenance (MTA)	0.18%	tax	0	0	0	3,000	18,000	43,000	80,000	116,000	154,000	207,000	265,000
AB 1107 (MTA)	0.06%	tax	0	0	0	1,000	6,000	14,000	27,000	39,000	52,000	70,000	90,000
TDA (MTA)	0.25%	tax	0	0	0	4,000	24,000	58,000	108,000	157,000	209,000	281,000	360,000

[1] Table 10.
[2] Based on household estimates, Table 6.

Table 12

OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
	revenue appreciation[1]	3%	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
OFF-SITE TAXABLE SALES IN S.F. ($000s) [2]													
A. Market Rate/BMR ($000s)													
For Sale													
YBI Townhomes	$41,629	/du	12,101	12,464	12,838	13,223	13,620	14,029	14,449	14,883	15,329	15,789	16,263
TI Townhomes	$34,199	/du	11,930	13,214	13,610	14,019	14,439	14,872	15,319	15,778	16,252	16,739	17,241
Flats	$24,776	/du	49,386	57,650	66,366	75,552	83,416	85,918	88,496	91,151	93,885	96,702	99,603
Neighborhood Tower	$28,413	/du	42,477	51,043	60,085	69,623	79,680	85,125	87,679	90,309	93,018	95,809	98,683
High Rise	$33,437	/du	16,662	22,883	29,462	36,415	43,758	48,022	49,463	50,947	52,475	54,049	55,671
Branded condo	$27,960	/du	4,528	4,664	4,804	4,948	5,097	5,249	5,407	5,569	5,736	5,908	6,086
Rental	$21,101	/du	13,914	14,331	18,504	19,059	19,631	20,220	20,826	21,451	22,095	22,758	23,440
			150,998	176,249	205,669	232,839	259,641	273,435	281,639	290,088	298,790	307,754	316,987
B. TIDA ($000s)	$13,601	/du	22,705	27,234	32,005	35,558	38,968	40,727	41,949	43,208	44,504	45,839	47,214
TOTAL TAXABLE SALES ($000s)			173,703	203,483	237,674	268,397	298,609	314,162	323,588	333,296	343,294	353,593	364,201
SALES TAX													
General Fund	1.00%	tax	1,737,000	2,035,000	2,377,000	2,684,000	2,986,000	3,142,000	3,236,000	3,333,000	3,433,000	3,536,000	3,642,000
Public Safety	0.50%	tax	869,000	1,017,000	1,188,000	1,342,000	1,493,000	1,571,000	1,618,000	1,666,000	1,716,000	1,768,000	1,821,000
Proposition K													
System Maintenance (DPW)	0.05%	tax	87,000	102,000	119,000	134,000	149,000	157,000	162,000	167,000	172,000	177,000	182,000
System Maintenance (MTA)	0.18%	tax	320,000	375,000	438,000	494,000	550,000	579,000	596,000	614,000	632,000	651,000	671,000
AB 1107 (MTA)	0.06%	tax	109,000	127,000	149,000	168,000	187,000	196,000	202,000	208,000	215,000	221,000	228,000
TDA (MTA)	0.25%	tax	434,000	509,000	594,000	671,000	747,000	785,000	809,000	833,000	858,000	884,000	911,000

[1] Table 10.
[2] Based on household estimates, Table 6.

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Table 12

OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
	revenue appreciation[1]	3%	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
OFF-SITE TAXABLE SALES IN S.F. ($000s) [2]													
A. Market Rate/BMR ($000s)													
For Sale													
YBI Townhomes	$41,629	/du	16,751	17,253	17,771	18,304	18,853	19,419	20,001	20,601	21,219	21,856	22,512
TI Townhomes	$34,199	/du	17,758	18,291	18,840	19,405	19,987	20,587	21,205	21,841	22,496	23,171	23,866
Flats	$24,776	/du	102,591	105,669	108,839	112,104	115,467	118,931	122,499	126,174	129,959	133,858	137,874
Neighborhood Tower	$28,413	/du	101,644	104,693	107,834	111,069	114,401	117,833	121,368	125,009	128,759	132,622	136,600
High Rise	$33,437	/du	57,341	59,061	60,833	62,658	64,538	66,474	68,468	70,522	72,638	74,817	77,062
Branded condo	$27,960	/du	6,268	6,456	6,650	6,849	7,055	7,266	7,484	7,709	7,940	8,178	8,424
Rental	$21,101	/du	24,144	24,868	25,614	26,382	27,174	27,989	28,829	29,694	30,584	31,502	32,447
			326,497	336,291	346,381	356,771	367,475	378,499	389,854	401,550	413,595	426,004	438,785
B. TIDA ($000s)	$13,601	/du	48,631	50,089	51,592	53,140	54,734	56,376	58,067	59,809	61,604	63,452	65,355
TOTAL TAXABLE SALES ($000s)			375,128	386,380	397,973	409,911	422,209	434,875	447,921	461,359	475,199	489,456	504,140
SALES TAX													
General Fund	1.00%	tax	3,751,000	3,864,000	3,980,000	4,099,000	4,222,000	4,349,000	4,479,000	4,614,000	4,752,000	4,895,000	5,041,000
Public Safety	0.50%	tax	1,876,000	1,932,000	1,990,000	2,050,000	2,111,000	2,174,000	2,240,000	2,307,000	2,376,000	2,447,000	2,521,000
Proposition K													
System Maintenance (DPW)	0.05%	tax	188,000	193,000	199,000	205,000	211,000	217,000	224,000	231,000	238,000	245,000	252,000
System Maintenance (MTA)	0.18%	tax	691,000	712,000	733,000	755,000	778,000	801,000	825,000	850,000	875,000	902,000	929,000
AB 1107 (MTA)	0.06%	tax	234,000	241,000	249,000	256,000	264,000	272,000	280,000	288,000	297,000	306,000	315,000
TDA (MTA)	0.25%	tax	938,000	966,000	995,000	1,025,000	1,056,000	1,087,000	1,120,000	1,153,000	1,188,000	1,224,000	1,260,000

[1] Table 10.
[2] Based on household estimates, Table 6.

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Table 12

OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58
	revenue appreciation[1]	3%	2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46
OFF-SITE TAXABLE SALES IN S.F. ($000s) [2]												
A. Market Rate/BMR ($000s)												
For Sale												
YBI Townhomes	$41,629	/du	23,187	23,883	24,599	25,337	26,097	26,880	27,686	28,517	29,373	30,254
TI Townhomes	$34,199	/du	24,582	25,319	26,079	26,861	27,667	28,497	29,352	30,233	31,140	32,074
Flats	$24,776	/du	142,010	146,270	150,658	155,178	159,833	164,628	169,567	174,654	179,894	185,291
Neighborhood Tower	$28,413	/du	140,698	144,919	149,267	153,745	158,357	163,108	168,001	173,041	178,233	183,580
High Rise	$33,437	/du	79,373	81,755	84,207	86,733	89,335	92,016	94,776	97,619	100,548	103,564
Branded condo	$27,960	/du	8,677	8,937	9,205	9,481	9,766	10,059	10,360	10,671	10,991	11,321
Rental	$21,101	/du	33,420	34,423	35,456	36,519	37,615	38,743	39,906	41,103	42,336	43,606
			451,947	465,506	479,471	493,854	508,670	523,931	539,648	555,838	572,515	589,690
B. TIDA ($000s)	$13,601	/du	67,316	69,335	71,416	73,558	75,765	78,038	80,379	82,790	85,274	87,832
TOTAL TAXABLE SALES ($000s)			519,263	534,841	550,887	567,412	584,435	601,969	620,027	638,628	657,789	677,522
SALES TAX												
General Fund	1.00%	tax	5,193,000	5,348,000	5,509,000	5,674,000	5,844,000	6,020,000	6,200,000	6,386,000	6,578,000	6,775,000
Public Safety	0.50%	tax	2,596,000	2,674,000	2,754,000	2,837,000	2,922,000	3,010,000	3,100,000	3,193,000	3,289,000	3,388,000
Proposition K												
System Maintenance (DPW)	0.05%	tax	260,000	267,000	275,000	284,000	292,000	301,000	310,000	319,000	329,000	339,000
System Maintenance (MTA)	0.18%	tax	957,000	985,000	1,015,000	1,045,000	1,077,000	1,109,000	1,142,000	1,176,000	1,212,000	1,248,000
AB 1107 (MTA)	0.06%	tax	325,000	334,000	344,000	355,000	365,000	376,000	388,000	399,000	411,000	423,000
TDA (MTA)	0.25%	tax	1,298,000	1,337,000	1,377,000	1,419,000	1,461,000	1,505,000	1,550,000	1,597,000	1,644,000	1,694,000

[1] Table 10.
[2] Based on household estimates, Table 6.

Table 12

OFF-SITE SALES TAX REVENUE ESTIMATES
TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
	revenue appreciation[1]	3%	3.56	3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
OFF-SITE TAXABLE SALES IN S.F. ($000s) [2]												
A. Market Rate/BMR ($000s)												
For Sale												
YBI Townhomes	$41,629	/du	31,161	32,096	33,059	34,051	35,072	36,125	37,208	38,325	39,474	40,659
TI Townhomes	$34,199	/du	33,036	34,027	35,048	36,099	37,182	38,298	39,447	40,630	41,849	43,104
Flats	$24,776	/du	190,849	196,575	202,472	208,546	214,803	221,247	227,884	234,721	241,762	249,015
Neighborhood Tower	$28,413	/du	189,087	194,760	200,602	206,620	212,819	219,204	225,780	232,553	239,530	246,716
High Rise	$33,437	/du	106,671	109,871	113,167	116,562	120,059	123,661	127,371	131,192	135,128	139,182
Branded condo	$27,960	/du	11,661	12,010	12,371	12,742	13,124	13,518	13,923	14,341	14,771	15,214
Rental	$21,101	/du	44,914	46,262	47,649	49,079	50,551	52,068	53,630	55,239	56,896	58,603
			607,379	625,601	644,368	663,699	683,610	704,121	725,243	747,001	769,410	792,493
B. TIDA ($000s)	$13,601	/du	90,467	93,181	95,977	98,856	101,822	104,876	108,022	111,263	114,601	118,039
TOTAL TAXABLE SALES ($000s)			697,846	718,782	740,345	762,555	785,432	808,997	833,265	858,264	884,011	910,532
SALES TAX												
General Fund	1.00%	tax	6,978,000	7,188,000	7,403,000	7,626,000	7,854,000	8,090,000	8,333,000	8,583,000	8,840,000	9,105,000
Public Safety	0.50%	tax	3,489,000	3,594,000	3,702,000	3,813,000	3,927,000	4,045,000	4,166,000	4,291,000	4,420,000	4,553,000
Proposition K												
System Maintenance (DPW)	0.05%	tax	349,000	359,000	370,000	381,000	393,000	404,000	417,000	429,000	442,000	455,000
System Maintenance (MTA)	0.18%	tax	1,286,000	1,324,000	1,364,000	1,405,000	1,447,000	1,490,000	1,535,000	1,581,000	1,629,000	1,677,000
AB 1107 (MTA)	0.06%	tax	436,000	449,000	463,000	477,000	491,000	506,000	521,000	536,000	553,000	569,000
TDA (MTA)	0.25%	tax	1,745,000	1,797,000	1,851,000	1,906,000	1,964,000	2,022,000	2,083,000	2,146,000	2,210,000	2,276,000

[1] Table 10.
[2] Based on household estimates, Table 6.

Table 13

ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
revenue appreciation[1]			1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
occupied retail sf[2]			-	-	-	-	-	-	-	-	-	99,408	99,408
hotel rooms: TI Full Service Hotel[3]			-	-	-	-	-	-	200	200	200	200	200
hotel rooms: YBI Hotel[3]			-	-	-	-	-	-	-	-	50	50	50
ON-SITE TAXABLE SALES ($000s)													
RETAIL													
New Taxable Sales	$480	/ SF	0	0	0	0	0	0	0	0	0	62,258	64,126
(Less) Resident Capture	25%		0	0	0	0	0	0	0	0	0	(28,116)	(36,011)
			0	0	0	0	0	0	0	0	0	34,143	28,115
HOTEL													
Taxable Sales													
TI Full Service Hotel	$20,531	/rm	0	0	0	0	0	0	4,903	5,050	5,202	5,358	5,518
YBI Hotel	$44,484	/rm	0	0	0	0	0	0	0	0	2,818	2,902	2,989
			0	0	0	0	0	0	4,903	5,050	8,019	8,260	8,508
TOTAL TAXABLE SALES			0	0	0	0	0	0	4,903	5,050	8,019	42,402	36,623
SALES TAX													
General Fund	1%	tax	0	0	0	0	0	0	49,000	51,000	80,000	424,000	366,000
Public Safety	0.5%	tax	0	0	0	0	0	0	25,000	25,000	40,000	212,000	183,000
Proposition K													
Syst. Maintenance (DPW)	0.05%	tax	0	0	0	0	0	0	2,000	3,000	4,000	21,000	18,000
Syst. Maintenance (Transit)	0.2%	tax	0	0	0	0	0	0	9,000	9,000	15,000	78,000	67,000
AB 1107 (MTA)	0.1%	tax	0	0	0	0	0	0	3,000	3,000	5,000	27,000	23,000
TDA (MTA)	0.25%	tax	0	0	0	0	0	0	12,000	13,000	20,000	106,000	92,000

[1] Table 10.
[2] Table 7.
[3] Table 4.

Table 13

ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
revenue appreciation[1]		1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
occupied retail sf[2]		99,408	227,088	227,088	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312
hotel rooms: TI Full Service Hotel[3]		200	200	200	200	200	200	200	200	200	200	200
hotel rooms: YBI Hotel[3]		50	50	50	50	50	50	50	50	50	50	50
ON-SITE TAXABLE SALES ($000s)												
RETAIL												
New Taxable Sales	$480 / SF	66,050	155,411	160,073	298,630	307,589	316,817	326,321	336,111	346,194	356,580	367,278
(Less) Resident Capture	25%	(43,426)	(50,871)	(59,419)	(67,099)	(74,652)	(78,541)	(80,897)	(83,324)	(85,824)	(88,398)	(91,050)
		22,624	104,540	100,655	231,531	232,937	238,276	245,424	252,787	260,371	268,182	276,227
HOTEL												
Taxable Sales												
TI Full Service Hotel	$20,531 /rm	5,684	5,855	6,030	6,211	6,397	6,589	6,787	6,991	7,200	7,416	7,639
YBI Hotel	$44,484 /rm	3,079	3,171	3,266	3,364	3,465	3,569	3,676	3,787	3,900	4,017	4,138
		8,763	9,026	9,297	9,575	9,863	10,159	10,463	10,777	11,101	11,434	11,777
TOTAL TAXABLE SALES		31,387	113,566	109,951	241,106	242,800	248,435	255,888	263,564	271,471	279,615	288,004
SALES TAX												
General Fund	1% tax	314,000	1,136,000	1,100,000	2,411,000	2,428,000	2,484,000	2,559,000	2,636,000	2,715,000	2,796,000	2,880,000
Public Safety	0.5% tax	157,000	568,000	550,000	1,206,000	1,214,000	1,242,000	1,279,000	1,318,000	1,357,000	1,398,000	1,440,000
Proposition K												
Syst. Maintenance (DPW)	0.05% tax	16,000	57,000	55,000	121,000	121,000	124,000	128,000	132,000	136,000	140,000	144,000
Syst. Maintenance (Transit)	0.2% tax	58,000	209,000	203,000	444,000	447,000	458,000	471,000	486,000	500,000	515,000	531,000
AB 1107 (MTA)	0.1% tax	20,000	71,000	69,000	151,000	152,000	155,000	160,000	165,000	170,000	175,000	180,000
TDA (MTA)	0.25% tax	78,000	284,000	275,000	603,000	607,000	621,000	640,000	659,000	679,000	699,000	720,000

[1] Table 10.
[2] Table 7.
[3] Table 4.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
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Table 13

ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
revenue appreciation[1]			1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
occupied retail sf[2]			411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312
hotel rooms: TI Full Service Hotel[3]			200	200	200	200	200	200	200	200	200	200	200
hotel rooms: YBI Hotel[3]			50	50	50	50	50	50	50	50	50	50	50
ON-SITE TAXABLE SALES ($000s)													
RETAIL													
New Taxable Sales	$480	/ SF	378,296	389,645	401,334	413,374	425,775	438,549	451,705	465,256	479,214	493,590	508,398
(Less) Resident Capture	25%		(93,782)	(96,595)	(99,493)	(102,478)	(105,552)	(108,719)	(111,980)	(115,340)	(118,800)	(122,364)	(126,035)
			284,514	293,050	301,841	310,896	320,223	329,830	339,725	349,916	360,414	371,226	382,363
HOTEL													
Taxable Sales													
TI Full Service Hotel	$20,531	/rm	7,868	8,104	8,347	8,598	8,856	9,121	9,395	9,677	9,967	10,266	10,574
YBI Hotel	$44,484	/rm	4,262	4,390	4,521	4,657	4,797	4,941	5,089	5,242	5,399	5,561	5,728
			12,130	12,494	12,869	13,255	13,652	14,062	14,484	14,918	15,366	15,827	16,301
TOTAL TAXABLE SALES			296,644	305,543	314,709	324,151	333,875	343,892	354,208	364,835	375,780	387,053	398,664
SALES TAX													
General Fund	1%	tax	2,966,000	3,055,000	3,147,000	3,242,000	3,339,000	3,439,000	3,542,000	3,648,000	3,758,000	3,871,000	3,987,000
Public Safety	0.5%	tax	1,483,000	1,528,000	1,574,000	1,621,000	1,669,000	1,719,000	1,771,000	1,824,000	1,879,000	1,935,000	1,993,000
Proposition K													
Syst. Maintenance (DPW)	0.05%	tax	148,000	153,000	157,000	162,000	167,000	172,000	177,000	182,000	188,000	194,000	199,000
Syst. Maintenance (Transit)	0.2%	tax	546,000	563,000	580,000	597,000	615,000	634,000	653,000	672,000	692,000	713,000	734,000
AB 1107 (MTA)	0.1%	tax	185,000	191,000	197,000	203,000	209,000	215,000	221,000	228,000	235,000	242,000	249,000
TDA (MTA)	0.25%	tax	742,000	764,000	787,000	810,000	835,000	860,000	886,000	912,000	939,000	968,000	997,000

[1] Table 10.
[2] Table 7.
[3] Table 4.

Table 13

ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
revenue appreciation[1]			2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
occupied retail sf[2]			411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312
hotel rooms: TI Full Service Hotel[3]			200	200	200	200	200	200	200	200	200	200	200
hotel rooms: YBI Hotel[3]			50	50	50	50	50	50	50	50	50	50	50
ON-SITE TAXABLE SALES ($000s)													
RETAIL													
New Taxable Sales	$480	/ SF	523,650	539,359	555,540	572,206	589,373	607,054	625,265	644,023	663,344	683,244	703,742
(Less) Resident Capture	25%		(129,816)	(133,710)	(137,722)	(141,853)	(146,109)	(150,492)	(155,007)	(159,657)	(164,447)	(169,381)	(174,462)
			393,834	405,649	417,818	430,353	443,264	456,562	470,259	484,366	498,897	513,864	529,280
HOTEL													
Taxable Sales													
TI Full Service Hotel	$20,531	/rm	10,891	11,218	11,554	11,901	12,258	12,626	13,005	13,395	13,797	14,210	14,637
YBI Hotel	$44,484	/rm	5,899	6,076	6,259	6,446	6,640	6,839	7,044	7,255	7,473	7,697	7,928
			16,791	17,294	17,813	18,347	18,898	19,465	20,049	20,650	21,270	21,908	22,565
TOTAL TAXABLE SALES			410,625	422,943	435,632	448,701	462,162	476,026	490,307	505,017	520,167	535,772	551,845
SALES TAX													
General Fund	1%	tax	4,106,000	4,229,000	4,356,000	4,487,000	4,622,000	4,760,000	4,903,000	5,050,000	5,202,000	5,358,000	5,518,000
Public Safety	0.5%	tax	2,053,000	2,115,000	2,178,000	2,244,000	2,311,000	2,380,000	2,452,000	2,525,000	2,601,000	2,679,000	2,759,000
Proposition K													
Syst. Maintenance (DPW)	0.05%	tax	205,000	211,000	218,000	224,000	231,000	238,000	245,000	253,000	260,000	268,000	276,000
Syst. Maintenance (Transit)	0.2%	tax	756,000	779,000	803,000	827,000	851,000	877,000	903,000	930,000	958,000	987,000	1,017,000
AB 1107 (MTA)	0.1%	tax	257,000	264,000	272,000	280,000	289,000	298,000	306,000	316,000	325,000	335,000	345,000
TDA (MTA)	0.25%	tax	1,027,000	1,057,000	1,089,000	1,122,000	1,155,000	1,190,000	1,226,000	1,263,000	1,300,000	1,339,000	1,380,000

[1] Table 10.
[2] Table 7.
[3] Table 4.

Table 13

ON-SITE SALES TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
revenue appreciation[1]			3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
occupied retail sf[2]			411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312	411,312
hotel rooms: TI Full Service Hotel[3]			200	200	200	200	200	200	200	200	200
hotel rooms: YBI Hotel[3]			50	50	50	50	50	50	50	50	50
ON-SITE TAXABLE SALES ($000s)											
RETAIL											
New Taxable Sales	$480	/ SF	724,854	746,600	768,998	792,067	815,829	840,304	865,514	891,479	918,223
(Less) Resident Capture	25%		(179,696)	(185,086)	(190,639)	(196,358)	(202,249)	(208,316)	(214,566)	(221,003)	(227,633)
			545,158	561,513	578,359	595,709	613,580	631,988	650,948	670,476	690,590
HOTEL											
Taxable Sales											
TI Full Service Hotel	$20,531	/rm	15,076	15,528	15,994	16,474	16,968	17,477	18,001	18,541	19,098
YBI Hotel	$44,484	/rm	8,166	8,411	8,663	8,923	9,191	9,467	9,751	10,043	10,345
			23,242	23,939	24,657	25,397	26,159	26,944	27,752	28,585	29,442
TOTAL TAXABLE SALES			568,400	585,453	603,016	621,107	639,739	658,932	678,700	699,061	720,033
SALES TAX											
General Fund	1%	tax	5,684,000	5,855,000	6,030,000	6,211,000	6,397,000	6,589,000	6,787,000	6,991,000	7,200,000
Public Safety	0.5%	tax	2,842,000	2,927,000	3,015,000	3,106,000	3,199,000	3,295,000	3,393,000	3,495,000	3,600,000
Proposition K											
Syst. Maintenance (DPW)	0.05%	tax	284,000	293,000	302,000	311,000	320,000	329,000	339,000	350,000	360,000
Syst. Maintenance (Transit)	0.2%	tax	1,047,000	1,079,000	1,111,000	1,144,000	1,179,000	1,214,000	1,250,000	1,288,000	1,326,000
AB 1107 (MTA)	0.1%	tax	355,000	366,000	377,000	388,000	400,000	412,000	424,000	437,000	450,000
TDA (MTA)	0.25%	tax	1,421,000	1,464,000	1,508,000	1,553,000	1,599,000	1,647,000	1,697,000	1,748,000	1,800,000

[1] Table 10.
[2] Table 7.
[3] Table 4.

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
revenue appreciation[1]			1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
office employees[2]			0	0	0	0	0	0	0	0	0	0	0
hotel rooms: TI Full Service Hotel[3]			0	0	0	0	0	0	200	200	200	200	200
hotel rooms: YBI hotel[3]			0	0	0	0	0	0	0	0	50	50	50
occupied rental units[2]			0	0	0	0	0	40	157	290	302	387	457
occupied retail sf (000s)[4]			0	0	0	0	0	0	0	0	0	99	99
occupied office sf (000s)[4]			0	0	0	0	0	0	0	0	0	0	0
I. GROSS RECEIPTS TAX													
RETAIL													
New Gross Receipts ($000s)	$600	/SF	0	0	0	0	0	0	0	0	0	77,823	80,158
Tax	$1.00	/$1,000	0	0	0	0	0	0	0	0	0	78,000	80,000
OFFICE													
Tax	$907	/empl	0	0	0	0	0	0	0	0	0	0	0
HOTEL													
New Gross Receipts ($000s)													
TI Full Service Hotel	$123,188	/rm	0	0	0	0	0	0	29,418	30,301	31,210	32,146	33,111
YBI Hotel	$266,906	/rm	0	0	0	0	0	0	0	0	16,905	17,413	17,935
Tax													
TI Full Service Hotel	$4.00	/$1,000	0	0	0	0	0	0	117,674	121,204	124,840	128,585	132,443
YBI Hotel	$3.25	/$1,000	0	0	0	0	0	0	0	0	54,943	56,591	58,289
Total Tax	$3.25	/$1,000	0	0	0	0	0	0	117,674	121,204	179,783	185,176	190,732
LEASING													
New Gross Receipts ($000s)													
Rental Units (Market & BMR)	$44,400	/unit	0	0	0	0	0	2,056	8,315	15,851	16,984	22,404	27,261
Retail Sq Ft	$50	/sf	0	0	0	0	0	0	0	0	0	6	7
Office Square Feet	$70	/sf	0	0	0	0	0	0	0	0	0	0	0
			0	0	0	0	0	2,056	8,315	15,851	16,984	22,410	27,267
Tax	$2.85	/$1,000	0	0	0	0	0	5,859	23,697	45,177	48,406	63,869	77,712
GROSS RECEIPTS TAX TOTAL			0	0	0	0	0	6,000	141,000	166,000	228,000	327,000	348,000

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
	revenue appreciation[1]		1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
	office employees[2]		0	281	281	281	281	281	281	281	281	281	281
	hotel rooms: TI Full Service Hotel[3]		200	200	200	200	200	200	200	200	200	200	200
	hotel rooms: YBI hotel[3]		50	50	50	50	50	50	50	50	50	50	50
	occupied rental units[2]		476	476	597	597	597	597	597	597	597	597	597
	occupied retail sf (000s)[4]		99	227	227	411	411	411	411	411	411	411	411
	occupied office sf (000s)[4]		0	91	91	91	91	91	91	91	91	91	91
I. GROSS RECEIPTS TAX													
RETAIL													
New Gross Receipts ($000s)	$600	/SF	82,562	194,264	200,092	373,288	384,486	396,021	407,902	420,139	432,743	445,725	459,097
Tax	$1.00	/$1,000	83,000	194,000	200,000	373,000	384,000	396,000	408,000	420,000	433,000	446,000	459,000
OFFICE													
Tax	$907	/empl	0	362,863	373,749	384,962	396,511	408,406	420,658	433,278	446,276	459,665	473,455
HOTEL													
New Gross Receipts ($000s)													
TI Full Service Hotel	$123,188	/rm	34,104	35,127	36,181	37,266	38,384	39,536	40,722	41,944	43,202	44,498	45,833
YBI Hotel	$266,906	/rm	18,473	19,027	19,598	20,186	20,792	21,415	22,058	22,720	23,401	24,103	24,826
Tax													
TI Full Service Hotel	$4.00	/$1,000	136,416	140,509	144,724	149,066	153,538	158,144	162,888	167,775	172,808	177,992	183,332
YBI Hotel	$3.25	/$1,000	60,037	61,838	63,694	65,604	67,573	69,600	71,688	73,838	76,054	78,335	80,685
Total Tax	$3.25	/$1,000	196,454	202,347	208,418	214,670	221,110	227,744	234,576	241,613	248,862	256,327	264,017
LEASING													
New Gross Receipts ($000s)													
Rental Units (Market & BMR)	$44,400	/unit	29,276	30,154	38,935	40,103	41,306	42,545	43,821	45,136	46,490	47,885	49,321
Retail Sq Ft	$50	/sf	7	16	17	31	32	33	34	35	36	37	38
Office Square Feet	$70	/sf	0	9	9	10	10	10	11	11	11	12	12
			29,283	30,179	38,961	40,143	41,348	42,588	43,866	45,182	46,537	47,933	49,371
Tax	$2.85	/$1,000	83,456	86,011	111,038	114,409	117,841	121,376	125,017	128,768	132,631	136,610	140,708
GROSS RECEIPTS TAX TOTAL			363,000	845,000	893,000	1,087,000	1,119,000	1,154,000	1,188,000	1,224,000	1,261,000	1,299,000	1,337,000

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
	revenue appreciation[1]		1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
	office employees[2]		281	281	281	281	281	281	281	281	281	281	281
	hotel rooms: TI Full Service Hotel[3]		200	200	200	200	200	200	200	200	200	200	200
	hotel rooms: YBI hotel[3]		50	50	50	50	50	50	50	50	50	50	50
	occupied rental units[2]		597	597	597	597	597	597	597	597	597	597	597
	occupied retail sf (000s)[4]		411	411	411	411	411	411	411	411	411	411	411
	occupied office sf (000s)[4]		91	91	91	91	91	91	91	91	91	91	91
I. GROSS RECEIPTS TAX													
RETAIL													
New Gross Receipts ($000s)	$600	/SF	472,870	487,056	501,668	516,718	532,219	548,186	564,631	581,570	599,017	616,988	635,497
Tax	$1.00	/$1,000	473,000	487,000	502,000	517,000	532,000	548,000	565,000	582,000	599,000	617,000	635,000
OFFICE													
Tax	$907	/empl	487,658	502,288	517,357	532,877	548,864	565,330	582,289	599,758	617,751	636,283	655,372
HOTEL													
New Gross Receipts ($000s)													
TI Full Service Hotel	$123,188	/rm	47,208	48,624	50,083	51,585	53,133	54,727	56,369	58,060	59,802	61,596	63,444
YBI Hotel	$266,906	/rm	25,571	26,338	27,128	27,942	28,780	29,644	30,533	31,449	32,393	33,364	34,365
Tax													
TI Full Service Hotel	$4.00	/$1,000	188,832	194,497	200,332	206,342	212,532	218,908	225,475	232,240	239,207	246,383	253,774
YBI Hotel	$3.25	/$1,000	83,106	85,599	88,167	90,812	93,536	96,342	99,233	102,210	105,276	108,434	111,687
Total Tax	$3.25	/$1,000	271,938	280,096	288,499	297,154	306,068	315,250	324,708	334,449	344,483	354,817	365,462
LEASING													
New Gross Receipts ($000s)													
Rental Units (Market & BMR)	$44,400	/unit	50,801	52,325	53,895	55,511	57,177	58,892	60,659	62,479	64,353	66,284	68,272
Retail Sq Ft	$50	/sf	39	41	42	43	44	46	47	48	50	51	53
Office Square Feet	$70	/sf	12	13	13	13	14	14	15	15	15	16	16
			50,852	52,378	53,949	55,568	57,235	58,952	60,721	62,542	64,418	66,351	68,341
Tax	$2.85	/$1,000	144,930	149,277	153,756	158,368	163,119	168,013	173,053	178,245	183,592	189,100	194,773
GROSS RECEIPTS TAX TOTAL			1,378,000	1,419,000	1,462,000	1,505,000	1,550,000	1,597,000	1,645,000	1,694,000	1,745,000	1,797,000	1,851,000

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
revenue appreciation[1]			2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
office employees[2]			281	281	281	281	281	281	281	281	281	281	281
hotel rooms: TI Full Service Hotel[3]			200	200	200	200	200	200	200	200	200	200	200
hotel rooms: YBI hotel[3]			50	50	50	50	50	50	50	50	50	50	50
occupied rental units[2]			597	597	597	597	597	597	597	597	597	597	597
occupied retail sf (000s)[4]			411	411	411	411	411	411	411	411	411	411	411
occupied office sf (000s)[4]			91	91	91	91	91	91	91	91	91	91	91
I. GROSS RECEIPTS TAX													
RETAIL													
New Gross Receipts ($000s)	$600	/SF	654,562	674,199	694,425	715,258	736,716	758,817	781,582	805,029	829,180	854,055	879,677
Tax	$1.00	/$1,000	655,000	674,000	694,000	715,000	737,000	759,000	782,000	805,000	829,000	854,000	880,000
OFFICE													
Tax	$907	/empl	675,033	695,284	716,143	737,627	759,756	782,548	806,025	830,205	855,112	880,765	907,188
HOTEL													
New Gross Receipts ($000s)													
TI Full Service Hotel	$123,188	/rm	65,347	67,307	69,327	71,406	73,549	75,755	78,028	80,368	82,780	85,263	87,821
YBI Hotel	$266,906	/rm	35,396	36,458	37,552	38,678	39,839	41,034	42,265	43,533	44,839	46,184	47,570
Tax													
TI Full Service Hotel	$4.00	/$1,000	261,388	269,229	277,306	285,625	294,194	303,020	312,111	321,474	331,118	341,052	351,283
YBI Hotel	$3.25	/$1,000	115,038	118,489	122,044	125,705	129,476	133,360	137,361	141,482	145,726	150,098	154,601
Total Tax	$3.25	/$1,000	376,425	387,718	399,350	411,330	423,670	436,380	449,472	462,956	476,844	491,150	505,884
LEASING													
New Gross Receipts ($000s)													
Rental Units (Market & BMR)	$44,400	/unit	70,320	72,430	74,603	76,841	79,146	81,520	83,966	86,485	89,080	91,752	94,505
Retail Sq Ft	$50	/sf	55	56	58	60	61	63	65	67	69	71	73
Office Square Feet	$70	/sf	17	17	18	19	19	20	20	21	21	22	23
			70,392	72,503	74,679	76,919	79,226	81,603	84,051	86,573	89,170	91,845	94,601
Tax	$2.85	/$1,000	200,616	206,635	212,834	219,219	225,795	232,569	239,546	246,733	254,135	261,759	269,612
GROSS RECEIPTS TAX TOTAL			1,907,000	1,964,000	2,022,000	2,083,000	2,146,000	2,210,000	2,277,000	2,345,000	2,415,000	2,488,000	2,563,000

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
	revenue appreciation[1]		3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
	office employees[2]		281	281	281	281	281	281	281	281	281
	hotel rooms: TI Full Service Hotel[3]		200	200	200	200	200	200	200	200	200
	hotel rooms: YBI hotel[3]		50	50	50	50	50	50	50	50	50
	occupied rental units[2]		597	597	597	597	597	597	597	597	597
	occupied retail sf (000s)[4]		411	411	411	411	411	411	411	411	411
	occupied office sf (000s)[4]		91	91	91	91	91	91	91	91	91
I. GROSS RECEIPTS TAX											
RETAIL											
New Gross Receipts ($000s)	$600	/SF	906,067	933,249	961,247	990,084	1,019,787	1,050,380	1,081,892	1,114,349	1,147,779
Tax	$1.00	/$1,000	906,000	933,000	961,000	990,000	1,020,000	1,050,000	1,082,000	1,114,000	1,148,000
OFFICE											
Tax	$907	/empl	934,404	962,436	991,309	1,021,048	1,051,679	1,083,230	1,115,727	1,149,198	1,183,674
HOTEL											
New Gross Receipts ($000s)											
TI Full Service Hotel	$123,188	/rm	90,455	93,169	95,964	98,843	101,808	104,863	108,008	111,249	114,586
YBI Hotel	$266,906	/rm	48,997	50,467	51,981	53,540	55,146	56,801	58,505	60,260	62,068
Tax											
TI Full Service Hotel	$4.00	/$1,000	361,822	372,676	383,857	395,372	407,233	419,450	432,034	444,995	458,345
YBI Hotel	$3.25	/$1,000	159,239	164,016	168,937	174,005	179,225	184,602	190,140	195,844	201,719
Total Tax	$3.25	/$1,000	521,061	536,693	552,793	569,377	586,459	604,052	622,174	640,839	660,064
LEASING											
New Gross Receipts ($000s)											
Rental Units (Market & BMR)	$44,400	/unit	97,340	100,260	103,268	106,366	109,557	112,843	116,229	119,715	123,307
Retail Sq Ft	$50	/sf	76	78	80	83	85	88	90	93	96
Office Square Feet	$70	/sf	23	24	25	26	26	27	28	29	30
			97,439	100,362	103,373	106,474	109,668	112,958	116,347	119,837	123,432
Tax	$2.85	/$1,000	277,700	286,031	294,612	303,450	312,554	321,930	331,588	341,536	351,782
GROSS RECEIPTS TAX TOTAL			2,639,000	2,718,000	2,800,000	2,884,000	2,971,000	3,059,000	3,151,000	3,246,000	3,344,000

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
II. BUSINESS REGISTRATION TAX													
RETAIL													
Business Licenses	3,000	sf/bus.	0	0	0	0	0	0	0	0	0	33	33
License Rate	$200	/bus.	0	0	0	0	0	0	0	0	0	8,677	8,937
OFFICE													
Business Licenses	5,000	sf/bus.	0	0	0	0	0	0	0	0	0	0	0
License Rate	$500	/bus.	0	0	0	0	0	0	0	0	0	0	0
HOTEL													
Business Licenses													
TI Full Service	1	license	0	0	0	0	0	0	1	1	1	1	1
YBI Hotel	1	license	0	0	0	0	0	0	0	0	1	1	1
License Fees													
TI Full Service	$12,500	/license	0	0	0	0	0	0	14,926	15,373	15,835	16,310	16,799
YBI Hotel	$1,500	/license	0	0	0	0	0	0	0	0	1,900	1,957	2,016
			0	0	0	0	0	0	14,926	15,373	17,735	18,267	18,815
BUSINESS REGISTRATION TAX TOTAL			0	0	0	0	0	0	15,000	15,000	18,000	27,000	28,000

[1] Table 10.
[2] Table 6.
[3] Table 4.
[4] Table 7.

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
II. BUSINESS REGISTRATION TAX													
RETAIL													
Business Licenses	3,000	sf/bus.	33	76	76	137	137	137	137	137	137	137	137
License Rate	$200	/bus.	9,205	21,581	22,229	41,480	42,725	44,006	45,327	46,686	48,087	49,530	51,015
OFFICE													
Business Licenses	5,000	sf/bus.	0	18	18	18	18	18	18	18	18	18	18
License Rate	$500	/bus.	0	13,003	13,393	13,795	14,209	14,635	15,074	15,526	15,992	16,472	16,966
HOTEL													
Business Licenses													
TI Full Service	1	license	1	1	1	1	1	1	1	1	1	1	1
YBI Hotel	1	license	1	1	1	1	1	1	1	1	1	1	1
License Fees													
TI Full Service	$12,500	/license	17,303	17,822	18,357	18,907	19,475	20,059	20,661	21,280	21,919	22,576	23,254
YBI Hotel	$1,500	/license	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630	2,709	2,790
			19,379	19,961	20,559	21,176	21,812	22,466	23,140	23,834	24,549	25,286	26,044
BUSINESS REGISTRATION TAX TOTAL			29,000	55,000	56,000	76,000	79,000	81,000	84,000	86,000	89,000	91,000	94,000

1 Table 10.
2 Table 6.
3 Table 4.
4 Table 7.

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
II. BUSINESS REGISTRATION TAX													
RETAIL													
Business Licenses	3,000	sf/bus.	137	137	137	137	137	137	137	137	137	137	137
License Rate	$200	/bus.	52,546	54,122	55,746	57,418	59,141	60,915	62,743	64,625	66,564	68,561	70,617
OFFICE													
Business Licenses	5,000	sf/bus.	18	18	18	18	18	18	18	18	18	18	18
License Rate	$500	/bus.	17,475	17,999	18,539	19,095	19,668	20,258	20,866	21,492	22,137	22,801	23,485
HOTEL													
Business Licenses													
TI Full Service	1	license	1	1	1	1	1	1	1	1	1	1	1
YBI Hotel	1	license	1	1	1	1	1	1	1	1	1	1	1
License Fees													
TI Full Service	$12,500	/license	23,951	24,670	25,410	26,172	26,957	27,766	28,599	29,457	30,341	31,251	32,189
YBI Hotel	$1,500	/license	2,874	2,960	3,049	3,141	3,235	3,332	3,432	3,535	3,641	3,750	3,863
			26,825	27,630	28,459	29,313	30,192	31,098	32,031	32,992	33,982	35,001	36,051
BUSINESS REGISTRATION TAX TOTAL			97,000	100,000	103,000	106,000	109,000	112,000	116,000	119,000	123,000	126,000	130,000

[1] Table 10.
[2] Table 6.
[3] Table 4.
[4] Table 7.

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
II. BUSINESS REGISTRATION TAX													
RETAIL													
Business Licenses	3,000	sf/bus.	137	137	137	137	137	137	137	137	137	137	137
License Rate	$200	/bus.	72,736	74,918	77,165	79,480	81,865	84,321	86,850	89,456	92,140	94,904	97,751
OFFICE													
Business Licenses	5,000	sf/bus.	18	18	18	18	18	18	18	18	18	18	18
License Rate	$500	/bus.	24,189	24,915	25,662	26,432	27,225	28,042	28,883	29,750	30,642	31,562	32,508
HOTEL													
Business Licenses													
TI Full Service	1	license	1	1	1	1	1	1	1	1	1	1	1
YBI Hotel	1	license	1	1	1	1	1	1	1	1	1	1	1
License Fees													
TI Full Service	$12,500	/license	33,154	34,149	35,173	36,228	37,315	38,435	39,588	40,775	41,999	43,259	44,556
YBI Hotel	$1,500	/license	3,979	4,098	4,221	4,347	4,478	4,612	4,751	4,893	5,040	5,191	5,347
			37,133	38,247	39,394	40,576	41,793	43,047	44,338	45,669	47,039	48,450	49,903
BUSINESS REGISTRATION TAX TOTAL			134,000	138,000	142,000	146,000	151,000	155,000	160,000	165,000	170,000	175,000	180,000

[1] Table 10.
[2] Table 6.
[3] Table 4.
[4] Table 7.

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Table 14

BUSINESS TAX REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
II. BUSINESS REGISTRATION TAX											
RETAIL											
Business Licenses	3,000	sf/bus.	137	137	137	137	137	137	137	137	137
License Rate	$200	/bus.	100,683	103,704	106,815	110,020	113,320	116,720	120,221	123,828	127,543
OFFICE											
Business Licenses	5,000	sf/bus.	18	18	18	18	18	18	18	18	18
License Rate	$500	/bus.	33,484	34,488	35,523	36,588	37,686	38,817	39,981	41,181	42,416
HOTEL											
Business Licenses											
TI Full Service	1	license	1	1	1	1	1	1	1	1	1
YBI Hotel	1	license	1	1	1	1	1	1	1	1	1
License Fees											
TI Full Service	$12,500	/license	45,893	47,270	48,688	50,149	51,653	53,203	54,799	56,443	58,136
YBI Hotel	$1,500	/license	5,507	5,672	5,843	6,018	6,198	6,384	6,576	6,773	6,976
			51,400	52,942	54,531	56,167	57,852	59,587	61,375	63,216	65,112
BUSINESS REGISTRATION TAX TOTAL			186,000	191,000	197,000	203,000	209,000	215,000	222,000	228,000	235,000

[1] Table 10.
[2] Table 6.
[3] Table 4.
[4] Table 7.

Table 15

TRANSFER TAX REVENUE ESTIMATES [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
VALUE SUBJECT TO TRANSFER TAX ($000s)												
RESIDENTIAL VALUE[2]												
Market Rate Home Sales ($000s)		0	0	0	69,074	304,051	465,567	549,832	491,288	675,686	834,975	877,645
Cumulative Value Inflated / 1 year lag	1.03	0	0	0	69,074	375,197	852,020	1,427,412	1,961,523	2,696,055	3,611,912	4,597,914
BMR Home Sales ($000s)		0	0	0	669	3,092	4,919	6,754	6,348	6,538	6,734	6,937
Cumulative Value Inflated / 1 year lag	1.01	0	0	0	669	3,768	8,724	15,566	22,069	28,829	35,851	43,146
RESIDENTIAL TURNOVER												
Market Rate Units	10% /Year	0	0	0	0	7,115	38,645	87,758	147,023	202,037	277,694	372,027
Affordable Units	10% /Year	0	0	0	0	68	381	881	1,572	2,229	2,912	3,621
		0	0	0	0	7,182	39,026	88,639	148,596	204,266	280,605	375,648
TRANSFER TAX REVENUE												
Market Rate Units	$7.50 /$1,000	0	0	0	0	53,000	290,000	658,000	1,103,000	1,515,000	2,083,000	2,790,000
Affordable Units	$6.80 /$1,000	0	0	0	0	0	3,000	6,000	11,000	15,000	20,000	25,000
		0	0	0	0	53,000	293,000	664,000	1,114,000	1,530,000	2,103,000	2,815,000

Notes
[1] Table 10.
[2] TICD Pro Forma (March 2016).

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Table 15

TRANSFER TAX REVENUE ESTIMATES [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
VALUE SUBJECT TO TRANSFER TAX ($000s)													
RESIDENTIAL VALUE[2]													
Market Rate Home Sales ($000s)			865,778	848,007	832,925	857,912	809,672	244,121	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.03		5,601,629	6,617,684	7,649,139	8,736,526	9,808,294	10,346,664	10,657,064	10,976,775	11,306,079	11,645,261	11,994,619
BMR Home Sales ($000s)			7,145	7,359	7,580	7,807	6,866	1,251	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.01		50,722	58,589	66,754	75,229	82,847	84,926	85,776	86,634	87,500	88,375	89,259
RESIDENTIAL TURNOVER													
Market Rate Units	10%	/Year	473,585	576,968	681,621	787,861	899,862	1,010,254	1,065,706	1,097,678	1,130,608	1,164,526	1,199,462
Affordable Units	10%	/Year	4,358	5,123	5,917	6,742	7,598	8,368	8,578	8,663	8,750	8,837	8,926
			477,943	582,091	687,539	794,604	907,460	1,018,622	1,074,284	1,106,341	1,139,358	1,173,364	1,208,388
TRANSFER TAX REVENUE													
Market Rate Units	$7.50	/$1,000	3,552,000	4,327,000	5,112,000	5,909,000	6,749,000	7,577,000	7,993,000	8,233,000	8,480,000	8,734,000	8,996,000
Affordable Units	$6.80	/$1,000	30,000	35,000	40,000	46,000	52,000	57,000	58,000	59,000	59,000	60,000	61,000
			3,582,000	4,362,000	5,152,000	5,955,000	6,801,000	7,634,000	8,051,000	8,292,000	8,539,000	8,794,000	9,057,000

Notes
[1] Table 10.
[2] TICD Pro Forma (March 2016).

Table 15

TRANSFER TAX REVENUE ESTIMATES [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
VALUE SUBJECT TO TRANSFER TAX ($000s)													
RESIDENTIAL VALUE[2]													
Market Rate Home Sales ($000s)			0	0	0	0	0	0	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.03		12,354,457	12,725,091	13,106,844	13,500,049	13,905,051	14,322,202	14,751,868	15,194,424	15,650,257	16,119,765	16,603,358
BMR Home Sales ($000s)			0	0	0	0	0	0	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.01		90,151	91,053	91,963	92,883	93,812	94,750	95,697	96,654	97,621	98,597	99,583
RESIDENTIAL TURNOVER													
Market Rate Units	10%	/Year	1,235,446	1,272,509	1,310,684	1,350,005	1,390,505	1,432,220	1,475,187	1,519,442	1,565,026	1,611,976	1,660,336
Affordable Units	10%	/Year	9,015	9,105	9,196	9,288	9,381	9,475	9,570	9,665	9,762	9,860	9,958
			1,244,461	1,281,614	1,319,881	1,359,293	1,399,886	1,441,695	1,484,757	1,529,108	1,574,788	1,621,836	1,670,294
TRANSFER TAX REVENUE													
Market Rate Units	$7.50	/$1,000	9,266,000	9,544,000	9,830,000	10,125,000	10,429,000	10,742,000	11,064,000	11,396,000	11,738,000	12,090,000	12,453,000
Affordable Units	$6.80	/$1,000	61,000	62,000	63,000	63,000	64,000	64,000	65,000	66,000	66,000	67,000	68,000
			9,327,000	9,606,000	9,893,000	10,188,000	10,493,000	10,806,000	11,129,000	11,462,000	11,804,000	12,157,000	12,521,000

Notes
[1] Table 10.
[2] TICD Pro Forma (March 2016).

Table 15

TRANSFER TAX REVENUE ESTIMATES [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
VALUE SUBJECT TO TRANSFER TAX ($000s)												
RESIDENTIAL VALUE[2]												
Market Rate Home Sales ($000s)		0	0	0	0	0	0	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.03	17,101,459	17,614,502	18,142,937	18,687,225	19,247,842	19,825,277	20,420,036	21,032,637	21,663,616	22,313,524	22,982,930
BMR Home Sales ($000s)		0	0	0	0	0	0	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.01	100,579	101,585	102,600	103,626	104,663	105,709	106,766	107,834	108,912	110,002	111,102
RESIDENTIAL TURNOVER												
Market Rate Units	10% /Year	1,710,146	1,761,450	1,814,294	1,868,723	1,924,784	1,982,528	2,042,004	2,103,264	2,166,362	2,231,352	2,298,293
Affordable Units	10% /Year	10,058	10,158	10,260	10,363	10,466	10,571	10,677	10,783	10,891	11,000	11,110
		1,720,204	1,771,609	1,824,554	1,879,085	1,935,250	1,993,099	2,052,680	2,114,047	2,177,253	2,242,353	2,309,403
TRANSFER TAX REVENUE												
Market Rate Units	$7.50 /$1,000	12,826,000	13,211,000	13,607,000	14,015,000	14,436,000	14,869,000	15,315,000	15,774,000	16,248,000	16,735,000	17,237,000
Affordable Units	$6.80 /$1,000	68,000	69,000	70,000	70,000	71,000	72,000	73,000	73,000	74,000	75,000	76,000
		12,894,000	13,280,000	13,677,000	14,085,000	14,507,000	14,941,000	15,388,000	15,847,000	16,322,000	16,810,000	17,313,000

Notes
[1] Table 10.
[2] TICD Pro Forma (March 2016).

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Table 15

TRANSFER TAX REVENUE ESTIMATES [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
VALUE SUBJECT TO TRANSFER TAX ($000s)											
RESIDENTIAL VALUE[2]											
Market Rate Home Sales ($000s)			0	0	0	0	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.03		23,672,418	24,382,591	25,114,068	25,867,490	26,643,515	27,442,821	28,266,105	29,114,088	29,987,511
BMR Home Sales ($000s)			0	0	0	0	0	0	0	0	0
Cumulative Value Inflated / 1 year lag	1.01		112,213	113,335	114,468	115,613	116,769	117,937	119,116	120,307	121,510
RESIDENTIAL TURNOVER											
Market Rate Units	10%	/Year	2,367,242	2,438,259	2,511,407	2,586,749	2,664,352	2,744,282	2,826,611	2,911,409	2,998,751
Affordable Units	10%	/Year	11,221	11,333	11,447	11,561	11,677	11,794	11,912	12,031	12,151
			2,378,463	2,449,593	2,522,854	2,598,310	2,676,028	2,756,076	2,838,522	2,923,440	3,010,902
TRANSFER TAX REVENUE											
Market Rate Units	$7.50	/$1,000	17,754,000	18,287,000	18,836,000	19,401,000	19,983,000	20,582,000	21,200,000	21,836,000	22,491,000
Affordable Units	$6.80	/$1,000	76,000	77,000	78,000	79,000	79,000	80,000	81,000	82,000	83,000
			17,830,000	18,364,000	18,914,000	19,480,000	20,062,000	20,662,000	21,281,000	21,918,000	22,574,000

Notes
[1] Table 10.
[2] TICD Pro Forma (March 2016).

Table 16

GENERAL FUND OPERATING EXPENSE ASSUMPTIONS [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

Global Escalation Assumption	3.0%	Per Year[1]
2015 City/County Service Population Estimate	845,602	Resident Population[2]
	613,200	Employment Base[2]
	1,458,802	Day and Evening Population[2]

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Gen. Administration & Finance: Elections	58%	share of residents eligible and registered to vote[3]			
	800	voters per polling place[3]			
	$20,000	cost per polling place (2010$)[3]			
	$23,881	cost per polling place (2016$), inflated			
	$17	cost per capita (2016$)			
Gen. Administration & Finance: Assessor/ Recorder	1	required FTE[3]			
	$133,617	fully loaded service cost[4]			
		start year threshold:			
	2%	of new residents[3]			
Gen. Administration & Finance: 311 Call Center	4.59	annual calls per resident[3]			
	48,000	annual calls per customer service representative (CSR)[3]			
	$108,133	total compensation per CSR[4]			
	$10	service cost per capita			
	51%	transfer adjustment[5]			
	$5	cost per capita, net of transfers			
Gen. Administration & Finance: All Other	$198,908,263	Net Expenses FY 2015-16 (Appendix A-2)[6]			
	1,060,222	resident equivalents			
	25%	variable costs[3]			
	$0	cost per resident equivalent[3]	$47		(excluded)
Public Safety: Fire Protection		Costs by Apparatus (See Table 9-D)	Existing	New	Replaced
	3,469,493	Engine	1	1	0
	4,144,253	Ladder Truck	1	1	0
	75,967	Ambulance (Backup)	1	0	0
	1,602,890	Ambulance (Staffed)	0	1	0
	1,739,357	Engine-Hose Tender	1	0	-1
	1,267,028	Battalion Chief	0	1	0
	89,767	New Ladder Truck (Equipment Only)	0	1	0

Table 16

GENERAL FUND OPERATING EXPENSE ASSUMPTIONS [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

p 2/4	**Fire (Continued)**	35%	Population Threshold To Complete Fire Station[7]
		50%	Share of Costs to Phase In/Out in First Operating Year[1]
	Public Safety: Police		Costs at Build-Out
		1.42	Sworn Officers /1,000 Day and Nightime Population[3]
		1.2	"Island Factor"[3]
		1.70	Sworn Officers /1,000 Day and Nightime Population (Treasure Island)
		$174,799	Average Salary and Benefits Per Sworn Officer (2015$)[8]
		$297	Cost Per Day and Nighttime Population
			Existing Costs
		11	Sworn Officers[3]
		$174,799	Average Salary and Benefits Per Sworn Officer (2015$)[8]
	Public Safety: Emergency Communications	1.18	911 Calls Per Resident[3]
		6,045	Calls Per Public Safety Dispatcher (PSD)/Supervisor[3]
		133,868	total compensation per PSD/ PSD supervsior[4]
		$26	cost per capita (2016$)
	Public Health	0.30	visits per person (low-moderate income)[3]
		14%	share of patients admitted[3]
		6	length of stay (days)[3]
		$565	ER cost / visit (2010$)[3]
		$3,000	Inpatient cost / day (2010$)[3]
		$675	ER cost / visit (2016$)
		$3,582	Inpatient cost / visit (2016$)
		$1,076	Total cost ER + Inpatient
		80%	Reimbursement share[3]
		$215	Unreimbursed cost
		28%	% of residents living in affordable units [9]
		$60	per capita service cost

Table 16

GENERAL FUND OPERATING EXPENSE ASSUMPTIONS [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

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Public Works	1,849,420	sq. ft. of new streets[3]	
		delivery of streets based on cumulative share of residents in subsequent year: [3]	
		res. threshold % of pop.	% of streets delivered
		1.50%	41%
		19.81%	14%
		45.50%	20%
		65.98%	8%
		80.42%	17%
			100%
		New Costs	
	$0.65	maintenance and reconstruction cost PSF (2010$)[3]	
	$0.07	street sweeping cost PSF (2010$)[3]	
	$0.71	maintenance and reconstruction cost PSF (2016$)	
	$0.08	street sweeping cost PSF (2016$)	
		Phase In	
	1	year cost delay[3]	
	10	years to full public cost[3]	
GF Transfer to SFMTA[10]		Prop. B Population Adjustment	
	$271,700,000	Base Transfer from General Fund FY16 [11]	
	1,458,802	Day and Evening Population	
	$186	Per Resident/Employee	
Other Transportation/Economic Development	$0	Not Estimated[3]	

	Library[12]	Community		
Library/Community Facilities	$186,724	$314,800	Net Annual Operating Cost (2010$)[3]	
	$222,958	$375,888	Net Annual Operating Cost (2016$), Inflated	
	$325,142	$600,000	Initial Capital Cost (2010$)[3]	
	$388,237	$716,431	Initial Capital Cost (2016$), Inflated	
	5	5	Amoritization Period[3]	
	5%	5%	Amoritization Rate[3]	
	$89,673	$165,478	Annual Payment	5 years
	20%	20%	percent of residents[3]	
	33%	33%	Year 1 Phase In[3]	
	67%	67%	Year 2 Phase In[3]	

Culture and Recreation: Recreation & Park	$0	parks and open space funded by private and/or non-profit sources[3]

Table 16

GENERAL FUND OPERATING EXPENSE ASSUMPTIONS [1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

p 4/4	**Other Culture and Recreation**	$39,911,064	Net Expenses FY2015-16 (Appendix A-2)[6]		
		$1,060,222	resident equivalents		
		25%	variable costs		
		$0	cost per resident equivalent:[3]	$9	(excluded)
	Human Welfare & Neighborhood Deveopment	$885,614,062	Net Expenses FY 2015-16 (Appendix A-2)[6]		
		1,060,222	resident equivalents		
		25%	variable costs		
		$0	cost per resident equivalent:[3]	$209	(excluded)
	General City Responsibility	$0	not estimated[3]		

Notes
[1] KMA assumption.
[2] Table 9.
[3] Per the report,"Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011.
[4] San Francisco Office of the Controller. FY 2015/16 Rate Table. Based on weighted average of personnel categories identified in 2011 EPS study.
[5] City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016. Share of 311 costs borne by enterprise funds.
[6] City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.
[7] TICD Schedule of Performance, June 2016.
[8] City & County of San Francisco Office of the Controller, City Services Benchmarking Report: Police Staffing (July 2015).
[9] Table 6.
[10] Base transfer to MTA deducted from revenues. See revenue assumptions, Table 10.
[11] City of San Francisco. Office of the Controller. FY2015-16 Revenue Letter. As a result of Proposition B, passed by voters in 2014, required GF payments to MTA are to be adjusted proportionally to growth in the day or evening population, whichever is greater.
[12] Library expenses assumed to be paid out of basline transfer to Library Fund. See Table 23.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	expense appreciation[1]		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
	residents[2]		0	0	0	109	658	1,613	3,087	4,457	5,671	7,366	9,181
	employees[2]		0	0	0	19	66	123	356	415	514	921	981
	day & night time pop.[2]		0	0	0	128	724	1,736	3,443	4,872	6,185	8,287	10,162
	Percent Buildout Population[2]		0%	0%	0%	1%	4%	10%	19%	27%	35%	45%	56%
GENERAL FUND EXPENSES													
Elections	$17.19	/res	0	0	0	2,000	13,000	32,000	63,000	94,000	124,000	165,000	212,000
Assessor/Recorder	$133,617	2016$	0	0	0	0	150,000	155,000	160,000	164,000	169,000	174,000	180,000
311	$5.07	/res	0	0	0	1,000	4,000	9,000	19,000	28,000	36,000	49,000	63,000
Police Services													
Total Cost	$297.50	/'res & emp.	0	0	0	42,000	243,000	599,000	1,223,000	1,783,000	2,331,000	3,217,000	4,063,000
(Less) Existing Costs	$1,922,789	2016$	(1,923,000)	(1,980,000)	(2,040,000)	(2,101,000)	(2,164,000)	(2,229,000)	(2,296,000)	(2,365,000)	(2,436,000)	(2,509,000)	(2,584,000)
Incremental Cost			0	0	0	0	0	0	0	0	0	708,000	1,479,000
Fire Protection	Table 18		0	0	0	0	0	0	0	0	2,970,000	6,119,000	6,303,000
911 Emergency Response	$26.13	/res	0	0	0	3,000	19,000	49,000	96,000	143,000	188,000	251,000	322,000
Public Health	$60.05	/res	0	0	0	7,000	44,000	112,000	221,000	329,000	431,000	577,000	741,000
Public Works	Table 20		0	0	0	0	0	42,000	69,000	168,000	239,000	279,000	611,000
Library/Community Facilities	Table 23		0	0	0	0	0	0	205,000	418,000	641,000	655,000	670,000
SFMTA Prop. B	Table 21-A		0	0	0	26,000	152,000	375,000	766,000	1,116,000	1,459,000	2,014,000	2,544,000
TOTAL EXPENSES			0	0	0	39,000	382,000	774,000	1,599,000	2,460,000	6,257,000	10,991,000	13,125,000

Notes
[1] Table 16.
[2] Table 6.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
	expense appreciation[1]	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
	residents[2]	10,689	12,111	13,734	14,952	16,043	16,326	16,326	16,326	16,326	16,326	16,326
	employees[2]	1,032	1,786	1,842	2,497	2,534	2,544	2,544	2,544	2,544	2,544	2,544
	day & night time pop.[2]	11,721	13,897	15,576	17,449	18,577	18,870	18,870	18,870	18,870	18,870	18,870
	Percent Buildout Population[2]	65%	74%	84%	92%	98%	100%	100%	100%	100%	100%	100%
GENERAL FUND EXPENSES												
Elections	$17.19 /res	254,000	297,000	347,000	389,000	430,000	450,000	464,000	478,000	492,000	507,000	522,000
Assessor/Recorder	$133,617 2016$	185,000	191,000	196,000	202,000	208,000	214,000	221,000	227,000	234,000	241,000	249,000
311	$5.07 /res	75,000	88,000	102,000	115,000	127,000	133,000	137,000	141,000	145,000	149,000	154,000
Police Services												
Total Cost	$297.50 /'res & emp.	4,827,000	5,895,000	6,805,000	7,852,000	8,610,000	9,009,000	9,279,000	9,557,000	9,844,000	10,139,000	10,443,000
(Less) Existing Costs	$1,922,789 2016$	(2,662,000)	(2,741,000)	(2,824,000)	(2,908,000)	(2,996,000)	(3,086,000)	(3,178,000)	(3,273,000)	(3,372,000)	(3,473,000)	(3,577,000)
Incremental Cost		2,165,000	3,154,000	3,981,000	4,944,000	5,614,000	5,923,000	6,101,000	6,284,000	6,472,000	6,666,000	6,866,000
Fire Protection	Table 18	6,492,000	6,687,000	6,887,000	7,094,000	7,307,000	7,526,000	7,752,000	7,984,000	8,224,000	8,470,000	8,724,000
911 Emergency Response	$26.13 /res	387,000	451,000	527,000	591,000	653,000	685,000	705,000	726,000	748,000	771,000	794,000
Public Health	$60.05 /res	888,000	1,037,000	1,211,000	1,358,000	1,501,000	1,573,000	1,620,000	1,669,000	1,719,000	1,771,000	1,824,000
Public Works	Table 20	736,000	977,000	1,497,000	1,473,000	1,494,000	1,527,000	1,572,000	1,619,000	1,668,000	1,718,000	1,770,000
Library/Community Facilities	Table 23	685,000	536,000	552,000	569,000	586,000	603,000	621,000	640,000	659,000	679,000	699,000
SFMTA Prop. B	Table 21-A	3,022,000	3,690,000	4,260,000	4,916,000	5,390,000	5,640,000	5,809,000	5,983,000	6,163,000	6,348,000	6,538,000
TOTAL EXPENSES		14,889,000	17,108,000	19,560,000	21,651,000	23,310,000	24,274,000	25,002,000	25,751,000	26,524,000	27,320,000	28,140,000

Notes
[1] Table 16.
[2] Table 6.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
	expense appreciation[1]		1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
	residents[2]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	employees[2]		2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
	day & night time pop.[2]		18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
	Percent Buildout Population[2]		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
GENERAL FUND EXPENSES													
Elections	$17.19	/res	538,000	554,000	571,000	588,000	605,000	624,000	642,000	662,000	681,000	702,000	723,000
Assessor/Recorder	$133,617	2016$	256,000	264,000	272,000	280,000	288,000	297,000	306,000	315,000	324,000	334,000	344,000
311	$5.07	/res	159,000	163,000	168,000	173,000	178,000	184,000	189,000	195,000	201,000	207,000	213,000
Police Services													
Total Cost	$297.50	/'res & emp.	10,757,000	11,080,000	11,412,000	11,754,000	12,107,000	12,470,000	12,844,000	13,230,000	13,626,000	14,035,000	14,456,000
(Less) Existing Costs	$1,922,789	2016$	(3,684,000)	(3,795,000)	(3,909,000)	(4,026,000)	(4,147,000)	(4,271,000)	(4,399,000)	(4,531,000)	(4,667,000)	(4,807,000)	(4,951,000)
Incremental Cost			7,073,000	7,285,000	7,503,000	7,728,000	7,960,000	8,199,000	8,445,000	8,699,000	8,959,000	9,228,000	9,505,000
Fire Protection	Table 18		8,986,000	9,256,000	9,533,000	9,819,000	10,114,000	10,417,000	10,730,000	11,052,000	11,383,000	11,725,000	12,077,000
911 Emergency Response	$26.13	/res	817,000	842,000	867,000	893,000	920,000	948,000	976,000	1,005,000	1,036,000	1,067,000	1,099,000
Public Health	$60.05	/res	1,878,000	1,935,000	1,993,000	2,053,000	2,114,000	2,178,000	2,243,000	2,310,000	2,380,000	2,451,000	2,525,000
Public Works	Table 20		1,823,000	1,877,000	1,935,000	1,992,000	2,051,000	2,113,000	2,176,000	2,242,000	2,309,000	2,377,000	2,450,000
Library/Community Facilities	Table 23		720,000	742,000	764,000	787,000	811,000	835,000	860,000	886,000	912,000	940,000	968,000
SFMTA Prop. B	Table 21-A		6,734,000	6,936,000	7,144,000	7,359,000	7,580,000	7,807,000	8,041,000	8,282,000	8,531,000	8,787,000	9,050,000
TOTAL EXPENSES			28,984,000	29,854,000	30,750,000	31,672,000	32,621,000	33,602,000	34,608,000	35,648,000	36,716,000	37,818,000	38,954,000

Notes
[1] Table 16.
[2] Table 6.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA
August 15, 2016

	MEASURE[1]		2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
	expense appreciation[1]		2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
	residents[2]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	employees[2]		2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
	day & night time pop.[2]		18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
	Percent Buildout Population[2]		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
GENERAL FUND EXPENSES													
Elections	$17.19	/res	745,000	767,000	790,000	814,000	838,000	863,000	889,000	916,000	943,000	971,000	1,001,000
Assessor/Recorder	$133,617	2016$	354,000	365,000	376,000	387,000	399,000	411,000	423,000	436,000	449,000	462,000	476,000
311	$5.07	/res	219,000	226,000	233,000	240,000	247,000	254,000	262,000	270,000	278,000	286,000	295,000
Police Services													
Total Cost	$297.50	/'res & emp.	14,890,000	15,337,000	15,797,000	16,271,000	16,759,000	17,262,000	17,779,000	18,313,000	18,862,000	19,428,000	20,011,000
(Less) Existing Costs	$1,922,789	2016$	(5,100,000)	(5,253,000)	(5,410,000)	(5,573,000)	(5,740,000)	(5,912,000)	(6,090,000)	(6,272,000)	(6,460,000)	(6,654,000)	(6,854,000)
Incremental Cost			9,790,000	10,084,000	10,387,000	10,698,000	11,019,000	11,350,000	11,689,000	12,041,000	12,402,000	12,774,000	13,157,000
Fire Protection	Table 18		12,439,000	12,812,000	13,197,000	13,592,000	14,000,000	14,420,000	14,853,000	15,298,000	15,757,000	16,230,000	16,717,000
911 Emergency Response	$26.13	/res	1,132,000	1,166,000	1,200,000	1,237,000	1,274,000	1,312,000	1,351,000	1,392,000	1,433,000	1,476,000	1,521,000
Public Health	$60.05	/res	2,600,000	2,678,000	2,759,000	2,841,000	2,927,000	3,014,000	3,105,000	3,198,000	3,294,000	3,393,000	3,495,000
Public Works	Table 20		2,523,000	2,599,000	2,677,000	2,757,000	2,840,000	2,925,000	3,012,000	3,103,000	3,196,000	3,292,000	3,391,000
Library/Community Facilities	Table 23		997,000	1,027,000	1,058,000	1,089,000	1,122,000	1,156,000	1,190,000	1,226,000	1,263,000	1,301,000	1,340,000
SFMTA Prop. B	Table 21-A		9,322,000	9,601,000	9,890,000	10,186,000	10,492,000	10,807,000	11,131,000	11,465,000	11,809,000	12,163,000	12,528,000
TOTAL EXPENSES			40,121,000	41,325,000	42,567,000	43,841,000	45,158,000	46,512,000	47,905,000	49,345,000	50,824,000	52,348,000	53,921,000

Notes
[1] Table 16.
[2] Table 6.

Table 17
ESTIMATE OF GENERAL FUND EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
	expense appreciation[1]		3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
	residents[2]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	employees[2]		2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
	day & night time pop.[2]		18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
	Percent Buildout Population[2]		100%	100%	100%	100%	100%	100%	100%	100%	100%
GENERAL FUND EXPENSES											
Elections	$17.19	/res	1,031,000	1,062,000	1,093,000	1,126,000	1,160,000	1,195,000	1,231,000	1,268,000	1,306,000
Assessor/Recorder	$133,617	2016$	491,000	505,000	520,000	536,000	552,000	569,000	586,000	603,000	621,000
311	$5.07	/res	304,000	313,000	322,000	332,000	342,000	352,000	363,000	374,000	385,000
Police Services											
Total Cost	$297.50	/'res & emp.	20,611,000	21,229,000	21,866,000	22,522,000	23,198,000	23,894,000	24,611,000	25,349,000	26,110,000
(Less) Existing Costs	$1,922,789	2016$	(7,059,000)	(7,271,000)	(7,489,000)	(7,714,000)	(7,945,000)	(8,184,000)	(8,429,000)	(8,682,000)	(8,943,000)
Incremental Cost			13,552,000	13,958,000	14,377,000	14,808,000	15,253,000	15,710,000	16,182,000	16,667,000	17,167,000
Fire Protection	Table 18		17,218,000	17,735,000	18,267,000	18,815,000	19,380,000	19,961,000	20,560,000	21,177,000	21,812,000
911 Emergency Response	$26.13	/res	1,566,000	1,613,000	1,662,000	1,712,000	1,763,000	1,816,000	1,870,000	1,926,000	1,984,000
Public Health	$60.05	/res	3,599,000	3,707,000	3,819,000	3,933,000	4,051,000	4,173,000	4,298,000	4,427,000	4,560,000
Public Works	Table 20		3,493,000	3,597,000	3,705,000	3,816,000	3,931,000	4,049,000	4,171,000	4,295,000	4,424,000
Library/Community Facilities	Table 23		1,380,000	1,421,000	1,464,000	1,508,000	1,553,000	1,600,000	1,648,000	1,697,000	1,748,000
SFMTA Prop. B	Table 21-A		12,904,000	13,291,000	13,689,000	14,100,000	14,523,000	14,959,000	15,408,000	15,870,000	16,346,000
TOTAL EXPENSES			55,538,000	57,202,000	58,918,000	60,686,000	62,508,000	64,384,000	66,317,000	68,304,000	70,353,000

Notes
[1] Table 16.
[2] Table 6.

PREPARED BY: KEYSER MARSTON ASSOCIATES, INC.
\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
expense appreciation[2]		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
residents[3]		0	0	0	109	658	1,613	3,087	4,457	5,671	7,366	9,181
employees[3]		0	0	0	19	66	123	356	415	514	921	981
Percent Buildout Population[3]		0%	0%	0%	1%	4%	10%	19%	27%	35%	45%	56%
FIRE PROTECTION EXPENSES												
Base Expenses To Maintain												
Existing Engine Company	$3,469,493	3,469,493	3,573,578	3,680,786	3,791,209	3,904,945	4,022,094	4,142,757	4,267,039	4,395,050	4,526,902	4,662,709
Existing Truck Company	$4,144,253	4,144,253	4,268,581	4,396,638	4,528,537	4,664,393	4,804,325	4,948,455	5,096,908	5,249,816	5,407,310	5,569,529
Existing Ambulance	$75,967	75,967	78,246	80,593	83,011	85,501	88,066	90,708	93,429	96,232	99,119	102,093
		7,689,713	7,920,404	8,158,017	8,402,757	8,654,840	8,914,485	9,181,919	9,457,377	9,741,098	10,033,331	10,334,331
Base Expenses To Phase Out												
Existing Engine: Hose Tender	$1,739,357	1,739,357	1,791,537	1,845,284	1,900,642	1,957,661	2,016,391	2,076,883	2,139,189	1,101,683	0	0
New Expenses To Phase In												
New Engine Company	$3,469,493	0	0	0	0	0	0	0	0	2,197,525	4,526,902	4,662,709
New Ambulance	$1,602,890	0	0	0	0	0	0	0	0	1,015,246	2,091,408	2,154,150
New Battalion Chief	$1,267,028	0	0	0	0	0	0	0	0	802,517	1,653,185	1,702,780
New Ladder Truck	$89,767	0	0	0	0	0	0	0	0	56,857	117,125	120,639
		0	0	0	0	0	0	0	0	4,072,145	8,388,620	8,640,278
Gross Expenses w/ Project		9,429,070	9,711,942	10,003,300	10,303,399	10,612,501	10,930,876	11,258,802	11,596,566	14,914,926	18,421,951	18,974,609
(Less) Base Expenses		-9,429,070	-9,711,942	-10,003,300	-10,303,399	-10,612,501	-10,930,876	-11,258,802	-11,596,566	-11,944,463	-12,302,797	-12,671,881
Net Expenses		0	0	0	0	0	0	0	0	2,970,000	6,119,000	6,303,000

Notes
[1] Table 19.
[2] Table 16.
[3] Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
	expense appreciation[2]	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
	residents[3]	10,689	12,111	13,734	14,952	16,043	16,326	16,326	16,326	16,326	16,326	16,326
	employees[3]	1,032	1,786	1,842	2,497	2,534	2,544	2,544	2,544	2,544	2,544	2,544
	Percent Buildout Population[3]	65%	74%	84%	92%	98%	100%	100%	100%	100%	100%	100%
FIRE PROTECTION EXPENSES												
Base Expenses To Maintain												
Existing Engine Company	$3,469,493	4,802,590	4,946,668	5,095,068	5,247,920	5,405,358	5,567,518	5,734,544	5,906,580	6,083,778	6,266,291	6,454,280
Existing Truck Company	$4,144,253	5,736,615	5,908,714	6,085,975	6,268,554	6,456,611	6,650,309	6,849,819	7,055,313	7,266,973	7,484,982	7,709,531
Existing Ambulance	$75,967	105,156	108,310	111,560	114,906	118,354	121,904	125,561	129,328	133,208	137,204	141,320
		10,644,361	10,963,692	11,292,603	11,631,381	11,980,322	12,339,732	12,709,924	13,091,222	13,483,958	13,888,477	14,305,131
Base Expenses To Phase Out												
Existing Engine: Hose Tender	$1,739,357	0	0	0	0	0	0	0	0	0	0	0
New Expenses To Phase In												
New Engine Company	$3,469,493	4,802,590	4,946,668	5,095,068	5,247,920	5,405,358	5,567,518	5,734,544	5,906,580	6,083,778	6,266,291	6,454,280
New Ambulance	$1,602,890	2,218,774	2,285,338	2,353,898	2,424,515	2,497,250	2,572,168	2,649,333	2,728,813	2,810,677	2,894,997	2,981,847
New Battalion Chief	$1,267,028	1,753,864	1,806,480	1,860,674	1,916,494	1,973,989	2,033,209	2,094,205	2,157,031	2,221,742	2,288,394	2,357,046
New Ladder Truck	$89,767	124,258	127,986	131,825	135,780	139,854	144,049	148,371	152,822	157,406	162,129	166,992
		8,899,486	9,166,471	9,441,465	9,724,709	10,016,450	10,316,944	10,626,452	10,945,246	11,273,603	11,611,811	11,960,166
Gross Expenses w/ Project		19,543,848	20,130,163	20,734,068	21,356,090	21,996,773	22,656,676	23,336,376	24,036,467	24,757,562	25,500,288	26,265,297
(Less) Base Expenses		-13,052,038	-13,443,599	-13,846,907	-14,262,314	-14,690,183	-15,130,889	-15,584,816	-16,052,360	-16,533,931	-17,029,949	-17,540,847
Net Expenses		6,492,000	6,687,000	6,887,000	7,094,000	7,307,000	7,526,000	7,752,000	7,984,000	8,224,000	8,470,000	8,724,000

Notes
[1] Table 19.
[2] Table 16.
[3] Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
expense appreciation[2]		1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
residents[3]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
employees[3]		2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
Percent Buildout Population[3]		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
FIRE PROTECTION EXPENSES												
Base Expenses To Maintain												
Existing Engine Company	$3,469,493	6,647,908	6,847,345	7,052,766	7,264,349	7,482,279	7,706,748	7,937,950	8,176,089	8,421,371	8,674,012	8,934,233
Existing Truck Company	$4,144,253	7,940,817	8,179,042	8,424,413	8,677,145	8,937,460	9,205,583	9,481,751	9,766,204	10,059,190	10,360,965	10,671,794
Existing Ambulance	$75,967	145,560	149,927	154,425	159,057	163,829	168,744	173,806	179,020	184,391	189,923	195,620
		14,734,285	15,176,314	15,631,603	16,100,551	16,583,568	17,081,075	17,593,507	18,121,312	18,664,952	19,224,900	19,801,647
Base Expenses To Phase Out												
Existing Engine: Hose Tender	$1,739,357	0	0	0	0	0	0	0	0	0	0	0
New Expenses To Phase In												
New Engine Company	$3,469,493	6,647,908	6,847,345	7,052,766	7,264,349	7,482,279	7,706,748	7,937,950	8,176,089	8,421,371	8,674,012	8,934,233
New Ambulance	$1,602,890	3,071,303	3,163,442	3,258,345	3,356,095	3,456,778	3,560,482	3,667,296	3,777,315	3,890,634	4,007,353	4,127,574
New Battalion Chief	$1,267,028	2,427,757	2,500,590	2,575,608	2,652,876	2,732,462	2,814,436	2,898,869	2,985,835	3,075,411	3,167,673	3,262,703
New Ladder Truck	$89,767	172,002	177,162	182,477	187,951	193,590	199,398	205,380	211,541	217,887	224,424	231,157
		12,318,971	12,688,540	13,069,196	13,461,272	13,865,110	14,281,063	14,709,495	15,150,780	15,605,303	16,073,462	16,555,666
Gross Expenses w/ Project		27,053,256	27,864,854	28,700,799	29,561,823	30,448,678	31,362,138	32,303,002	33,272,092	34,270,255	35,298,363	36,357,314
(Less) Base Expenses		-18,067,073	-18,609,085	-19,167,357	-19,742,378	-20,334,649	-20,944,689	-21,573,030	-22,220,221	-22,886,827	-23,573,432	-24,280,635
Net Expenses		8,986,000	9,256,000	9,533,000	9,819,000	10,114,000	10,417,000	10,730,000	11,052,000	11,383,000	11,725,000	12,077,000

Notes
[1] Table 19.
[2] Table 16.
[3] Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA
August 15, 2016

	MEASURE[1]	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
expense appreciation[2]		2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
residents[3]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
employees[3]		2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
Percent Buildout Population[3]		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
FIRE PROTECTION EXPENSES												
Base Expenses To Maintain												
Existing Engine Company	$3,469,493	9,202,260	9,478,327	9,762,677	10,055,558	10,357,224	10,667,941	10,987,979	11,317,619	11,657,147	12,006,862	12,367,067
Existing Truck Company	$4,144,253	10,991,948	11,321,707	11,661,358	12,011,198	12,371,534	12,742,680	13,124,961	13,518,710	13,924,271	14,341,999	14,772,259
Existing Ambulance	$75,967	201,489	207,534	213,760	220,173	226,778	233,581	240,588	247,806	255,240	262,898	270,784
		20,395,697	21,007,568	21,637,795	22,286,929	22,955,536	23,644,203	24,353,529	25,084,134	25,836,659	26,611,758	27,410,111
Base Expenses To Phase Out												
Existing Engine: Hose Tender	$1,739,357	0	0	0	0	0	0	0	0	0	0	0
New Expenses To Phase In												
New Engine Company	$3,469,493	9,202,260	9,478,327	9,762,677	10,055,558	10,357,224	10,667,941	10,987,979	11,317,619	11,657,147	12,006,862	12,367,067
New Ambulance	$1,602,890	4,251,401	4,378,943	4,510,312	4,645,621	4,784,990	4,928,539	5,076,395	5,228,687	5,385,548	5,547,114	5,713,528
New Battalion Chief	$1,267,028	3,360,584	3,461,402	3,565,244	3,672,201	3,782,367	3,895,838	4,012,713	4,133,095	4,257,087	4,384,800	4,516,344
New Ladder Truck	$89,767	238,091	245,234	252,591	260,169	267,974	276,013	284,293	292,822	301,607	310,655	319,975
		17,052,336	17,563,906	18,090,824	18,633,548	19,192,555	19,768,331	20,361,381	20,972,223	21,601,389	22,249,431	22,916,914
Gross Expenses w/ Project		37,448,033	38,571,474	39,728,618	40,920,477	42,148,091	43,412,534	44,714,910	46,056,357	47,438,048	48,861,189	50,327,025
(Less) Base Expenses		-25,009,054	-25,759,326	-26,532,105	-27,328,068	-28,147,911	-28,992,348	-29,862,118	-30,757,982	-31,680,721	-32,631,143	-33,610,077
Net Expenses		12,439,000	12,812,000	13,197,000	13,592,000	14,000,000	14,420,000	14,853,000	15,298,000	15,757,000	16,230,000	16,717,000

Notes
[1] Table 19.
[2] Table 16.
[3] Table 6.

Table 18
ESTIMATE OF FIRE PROTECTION EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	MEASURE[1]	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
expense appreciation[2]		3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
residents[3]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
employees[3]		2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544	2,544
Percent Buildout Population[3]		100%	100%	100%	100%	100%	100%	100%	100%	100%
FIRE PROTECTION EXPENSES										
Base Expenses To Maintain										
Existing Engine Company	$3,469,493	12,738,080	13,120,222	13,513,829	13,919,243	14,336,821	14,766,925	15,209,933	15,666,231	16,136,218
Existing Truck Company	$4,144,253	15,215,427	15,671,890	16,142,046	16,626,308	17,125,097	17,638,850	18,168,015	18,713,056	19,274,448
Existing Ambulance	$75,967	278,908	287,275	295,893	304,770	313,913	323,331	333,031	343,022	353,312
		28,232,414	29,079,387	29,951,768	30,850,321	31,775,831	32,729,106	33,710,979	34,722,309	35,763,978
Base Expenses To Phase Out										
Existing Engine: Hose Tender	$1,739,357	0	0	0	0	0	0	0	0	0
New Expenses To Phase In										
New Engine Company	$3,469,493	12,738,080	13,120,222	13,513,829	13,919,243	14,336,821	14,766,925	15,209,933	15,666,231	16,136,218
New Ambulance	$1,602,890	5,884,934	6,061,482	6,243,326	6,430,626	6,623,545	6,822,251	7,026,918	7,237,726	7,454,858
New Battalion Chief	$1,267,028	4,651,834	4,791,389	4,935,131	5,083,185	5,235,681	5,392,751	5,554,534	5,721,170	5,892,805
New Ladder Truck	$89,767	329,574	339,461	349,645	360,134	370,938	382,067	393,529	405,334	417,495
		23,604,422	24,312,554	25,041,931	25,793,189	26,566,984	27,363,994	28,184,914	29,030,461	29,901,375
Gross Expenses w/ Project		51,836,836	53,391,941	54,993,699	56,643,510	58,342,815	60,093,100	61,895,893	63,752,770	65,665,353
(Less) Base Expenses		-34,618,380	-35,656,931	-36,726,639	-37,828,438	-38,963,291	-40,132,190	-41,336,156	-42,576,240	-43,853,527
Net Expenses		17,218,000	17,735,000	18,267,000	18,815,000	19,380,000	19,961,000	20,560,000	21,177,000	21,812,000

Notes
[1] Table 19.
[2] Table 16.
[3] Table 6.

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Table 19

SERVICE COST ASSUMPTIONS: FIRE DEPARTMENT
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

SERVICE COSTS BY APPARATUS				ENGINE	LADDER TRUCK	AMULANCE (BACKUP)	AMBULANCE	ENGINE (HOSE TENDER)	BATTALION CHIEF
STAFFING		Direct Salary[1]							
H2	Firefighter	$113,312	FTE:[2]	9.36	18.72	0	9.36	4.68	
H3	FF/Paramedic	$130,932	FTE:	4.68					
H20	Lieutenant	$131,667	FTE:	2.34	2.34			4.68	
H30	Captain	$150,338	FTE:	2.34	2.34				
H40	Battalion Chief	$180,432	FTE:						4.68
				18.72	23.4	0	9.36	9.36	4.68
Direct Salary Costs		Salary X FTE		2,333,254	2,781,092	-	1,060,600	1,146,502	844,422
Staffing Adjustment[3]		7%		2,492,793	2,971,253	-	1,133,120	1,224,895	902,160
Overtime, Taxes, Benefits[1]		30%		1,068,340	1,273,394	-	485,623	524,955	386,640
Subtotal, Staffing				3,401,593	4,054,486	-	1,546,223	1,671,457	1,231,062
EQUIPMENT[4]									
Replacement Cost (2010$)				450,000	810,000	144,000	144,000	450,000	40,000
Replacement Cost (2016$)		3%	inflation	540,000	970,000	170,000	170,000	540,000	50,000
Useful Life				12	15	3	3	12	3
Replacement Annual Cost				45,000	64,667	56,667	56,667	45,000	16,667
Vehicle Maintenance (2010$)				19,200	21,000	16,200		19,200	16,200
Vehicle Maintenance (2016$)		3%	inflation	22,900	25,100	19,300	-	22,900	19,300
Subtotal, Equipment (2016$)				67,900	89,767	75,967	56,667	67,900	35,967
TOTAL COST PER APPARATUS (2016$)				3,469,493	4,144,253	75,967	1,602,890	1,739,357	1,267,028
TOTAL EQUIPMENT[5]									
Existing Equipment				1	1	1		1	0
New Equipment				1	1		1		1
Phased-Out Equipment								-1	
Total At Build-Out				2	2	1	1	0	1

Notes
1 San Francisco Office of the Controller. FY 2015/16 Rate Table. Based on weighted average of personnel categories identified in 2011 EPS study.
2 Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011.
3 Per March 2016 email from Fire Department, the staffing requirement is anticipated to fall between 65-75 FTE. The prior fiscal analysis prepared by EPS estimated 66 FTE. Base staffing costs are increased by 7% to reflect the current, mid-range staffing estimate (70 FTE).
4 Per EPS (2011) report, adjusted for inflation.
5 Per March 2016 email from Fire Department, an additional ladder truck will be required. The cost of an additional ladder truck has been added to the projection.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	revenue appreciation		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
	expense appreciation[1]		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
	residents[2]		0	0	0	109	658	1,613	3,087	4,457	5,671	7,366	9,181
	population build-out[2]		0.0%	0.0%	0.0%	0.7%	4.0%	9.9%	18.9%	27.3%	34.7%	45.1%	56.2%
RIGHT OF WAY MAINTENANCE AND REPAIR													
NEW MAINTENANCE COSTS													
SF of Streets	1,849,420	sf	0	0	0	752,620	0	0	258,080	0	0	371,540	0
Cumulative			0	0	0	752,620	752,620	752,620	1,010,700	1,010,700	1,010,700	1,382,240	1,382,240
Subject to Cost	1	yr. delay	0	0	0	0	752,620	752,620	752,620	1,010,700	1,010,700	1,010,700	1,382,240
Cost Phase-In	10%	/yr	0%	0%	0%	0%	10%	20%	30%	40%	50%	60%	70%
Replacement Reserve	$0.71	/sf	0	0	0	0	60,078	123,760	191,210	352,641	454,025	561,175	922,238
Street Sweeping	$0.08	/sf	0	0	0	0	6,470	13,328	20,592	37,977	48,895	60,434	99,318
TOTAL COST			0	0	0	0	67,000	137,000	212,000	391,000	503,000	622,000	1,022,000
REVENUES													
(Less) Gas Tax Revenue	$19.99	/res	0	0	0	0	(15,000)	(37,000)	(74,000)	(110,000)	(144,000)	(192,000)	(247,000)
(Less) Prop. K Sales Tax	Tables 12, 13 & 23		0	0	0	0	(63,000)	(58,000)	(69,000)	(113,000)	(120,000)	(151,000)	(164,000)
NET PUBLIC WORKS EXPENSE [1]			0	0	0	0	0	42,000	69,000	168,000	239,000	279,000	611,000

Notes:
[1] Table 16.
[2] Table 6.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA
August 15, 2016

	BASIS[1]		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
	revenue appreciation		1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
	expense appreciation[1]		1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
	residents[2]		10,689	12,111	13,734	14,952	16,043	16,326	16,326	16,326	16,326	16,326	16,326
	population build-out[2]		65.5%	74.2%	84.1%	91.6%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
RIGHT OF WAY MAINTENANCE AND REPAIR													
NEW MAINTENANCE COSTS													
SF of Streets	1,849,420	sf	150,720	316,460	0	0	0	0	0	0	0	0	0
Cumulative			1,532,960	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Subject to Cost	1	yr. delay	1,382,240	1,532,960	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Cost Phase-In	10%	/yr	80%	90%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Replacement Reserve	$0.71	/sf	1,085,606	1,395,113	1,926,233	1,984,020	2,043,541	2,104,847	2,167,993	2,233,033	2,300,023	2,369,024	2,440,095
Street Sweeping	$0.08	/sf	116,911	150,243	207,441	213,664	220,074	226,676	233,476	240,480	247,695	255,126	262,779
TOTAL COST			1,203,000	1,545,000	2,134,000	2,198,000	2,264,000	2,332,000	2,401,000	2,474,000	2,548,000	2,624,000	2,703,000
REVENUES													
(Less) Gas Tax Revenue	$19.99	/res	(296,000)	(345,000)	(403,000)	(452,000)	(500,000)	(524,000)	(539,000)	(556,000)	(572,000)	(589,000)	(607,000)
(Less) Prop. K Sales Tax	Tables 12, 13 & 23		(171,000)	(223,000)	(234,000)	(273,000)	(270,000)	(281,000)	(290,000)	(299,000)	(308,000)	(317,000)	(326,000)
NET PUBLIC WORKS EXPENSE [1]			736,000	977,000	1,497,000	1,473,000	1,494,000	1,527,000	1,572,000	1,619,000	1,668,000	1,718,000	1,770,000

Notes:
[1] Table 16.
[2] Table 6.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS[1]		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
	revenue appreciation		1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
	expense appreciation[1]		1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
	residents[2]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	population build-out[2]		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
RIGHT OF WAY MAINTENANCE AND REPAIR													
NEW MAINTENANCE COSTS													
SF of Streets	1,849,420	sf	0	0	0	0	0	0	0	0	0	0	0
Cumulative			1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Subject to Cost	1	yr. delay	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Cost Phase-In	10%	/yr	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Replacement Reserve	$0.71	/sf	2,513,298	2,588,697	2,666,358	2,746,348	2,828,739	2,913,601	3,001,009	3,091,039	3,183,770	3,279,284	3,377,662
Street Sweeping	$0.08	/sf	270,663	278,783	287,146	295,761	304,633	313,772	323,186	332,881	342,868	353,154	363,748
TOTAL COST			2,784,000	2,867,000	2,954,000	3,042,000	3,133,000	3,227,000	3,324,000	3,424,000	3,527,000	3,632,000	3,741,000
REVENUES													
(Less) Gas Tax Revenue	$19.99	/res	(625,000)	(644,000)	(663,000)	(683,000)	(704,000)	(725,000)	(747,000)	(769,000)	(792,000)	(816,000)	(840,000)
(Less) Prop. K Sales Tax	Tables 12, 13 & 23		(336,000)	(346,000)	(356,000)	(367,000)	(378,000)	(389,000)	(401,000)	(413,000)	(426,000)	(439,000)	(451,000)
NET PUBLIC WORKS EXPENSE [1]			1,823,000	1,877,000	1,935,000	1,992,000	2,051,000	2,113,000	2,176,000	2,242,000	2,309,000	2,377,000	2,450,000

Notes:
[1] Table 16.
[2] Table 6.

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Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS[1]		2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
	revenue appreciation		2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
	expense appreciation[1]		2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
	residents[2]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	population build-out[2]		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
RIGHT OF WAY MAINTENANCE AND REPAIR													
NEW MAINTENANCE COSTS													
SF of Streets	1,849,420	sf	0	0	0	0	0	0	0	0	0	0	0
Cumulative			1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Subject to Cost	1	yr. delay	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Cost Phase-In	10%	/yr	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Replacement Reserve	$0.71	/sf	3,478,992	3,583,362	3,690,863	3,801,588	3,915,636	4,033,105	4,154,098	4,278,721	4,407,083	4,539,295	4,675,474
Street Sweeping	$0.08	/sf	374,661	385,900	397,478	409,402	421,684	434,334	447,364	460,785	474,609	488,847	503,513
TOTAL COST			3,854,000	3,969,000	4,088,000	4,211,000	4,337,000	4,467,000	4,601,000	4,740,000	4,882,000	5,028,000	5,179,000
REVENUES													
(Less) Gas Tax Revenue	$19.99	/res	(866,000)	(892,000)	(918,000)	(946,000)	(974,000)	(1,003,000)	(1,034,000)	(1,065,000)	(1,097,000)	(1,129,000)	(1,163,000)
(Less) Prop. K Sales Tax	Tables 12, 13 & 23		(465,000)	(478,000)	(493,000)	(508,000)	(523,000)	(539,000)	(555,000)	(572,000)	(589,000)	(607,000)	(625,000)
NET PUBLIC WORKS EXPENSE [1]			2,523,000	2,599,000	2,677,000	2,757,000	2,840,000	2,925,000	3,012,000	3,103,000	3,196,000	3,292,000	3,391,000

Notes:
[1] Table 16.
[2] Table 6.

Table 20
ESTIMATE OF PUBLIC WORKS G.F. EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	BASIS[1]		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
	revenue appreciation		3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
	expense appreciation[1]		3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
	residents[2]		16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
	population build-out[2]		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
RIGHT OF WAY MAINTENANCE AND REPAIR											
NEW MAINTENANCE COSTS											
SF of Streets	1,849,420	sf	0	0	0	0	0	0	0	0	0
Cumulative			1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Subject to Cost	1	yr. delay	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420	1,849,420
Cost Phase-In	10%	/yr	100%	100%	100%	100%	100%	100%	100%	100%	100%
Replacement Reserve	$0.71	/sf	4,815,738	4,960,211	5,109,017	5,262,287	5,420,156	5,582,761	5,750,244	5,922,751	6,100,433
Street Sweeping	$0.08	/sf	518,618	534,177	550,202	566,708	583,709	601,220	619,257	637,835	656,970
TOTAL COST			5,334,000	5,494,000	5,659,000	5,829,000	6,004,000	6,184,000	6,370,000	6,561,000	6,757,000
REVENUES											
(Less) Gas Tax Revenue	$19.99	/res	(1,198,000)	(1,234,000)	(1,271,000)	(1,309,000)	(1,349,000)	(1,389,000)	(1,431,000)	(1,474,000)	(1,518,000)
(Less) Prop. K Sales Tax	Tables 12, 13 & 23		(643,000)	(663,000)	(683,000)	(704,000)	(724,000)	(746,000)	(768,000)	(792,000)	(815,000)
NET PUBLIC WORKS EXPENSE [1]			3,493,000	3,597,000	3,705,000	3,816,000	3,931,000	4,049,000	4,171,000	4,295,000	4,424,000

Notes:
[1] Table 16.
[2] Table 6.

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Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	BASIS	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
revenue appreciation[1]		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
expense appreciation[1]		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
residential units[2]		0	0	0	42	275	699	1,406	2,074	2,670	3,523	4,409
residents[2]		0	0	0	109	658	1,613	3,087	4,457	5,671	7,366	9,181
residents & employees (day & nightime population)[2]		0	0	0	128	724	1,736	3,443	4,872	6,185	8,287	10,162
population build-out[2]		0.0%	0.0%	0.0%	0.7%	4.0%	9.9%	18.9%	27.3%	34.7%	45.1%	56.2%
SERVICE ASSUMPTIONS												
Transportation Phase	Table 22-A	Existing	Existing	Existing	Existing	Existing	Existing	1	2	2	3	4
Ridership Growth	Table 22-A	0	0	0	0	0	0	9,983	346,190	346,190	682,397	1,018,603
New Buses (Cumulative)	Table 22-A	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	0	0	0	0	0
SERVICE COSTS												
Incremental Operating Costs	Table 22-A	0	0	0	0	0	0	0	227,146	233,961	1,500,244	134,699
Capital Cost (Buses)	Table 21-B	0	0	0	0	0	0	0	0	0	685,430	685,430
Facility Cost	Table 21-B	0	0	0	0	0	0	0	0	0	465,812	465,812
Other MTA	$21.08 / res. & emp[1]	0	0	0	2,704	15,268	36,589	72,577	102,703	130,375	174,692	214,218
Subtotal		0	0	0	2,704	15,268	36,589	72,577	329,849	364,335	2,826,177	1,500,159
REVENUES												
Farebox Revenues	$0.86 /trip[1]	0	0	0	0	0	0	10,221	365,072	376,024	763,441	1,173,765
Advertising	$3,503 /bus[1]	0	0	0	0	0	0	0	0	0	0	0
Prop K Sales Tax	Tables 12, 13 & 23	15,000	46,000	98,000	150,000	232,000	211,000	255,000	416,000	442,000	558,000	603,000
State Sales Tax (AB 1107)	Tables 12, 13 & 23	5,000	16,000	33,000	51,000	79,000	71,000	86,000	141,000	150,000	190,000	205,000
TDA Sales Tax	Tables 12, 13 & 23	20,000	63,000	133,000	204,000	314,000	286,000	345,000	565,000	599,000	757,000	820,000
State Transit Assistance	$41.97 /res[1]	0	0	0	4,595	27,614	67,704	129,573	187,055	238,006	309,153	385,328
Subtotal		40,000	125,000	264,000	409,595	652,614	635,704	825,794	1,674,127	1,805,030	2,577,594	3,187,092
NET OPERATIONS SAVINGS (COST)		40,000	125,000	264,000	406,891	637,346	599,115	753,216	1,344,278	1,440,695	(248,584)	1,686,933
GENERAL FUND TRANSFERS												
Base Transfer (Recurring)	**9.19% Table 11-A**	**0**	**0**	**0**	**2,000**	**32,000**	**104,000**	**484,000**	**643,000**	**993,000**	**1,259,000**	**1,497,000**
Base Transfer (Construction)	**9.19% Table 24**	**31,000**	**163,000**	**381,000**	**511,000**	**632,000**	**949,000**	**813,000**	**851,000**	**1,154,000**	**1,224,000**	**1,091,000**
Prop. B Adjustment	**$186 /res & emp.[1]**	**0**	**0**	**0**	**26,000**	**152,000**	**375,000**	**766,000**	**1,116,000**	**1,459,000**	**2,014,000**	**2,544,000**
Total Transfer		**31,000**	**163,000**	**381,000**	**539,000**	**816,000**	**1,428,000**	**2,063,000**	**2,610,000**	**3,606,000**	**4,497,000**	**5,132,000**
MTA BALANCE AFTER GF TRANSFER		71,000	288,000	645,000	946,000	1,453,000	2,027,000	2,816,000	3,954,000	5,047,000	4,248,000	6,819,000

Notes
[1] Table 22-B.
[2] Table 6.
[3] Table 16.

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Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
revenue appreciation[1]			1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
expense appreciation[1]			1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
residential units[2]			5,154	5,863	6,677	7,295	7,851	8,000	8,000	8,000	8,000	8,000	8,000
residents[2]			10,689	12,111	13,734	14,952	16,043	16,326	16,326	16,326	16,326	16,326	16,326
residents & employees (day & nightime population)[2]			11,721	13,897	15,576	17,449	18,577	18,870	18,870	18,870	18,870	18,870	18,870
population build-out[2]			65.5%	74.2%	84.1%	91.6%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SERVICE ASSUMPTIONS													
Transportation Phase	Table 22-A		5	5	6	7	7	8	8	8	8	8	8
Ridership Growth	Table 22-A		1,501,362	1,501,362	1,718,603	2,039,293	2,039,293	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948
New Buses (Cumulative)	Table 22-A		5	5	5	5	5	6	6	6	6	6	6
			5	0	0	0	0	1	0	0	0	0	0
SERVICE COSTS													
Incremental Operating Costs	Table 22-A		453,632	467,241	481,258	7,302,569	7,521,646	9,299,646	9,578,635	9,865,994	10,161,974	10,466,833	10,780,838
Capital Cost (Buses)	Table 21-B		685,430	685,430	685,430	844,402	844,402	844,402	844,402	844,402	844,402	844,402	844,402
Facility Cost	Table 21-B		465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812
Other MTA	$21.08	/ res. & emp[1]	247,078	292,953	328,330	367,825	391,591	397,781	397,781	397,781	397,781	397,781	397,781
Subtotal			1,851,952	1,911,436	1,960,830	8,980,608	9,223,450	11,007,641	11,286,630	11,573,989	11,869,969	12,174,828	12,488,833
REVENUES													
Farebox Revenues	$0.86	/trip[1]	1,781,962	1,835,421	2,164,030	2,644,870	2,724,216	3,479,679	3,584,069	3,691,591	3,802,339	3,916,409	4,033,901
Advertising	$3,503	/bus[1]	24,242	24,970	25,719	26,490	27,285	33,726	34,738	35,780	36,854	37,959	39,098
Prop K Sales Tax	Tables 12, 13 & 23		627,000	818,000	862,000	1,004,000	997,000	1,037,000	1,067,000	1,100,000	1,132,000	1,166,000	1,202,000
State Sales Tax (AB 1107)	Tables 12, 13 & 23		213,000	277,000	293,000	342,000	339,000	351,000	362,000	373,000	385,000	396,000	408,000
TDA Sales Tax	Tables 12, 13 & 23		850,000	1,111,000	1,169,000	1,364,000	1,354,000	1,406,000	1,449,000	1,492,000	1,537,000	1,583,000	1,631,000
State Transit Assistance	$41.97	/res[1]	448,627	508,298	576,415	627,547	673,311	685,219	685,219	685,219	685,219	685,219	685,219
Subtotal			3,944,831	4,574,689	5,090,163	6,008,908	6,114,813	6,992,624	7,182,026	7,377,590	7,578,411	7,784,587	7,999,218
NET OPERATIONS SAVINGS (COST)			2,092,880	2,663,253	3,129,333	(2,971,699)	(3,108,638)	(4,015,017)	(4,104,604)	(4,196,399)	(4,291,557)	(4,390,241)	(4,489,615)
GENERAL FUND TRANSFERS													
Base Transfer (Recurring)	**9.19%**	**Table 11-A**	**1,809,000**	**2,223,000**	**2,538,000**	**2,988,000**	**3,285,000**	**3,560,000**	**3,795,000**	**3,984,000**	**4,086,000**	**4,190,000**	**4,297,000**
Base Transfer (Construction)	**9.19%**	**Table 24**	**1,252,000**	**1,078,000**	**861,000**	**675,000**	**563,000**	**169,000**	**0**	**0**	**0**	**0**	**0**
Prop. B Adjustment	**$186**	**/res & emp.[1]**	**3,022,000**	**3,690,000**	**4,260,000**	**4,916,000**	**5,390,000**	**5,640,000**	**5,809,000**	**5,983,000**	**6,163,000**	**6,348,000**	**6,538,000**
Total Transfer			**6,083,000**	**6,991,000**	**7,659,000**	**8,579,000**	**9,238,000**	**9,369,000**	**9,604,000**	**9,967,000**	**10,249,000**	**10,538,000**	**10,835,000**
MTA BALANCE AFTER GF TRANSFER			8,176,000	9,654,000	10,788,000	5,607,000	6,129,000	5,354,000	5,499,000	5,771,000	5,957,000	6,148,000	6,345,000

Notes
[1] Table 22-B.
[2] Table 6.
[3] Table 16.

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Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA — **August 15, 2016**

	BASIS		2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
		revenue appreciation[1]	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
		expense appreciation[1]	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
		residential units[2]	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
		residents[2]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
		residents & employees (day & nightime population)[2]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
		population build-out[2]	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SERVICE ASSUMPTIONS													
Transportation Phase	Table 22-A		8	8	8	8	8	8	8	8	8	8	8
Ridership Growth	Table 22-A		2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948
New Buses (Cumulative)	Table 22-A		6	6	6	6	6	6	6	6	6	6	6
			0	0	0	0	0	0	0	0	0	0	0
SERVICE COSTS													
Incremental Operating Costs	Table 22-A		11,104,263	11,437,391	11,780,513	12,133,928	12,497,946	12,872,885	13,259,071	13,656,843	14,066,549	14,488,545	14,923,201
Capital Cost (Buses)	Table 21-B		844,402	158,972	158,972	158,972	158,972	158,972	0	0	0	0	0
Facility Cost	Table 21-B		465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812
Other MTA	$21.08	/ res. & emp[1]	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781
Subtotal			12,812,258	12,459,957	12,803,078	13,156,494	13,520,512	13,895,450	14,122,664	14,520,437	14,930,142	15,352,138	15,786,795
REVENUES													
Farebox Revenues	$0.86	/trip[1]	4,154,918	4,279,566	4,407,953	4,540,191	4,676,397	4,816,689	4,961,190	5,110,025	5,263,326	5,421,226	5,583,863
Advertising	$3,503	/bus[1]	40,271	41,479	42,723	44,005	45,325	46,685	48,086	49,528	51,014	52,544	54,121
Prop K Sales Tax	Tables 12, 13 & 23		1,237,000	1,275,000	1,313,000	1,352,000	1,393,000	1,435,000	1,478,000	1,522,000	1,567,000	1,615,000	1,663,000
State Sales Tax (AB 1107)	Tables 12, 13 & 23		419,000	432,000	446,000	459,000	473,000	487,000	501,000	516,000	532,000	548,000	564,000
TDA Sales Tax	Tables 12, 13 & 23		1,680,000	1,730,000	1,782,000	1,835,000	1,891,000	1,947,000	2,006,000	2,065,000	2,127,000	2,192,000	2,257,000
State Transit Assistance	$41.97	/res[1]	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219
Subtotal			8,216,408	8,443,264	8,676,895	8,915,416	9,163,941	9,417,593	9,679,494	9,947,773	10,225,559	10,513,989	10,807,202
NET OPERATIONS SAVINGS (COST)			(4,595,850)	(4,016,693)	(4,126,183)	(4,241,078)	(4,356,570)	(4,477,857)	(4,443,170)	(4,572,664)	(4,704,583)	(4,838,149)	(4,979,592)
GENERAL FUND TRANSFERS													
Base Transfer (Recurring)	**9.19%**	**Table 11-A**	**4,407,000**	**4,520,000**	**4,636,000**	**4,755,000**	**4,877,000**	**5,002,000**	**5,131,000**	**5,263,000**	**5,399,000**	**5,538,000**	**5,681,000**
Base Transfer (Construction)	**9.19%**	**Table 24**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Prop. B Adjustment	**$186**	**/res & emp.[1]**	**6,734,000**	**6,936,000**	**7,144,000**	**7,359,000**	**7,580,000**	**7,807,000**	**8,041,000**	**8,282,000**	**8,531,000**	**8,787,000**	**9,050,000**
Total Transfer			**11,141,000**	**11,456,000**	**11,780,000**	**12,114,000**	**12,457,000**	**12,809,000**	**13,172,000**	**13,545,000**	**13,930,000**	**14,325,000**	**14,731,000**
MTA BALANCE AFTER GF TRANSFER			6,545,000	7,439,000	7,654,000	7,873,000	8,100,000	8,331,000	8,729,000	8,972,000	9,225,000	9,487,000	9,751,000

Notes
[1] Table 22-B.
[2] Table 6.
[3] Table 16.

Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS		2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58
		revenue appreciation[1]	2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46
		expense appreciation[1]	2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46
		residential units[2]	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
		residents[2]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
		residents & employees (day & nightime population)[2]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
		population build-out[2]	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SERVICE ASSUMPTIONS												
Transportation Phase	Table 22-A		8	8	8	8	8	8	8	8	8	8
Ridership Growth	Table 22-A		2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948
New Buses (Cumulative)	Table 22-A		6	6	6	6	6	6	6	6	6	6
			0	0	0	0	0	0	0	0	0	0
SERVICE COSTS												
Incremental Operating Costs	Table 22-A		15,370,898	15,832,024	16,306,985	16,796,195	17,300,081	17,819,083	18,353,656	18,904,265	19,471,393	20,055,535
Capital Cost (Buses)	Table 21-B		0	0	0	0	0	0	0	0	0	0
Facility Cost	Table 21-B		465,812	465,812	465,812	465,812	465,812	465,812	0	0	0	0
Other MTA	$21.08	/ res. & emp[1]	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781
Subtotal			16,234,491	16,695,618	17,170,578	17,659,788	18,163,674	18,682,676	18,751,436	19,302,046	19,869,174	20,453,316
REVENUES												
Farebox Revenues	$0.86	/trip[1]	5,751,379	5,923,920	6,101,638	6,284,687	6,473,227	6,667,424	6,867,447	7,073,470	7,285,674	7,504,245
Advertising	$3,503	/bus[1]	55,744	57,417	59,139	60,913	62,741	64,623	66,562	68,558	70,615	72,734
Prop K Sales Tax	Tables 12, 13 & 23		1,713,000	1,764,000	1,818,000	1,872,000	1,928,000	1,986,000	2,045,000	2,106,000	2,170,000	2,235,000
State Sales Tax (AB 1107)	Tables 12, 13 & 23		582,000	598,000	616,000	635,000	654,000	674,000	694,000	715,000	736,000	758,000
TDA Sales Tax	Tables 12, 13 & 23		2,325,000	2,394,000	2,466,000	2,541,000	2,616,000	2,695,000	2,776,000	2,860,000	2,944,000	3,033,000
State Transit Assistance	$41.97	/res[1]	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219
Subtotal			11,112,342	11,422,556	11,745,996	12,078,819	12,419,187	12,772,266	13,134,228	13,508,248	13,891,509	14,288,197
NET OPERATIONS SAVINGS (COST)			(5,122,149)	(5,273,062)	(5,424,583)	(5,580,969)	(5,744,487)	(5,910,410)	(5,617,209)	(5,793,798)	(5,977,665)	(6,165,118)
GENERAL FUND TRANSFERS												
Base Transfer (Recurring)	**9.19%**	**Table 11-A**	**5,828,000**	**5,978,000**	**6,133,000**	**6,292,000**	**6,456,000**	**6,623,000**	**6,796,000**	**6,972,000**	**7,154,000**	**7,341,000**
Base Transfer (Construction)	**9.19%**	**Table 24**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Prop. B Adjustment	**$186**	**/res & emp.[1]**	**9,322,000**	**9,601,000**	**9,890,000**	**10,186,000**	**10,492,000**	**10,807,000**	**11,131,000**	**11,465,000**	**11,809,000**	**12,163,000**
Total Transfer			**15,150,000**	**15,579,000**	**16,023,000**	**16,478,000**	**16,948,000**	**17,430,000**	**17,927,000**	**18,437,000**	**18,963,000**	**19,504,000**
MTA BALANCE AFTER GF TRANSFER			10,028,000	10,306,000	10,598,000	10,897,000	11,204,000	11,520,000	12,310,000	12,643,000	12,985,000	13,339,000

Notes
[1] Table 22-B.
[2] Table 6.
[3] Table 16.

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\\SF-FS2\wp\19\19061\008\TI Analysis 8.15; kf

Table 21-A
ESTIMATE OF MTA IMPACTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS		2058-59	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
revenue appreciation[1]			3.56	3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
expense appreciation[1]			3.56	3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
residential units[2]			8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
residents[2]			16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
residents & employees (day & nightime population)[2]			18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
population build-out[2]			100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
SERVICE ASSUMPTIONS												
Transportation Phase	Table 22-A		8	8	8	8	8	8	8	8	8	8
Ridership Growth	Table 22-A		2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948	2,528,948
New Buses (Cumulative)	Table 22-A		6	6	6	6	6	6	6	6	6	6
			0	0	0	0	0	0	0	0	0	0
SERVICE COSTS												
Incremental Operating Costs	Table 22-A		20,657,201	21,276,917	21,915,225	22,572,681	23,249,862	23,947,358	24,665,778	25,405,752	26,167,924	26,952,962
Capital Cost (Buses)	Table 21-B		0	0	0	0	0	0	0	0	0	0
Facility Cost	Table 21-B		0	0	0	0	0	0	0	0	0	0
Other MTA	$21.08	/ res. & emp[1]	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781	397,781
Subtotal			21,054,982	21,674,698	22,313,005	22,970,462	23,647,643	24,345,138	25,063,559	25,803,532	26,565,705	27,350,743
REVENUES												
Farebox Revenues	$0.86	/trip[1]	7,729,372	7,961,253	8,200,091	8,446,093	8,699,476	8,960,460	9,229,274	9,506,152	9,791,337	10,085,077
Advertising	$3,503	/bus[1]	74,916	77,163	79,478	81,862	84,318	86,848	89,453	92,137	94,901	97,748
Prop K Sales Tax	Tables 12, 13 & 23		2,303,000	2,371,000	2,443,000	2,516,000	2,591,000	2,669,000	2,749,000	2,831,000	2,917,000	3,003,000
State Sales Tax (AB 1107)	Tables 12, 13 & 23		781,000	804,000	829,000	854,000	879,000	906,000	933,000	960,000	990,000	1,019,000
TDA Sales Tax	Tables 12, 13 & 23		3,125,000	3,218,000	3,315,000	3,414,000	3,517,000	3,621,000	3,730,000	3,843,000	3,958,000	4,076,000
State Transit Assistance	$41.97	/res[1]	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219	685,219
Subtotal			14,698,507	15,116,635	15,551,788	15,997,175	16,456,014	16,928,527	17,415,947	17,917,508	18,436,457	18,966,044
NET OPERATIONS SAVINGS (COST)			(6,356,475)	(6,558,063)	(6,761,218)	(6,973,287)	(7,191,629)	(7,416,611)	(7,647,613)	(7,886,024)	(8,129,248)	(8,384,698)
GENERAL FUND TRANSFERS												
Base Transfer (Recurring)	**9.19%**	**Table 11-A**	**7,532,000**	**7,623,000**	**7,563,000**	**7,664,000**	**7,777,000**	**7,721,000**	**7,841,000**	**7,824,000**	**8,037,000**	**8,256,000**
Base Transfer (Construction)	**9.19%**	**Table 24**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Prop. B Adjustment	**$186**	**/res & emp.[1]**	**12,528,000**	**12,904,000**	**13,291,000**	**13,689,000**	**14,100,000**	**14,523,000**	**14,959,000**	**15,408,000**	**15,870,000**	**16,346,000**
Total Transfer			**20,060,000**	**20,527,000**	**20,854,000**	**21,353,000**	**21,877,000**	**22,244,000**	**22,800,000**	**23,232,000**	**23,907,000**	**24,602,000**
MTA BALANCE AFTER GF TRANSFER			13,704,000	13,969,000	14,093,000	14,380,000	14,685,000	14,827,000	15,152,000	15,346,000	15,778,000	16,217,000

Notes
[1] Table 22-B.
[2] Table 6.
[3] Table 16.

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Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS		**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**
		expense appreciation[1]	1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
		residential units[2]	0	0	0	42	275	699	1,406	2,074	2,670	3,523	4,409
		residents[2]	0	0	0	109	658	1,613	3,087	4,457	5,671	7,366	9,181
		residents & employees (day & nightime population)[2]	0	0	0	128	724	1,736	3,443	4,872	6,185	8,287	10,162
		population build-out[2]	0.0%	0.0%	0.0%	0.7%	4.0%	9.9%	18.9%	27.3%	34.7%	45.1%	56.2%
CAPITAL COST DETAIL													
New Capital Costs													
New Buses Purchased	2	yrs. prior[1]	0	0	0	0	0	0	0	0	0	5	0
	$1,040,000	/bus[1]	0	0	0	0	0	0	0	0	0	6,784,821	0
New Facility Share[1]	$4,610,909		0	0	0	0	0	0	0	0	0	4,610,909	0
Amortized Costs[1]													
New Buses	5% interest	14 years	0	0	0	0	0	0	0	0	0	685,430	685,430
New Facility	5% interest	30 years	0	0	0	0	0	0	0	0	0	465,812	465,812

Notes
[1] Table 22-B.
[2] Table 6.

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Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

			BASIS	**2026-27**	**2027-28**	**2028-29**	**2029-30**	**2030-31**	**2031-32**	**2032-33**	**2033-34**	**2034-35**	**2035-36**	**2036-37**
			expense appreciation[1]	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
			residential units[2]	5,154	5,863	6,677	7,295	7,851	8,000	8,000	8,000	8,000	8,000	8,000
			residents[2]	10,689	12,111	13,734	14,952	16,043	16,326	16,326	16,326	16,326	16,326	16,326
			residents & employees (day & nightime population)[2]	11,721	13,897	15,576	17,449	18,577	18,870	18,870	18,870	18,870	18,870	18,870
			population build-out[2]	65.5%	74.2%	84.1%	91.6%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CAPITAL COST DETAIL														
New Capital Costs														
New Buses Purchased	2	yrs. prior[1]		0	0	0	1	0	0	0	0	0	0	0
	$1,040,000	/bus[1]		0	0	0	1,573,608	0	0	0	0	0	0	0
New Facility Share[1]	$4,610,909			0	0	0	0	0	0	0	0	0	0	0
Amortized Costs[1]														
New Buses	5% interest		14 years	685,430	685,430	685,430	844,402	844,402	844,402	844,402	844,402	844,402	844,402	844,402
New Facility	5% interest		30 years	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812

Notes
[1] Table 22-B.
[2] Table 6.

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Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

			BASIS	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
			expense appreciation[1]	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
			residential units[2]	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
			residents[2]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
			residents & employees (day & nightime population)[2]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
			population build-out[2]	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CAPITAL COST DETAIL														
New Capital Costs														
New Buses Purchased	2	yrs. prior[1]		0	0	0	0	0	0	0	0	0	0	0
	$1,040,000	/bus[1]		0	0	0	0	0	0	0	0	0	0	0
New Facility Share[1]	$4,610,909			0	0	0	0	0	0	0	0	0	0	0
Amortized Costs[1]														
New Buses	5% interest		14 years	844,402	158,972	158,972	158,972	158,972	158,972	0	0	0	0	0
New Facility	5% interest		30 years	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812	465,812

Notes
[1] Table 22-B.
[2] Table 6.

Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

			BASIS	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
			expense appreciation[1]	2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
			residential units[2]	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
			residents[2]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
			residents & employees (day & nightime population)[2]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
			population build-out[2]	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CAPITAL COST DETAIL														
New Capital Costs														
New Buses Purchased	2	yrs. prior[1]		0	0	0	0	0	0	0	0	0	0	0
	$1,040,000	/bus[1]		0	0	0	0	0	0	0	0	0	0	0
New Facility Share[1]	$4,610,909			0	0	0	0	0	0	0	0	0	0	0
Amortized Costs[1]														
New Buses	5% interest		14 years	0	0	0	0	0	0	0	0	0	0	0
New Facility	5% interest		30 years	465,812	465,812	465,812	465,812	465,812	465,812	0	0	0	0	0

Notes
[1] Table 22-B.
[2] Table 6.

Table 21-B
MTA IMPACTS: CAPITAL COST DETAIL
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS		2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
		expense appreciation[1]	3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
		residential units[2]	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
		residents[2]	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326	16,326
		residents & employees (day & nightime population)[2]	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870	18,870
		population build-out[2]	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CAPITAL COST DETAIL											
New Capital Costs											
New Buses Purchased	2	yrs. prior[1]	0	0	0	0	0	0	0	0	0
	$1,040,000	/bus[1]	0	0	0	0	0	0	0	0	0
New Facility Share[1]	$4,610,909		0	0	0	0	0	0	0	0	0
Amortized Costs[1]											
New Buses	5% interest	14 years	0	0	0	0	0	0	0	0	0
New Facility	5% interest	30 years	0	0	0	0	0	0	0	0	0

Notes
[1] Table 22-B.
[2] Table 6.

Table 22-A

MTA OPERATING COST ASSUMPTIONS[1]
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

PHASE	NEW UNITS		OPERATING COSTS (2010$) TRANSBAY	CIVIC CNTR.	TOTAL	OPERATING COSTS (2016$)	ANNUAL RIDERSHIP[2]	NUMBER OF BUSES	BUSES PURCHASED
	Up to:					Inflation Factor: 2%			
Existing	-	DU	$3,678,000	$0	$3,678,000	$4,142,025	474,500	4	
1	1,000	DU	$3,678,000	$0	$3,678,000	$4,142,025	484,483	4	-
2	2,000	DU	$3,842,000	$0	$3,842,000	$4,326,716	820,690	4	-
3	3,000	DU	$4,699,000	$0	$4,699,000	$5,291,837	1,156,897	4	-
4	4,000	DU	$3,767,000	$0	$3,767,000	$4,242,254	1,493,103	4	-
5	5,000	DU	$3,969,000	$0	$3,969,000	$4,469,739	1,975,862	9	5
6	6,000	DU	$3,969,000	$0	$3,969,000	$4,469,739	2,193,103	9	-
7	7,000	DU	$3,969,000	$3,996,000	$7,965,000	$8,969,884	2,513,793	9	-
8	8,000	DU	$4,828,000	$3,996,000	$8,824,000	$9,937,257	3,003,448	10	1

Notes

[1] Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011.

[2] Derived from EPS report based on farebox revenue projection, using factor of $.58 per rider.

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Table 22-B

MTA OPERATING EXPENSE AND REVENUE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

Global Escalation Assumption	3.0%	Per Year[1]	
2015 City/County Service Population Estimate	845,602	Resident Population[2]	
	613,200	Employment Base[2]	
	1,060,222	Service Population[2]	
	1,458,802	Day and Evening Population[2]	

I. EXPENSES

Operating Cost	***See Table 22-A***		
Other Muni Costs	$353,218	other MTA costs upon builld-out (2010$)[3]	
	2%	Inflation Factor	
	18,870	day and evening population upon build-out[4]	
	$17	per Resident/Employee (2010$)	
	$21	per Resident Employee (2016$)	
Capital Costs: Buses	$1,510,000	Cost Per Articulated Bus (2010$)[3]	
	$1,118,976	Direct Cost Per Articulated Bus (2016$)[5]	6 buses
	14%	Tax, Warranty, and Consultant Support[6]	
	$1,300,000	Total Cost Per Articulated Bus (2016$)	
	80%	Non-Project Funded[7]	
	$1,040,000	Net Non-Project Cost	
	2	years in advance of phase[7]	
	5%	Amoritization Rate[7]	
	14	Amoritization Period[7]	
Capital Costs: Islais Creek Motorcoach Facility	$90,750,000	Estimated Project Cost (2010$)[7]	
	$126,800,000	Estimated Project Cost (2016$)[8]	
	165	Bus Capacity of Facility[9]	
	$768,485	Per Bus	
	$4,610,909	Treasure Island Share	6 buses
	30	Amoritization Period[7]	
	5%	Annual Rate[7]	
	$299,946	Annual Payment	

Table 22-B

MTA OPERATING EXPENSE AND REVENUE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

II. REVENUE

Parking Tax (80% MTA Share)	0%	Excluded[10]
Proposition K Sales Tax	0.50%	Sales Tax[11]
	37%	Share Allocated to Transit - Sytem Maintenance and Renovation[11]
AB 1107 Sales Tax	0.50%	Sales Tax[12]
	12.50%	MTA Share[12]
TDA Sales Tax	0.25%	Sales Tax[12]
State Transit Assistance	$35,490,000	MTA Revenues FY16[13]
	845,602	Residents
	$41.97	Per Resident
Farebox Revenue	$182,280,000	Transit Fares FY16 [14]
	212,586,375	Annual Unlinked Passenger Trips [15]
	$0.86	Fare Revenue/Trip
Advertising	$5,390,000	Vehicle Advertising Revenues FY16 [13]
	769	Average Number of Vehicles Operating at Peak Demand [15]
	$7,005	Revenue per vehicle
	50%	Administrative Costs [7]
	$3,503	Net Revenue Per Vehicle

1 KMA assumption.

2 Table 7.

3 Per the report, "Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project," by Economic Planning Systems in May 2011. Reported to include annual maintenance of stop signs, signals, and bike lanes.

4 Table 6.

5 Derived from MTA Contract No. CPT 713 (Procurement of 40-Ft and 60-Ft Low Floor Diesel Hybrid Coaches) with New Flyer of America Inc. to purchase 61 articulated low floor buses, in an amount not to exceed $68.257,536.

6 Based on staff report accompanying amendment to Amendment No. 2 to Contract No. CPT 713 with New Flyer of America Inc.

7 Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011.

8 San Francisco County Transportation Authority, MUNI Modernization Projects Fact Sheet, July 2015. Cost in EPS report was estimated to be $89.9M (2006$).

9 San Francisco County Transportation Authority, MUNI Modernization Projects Fact Sheet, July 2015.

10 Per the report, Fiscal Analysis of the Treasure Island/Yerba Buena Island Development Project, by Economic Planning Systems in May 2011, parking will be under the jurisdiction of the Treasure Island Transportation Management Agency.

11 San Francisco County Transportation Authority. Prop K Expenditure Plan (last updated January 2016).

12 Metropolitan Transportation Commission. Resolution No. 4220. Annual Fund Estimate and proposed apportionment and distribution of $626 million in Transportation Development Act (TDA), State Transit Assistance (STA) Population-Based funds, Assembly Bill 1107 (AB 1107), and transit-related bridge toll funds for FY 2016-17.

13 SFMTA Adopted Operating Budget, FY2015-16.

14 SFMTA Adopted Operating Budget, FY2015-16. Excludes Cable Car Fares.

15 National Transit Database Monthly Data, February 2015-January 2016.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA
August 15, 2016

		MEASURE[1]	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
		expense appreciation[1]	1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
		Percent Buildout Population[2]	0%	0%	0%	1%	4%	10%	19%	27%	35%	45%	56%
LIBRARY EXPENSES													
Annual Operating	$222,958	2016$	0	0	0	0	0	0	89,000	183,000	282,000	291,000	300,000
Initial Capital Expense	$89,673	/yr (5 yrs.)	0	0	0	0	0	0	30,000	60,000	90,000	90,000	90,000
			0	0	0	0	0	0	119,000	243,000	372,000	381,000	390,000
(LESS) BASELINE TRANSFERS TO LIBRARY[3]			(8,000)	(40,000)	(95,000)	(128,000)	(165,000)	(262,000)	(322,000)	(372,000)	(534,000)	(617,000)	(643,000)
ADDITIONAL G.F SUPPORT REQUIRED			0	0	0	0	0	0	0	0	0	0	0
LIBRARY BALANCE			8,000	40,000	95,000	128,000	165,000	262,000	203,000	129,000	162,000	236,000	253,000
COMMUNITY FACILITIES EXPENSES													
Annual Operating	$375,888	2016$	0	0	0	0	0	0	150,000	308,000	476,000	490,000	505,000
Initial Capital Expense	$165,478	/yr (5 yrs.)	0	0	0	0	0	0	55,000	110,000	165,000	165,000	165,000
			0	0	0	0	0	0	205,000	418,000	641,000	655,000	670,000
TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES			0	0	0	0	0	0	205,000	418,000	641,000	655,000	670,000

Notes
[1] Table 16.
[2] Table 6.
[3] Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA — **August 15, 2016**

	MEASURE[1]	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
	expense appreciation[1]	1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81	1.86
	Percent Buildout Population[2]	65%	74%	84%	92%	98%	100%	100%	100%	100%	100%	100%
LIBRARY EXPENSES												
Annual Operating	$222,958 2016$	309,000	318,000	327,000	337,000	347,000	358,000	369,000	380,000	391,000	403,000	415,000
Initial Capital Expense	$89,673 /yr (5 yrs.)	90,000	0	0	0	0	0	0	0	0	0	0
		399,000	318,000	327,000	337,000	347,000	358,000	369,000	380,000	391,000	403,000	415,000
(LESS) BASELINE TRANSFERS TO LIBRARY[3]		(761,000)	(821,000)	(845,000)	(911,000)	(957,000)	(927,000)	(944,000)	(991,000)	(1,016,000)	(1,042,000)	(1,069,000)
ADDITIONAL G.F SUPPORT REQUIRED		0	0	0	0	0	0	0	0	0	0	0
LIBRARY BALANCE		362,000	503,000	518,000	574,000	610,000	569,000	575,000	611,000	625,000	639,000	654,000
COMMUNITY FACILITIES EXPENSES												
Annual Operating	$375,888 2016$	520,000	536,000	552,000	569,000	586,000	603,000	621,000	640,000	659,000	679,000	699,000
Initial Capital Expense	$165,478 /yr (5 yrs.)	165,000	0	0	0	0	0	0	0	0	0	0
		685,000	536,000	552,000	569,000	586,000	603,000	621,000	640,000	659,000	679,000	699,000
TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES		685,000	536,000	552,000	569,000	586,000	603,000	621,000	640,000	659,000	679,000	699,000

Notes
[1] Table 16.
[2] Table 6.
[3] Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2037-38	2038-39	2039-40	2040-41	2041-42	2042-43	2043-44	2044-45	2045-46	2046-47	2047-48
	expense appreciation[1]	1.92	1.97	2.03	2.09	2.16	2.22	2.29	2.36	2.43	2.50	2.58
	Percent Buildout Population[2]	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
LIBRARY EXPENSES												
Annual Operating	$222,958 2016$	427,000	440,000	453,000	467,000	481,000	495,000	510,000	525,000	541,000	557,000	574,000
Initial Capital Expense	$89,673 /yr (5 yrs.)	0	0	0	0	0	0	0	0	0	0	0
		427,000	440,000	453,000	467,000	481,000	495,000	510,000	525,000	541,000	557,000	574,000
(LESS) BASELINE TRANSFERS TO LIBRARY[3]		(1,096,000)	(1,124,000)	(1,153,000)	(1,182,000)	(1,213,000)	(1,244,000)	(1,276,000)	(1,309,000)	(1,342,000)	(1,377,000)	(1,413,000)
ADDITIONAL G.F SUPPORT REQUIRED		0	0	0	0	0	0	0	0	0	0	0
LIBRARY BALANCE		669,000	684,000	700,000	715,000	732,000	749,000	766,000	784,000	801,000	820,000	839,000
COMMUNITY FACILITIES EXPENSES												
Annual Operating	$375,888 2016$	720,000	742,000	764,000	787,000	811,000	835,000	860,000	886,000	912,000	940,000	968,000
Initial Capital Expense	$165,478 /yr (5 yrs.)	0	0	0	0	0	0	0	0	0	0	0
		720,000	742,000	764,000	787,000	811,000	835,000	860,000	886,000	912,000	940,000	968,000
TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES		720,000	742,000	764,000	787,000	811,000	835,000	860,000	886,000	912,000	940,000	968,000

Notes
[1] Table 16.
[2] Table 6.
[3] Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2048-49	2049-50	2050-51	2051-52	2052-53	2053-54	2054-55	2055-56	2056-57	2057-58	2058-59
	expense appreciation[1]	2.65	2.73	2.81	2.90	2.99	3.07	3.17	3.26	3.36	3.46	3.56
	Percent Buildout Population[2]	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
LIBRARY EXPENSES												
Annual Operating	$222,958 2016$	591,000	609,000	627,000	646,000	666,000	686,000	706,000	727,000	749,000	772,000	795,000
Initial Capital Expense	$89,673 /yr (5 yrs.)	0	0	0	0	0	0	0	0	0	0	0
		591,000	609,000	627,000	646,000	666,000	686,000	706,000	727,000	749,000	772,000	795,000
(LESS) BASELINE TRANSFERS TO LIBRARY[3]		(1,449,000)	(1,487,000)	(1,525,000)	(1,565,000)	(1,605,000)	(1,647,000)	(1,690,000)	(1,734,000)	(1,779,000)	(1,825,000)	(1,873,000)
ADDITIONAL G.F SUPPORT REQUIRED		0	0	0	0	0	0	0	0	0	0	0
LIBRARY BALANCE		858,000	878,000	898,000	919,000	939,000	961,000	984,000	1,007,000	1,030,000	1,053,000	1,078,000
COMMUNITY FACILITIES EXPENSES												
Annual Operating	$375,888 2016$	997,000	1,027,000	1,058,000	1,089,000	1,122,000	1,156,000	1,190,000	1,226,000	1,263,000	1,301,000	1,340,000
Initial Capital Expense	$165,478 /yr (5 yrs.)	0	0	0	0	0	0	0	0	0	0	0
		997,000	1,027,000	1,058,000	1,089,000	1,122,000	1,156,000	1,190,000	1,226,000	1,263,000	1,301,000	1,340,000
TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES		997,000	1,027,000	1,058,000	1,089,000	1,122,000	1,156,000	1,190,000	1,226,000	1,263,000	1,301,000	1,340,000

Notes
[1] Table 16.
[2] Table 6.
[3] Table 11-A.

Table 23
LIBRARY/ COMMUNITY FACILITY EXPENSES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	MEASURE[1]	2059-60	2060-61	2061-62	2062-63	2063-64	2064-65	2065-66	2066-67	2067-68
	expense appreciation[1]	3.67	3.78	3.90	4.01	4.13	4.26	4.38	4.52	4.65
	Percent Buildout Population[2]	100%	100%	100%	100%	100%	100%	100%	100%	100%
LIBRARY EXPENSES										
Annual Operating	$222,958 2016$	819,000	843,000	868,000	894,000	921,000	949,000	977,000	1,007,000	1,037,000
Initial Capital Expense	$89,673 /yr (5 yrs.)	0	0	0	0	0	0	0	0	0
		819,000	843,000	868,000	894,000	921,000	949,000	977,000	1,007,000	1,037,000
(LESS) BASELINE TRANSFERS TO LIBRARY[3]		(1,896,000)	(1,881,000)	(1,906,000)	(1,934,000)	(1,920,000)	(1,950,000)	(1,946,000)	(1,998,000)	(2,053,000)
ADDITIONAL G.F SUPPORT REQUIRED		0	0	0	0	0	0	0	0	0
LIBRARY BALANCE		1,077,000	1,038,000	1,038,000	1,040,000	999,000	1,001,000	969,000	991,000	1,016,000
COMMUNITY FACILITIES EXPENSES										
Annual Operating	$375,888 2016$	1,380,000	1,421,000	1,464,000	1,508,000	1,553,000	1,600,000	1,648,000	1,697,000	1,748,000
Initial Capital Expense	$165,478 /yr (5 yrs.)	0	0	0	0	0	0	0	0	0
		1,380,000	1,421,000	1,464,000	1,508,000	1,553,000	1,600,000	1,648,000	1,697,000	1,748,000
TOTAL LIBRARY/COMM. FACILITIES GEN. FUND EXPENSES		1,380,000	1,421,000	1,464,000	1,508,000	1,553,000	1,600,000	1,648,000	1,697,000	1,748,000

Notes
[1] Table 16.
[2] Table 6.
[3] Table 11-A.

Table 24

CONSTRUCTION REVENUE SUMMARY
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	SET ASIDE[2]	Fiscal Year: July 1 - June 30 2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
CONSTRUCTION REVENUES (GROSS)[1]												
Discretionary												
Transfer Tax On Initial Pad & Unit Sales		116,000	1,118,000	2,826,000	3,644,000	4,095,000	8,133,000	6,693,000	5,460,000	8,997,000	9,764,000	8,337,000
Gross Receipts Taxes / Construction		28,000	175,000	554,000	1,115,000	1,619,000	1,275,000	1,256,000	2,215,000	2,078,000	2,072,000	2,064,000
Payroll Tax / Construction		111,000	226,000	237,000	0	0	0	0	0	0	0	0
Construction Sales Tax (General)		80,000	250,000	530,000	800,000	1,160,000	910,000	900,000	1,580,000	1,480,000	1,480,000	1,470,000
Subtotal-Discretionary		335,000	1,769,000	4,147,000	5,559,000	6,874,000	10,318,000	8,849,000	9,255,000	12,555,000	13,316,000	11,871,000
Construction Sales Tax (Public Safety)		40,000	125,000	265,000	400,000	580,000	455,000	450,000	790,000	740,000	740,000	735,000
TOTAL		375,000	1,894,000	4,412,000	5,959,000	7,454,000	10,773,000	9,299,000	10,045,000	13,295,000	14,056,000	12,606,000
CONSTRUCTION REVENUES (NET OF SET-ASIDES)												
Discretionary	*20% set aside*											
Transfer Tax On Initial Pad & Unit Sales		93,000	892,000	2,254,000	2,907,000	3,266,000	6,487,000	5,339,000	4,355,000	7,176,000	7,788,000	6,650,000
Gross Receipts Taxes / Construction		22,000	140,000	442,000	889,000	1,291,000	1,017,000	1,002,000	1,767,000	1,657,000	1,653,000	1,646,000
Payroll Tax / Construction		89,000	180,000	189,000	0	0	0	0	0	0	0	0
Construction Sales Tax (General)		64,000	199,000	423,000	638,000	925,000	726,000	718,000	1,260,000	1,181,000	1,181,000	1,173,000
Subtotal-Discretionary		268,000	1,411,000	3,308,000	4,434,000	5,482,000	8,230,000	7,059,000	7,382,000	10,014,000	10,622,000	9,469,000
Construction Sales Tax (Public Safety)	*0% set aside*	40,000	125,000	265,000	400,000	580,000	455,000	450,000	790,000	740,000	740,000	735,000
TOTAL NET		308,000	1,536,000	3,573,000	4,834,000	6,062,000	8,685,000	7,509,000	8,172,000	10,754,000	11,362,000	10,204,000
BASELINE SET-ASIDES												
MTA	*9.2% of ADR*	31,000	163,000	381,000	511,000	632,000	949,000	813,000	851,000	1,154,000	1,224,000	1,091,000
Library	*2.3% of ADR*	8,000	40,000	95,000	127,000	157,000	236,000	202,000	212,000	287,000	304,000	271,000
Children's Services	*8.8% of ADR*	29,000	155,000	363,000	487,000	602,000	904,000	775,000	810,000	1,099,000	1,166,000	1,040,000
TOTAL		68,000	358,000	839,000	1,125,000	1,391,000	2,089,000	1,790,000	1,873,000	2,540,000	2,694,000	2,402,000

Notes:

[1] Tables 25 and 26.
[2] Table 10.

Table 24

CONSTRUCTION REVENUE SUMMARY
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	SET ASIDE[2]	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-2033	2033-34	2034-35	2035-36
CONSTRUCTION REVENUES (GROSS)[1]											
Discretionary											
Transfer Tax On Initial Pad & Unit Sales		10,381,000	8,672,000	6,491,000	6,487,000	6,120,000	1,840,000	0	0	0	0
Gross Receipts Taxes / Construction		1,886,000	1,780,000	1,679,000	498,000	0	0	0	0	0	0
Payroll Tax / Construction		0	0	0	0	0	0	0	0	0	0
Construction Sales Tax (General)		1,350,000	1,270,000	1,200,000	360,000	0	0	0	0	0	0
Subtotal-Discretionary		13,617,000	11,722,000	9,370,000	7,345,000	6,120,000	1,840,000	0	0	0	0
Construction Sales Tax (Public Safety)		675,000	635,000	600,000	180,000	0	0	0	0	0	0
TOTAL		14,292,000	12,357,000	9,970,000	7,525,000	6,120,000	1,840,000	0	0	0	0
CONSTRUCTION REVENUES (NET OF SET-ASIDES)											
Discretionary	*20% set aside*										
Transfer Tax On Initial Pad & Unit Sales		8,280,000	6,917,000	5,177,000	5,174,000	4,882,000	1,468,000	0	0	0	0
Gross Receipts Taxes / Construction		1,504,000	1,420,000	1,339,000	397,000	0	0	0	0	0	0
Payroll Tax / Construction		0	0	0	0	0	0	0	0	0	0
Construction Sales Tax (General)		1,077,000	1,013,000	957,000	287,000	0	0	0	0	0	0
Subtotal-Discretionary		10,861,000	9,350,000	7,473,000	5,858,000	4,882,000	1,468,000	0	0	0	0
Construction Sales Tax (Public Safety)	*0% set aside*	675,000	635,000	600,000	180,000	0	0	0	0	0	0
TOTAL NET		11,536,000	9,985,000	8,073,000	6,038,000	4,882,000	1,468,000	0	0	0	0
BASELINE SET-ASIDES											
MTA	*9.2% of ADR*	1,252,000	1,078,000	861,000	675,000	563,000	169,000	0	0	0	0
Library	*2.3% of ADR*	311,000	268,000	214,000	168,000	140,000	42,000	0	0	0	0
Children's Services	*8.8% of ADR*	1,192,000	1,026,000	821,000	643,000	536,000	161,000	0	0	0	0
TOTAL		2,755,000	2,372,000	1,896,000	1,486,000	1,239,000	372,000	0	0	0	0

Notes:

1 Tables 25 and 26.
2 Table 10.

Table 25

SELECT CONSTRUCTION REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	vertical cost appreciation[1]		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
I. TRANSFER TAX ON INITIAL PAD & UNIT SALES													
Initial Site Acquisition ($000s)[2]	65,180		5,780	7,480	7,260	7,040	6,820	6,600	6,380	6,160	5,940	5,720	0
Residential Pad Sales ($000s)[2]	1,587,731		0	48,416	134,038	146,521	82,922	220,295	119,754	80,440	188,283	167,079	85,376
Hotel Pad Sales ($000s)[2]			0	0	0	2,500	0	3,500	0	0	0	0	0
Residential Unit Sales ($000s)[2]													
Market	8,726,532		0	0	0	69,074	304,051	465,567	549,832	491,288	675,686	834,975	877,645
BMR	79,999		0	0	0	669	3,092	4,919	6,754	6,348	6,538	6,734	6,937
Total Transfer Tax													
Initial Purchase	$20.00	/$1,000	116,000	150,000	145,000	141,000	136,000	132,000	128,000	123,000	119,000	114,000	0
Residential Pad Sales	$20.00	/$1,000	0	968,000	2,681,000	2,930,000	1,658,000	4,406,000	2,395,000	1,609,000	3,766,000	3,342,000	1,708,000
Hotel Pad Sales	$20.00	/$1,000	0	0	0	50,000	0	70,000	0	0	0	0	0
Residential Home Sales (Market)	$7.50	/$1,000	0	0	0	518,000	2,280,000	3,492,000	4,124,000	3,685,000	5,068,000	6,262,000	6,582,000
Residential Home Sales (BMR)	$6.80	/$1,000	0	0	0	5,000	21,000	33,000	46,000	43,000	44,000	46,000	47,000
Total			116,000	1,118,000	2,826,000	3,644,000	4,095,000	8,133,000	6,693,000	5,460,000	8,997,000	9,764,000	8,337,000
II. GROSS RECEIPTS TAXES / CONSTRUCTION													
Contractor Gross Receipts ($000s)[2]													
Horizontal Hard Costs Costs	785,578	hard cost	31,951	100,248	104,571	67,900	33,562	27,436	57,407	94,785	87,665	66,084	69,686
Vertical Costs													
Residential													
YBI Townhomes	1,041	cost/du	0	0	40,936	84,329	86,858	37,277	0	0	0	0	0
TI Townhomes	831	cost/du	0	0	0	31,814	57,828	6,949	0	36,861	16,271	67,038	47,184
Flats	605	cost/du	0	0	65,367	134,657	138,696	142,857	147,143	151,557	156,104	160,787	165,611
Neighborhood Tower	677	cost/du	0	0	0	0	145,531	149,897	154,394	159,026	163,797	168,711	173,772
High Rise	780	cost/du	0	0	0	0	0	0	0	122,084	125,747	129,519	133,405
Branded Condo	752	cost/du	0	0	0	0	0	0	0	68,587	44,153	0	0
Subtotal -Vertical			0	0	106,303	250,800	428,914	336,980	301,537	538,115	506,072	526,055	519,971
Total Gross Receipts			31,951	100,248	210,875	318,700	462,476	364,416	358,944	632,899	593,737	592,139	589,657
Phase-In Rate			25%	50%	75%	100%	100%	100%	100%	100%	100%	100%	100%
Total Gross Receipts Tax	$3.50	/$1,000	28,000	175,000	554,000	1,115,000	1,619,000	1,275,000	1,256,000	2,215,000	2,078,000	2,072,000	2,064,000
III. PAYROLL TAXES/CONSTRUCTION													
Payroll ($000s)	40%	hard cost	12,780	40,099	84,350	127,480	184,990	145,766	143,577	253,160	237,495	236,856	235,863
Payroll Adjusted ($000s)	25%	exemption	9,585	30,074	63,262	95,610	138,743	109,325	107,683	189,870	178,121	177,642	176,897
Rate			1.162%	0.8%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Payroll Taxes			111,000	226,000	237,000	0	0	0	0	0	0	0	0

Notes
[1] Table 10.
[2] TICD Pro Forma (March 2016).

Table 25

SELECT CONSTRUCTION REVENUE ESTIMATES
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

	BASIS[1]		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
	vertical cost appreciation[1]		1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81
I. TRANSFER TAX ON INITIAL PAD & UNIT SALES												
Initial Site Acquisition ($000s)[2]	65,180		0	0	0	0	0	0	0	0	0	0
Residential Pad Sales ($000s)[2]	1,587,731		191,940	113,081	9,586	0	0	0	0	0	0	0
Hotel Pad Sales ($000s)[2]			0	0	0	0	0	0	0	0	0	0
Residential Unit Sales ($000s)[2]												
Market	8,726,532		865,778	848,007	832,925	857,912	809,672	244,121	0	0	0	0
BMR	79,999		7,145	7,359	7,580	7,807	6,866	1,251	0	0	0	0
Total Transfer Tax												
Initial Purchase	$20.00	/$1,000	0	0	0	0	0	0	0	0	0	0
Residential Pad Sales	$20.00	/$1,000	3,839,000	2,262,000	192,000	0	0	0	0	0	0	0
Hotel Pad Sales	$20.00	/$1,000	0	0	0	0	0	0	0	0	0	0
Residential Home Sales (Market)	$7.50	/$1,000	6,493,000	6,360,000	6,247,000	6,434,000	6,073,000	1,831,000	0	0	0	0
Residential Home Sales (BMR)	$6.80	/$1,000	49,000	50,000	52,000	53,000	47,000	9,000	0	0	0	0
Total			10,381,000	8,672,000	6,491,000	6,487,000	6,120,000	1,840,000	0	0	0	0
II. GROSS RECEIPTS TAXES / CONSTRUCTION												
Contractor Gross Receipts ($000s)[2]												
Horizontal Hard Costs Costs	785,578	hard cost	29,491	6,951	7,263	579	0	0	0	0	0	0
Vertical Costs												
Residential												
YBI Townhomes	1,041	cost/du	0	0	0	0	0	0	0	0	0	0
TI Townhomes	831	cost/du	22,522	0	0	0	0	0	0	0	0	0
Flats	605	cost/du	170,579	175,696	136,668	0	0	0	0	0	0	0
Neighborhood Tower	677	cost/du	178,985	184,355	189,885	72,800	0	0	0	0	0	0
High Rise	780	cost/du	137,407	141,529	145,775	68,818	0	0	0	0	0	0
Branded Condo	752	cost/du	0	0	0	0	0	0	0	0	0	0
Subtotal -Vertical			509,493	501,580	472,328	141,618	0	0	0	0	0	0
Total Gross Receipts			538,984	508,531	479,591	142,197	0	0	0	0	0	0
Phase-In Rate			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total Gross Receipts Tax	$3.50	/$1,000	1,886,000	1,780,000	1,679,000	498,000	0	0	0	0	0	0
III. PAYROLL TAXES/CONSTRUCTION												
Payroll ($000s)	40%	hard cost	215,593	203,413	191,836	56,879	0	0	0	0	0	0
Payroll Adjusted ($000s)	25%	exemption	161,695	152,559	143,877	42,659	0	0	0	0	0	0
Rate			0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Payroll Taxes			0	0	0	0	0	0	0	0	0	0

Notes
[1] Table 10.
[2] TICD Pro Forma (March 2016).

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Table 26

CONSTRUCTION-RELATED SALES TAX REVENUE
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS[1]		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	vertical cost appreciation[1]		1.00	1.03	1.06	1.09	1.13	1.16	1.19	1.23	1.27	1.30	1.34
CONSTRUCTION-RELATED SALES TAX													
Taxable material sales/use ($000s)[2]	50%	hard cost	15,980	50,120	105,440	159,350	231,240	182,210	179,470	316,450	296,870	296,070	294,830
CCSF as Point of Sale	50%	of materials	8,000	25,000	53,000	80,000	116,000	91,000	90,000	158,000	148,000	148,000	147,000
Sales Tax (General)	1.0%	tax rate	80,000	250,000	530,000	800,000	1,160,000	910,000	900,000	1,580,000	1,480,000	1,480,000	1,470,000
Public Safety Sales Tax	0.5%	tax rate	40,000	125,000	265,000	400,000	580,000	455,000	450,000	790,000	740,000	740,000	735,000
SALES TAXES- OTHER FUNDS													
Proposition K													
System Maintenance (DPW)	0.0500%	tax[1]	4,000	13,000	27,000	40,000	58,000	46,000	45,000	79,000	74,000	74,000	74,000
System Maintenance (Transit)	0.1842%	tax[3]	15,000	46,000	98,000	147,000	214,000	168,000	166,000	291,000	273,000	273,000	271,000
AB 1107 (MTA)	0.0625%	tax[3]	5,000	16,000	33,000	50,000	73,000	57,000	56,000	99,000	93,000	93,000	92,000
TDA (MTA)	0.2500%	tax[3]	20,000	63,000	133,000	200,000	290,000	228,000	225,000	395,000	370,000	370,000	368,000

[1] Table 10.
[2] Hard cost: Table 23-a.
[3] Table 22-B.

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Table 26

CONSTRUCTION-RELATED SALES TAX REVENUE
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA

August 15, 2016

	BASIS[1]		2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
	vertical cost appreciation[1]		1.38	1.43	1.47	1.51	1.56	1.60	1.65	1.70	1.75	1.81
CONSTRUCTION-RELATED SALES TAX												
Taxable material sales/use ($000s)[2]	50%	hard cost	269,490	254,270	239,800	71,100	0	0	0	0	0	0
CCSF as Point of Sale	50%	of materials	135,000	127,000	120,000	36,000	0	0	0	0	0	0
Sales Tax (General)	1.0%	tax rate	1,350,000	1,270,000	1,200,000	360,000	0	0	0	0	0	0
Public Safety Sales Tax	0.5%	tax rate	675,000	635,000	600,000	180,000	0	0	0	0	0	0
SALES TAXES- OTHER FUNDS												
Proposition K												
System Maintenance (DPW)	0.0500%	tax[1]	68,000	64,000	60,000	18,000	0	0	0	0	0	0
System Maintenance (Transit)	0.1842%	tax[3]	249,000	234,000	221,000	66,000	0	0	0	0	0	0
AB 1107 (MTA)	0.0625%	tax[3]	84,000	79,000	75,000	23,000	0	0	0	0	0	0
TDA (MTA)	0.2500%	tax[3]	338,000	318,000	300,000	90,000	0	0	0	0	0	0

[1] Table 10.
[2] Hard cost: Table 23-a.
[3] Table 22-B.

Appendix Table A - 1
SUMMARY OF CITY AND COUNTY OF SAN FRANCISCO REVENUE SOURCES IN FY2015/16
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

GENERAL FUND REVENUE CATEGORY	FY 2015/16 BUDGET	BASIS OF PROJECTION
Regular Revenues Included in the Analysis		
Taxes		
Possessory Interest/Property Tax	$1,044,519,000	Based on AV, less IFD share
Property Tax In Lieu of Vehicle License Fee	$201,490,000	Based on AV, less IFD share
Property Transfer Tax	$275,280,000	Estimated property sales, City tax rate
Sales and Use Tax	$172,937,000	Estimated taxable sales, City tax rate
Telephone Users Tax	$49,190,000	Per resident/employee
Access Line Tax	$45,594,000	Per resident/employee
Water Users Tax	$3,740,000	Per employee
Gas Electric Steam Users Tax	$40,620,000	Per employee
Gross Receipts Tax	$173,795,000	Estimated gross receipts, City tax rate
Business Registration Tax	$44,952,000	Number of businesses, City tax rate
Hotel Room Tax	$384,090,000	Estimated room rate revenues, City tax rate
Property Tax In Lieu of Sales and Use Tax	$28,000,000	Included in sales tax estimate
	$2,464,207,000	
Deducted from Service Costs		
Other Revenues		
Charges for Services (Departmental)	$205,163,294	Deduct from corresponding departments
Rents and Concessions	$15,431,961	Deduct from corresponding departments
	$220,595,255	
Regular Revenes Excluded from the Analysis		
Taxes		
Property Tax Increment Pass Through	$16,991,000	independent of analysis
Parking Tax	$89,727,000	independent of analysis
Payroll Tax	$416,233,000	To be phased out by FY18
Stadium Admission Tax	$1,357,000	independent of analysis
Licenses, Permits, and Franchise Fees	$26,642,891	independent of analysis
Fines, Forfeitures and Penalties	$4,577,144	independent of analysis
Other Revenues		
Charges for Services (Unallocated)	$10,321,467	independent of analysis
Other Intergovernmental (Federal and State)	$900,530,545	independent of analysis
Intergovernmental-Other **	$3,656,488	independent of analysis
Other Revenues **	$31,084,070	independent of analysis
Interest and Investment Income	$10,680,000	independent of analysis
Other Financing Sources	$917,500	independent of analysis
	$1,512,718,105	
Total Regular GF Revenues	**$4,197,520,360**	

Appendix Table A - 1
SUMMARY OF CITY AND COUNTY OF SAN FRANCISCO REVENUE SOURCES IN FY2015/16
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

GENERAL FUND REVENUE CATEGORY	FY 2015/16 BUDGET	BASIS OF PROJECTION
Other Revenue Adjustments (Excluded)		independent of analysis
Total GF Revenues		
Gross		
Prior Year Balance	$180,179,205	
Fund Reserve	$3,070,000	
Transfers Into General Fund	$206,782,461	
	$4,587,552,026	
w/ Intrafund Transfers, Expenditure Recovery	$126,691,499	
	$4,714,243,525	
Net		
(Less) Transfer Adjustments	($1,056,306,837)	
	$3,657,936,688	
Net GF Revenues + Related Funds		
Revenues Diverted to Related Funds	$661,824,552	
Net GF Revenues + Related Funds	**$4,319,761,240**	
Special Revenue Funds		
Gas Tax	**$16,903,154**	deduct from Public Works expense

Source: City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.

Appendix Table A - 2
SUMMARY OF CITY AND COUNTY OF SAN FRANCISCO BUDGET EXPENDITURES IN FY2015/16
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

GENERAL FUND EXPENDITURES	NET GF EXPENDITURES	RELATED FUND ALLOCATION	NET GF & RELATED EXPENDITURES	(LESS) GF REVENUE OFFSETS	TOTAL INCLUDED
General Administration and Finance					
Elections	$18,531,335	$0	$18,531,335	($124,704)	$18,406,631
Assessor/Recorder	$20,975,395	$0	$20,975,395	($2,430,000)	$18,545,395
311	$5,263,041	$0	$5,263,041	$0	$5,263,041
Other Admin	$242,101,446	$0	$242,101,446	($43,193,183)	$198,908,263
Public Safety					
Fire	$329,039,381	$0	$329,039,381	($45,403,391)	$283,635,990
Police	$477,297,830	$0	$477,297,830	($5,257,584)	$472,040,246
911	$53,824,447	$0	$53,824,447	($2,170)	$53,822,277
Other Public Protection	$363,819,538	$0	$363,819,538	($2,871,291)	$360,948,247
Public Health	$787,554,393	$292,124,552	$1,079,678,945	($67,302,676)	$1,012,376,269
Public Works	$131,323,606	$0	$131,323,606	($17,107,888)	$114,215,718
Human Welfare & Nbdhd. Development	$857,055,062	$30,100,000	$887,155,062	($1,541,000)	$885,614,062
Culture and Recreation					
Recreation and Park	$94,741,098	$0	$94,741,098	($33,455,230)	$61,285,868
Libraries	$1,611,832	$67,600,000	$69,211,832	$0	$69,211,832
Other Culture and Recreation	$40,708,598	$0	$40,708,598	($797,534)	$39,911,064
Transportation & Economic Development	$30,221,216	$272,000,000	$302,221,216	($72,890,204)	$229,331,012
General City Responsibility					
City Responsibility	$203,868,470	$0	$203,868,470	($17,945,400)	$185,923,070
GF Unallocated	$0	$0	$0	$0	$0
Total	**$3,657,936,688**	**$661,824,552**	**$4,319,761,240**	**($310,322,255)**	**$4,009,438,985**
Regular Net Expenditures					
(Less) Capital Projects	(117,580,504)				
(Less) Facilities Maintenance	(7,925,826)				
(Less) Reserves	(66,987,198)				
	3,465,443,160				

Source: City and County of San Francisco. Budget and Appropriation Ordinance. Fiscal Year Ending June 30, 2016.

Appendix Table A - 3
ESTIMATED OFF-SITE TAXABLE SALES TO BE GENERATED BY TREASURE ISLAND RESIDENTS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA
August 15, 2016

	YBI Townhomes	TI Townhomes	Flats	Neighbhd. Tower	Highrise	Branded Condo	Rental[1]	TIDA
Share of Units[2]								
Market	95%	100%	95%	95%	100%	100%	86%	0%
BMR	5%	0%	5%	5%	0%	0%	14%	100%
Average Price[3]								
Market	$1,790,000	$1,410,000	$1,037,000	$1,202,000	$1,377,000	$1,140,000	n/a	n/a
BMR	$346,753	$352,908	$287,765	$226,219	$226,219	$175,031	n/a	n/a
Weighted	$1,721,000	$1,410,000	$996,000	$1,152,000	$1,377,000	$1,140,000	n/a	n/a
Mort.%[4]	0.8	0.8	0.8	0.8	0.8	0.8	n/a	n/a
Mortgage[4]	$1,376,800	$1,128,000	$796,800	$921,600	$1,101,600	$912,000	n/a	n/a
Annual Mortgage[4]	$105,432	$86,379	$61,017	$70,574	$84,358	$69,839	n/a	n/a
Property taxes[4]	$19,690	$15,510	$11,407	$13,222	$15,147	$12,540	n/a	n/a
HOA Dues[4]	$4,800	$4,800	$4,800	$4,800	$4,800	$4,800	n/a	n/a
Insurance[4]	$250	$250	$250	$250	$250	$250	n/a	n/a
Total Annual Hsg. Costs	$130,172	$106,939	$77,474	$88,846	$104,555	$87,429	$44,400	$21,600
Housing Costs as % of Inc.[4]	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
Annual Income	$371,919	$305,541	$221,354	$253,845	$298,728	$249,796	$126,857	$61,714
Expenditures as % Income (Excl. Housing)[5]	0.44	0.44	0.44	0.44	0.44	0.44	0.57	0.65
Taxable Share[5]	0.32	0.32	0.32	0.32	0.32	0.32	0.36	0.42
Taxable Expend	$52,036	$42,749	$30,970	$35,516	$41,796	$34,950	$26,377	$17,002
San Francisco Capture[6]	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80
Taxable Sales - San Francisco	$41,629	$34,199	$24,776	$28,413	$33,437	$27,960	$21,101	$13,601

Notes

[1] KMA has estimated rental housing costs based on unit types.
[2] Table 3.
[3] TICD Pro Forma (March 2016).
[4] KMA assumption.
[5] Derived from Table 2301 of Consumer Expenditure Survey, 2014, which establishes annual expenditures for higher-income groups. Assumes 80% of retail goods taxable, per BOE.
[6] Based on retail leakage analysis using state BOE data for 2013-14 in comparison with San Francisco resident expenditure potential.

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Appendix Table A - 4
HOUSEHOLD SIZE ASSUMPTIONS
FISCAL IMPACT ANALYSIS
TREASURE ISLAND REDEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO, CA **August 15, 2016**

Unit Type	Tenancy	Neighborhood	Avg. HH Size[1]
Yerba Buena Island Townhomes	Owner-Occupied	San Francisco (Citywide)	2.71
Treasure Island Townhomes	Owner-Occupied	San Francisco (Citywide)	2.71
Flats (Low Rise (4-5 stories))	All Units	Mission Bay	2.03
Neighborhood Tower (15-20 stories)	All Units	Mission Bay	2.03
High Rise (23+ stories)	All Units	Rincon Hill	1.65
Branded condo with hotel services	All Units	Rincon Hill	1.65
For Rent Units	Renter-Occupied	San Francisco (Citywide)	2.10
TIDA (BMR)	Renter-Occupied	San Francisco (Citywide)	2.10

Notes
[1] Source: American Community Survey 2010-2014, for select block groups within San Francisco.

FACILITIES TO BE PROVIDED BY THE PRIVATE SECTOR:

Facility	Estimated Project Costs	Costs + 50% Contingency (1)	Estimated Timing	Estimated Location
Acquisition	65,180,000	65,180,000	2015-2024	Entire Project
Abatement & Hazardous Soil Removal	72,513,615	108,770,422	2016-2025	Entire Project
Demolition	65,380,042	98,070,064	2016-2025	Entire Project
Supplemental Fire Water Supply System	10,012,998	15,019,498	2019-2020	Entire Project
Low Pressure Water	33,202,333	49,803,499	2016-2025	Entire Project
Water Tank Facilities	26,817,949	40,226,923	2016-2017	Entire Project
Recycled Water	16,174,120	24,261,180	2016-2027	Entire Project
Storm Drainage System	55,228,259	82,842,389	2016-2027	Entire Project
Separated Sanity Sewer	56,517,810	84,776,715	2016-2027	Entire Project
Joint Trench	40,308,677	60,463,015	2016-2027	Entire Project
Earthwork	254,464,925	381,697,388	2016-2027	Entire Project
Retaining Walls	5,218,564	7,827,847	2016-2027	Entire Project
Highway Ramps, Roadways, Pathways, Curb, & Gutter	70,054,009	105,081,013	2016-2027	Entire Project
Traffic	17,502,045	26,253,068	2016-2027	Entire Project
Streetscape	34,359,622	51,539,433	2016-2029	Entire Project
Shoreline Improvements	13,247,420	19,871,129	2016-2027	Entire Project
Parks	134,760,285	202,140,427	2017-2029	Entire Project
Ferry Terminal	61,014,632	91,521,948	2019-2026	Entire Project
Other Hard & Soft Costs	20,647,328	30,970,991	2016-2025	Entire Project
Community Facilities	104,703,224	157,054,837	2017-2028	Entire Project
Historic Renovation	25,000,000	37,500,000	2019-2023	Entire Project
Subsidies	179,124,259	179,124,259	2017-2029	Entire Project
Total	**1,361,432,116**	**1,919,996,044**		

(1) No contingency is included for acquisition costs or subsidies.

FACILITIES TO BE PROVIDED BY PUBLIC SECTOR:

Upgrades and rehabilitation of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, parks, improvements for sea-level rise, and piers. The publicly-owned facilities to be provided by the public sector shall include any facilities described in the City's capital improvement program documents, as they may be amended from time-to-time. All of the publicly-owned assets are located on Treasure Island or Yerba Buena Island.

The City will be responsible for upgrading and rehabilitation of publicly-owned assets on Treasure Island and Yerba Buena Island, including, but not limited to, buildings, hangars, school facilities, living quarters, piers, roads and utilities. The City will also be responsible for future seal-level rise adaptations and for the parks, open spaces, and public infrastructure provided by the developer and dedicated to the City some of which may require capital renewal or improvement before the expiration of the IRFD. All of these publicly-owned assets are or will be located on Treasure Island or Yerba Buena Island. Periodically during the life of the IRFD, TIDA will prepare a capital plan for Treasure Island and Yerba Buena Island for incorporation into the City Capital Plan. After the Developer has been reimbursed for all Qualified Project Costs, the City may dedicate Net Available Increment to finance projects included in the Treasure Island/Yerba Buena Island Capital Plan, as it may be amended from time to time, that otherwise meet the requirements for IRFD financing. Over the projected life of the IRFD and future annexation areas, the costs of these improvements could exceed $250,000,000 and will be specified in the Treasure Island/Yerba Buena Island Capital Plan, as it may be amended from time to time.

AFFORDABLE HOUSING TO BE PROVIDED BY TIDA:

TIDA intends to construct, or cause the construction of, approximately 1,866 units of affordable housing on Treasure Island. The estimated cost of the projected affordable housing units to be constructed, or cause to be constructed, by TIDA is $970 million (2016 dollars). The number and cost of affordable housing units to be constructed or financed by the IRFD may be amended by the Board from time to time, as described in this Infrastructure Financing Plan.

APPENDIX D: Net Available Increment and Conditional City Increment
(Amended to reflect amended Table 3)

Appendix D Table 1
Net Available Increment Allocated to IRFD- 56.588206% of TI ($000) - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

Fiscal Year	NPV (6%)	Total	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
IRFD Year - Project Area 1			-	-	1	2	3	4	5	6	7
Y1.1 Townhomes	$13,000	$47,624	$0	$0	$33	$176	$600	$758	$778	$799	$820
Y1.2 Townhomes	$15,000	$56,549	$0	$0	$38	$198	$422	$613	$934	$958	$984
Y3 Townhomes	$5,000	$20,352	$0	$0	$14	$24	$75	$171	$339	$348	$357
Y4.1 Townhomes	$13,000	$49,027	$0	$0	$37	$63	$193	$292	$591	$844	$866
Y4.2 Mid-Rise	$10,000	$40,546	$0	$0	$21	$35	$114	$187	$236	$705	$723
Y2. H Hotel	$6,000	$23,269	$0	$0	$5	$7	$58	$230	$442	$451	$460
Total Project Area 1	$64,000	$237,366	**$0**	**$0**	**$148**	**$503**	**$1,462**	**$2,251**	**$3,319**	**$4,104**	**$4,210**
Distribution to TIDA Housing - 17.5%	$11,000	$41,539	**$0**	**$0**	**$26**	**$88**	**$256**	**$394**	**$581**	**$718**	**$737**
Distribution to IRFD Facilities - 82.5%	$52,000	$195,827	**$0**	**$0**	**$122**	**$415**	**$1,206**	**$1,857**	**$2,738**	**$3,386**	**$3,474**
IRFD Year - Project Area 2			-	-	-	1	2	3	4	5	6
C3.3 Townhomes	$6,000	$21,049	$0	$0	$0	$80	$165	$312	$332	$340	$350
B1.1 Low Rise	$6,000	$22,831	$0	$0	$0	$74	$141	$243	$362	$372	$382
B1.2 Low Rise	$6,000	$20,864	$0	$0	$0	$128	$171	$262	$329	$337	$346
C2.3 Low Rise	$20,000	$79,098	$0	$0	$0	$48	$311	$659	$845	$1,304	$1,339
C2.2 Mid Rise	$21,000	$84,817	$0	$0	$0	$39	$213	$260	$539	$709	$1,465
C3.4 Rental	$6,000	$21,446	$0	$0	$0	$50	$134	$261	$389	$396	$404
Total Project Area 2	**$64,000**	**$250,104**	**$0**	**$0**	**$0**	**$419**	**$1,135**	**$1,998**	**$2,795**	**$3,459**	**$4,286**
Distribution to TIDA Housing - 17.5%	**$11,000**	**$43,768**	**$0**	**$0**	**$0**	**$73**	**$199**	**$350**	**$489**	**$605**	**$750**
Distribution to IRFD Facilities - 82.5%	**$53,000**	**$206,336**	**$0**	**$0**	**$0**	**$346**	**$937**	**$1,648**	**$2,306**	**$2,854**	**$3,536**
IRFD Year - Project Area 3			-	-	-	-	-	-	1	2	3
C1.1 High Rise	$46,000	$216,253	$0	$0	$0	$0	$0	$0	$457	$892	$1,339
C1.2 High Rise	$46,000	$220,120	$0	$0	$0	$0	$0	$0	$113	$482	$930
Total Project Area 3	**$92,000**	**$436,372**	$0	$0	$0	$0	$0	$0	$570	$1,374	$2,269
Distribution to TIDA Housing - 17.5%	**$16,000**	**$76,365**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$100**	**$240**	**$397**
Distribution to IRFD Facilities - 82.5%	**$76,000**	**$360,007**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$470**	**$1,133**	**$1,872**
IRFD Year - Project Area 4			-	-	-	-	-	-	-	1	2
C2.1 High Rise	$55,000	$281,281	$0	$0	$0	$0	$0	$0	$0	$155	$617
C3.5 High Rise	$30,000	$156,197	$0	$0	$0	$0	$0	$0	$0	$124	$127
Total Project Area 4	**$84,000**	**$437,479**	$0	$0	$0	$0	$0	$0	$0	$279	$744
Distribution to TIDA Housing - 17.5%	**$15,000**	**$76,559**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$49**	**$130**
Distribution to IRFD Facilities - 82.5%	**$70,000**	**$360,920**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$230**	**$614**
IRFD Year - Project Area 5			-	-	-	-	-	-	1	2	3
C2.4 Branded Condo	$27,000	$125,588	$0	$0	$0	$0	$0	$0	$271	$614	$997
C2. H Hotel	$9,000	$40,024	$0	$0	$0	$0	$0	$0	$34	$201	$709
Total Project Area 5	**$36,000**	**$165,612**	$0	$0	$0	$0	$0	$0	$304	$816	$1,706
Distribution to TIDA Housing - 17.5%	**$6,000**	**$28,982**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$53**	**$143**	**$299**
Distribution to IRFD Facilities - 82.5%	**$30,000**	**$136,630**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$251**	**$673**	**$1,407**
Total Initial IRFD	$340,000	$1,526,933	**$0**	**$0**	**$148**	**$922**	**$2,597**	**$4,249**	**$6,988**	**$10,031**	**$13,216**
Distribution to TIDA Housing - 17.5%	$60,000	$267,213	$0	$0	$26	$161	$455	$744	$1,223	$1,756	$2,313
Distribution to IRFD Facilities - 82.5%	$281,000	$1,259,720	$0	$0	$122	$761	$2,143	$3,506	$5,765	$8,276	$10,903

Appendix D Table 1
Net Available Increment Allocated to IRFD- 56.588206% of TI ($000) - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

	6%										
Fiscal Year	**NPV**	**Total**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**
IRFD Year - Project Area 1			**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**
Y1.1 Townhomes	$13,000	$47,624	$842	$864	$887	$911	$935	$960	$986	$1,012	$1,039
Y1.2 Townhomes	$15,000	$56,549	$1,010	$1,037	$1,065	$1,093	$1,122	$1,152	$1,183	$1,215	$1,247
Y3 Townhomes	$5,000	$20,352	$367	$377	$387	$397	$407	$418	$429	$441	$453
Y4.1 Townhomes	$13,000	$49,027	$889	$913	$938	$963	$988	$1,015	$1,042	$1,069	$1,098
Y4.2 Mid-Rise	$10,000	$40,546	$743	$762	$783	$804	$825	$847	$870	$893	$917
Y2. H Hotel	$6,000	$23,269	$469	$478	$488	$497	$507	$518	$528	$538	$549
Total Project Area 1	$64,000	$237,366	**$4,320**	**$4,432**	**$4,547**	**$4,665**	**$4,786**	**$4,910**	**$5,037**	**$5,168**	**$5,303**
Distribution to TIDA Housing - 17.5%	$11,000	$41,539	**$756**	**$776**	**$796**	**$816**	**$838**	**$859**	**$882**	**$904**	**$928**
Distribution to IRFD Facilities - 82.5%	$52,000	$195,827	**$3,564**	**$3,656**	**$3,751**	**$3,848**	**$3,948**	**$4,051**	**$4,156**	**$4,264**	**$4,375**
IRFD Year - Project Area 2			**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**
C3.3 Townhomes	$6,000	$21,049	$359	$368	$378	$388	$399	$409	$420	$431	$443
B1.1 Low Rise	$6,000	$22,831	$392	$402	$413	$424	$435	$447	$459	$471	$484
B1.2 Low Rise	$6,000	$20,864	$356	$365	$375	$385	$395	$406	$416	$427	$439
C2.3 Low Rise	$20,000	$79,098	$1,375	$1,411	$1,449	$1,488	$1,527	$1,568	$1,610	$1,653	$1,697
C2.2 Mid Rise	$21,000	$84,817	$1,504	$1,544	$1,585	$1,627	$1,671	$1,715	$1,761	$1,808	$1,856
C3.4 Rental	$6,000	$21,446	$412	$421	$429	$438	$446	$455	$464	$474	$483
Total Project Area 2	**$64,000**	**$250,104**	**$4,397**	**$4,512**	**$4,629**	**$4,750**	**$4,874**	**$5,001**	**$5,131**	**$5,265**	**$5,402**
Distribution to TIDA Housing - 17.5%	**$11,000**	**$43,768**	**$770**	**$790**	**$810**	**$831**	**$853**	**$875**	**$898**	**$921**	**$945**
Distribution to IRFD Facilities - 82.5%	**$53,000**	**$206,336**	**$3,628**	**$3,722**	**$3,819**	**$3,919**	**$4,021**	**$4,126**	**$4,233**	**$4,343**	**$4,457**
IRFD Year - Project Area 3			**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
C1.1 High Rise	$46,000	$216,253	$1,893	$3,575	$3,670	$3,768	$3,868	$3,971	$4,077	$4,186	$4,298
C1.2 High Rise	$46,000	$220,120	$1,391	$1,660	$3,801	$3,903	$4,007	$4,114	$4,223	$4,336	$4,452
Total Project Area 3	**$92,000**	**$436,372**	$3,284	$5,235	$7,471	$7,671	$7,875	$8,085	$8,301	$8,522	$8,749
Distribution to TIDA Housing - 17.5%	**$16,000**	**$76,365**	**$575**	**$916**	**$1,307**	**$1,342**	**$1,378**	**$1,415**	**$1,453**	**$1,491**	**$1,531**
Distribution to IRFD Facilities - 82.5%	**$76,000**	**$360,007**	**$2,709**	**$4,319**	**$6,164**	**$6,328**	**$6,497**	**$6,670**	**$6,848**	**$7,031**	**$7,218**
IRFD Year - Project Area 4			**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
C2.1 High Rise	$55,000	$281,281	$1,092	$1,689	$1,896	$4,264	$5,005	$5,139	$5,276	$5,417	$5,561
C3.5 High Rise	$30,000	$156,197	$455	$636	$1,149	$1,648	$2,396	$2,885	$2,962	$3,041	$3,122
Total Project Area 4	**$84,000**	**$437,479**	$1,547	$2,325	$3,046	$5,912	$7,401	$8,024	$8,238	$8,458	$8,683
Distribution to TIDA Housing - 17.5%	**$15,000**	**$76,559**	**$271**	**$407**	**$533**	**$1,035**	**$1,295**	**$1,404**	**$1,442**	**$1,480**	**$1,520**
Distribution to IRFD Facilities - 82.5%	**$70,000**	**$360,920**	**$1,276**	**$1,918**	**$2,513**	**$4,878**	**$6,106**	**$6,620**	**$6,796**	**$6,978**	**$7,164**
IRFD Year - Project Area 5			**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
C2.4 Branded Condo	$27,000	$125,588	$1,425	$1,750	$2,126	$2,182	$2,241	$2,300	$2,362	$2,425	$2,489
C2. H Hotel	$9,000	$40,024	$723	$738	$752	$768	$783	$799	$814	$831	$847
Total Project Area 5	**$36,000**	**$165,612**	$2,149	$2,488	$2,878	$2,950	$3,023	$3,099	$3,176	$3,255	$3,337
Distribution to TIDA Housing - 17.5%	**$6,000**	**$28,982**	**$376**	**$435**	**$504**	**$516**	**$529**	**$542**	**$556**	**$570**	**$584**
Distribution to IRFD Facilities - 82.5%	**$30,000**	**$136,630**	**$1,773**	**$2,052**	**$2,374**	**$2,434**	**$2,494**	**$2,557**	**$2,620**	**$2,686**	**$2,753**
Total Initial IRFD	$340,000	$1,526,933	**$15,696**	**$18,991**	**$22,571**	**$25,947**	**$27,959**	**$29,119**	**$29,883**	**$30,668**	**$31,474**
Distribution to TIDA Housing - 17.5%	$60,000	$267,213	$2,747	$3,323	$3,950	$4,541	$4,893	$5,096	$5,230	$5,367	$5,508
Distribution to IRFD Facilities - 82.5%	$281,000	$1,259,720	$12,949	$15,668	$18,621	$21,407	$23,066	$24,023	$24,654	$25,301	$25,966

Appendix D Table 1
Net Available Increment Allocated to IRFD- 56.588206% of TI ($000) - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

	6%										
Fiscal Year	**NPV**	**Total**	**2034/35**	**2035/36**	**2036/37**	**2037/38**	**2038/39**	**2039/40**	**2040/41**	**2041/42**	**2042/43**
IRFD Year - Project Area 1			**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**	**25**
Y1.1 Townhomes	$13,000	$47,624	$1,067	$1,095	$1,124	$1,154	$1,185	$1,217	$1,249	$1,282	$1,317
Y1.2 Townhomes	$15,000	$56,549	$1,280	$1,314	$1,349	$1,385	$1,422	$1,460	$1,499	$1,539	$1,580
Y3 Townhomes	$5,000	$20,352	$465	$477	$490	$503	$516	$530	$544	$559	$574
Y4.1 Townhomes	$13,000	$49,027	$1,127	$1,157	$1,188	$1,220	$1,252	$1,286	$1,320	$1,355	$1,391
Y4.2 Mid-Rise	$10,000	$40,546	$941	$966	$992	$1,019	$1,046	$1,074	$1,102	$1,132	$1,162
Y2. H Hotel	$6,000	$23,269	$560	$571	$583	$595	$606	$619	$631	$644	$656
Total Project Area 1	$64,000	$237,366	**$5,440**	**$5,582**	**$5,727**	**$5,875**	**$6,028**	**$6,185**	**$6,346**	**$6,511**	**$6,680**
Distribution to TIDA Housing - 17.5%	$11,000	$41,539	**$952**	**$977**	**$1,002**	**$1,028**	**$1,055**	**$1,082**	**$1,110**	**$1,139**	**$1,169**
Distribution to IRFD Facilities - 82.5%	$52,000	$195,827	**$4,488**	**$4,605**	**$4,724**	**$4,847**	**$4,973**	**$5,103**	**$5,235**	**$5,371**	**$5,511**
IRFD Year - Project Area 2			**16**	**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**
C3.3 Townhomes	$6,000	$21,049	$455	$467	$479	$492	$505	$519	$533	$547	$561
B1.1 Low Rise	$6,000	$22,831	$496	$510	$523	$537	$552	$566	$581	$597	$613
B1.2 Low Rise	$6,000	$20,864	$451	$463	$475	$488	$501	$514	$528	$542	$556
C2.3 Low Rise	$20,000	$79,098	$1,742	$1,789	$1,836	$1,885	$1,936	$1,987	$2,040	$2,095	$2,151
C2.2 Mid Rise	$21,000	$84,817	$1,906	$1,957	$2,009	$2,062	$2,117	$2,174	$2,232	$2,291	$2,352
C3.4 Rental	$6,000	$21,446	$493	$503	$513	$523	$534	$544	$555	$566	$578
Total Project Area 2	**$64,000**	**$250,104**	**$5,543**	**$5,687**	**$5,836**	**$5,988**	**$6,144**	**$6,304**	**$6,469**	**$6,638**	**$6,811**
Distribution to TIDA Housing - 17.5%	**$11,000**	**$43,768**	**$970**	**$995**	**$1,021**	**$1,048**	**$1,075**	**$1,103**	**$1,132**	**$1,162**	**$1,192**
Distribution to IRFD Facilities - 82.5%	**$53,000**	**$206,336**	**$4,573**	**$4,692**	**$4,814**	**$4,940**	**$5,069**	**$5,201**	**$5,337**	**$5,476**	**$5,619**
IRFD Year - Project Area 3			**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**
C1.1 High Rise	$46,000	$216,253	$4,412	$4,530	$4,651	$4,775	$4,902	$5,033	$5,167	$5,305	$5,446
C1.2 High Rise	$46,000	$220,120	$4,570	$4,692	$4,817	$4,946	$5,078	$5,213	$5,352	$5,495	$5,641
Total Project Area 3	**$92,000**	**$436,372**	$8,983	$9,222	$9,468	$9,721	$9,980	$10,246	$10,519	$10,800	$11,088
Distribution to TIDA Housing - 17.5%	**$16,000**	**$76,365**	**$1,572**	**$1,614**	**$1,657**	**$1,701**	**$1,746**	**$1,793**	**$1,841**	**$1,890**	**$1,940**
Distribution to IRFD Facilities - 82.5%	**$76,000**	**$360,007**	**$7,411**	**$7,608**	**$7,811**	**$8,019**	**$8,233**	**$8,453**	**$8,678**	**$8,910**	**$9,147**
IRFD Year - Project Area 4			**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**
C2.1 High Rise	$55,000	$281,281	$5,709	$5,862	$6,018	$6,178	$6,343	$6,512	$6,686	$6,864	$7,047
C3.5 High Rise	$30,000	$156,197	$3,205	$3,291	$3,379	$3,469	$3,561	$3,656	$3,754	$3,854	$3,957
Total Project Area 4	**$84,000**	**$437,479**	$8,915	$9,152	$9,397	$9,647	$9,904	$10,168	$10,440	$10,718	$11,004
Distribution to TIDA Housing - 17.5%	**$15,000**	**$76,559**	**$1,560**	**$1,602**	**$1,644**	**$1,688**	**$1,733**	**$1,779**	**$1,827**	**$1,876**	**$1,926**
Distribution to IRFD Facilities - 82.5%	**$70,000**	**$360,920**	**$7,355**	**$7,551**	**$7,752**	**$7,959**	**$8,171**	**$8,389**	**$8,613**	**$8,842**	**$9,078**
IRFD Year - Project Area 5			**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**
C2.4 Branded Condo	$27,000	$125,588	$2,556	$2,624	$2,694	$2,766	$2,839	$2,915	$2,993	$3,073	$3,155
C2. H Hotel	$9,000	$40,024	$864	$882	$899	$917	$936	$954	$973	$993	$1,013
Total Project Area 5	**$36,000**	**$165,612**	$3,420	$3,505	$3,593	$3,683	$3,775	$3,869	$3,966	$4,065	$4,167
Distribution to TIDA Housing - 17.5%	**$6,000**	**$28,982**	**$599**	**$613**	**$629**	**$645**	**$661**	**$677**	**$694**	**$711**	**$729**
Distribution to IRFD Facilities - 82.5%	**$30,000**	**$136,630**	**$2,822**	**$2,892**	**$2,964**	**$3,038**	**$3,114**	**$3,192**	**$3,272**	**$3,354**	**$3,438**
Total Initial IRFD	$340,000	$1,526,933	**$32,300**	**$33,149**	**$34,020**	**$34,914**	**$35,831**	**$36,773**	**$37,739**	**$38,731**	**$39,750**
Distribution to TIDA Housing - 17.5%	$60,000	$267,213	$5,653	$5,801	$5,953	$6,110	$6,270	$6,435	$6,604	$6,778	$6,956
Distribution to IRFD Facilities - 82.5%	$281,000	$1,259,720	$26,648	$27,348	$28,066	$28,804	$29,561	$30,338	$31,135	$31,953	$32,793

Appendix D Table 1
Net Available Increment Allocated to IRFD- 56.588206% of TI ($000) - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

	6%										
Fiscal Year	**NPV**	**Total**	**2043/44**	**2044/45**	**2045/46**	**2046/47**	**2047/48**	**2048/49**	**2049/50**	**2050/51**	**2051/52**
IRFD Year - Project Area 1			**26**	**27**	**28**	**29**	**30**	**31**	**32**	**33**	**34**
Y1.1 Townhomes	$13,000	$47,624	$1,352	$1,388	$1,425	$1,463	$1,502	$1,542	$1,583	$1,625	$1,669
Y1.2 Townhomes	$15,000	$56,549	$1,622	$1,666	$1,710	$1,756	$1,802	$1,851	$1,900	$1,951	$2,003
Y3 Townhomes	$5,000	$20,352	$589	$605	$621	$637	$654	$672	$690	$708	$727
Y4.1 Townhomes	$13,000	$49,027	$1,428	$1,467	$1,506	$1,546	$1,587	$1,629	$1,673	$1,717	$1,763
Y4.2 Mid-Rise	$10,000	$40,546	$1,193	$1,225	$1,257	$1,291	$1,325	$1,360	$1,397	$1,434	$1,472
Y2. H Hotel	$6,000	$23,269	$670	$683	$697	$711	$725	$739	$754	$769	$784
Total Project Area 1	$64,000	$237,366	**$6,854**	**$7,032**	**$7,215**	**$7,403**	**$7,595**	**$7,793**	**$7,996**	**$8,204**	**$8,418**
Distribution to TIDA Housing - 17.5%	$11,000	$41,539	**$1,199**	**$1,231**	**$1,263**	**$1,295**	**$1,329**	**$1,364**	**$1,399**	**$1,436**	**$1,473**
Distribution to IRFD Facilities - 82.5%	$52,000	$195,827	**$5,654**	**$5,801**	**$5,952**	**$6,107**	**$6,266**	**$6,429**	**$6,597**	**$6,769**	**$6,945**
IRFD Year - Project Area 2			**25**	**26**	**27**	**28**	**29**	**30**	**31**	**32**	**33**
C3.3 Townhomes	$6,000	$21,049	$576	$592	$607	$624	$640	$657	$675	$693	$711
B1.1 Low Rise	$6,000	$22,831	$629	$646	$663	$681	$699	$718	$737	$756	$777
B1.2 Low Rise	$6,000	$20,864	$571	$586	$602	$618	$634	$651	$669	$687	$705
C2.3 Low Rise	$20,000	$79,098	$2,208	$2,267	$2,327	$2,389	$2,453	$2,518	$2,586	$2,654	$2,725
C2.2 Mid Rise	$21,000	$84,817	$2,415	$2,479	$2,546	$2,613	$2,683	$2,755	$2,828	$2,904	$2,981
C3.4 Rental	$6,000	$21,446	$589	$601	$613	$625	$638	$650	$663	$677	$690
Total Project Area 2	**$64,000**	**$250,104**	**$6,989**	**$7,171**	**$7,358**	**$7,550**	**$7,747**	**$7,950**	**$8,157**	**$8,371**	**$8,589**
Distribution to TIDA Housing - 17.5%	**$11,000**	**$43,768**	**$1,223**	**$1,255**	**$1,288**	**$1,321**	**$1,356**	**$1,391**	**$1,428**	**$1,465**	**$1,503**
Distribution to IRFD Facilities - 82.5%	**$53,000**	**$206,336**	**$5,766**	**$5,916**	**$6,070**	**$6,229**	**$6,392**	**$6,559**	**$6,730**	**$6,906**	**$7,086**
IRFD Year - Project Area 3			**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**	**30**
C1.1 High Rise	$46,000	$216,253	$5,592	$5,741	$5,894	$6,051	$6,212	$6,378	$6,548	$6,723	$6,902
C1.2 High Rise	$46,000	$220,120	$5,792	$5,946	$6,105	$6,267	$6,435	$6,606	$6,782	$6,963	$7,149
Total Project Area 3	**$92,000**	**$436,372**	$11,383	$11,687	$11,998	$12,318	$12,647	$12,984	$13,330	$13,686	$14,051
Distribution to TIDA Housing - 17.5%	**$16,000**	**$76,365**	**$1,992**	**$2,045**	**$2,100**	**$2,156**	**$2,213**	**$2,272**	**$2,333**	**$2,395**	**$2,459**
Distribution to IRFD Facilities - 82.5%	**$76,000**	**$360,007**	**$9,391**	**$9,642**	**$9,899**	**$10,163**	**$10,434**	**$10,712**	**$10,998**	**$11,291**	**$11,592**
IRFD Year - Project Area 4			**21**	**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**
C2.1 High Rise	$55,000	$281,281	$7,235	$7,428	$7,626	$7,830	$8,038	$8,253	$8,473	$8,699	$8,931
C3.5 High Rise	$30,000	$156,197	$4,062	$4,170	$4,282	$4,396	$4,513	$4,633	$4,757	$4,884	$5,014
Total Project Area 4	**$84,000**	**$437,479**	$11,297	$11,599	$11,908	$12,225	$12,551	$12,886	$13,230	$13,583	$13,945
Distribution to TIDA Housing - 17.5%	**$15,000**	**$76,559**	**$1,977**	**$2,030**	**$2,084**	**$2,139**	**$2,196**	**$2,255**	**$2,315**	**$2,377**	**$2,440**
Distribution to IRFD Facilities - 82.5%	**$70,000**	**$360,920**	**$9,320**	**$9,569**	**$9,824**	**$10,086**	**$10,355**	**$10,631**	**$10,915**	**$11,206**	**$11,504**
IRFD Year - Project Area 5			**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**	**30**
C2.4 Branded Condo	$27,000	$125,588	$3,239	$3,325	$3,414	$3,505	$3,598	$3,694	$3,793	$3,894	$3,998
C2. H Hotel	$9,000	$40,024	$1,033	$1,054	$1,075	$1,096	$1,118	$1,140	$1,163	$1,187	$1,210
Total Project Area 5	**$36,000**	**$165,612**	$4,272	$4,379	$4,488	$4,601	$4,716	$4,835	$4,956	$5,080	$5,208
Distribution to TIDA Housing - 17.5%	**$6,000**	**$28,982**	**$748**	**$766**	**$785**	**$805**	**$825**	**$846**	**$867**	**$889**	**$911**
Distribution to IRFD Facilities - 82.5%	**$30,000**	**$136,630**	**$3,524**	**$3,612**	**$3,703**	**$3,796**	**$3,891**	**$3,989**	**$4,089**	**$4,191**	**$4,297**
Total Initial IRFD	$340,000	$1,526,933	**$40,795**	**$41,867**	**$42,968**	**$44,098**	**$45,258**	**$46,448**	**$47,670**	**$48,924**	**$50,211**
Distribution to TIDA Housing - 17.5%	$60,000	$267,213	$7,139	$7,327	$7,519	$7,717	$7,920	$8,128	$8,342	$8,562	$8,787
Distribution to IRFD Facilities - 82.5%	$281,000	$1,259,720	$33,655	$34,540	$35,449	$36,381	$37,338	$38,320	$39,327	$40,362	$41,424

Appendix D Table 1
Net Available Increment Allocated to IRFD- 56.588206% of TI ($000) - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

Fiscal Year	NPV (6%)	Total	2052/53	2053/54	2054/55	2055/56	2056/57	2057/58
IRFD Year - Project Area 1			**35**	**36**	**37**	**38**	**39**	**40**
Y1.1 Townhomes	$13,000	$47,624	$1,713	$1,759	$1,806	$1,854	$1,903	$1,954
Y1.2 Townhomes	$15,000	$56,549	$2,056	$2,111	$2,167	$2,225	$2,284	$2,345
Y3 Townhomes	$5,000	$20,352	$746	$766	$787	$808	$829	$851
Y4.1 Townhomes	$13,000	$49,027	$1,810	$1,859	$1,908	$1,959	$2,011	$2,065
Y4.2 Mid-Rise	$10,000	$40,546	$1,511	$1,552	$1,593	$1,636	$1,679	$1,724
Y2. H Hotel	$6,000	$23,269	$800	$816	$832	$849	$866	$883
Total Project Area 1	$64,000	$237,366	**$8,637**	**$8,862**	**$9,093**	**$9,330**	**$9,573**	**$9,823**
Distribution to TIDA Housing - 17.5%	$11,000	$41,539	**$1,512**	**$1,551**	**$1,591**	**$1,633**	**$1,675**	**$1,719**
Distribution to IRFD Facilities - 82.5%	$52,000	$195,827	**$7,126**	**$7,311**	**$7,502**	**$7,697**	**$7,898**	**$8,104**
IRFD Year - Project Area 2			**34**	**35**	**36**	**37**	**38**	**39**
C3.3 Townhomes	$6,000	$21,049	$730	$750	$770	$790	$811	$833
B1.1 Low Rise	$6,000	$22,831	$797	$819	$840	$863	$886	$909
B1.2 Low Rise	$6,000	$20,864	$724	$743	$763	$783	$804	$825
C2.3 Low Rise	$20,000	$79,098	$2,798	$2,873	$2,949	$3,028	$3,109	$3,191
C2.2 Mid Rise	$21,000	$84,817	$3,061	$3,142	$3,226	$3,312	$3,400	$3,491
C3.4 Rental	$6,000	$21,446	$704	$718	$732	$747	$762	$777
Total Project Area 2	**$64,000**	**$250,104**	**$8,814**	**$9,044**	**$9,280**	**$9,523**	**$9,772**	**$10,028**
Distribution to TIDA Housing - 17.5%	**$11,000**	**$43,768**	**$1,542**	**$1,583**	**$1,624**	**$1,667**	**$1,710**	**$1,755**
Distribution to IRFD Facilities - 82.5%	**$53,000**	**$206,336**	**$7,271**	**$7,461**	**$7,656**	**$7,857**	**$8,062**	**$8,273**
IRFD Year - Project Area 3			**31**	**32**	**33**	**34**	**35**	**36**
C1.1 High Rise	$46,000	$216,253	$7,086	$7,275	$7,469	$7,668	$7,873	$8,083
C1.2 High Rise	$46,000	$220,120	$7,340	$7,535	$7,736	$7,943	$8,154	$8,372
Total Project Area 3	**$92,000**	**$436,372**	$14,426	$14,810	$15,205	$15,611	$16,027	$16,454
Distribution to TIDA Housing - 17.5%	**$16,000**	**$76,365**	**$2,524**	**$2,592**	**$2,661**	**$2,732**	**$2,805**	**$2,880**
Distribution to IRFD Facilities - 82.5%	**$76,000**	**$360,007**	**$11,901**	**$12,218**	**$12,544**	**$12,879**	**$13,222**	**$13,575**
IRFD Year - Project Area 4			**30**	**31**	**32**	**33**	**34**	**35**
C2.1 High Rise	$55,000	$281,281	$9,169	$9,413	$9,664	$9,922	$10,187	$10,458
C3.5 High Rise	$30,000	$156,197	$5,148	$5,285	$5,426	$5,571	$5,719	$5,872
Total Project Area 4	**$84,000**	**$437,479**	$14,317	$14,698	$15,090	$15,493	$15,906	$16,330
Distribution to TIDA Housing - 17.5%	**$15,000**	**$76,559**	**$2,505**	**$2,572**	**$2,641**	**$2,711**	**$2,784**	**$2,858**
Distribution to IRFD Facilities - 82.5%	**$70,000**	**$360,920**	**$11,811**	**$12,126**	**$12,450**	**$12,781**	**$13,122**	**$13,472**
IRFD Year - Project Area 5			**31**	**32**	**33**	**34**	**35**	**36**
C2.4 Branded Condo	$27,000	$125,588	$4,104	$4,214	$4,326	$4,441	$4,560	$4,681
C2. H Hotel	$9,000	$40,024	$1,234	$1,259	$1,284	$1,310	$1,336	$1,363
Total Project Area 5	**$36,000**	**$165,612**	$5,339	$5,473	$5,610	$5,751	$5,896	$6,044
Distribution to TIDA Housing - 17.5%	**$6,000**	**$28,982**	**$934**	**$958**	**$982**	**$1,007**	**$1,032**	**$1,058**
Distribution to IRFD Facilities - 82.5%	**$30,000**	**$136,630**	**$4,404**	**$4,515**	**$4,629**	**$4,745**	**$4,864**	**$4,987**
Total Initial IRFD	$340,000	$1,526,933	**$51,532**	**$52,888**	**$54,279**	**$55,708**	**$57,174**	**$58,679**
Distribution to TIDA Housing - 17.5%	$60,000	$267,213	$9,018	$9,255	$9,499	$9,749	$10,005	$10,269
Distribution to IRFD Facilities - 82.5%	$281,000	$1,259,720	$42,514	$43,632	$44,781	$45,959	$47,169	$48,410

Appendix D Table 2
Conditional City Increment - 8.0% of Tax Inc. $000 - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

Fiscal Year	NPV	Total	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
IRFD Year - Project Area 1			**0**	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Y1.1 Townhomes	$2,000	$6,733	$0	$0	$5	$25	$85	$107	$110	$113	$116
Y1.2 Townhomes	$2,000	$7,994	$0	$0	$5	$28	$60	$87	$132	$135	$139
Y3 Townhomes	$1,000	$2,877	$0	$0	$2	$3	$11	$24	$48	$49	$50
Y4.1 Townhomes	$2,000	$6,931	$0	$0	$5	$9	$27	$41	$84	$119	$122
Y4.2 Mid-Rise	$1,000	$5,732	$0	$0	$3	$5	$16	$26	$33	$100	$102
Y2. H Hotel	$1,000	$3,290	$0	$0	$1	$1	$8	$33	$62	$64	$65
Total Project Area 1	$9,000	$33,557	$0	$0	$21	$71	$207	$318	$469	$580	$595
IRFD Year - Project Area 2			**0**	**0**	**0**	**1**	**2**	**3**	**4**	**5**	**6**
C3.3 Townhomes	$1,000	$2,976	$0	$0	$0	$11	$23	$44	$47	$48	$49
B1.1 Low Rise	$1,000	$3,228	$0	$0	$0	$11	$20	$34	$51	$53	$54
B1.2 Low Rise	$1,000	$2,950	$0	$0	$0	$18	$24	$37	$46	$48	$49
C2.3 Low Rise	$3,000	$11,182	$0	$0	$0	$7	$44	$93	$120	$184	$189
C2.2 Mid Rise	$3,000	$11,991	$0	$0	$0	$6	$30	$37	$76	$100	$207
C3.4 Rental	$1,000	$3,032	$0	$0	$0	$7	$19	$37	$55	$56	$57
Total Project Area 2	$9,000	$35,358	$0	$0	$0	$59	$161	$282	$395	$489	$606
IRFD Year - Project Area 3			**0**	**0**	**0**	**0**	**0**	**0**	**1**	**2**	**3**
C1.1 High Rise	$7,000	$30,572	$0	$0	$0	$0	$0	$0	$65	$126	$189
C1.2 High Rise	$6,000	$31,119	$0	$0	$0	$0	$0	$0	$16	$68	$131
Total Project Area 3	$13,000	$61,691	$0	$0	$0	$0	$0	$0	$81	$194	$321
IRFD Year - Project Area 4			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**1**	**2**
C2.1 High Rise	$8,000	$39,765	$0	$0	$0	$0	$0	$0	$0	$22	$87
C3.5 High Rise	$4,000	$22,082	$0	$0	$0	$0	$0	$0	$0	$18	$18
Total Project Area 4	$12,000	$61,847	$0	$0	$0	$0	$0	$0	$0	$39	$105
IRFD Year - Project Area 5			**0**	**0**	**0**	**0**	**0**	**0**	**1**	**2**	**3**
C2.4 Branded Condo	$4,000	$17,755	$0	$0	$0	$0	$0	$0	$38	$87	$141
C2. H Hotel	$1,000	$5,658	$0	$0	$0	$0	$0	$0	$5	$28	$100
Total Project Area 5	$5,000	$23,413	$0	$0	$0	$0	$0	$0	$43	$115	$241
Total Initial IRFD	$48,000	$215,866	**$0**	**$0**	**$21**	**$130**	**$367**	**$601**	**$988**	**$1,418**	**$1,868**

Appendix D Table 2
Conditional City Increment - 8.0% of Tax Inc. $000 - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

Fiscal Year	NPV	Total	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
IRFD Year - Project Area 1			**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**
Y1.1 Townhomes	$2,000	$6,733	$119	$122	$125	$129	$132	$136	$139	$143	$147
Y1.2 Townhomes	$2,000	$7,994	$143	$147	$151	$155	$159	$163	$167	$172	$176
Y3 Townhomes	$1,000	$2,877	$52	$53	$55	$56	$58	$59	$61	$62	$64
Y4.1 Townhomes	$2,000	$6,931	$126	$129	$133	$136	$140	$143	$147	$151	$155
Y4.2 Mid-Rise	$1,000	$5,732	$105	$108	$111	$114	$117	$120	$123	$126	$130
Y2. H Hotel	$1,000	$3,290	$66	$68	$69	$70	$72	$73	$75	$76	$78
Total Project Area 1	$9,000	$33,557	$611	$627	$643	$659	$677	$694	$712	$731	$750
IRFD Year - Project Area 2			**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**
C3.3 Townhomes	$1,000	$2,976	$51	$52	$53	$55	$56	$58	$59	$61	$63
B1.1 Low Rise	$1,000	$3,228	$55	$57	$58	$60	$62	$63	$65	$67	$68
B1.2 Low Rise	$1,000	$2,950	$50	$52	$53	$54	$56	$57	$59	$60	$62
C2.3 Low Rise	$3,000	$11,182	$194	$200	$205	$210	$216	$222	$228	$234	$240
C2.2 Mid Rise	$3,000	$11,991	$213	$218	$224	$230	$236	$243	$249	$256	$262
C3.4 Rental	$1,000	$3,032	$58	$59	$61	$62	$63	$64	$66	$67	$68
Total Project Area 2	$9,000	$35,358	$622	$638	$654	$672	$689	$707	$725	$744	$764
IRFD Year - Project Area 3			**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
C1.1 High Rise	$7,000	$30,572	$268	$505	$519	$533	$547	$561	$576	$592	$608
C1.2 High Rise	$6,000	$31,119	$197	$235	$537	$552	$566	$582	$597	$613	$629
Total Project Area 3	$13,000	$61,691	$464	$740	$1,056	$1,084	$1,113	$1,143	$1,173	$1,205	$1,237
IRFD Year - Project Area 4			**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**
C2.1 High Rise	$8,000	$39,765	$154	$239	$268	$603	$708	$726	$746	$766	$786
C3.5 High Rise	$4,000	$22,082	$64	$90	$163	$233	$339	$408	$419	$430	$441
Total Project Area 4	$12,000	$61,847	$219	$329	$431	$836	$1,046	$1,134	$1,165	$1,196	$1,228
IRFD Year - Project Area 5			**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
C2.4 Branded Condo	$4,000	$17,755	$201	$247	$301	$309	$317	$325	$334	$343	$352
C2. H Hotel	$1,000	$5,658	$102	$104	$106	$109	$111	$113	$115	$117	$120
Total Project Area 5	$5,000	$23,413	$304	$352	$407	$417	$427	$438	$449	$460	$472
Total Initial IRFD	$48,000	$215,866	**$2,219**	**$2,685**	**$3,191**	**$3,668**	**$3,953**	**$4,117**	**$4,225**	**$4,336**	**$4,449**

Appendix D Table 2
Conditional City Increment - 8.0% of Tax Inc. $000 - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

Fiscal Year	NPV	Total	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40	2040/41	2041/42	2042/43
IRFD Year - Project Area 1			**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**	**25**
Y1.1 Townhomes	$2,000	$6,733	$151	$155	$159	$163	$168	$172	$177	$181	$186
Y1.2 Townhomes	$2,000	$7,994	$181	$186	$191	$196	$201	$206	$212	$218	$223
Y3 Townhomes	$1,000	$2,877	$66	$67	$69	$71	$73	$75	$77	$79	$81
Y4.1 Townhomes	$2,000	$6,931	$159	$164	$168	$172	$177	$182	$187	$192	$197
Y4.2 Mid-Rise	$1,000	$5,732	$133	$137	$140	$144	$148	$152	$156	$160	$164
Y2. H Hotel	$1,000	$3,290	$79	$81	$82	$84	$86	$87	$89	$91	$93
Total Project Area 1	$9,000	$33,557	$769	$789	$810	$831	$852	$874	$897	$920	$944
IRFD Year - Project Area 2			**16**	**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**
C3.3 Townhomes	$1,000	$2,976	$64	$66	$68	$70	$71	$73	$75	$77	$79
B1.1 Low Rise	$1,000	$3,228	$70	$72	$74	$76	$78	$80	$82	$84	$87
B1.2 Low Rise	$1,000	$2,950	$64	$65	$67	$69	$71	$73	$75	$77	$79
C2.3 Low Rise	$3,000	$11,182	$246	$253	$260	$267	$274	$281	$288	$296	$304
C2.2 Mid Rise	$3,000	$11,991	$269	$277	$284	$292	$299	$307	$316	$324	$333
C3.4 Rental	$1,000	$3,032	$70	$71	$72	$74	$75	$77	$78	$80	$82
Total Project Area 2	$9,000	$35,358	$784	$804	$825	$847	$869	$891	$914	$938	$963
IRFD Year - Project Area 3			**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**
C1.1 High Rise	$7,000	$30,572	$624	$640	$657	$675	$693	$712	$730	$750	$770
C1.2 High Rise	$6,000	$31,119	$646	$663	$681	$699	$718	$737	$757	$777	$798
Total Project Area 3	$13,000	$61,691	$1,270	$1,304	$1,339	$1,374	$1,411	$1,448	$1,487	$1,527	$1,567
IRFD Year - Project Area 4			**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**
C2.1 High Rise	$8,000	$39,765	$807	$829	$851	$873	$897	$921	$945	$970	$996
C3.5 High Rise	$4,000	$22,082	$453	$465	$478	$490	$503	$517	$531	$545	$559
Total Project Area 4	$12,000	$61,847	$1,260	$1,294	$1,328	$1,364	$1,400	$1,438	$1,476	$1,515	$1,556
IRFD Year - Project Area 5			**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**
C2.4 Branded Condo	$4,000	$17,755	$361	$371	$381	$391	$401	$412	$423	$434	$446
C2. H Hotel	$1,000	$5,658	$122	$125	$127	$130	$132	$135	$138	$140	$143
Total Project Area 5	$5,000	$23,413	$483	$496	$508	$521	$534	$547	$561	$575	$589
Total Initial IRFD	$48,000	$215,866	**$4,566**	**$4,686**	**$4,809**	**$4,936**	**$5,066**	**$5,199**	**$5,335**	**$5,476**	**$5,619**

Appendix D Table 2
Conditional City Increment - 8.0% of Tax Inc. $000 - 6% annual escalation of home prices
Yerba Buena and Stage 1 Treasure Island

Fiscal Year	NPV	Total	2043/44	2044/45	2045/46	2046/47	2047/48	2048/49	2049/50	2050/51	2051/52
IRFD Year - Project Area 1			**26**	**27**	**28**	**29**	**30**	**31**	**32**	**33**	**34**
Y1.1 Townhomes	$2,000	$6,733	$191	$196	$201	$207	$212	$218	$224	$230	$236
Y1.2 Townhomes	$2,000	$7,994	$229	$235	$242	$248	$255	$262	$269	$276	$283
Y3 Townhomes	$1,000	$2,877	$83	$85	$88	$90	$93	$95	$98	$100	$103
Y4.1 Townhomes	$2,000	$6,931	$202	$207	$213	$219	$224	$230	$236	$243	$249
Y4.2 Mid-Rise	$1,000	$5,732	$169	$173	$178	$182	$187	$192	$197	$203	$208
Y2. H Hotel	$1,000	$3,290	$95	$97	$98	$100	$102	$105	$107	$109	$111
Total Project Area 1	$9,000	$33,557	$969	$994	$1,020	$1,047	$1,074	$1,102	$1,130	$1,160	$1,190
IRFD Year - Project Area 2			**25**	**26**	**27**	**28**	**29**	**30**	**31**	**32**	**33**
C3.3 Townhomes	$1,000	$2,976	$81	$84	$86	$88	$91	$93	$95	$98	$101
B1.1 Low Rise	$1,000	$3,228	$89	$91	$94	$96	$99	$101	$104	$107	$110
B1.2 Low Rise	$1,000	$2,950	$81	$83	$85	$87	$90	$92	$95	$97	$100
C2.3 Low Rise	$3,000	$11,182	$312	$320	$329	$338	$347	$356	$366	$375	$385
C2.2 Mid Rise	$3,000	$11,991	$341	$351	$360	$369	$379	$389	$400	$410	$421
C3.4 Rental	$1,000	$3,032	$83	$85	$87	$88	$90	$92	$94	$96	$98
Total Project Area 2	$9,000	$35,358	$988	$1,014	$1,040	$1,067	$1,095	$1,124	$1,153	$1,183	$1,214
IRFD Year - Project Area 3			**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**	**30**
C1.1 High Rise	$7,000	$30,572	$790	$812	$833	$855	$878	$902	$926	$950	$976
C1.2 High Rise	$6,000	$31,119	$819	$841	$863	$886	$910	$934	$959	$984	$1,011
Total Project Area 3	$13,000	$61,691	$1,609	$1,652	$1,696	$1,741	$1,788	$1,836	$1,885	$1,935	$1,986
IRFD Year - Project Area 4			**21**	**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**
C2.1 High Rise	$8,000	$39,765	$1,023	$1,050	$1,078	$1,107	$1,136	$1,167	$1,198	$1,230	$1,263
C3.5 High Rise	$4,000	$22,082	$574	$590	$605	$621	$638	$655	$673	$690	$709
Total Project Area 4	$12,000	$61,847	$1,597	$1,640	$1,683	$1,728	$1,774	$1,822	$1,870	$1,920	$1,971
IRFD Year - Project Area 5			**22**	**23**	**24**	**25**	**26**	**27**	**28**	**29**	**30**
C2.4 Branded Condo	$4,000	$17,755	$458	$470	$483	$495	$509	$522	$536	$550	$565
C2. H Hotel	$1,000	$5,658	$146	$149	$152	$155	$158	$161	$164	$168	$171
Total Project Area 5	$5,000	$23,413	$604	$619	$635	$650	$667	$683	$701	$718	$736
Total Initial IRFD	$48,000	$215,866	**$5,767**	**$5,919**	**$6,074**	**$6,234**	**$6,398**	**$6,566**	**$6,739**	**$6,916**	**$7,098**

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE FACILITIES INDENTURE

The following is a brief summary of certain provisions of the Facilities Indenture authorizing the Series 2023A Facilities Bonds that are not otherwise described in the text of this Official Statement. Such summary is not intended to be definitive, and reference is made to the actual Facilities Indenture (copies of which may be obtained from the District) 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:

"Additional Facilities Revenues" means, as of the date of calculation, the amount of Net Available Facilities Increment and Conditional City Facilities Increment which, as shown in the Report of an Independent Economic Consultant based on written records of the City, are estimated to be receivable by the District within the Fiscal Year following the Fiscal Year in which such calculation is made, as a result of increases in the assessed valuation of taxable property in the District due to (i) the completion of construction which is not then reflected on the tax rolls, or (ii) transfer of ownership or any other interest in real property which has been recorded but which is not then reflected on the tax rolls.

For purposes of this definition, the term "increases in the assessed valuation" means the amount by which the assessed valuation of taxable property in the District is estimated to increase above the assessed valuation of taxable property in the District as of the date on which such calculation is made. For the avoidance of doubt, written records of the City may include written correspondence between the owner of taxable property (or its representatives) and the City with respect to construction in progress or property sales.

"Annual Debt Service" means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Facilities Bonds and other Parity Facilities Debt in such Bond Year, assuming that the Outstanding Serial Facilities Bonds are retired as scheduled and that the Outstanding Term Facilities Bonds are redeemed from mandatory sinking account payments as scheduled, (b) the principal amount of the Outstanding Serial Facilities Bonds and other Parity Facilities Debt payable by their terms in such Bond Year, and (c) the principal amount of the Outstanding Term Facilities Bonds scheduled to be paid or redeemed from mandatory sinking account payments in such Bond Year.

For purposes of the calculation of Annual Debt Service, there will be excluded the principal of and interest on any Parity Facilities Debt to the extent the proceeds thereof are then deposited in a fully self-supporting escrow fund (the fully self-supporting nature of which is evidenced by a report prepared by an Independent Economic Consultant and delivered to the Trustee) from which amounts may not be released to the District unless the amount of Pledged Facilities Increment, calculated as described under “Issuance of Parity Debt” below, and Additional Facilities Revenues are then calculated to be not less than the percentage of Maximum Annual Debt Service required by the Facilities Indenture as described under “Issuance of Parity Debt” below.

“Base Year” for the Project Areas is defined in the Infrastructure Financing Plan as Fiscal Year 2016-17.

"Bond Counsel" means an attorney or firm of attorneys appointed by or acceptable to the District, 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 any twelve-month period beginning on September 2 in any year and ending on the next succeeding September 1, both dates inclusive.

"Business Day" means a day of the year on which banks in the State of California, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

"City" means the City and County of San Francisco, California, a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State.

"Closing Date" means the date on which a series of Facilities Bonds is delivered by the District to the original purchaser thereof.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Series 2023A Facilities Bonds or (except as otherwise referenced in the Facilities Indenture) as it may be amended to apply to obligations issued on the date of issuance of the Series 2023A Facilities Bonds, together with applicable, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Conditional City Facilities Increment" means 82.5% of the Conditional City Increment.

"Conditional City Facilities Increment Special Account" means the account of that name established by the District pursuant to the Facilities Indenture.

"Conditional City Housing Increment" means 17.5% of the Conditional City Increment.

"Conditional City Housing Increment Special Account" means the account of that name established by the District pursuant to the Facilities Indenture.

"Conditional City Increment" means, for each Project Area, an amount equal to 8.00% of the Gross Tax Increment, subject to the Plan Limit, as provided in the Infrastructure Financing Plan.

"Conditional City Increment Special Fund" means the Conditional City Increment Special Fund established by the District pursuant to the Facilities Indenture.

"Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate_with respect to the Series 2023A Facilities Bonds executed by the District, 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 District relating to the authorization, issuance, sale and delivery of the Facilities Bonds, including but not limited to printing expenses, bond insurance premiums, rating District 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 Facilities Bonds, administrative costs of the District and City incurred in connection with the issuance of the Facilities Bonds, and any other cost, charge or fee in connection with the original issuance of the Facilities Bonds.

“DDA Financing Plan” means the Financing Plan (Treasure Island/Yerba Buena Island) attached to the Disposition and Development Agreement (Treasure Island/Yerba Buena Island), dated June 28, 2011, by and between Treasure Island Development Authority and Treasure Island Community Development, LLC.

"Defeasance Obligations" means any of the following which, at the time of investment, are in compliance with the City’s investment policies then in effect (provided that the Trustee will be entitled to rely upon any investment direction from the District as conclusive certification to the Trustee that investments described therein are in compliance with the City’s investment policies then in effect:

(a) Cash;

(b) Federal 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 or "AAA" by S&P;

(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 District 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 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; and

(f) 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 District 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 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.

"District" means the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island), an infrastructure and revitalization financing district and a legally constituted governmental entity established pursuant to the laws of the State of California.

"Event of Default" means any of the events described under “Events of Default and Remedies” herein.

“Facilities Bonds" means the Series 2022A Facilities Bonds, the Series 2023A Facilities Bonds and any Parity Facilities Debt issued as bonds pursuant to a Supplemental Indenture.

"Facilities Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to the Facilities Indenture.

"Facilities Project Fund" means the fund by that name established and held by the Trustee pursuant to the Facilities Indenture.

"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 District and related parties do not own more than a 10% beneficial interest therein if the return paid by the fund is without regard to the source of the investment. To the extent required by the applicable regulations under the Code, the term "investment" will include a hedge.

"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 this First Supplemental Indenture, dated as of December 1, 2023, by and between the District 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 District to the Trustee in writing as its official fiscal year period.

"Gross Tax Increment" means, for each of the Project Areas, 100% of the revenue produced by the application of the 1% ad valorem tax rate to the Incremental Assessed Property Value of property within the Project Area. Gross Tax Increment does not include any ad valorem property tax revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and Taxation Code.

"Incremental Assessed Property Value" means, in any year, for each Project Area, the difference between the assessed value of the property within such Project Area for that fiscal year and the assessed value of the property within such Project Area in the Base Year, to the extent that the difference is a positive number.

"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 District, and who, or each of whom:

(a) is in fact independent and not under domination of the District;

(b) does not have any substantial interest, direct or indirect, with the District; and

(c) is not connected with the District as an officer or employee of the District, but who may be regularly retained to make reports to the District.

"Independent Economic Consultant" means any consultant or firm of such consultants appointed by the District and who, or each of whom:

(a) is judged by the District to have experience in matters relating to the collection of tax increment revenues or otherwise with respect to tax increment financing of districts;

(b) is in fact independent and not under domination of the District;

(c) does not have any substantial interest, direct or indirect, with the District; and

(d) is not connected with the District as an officer or employee of the District, but who may be regularly retained to make reports to the District.

"Infrastructure Financing Plan" means the Amended and Restated Infrastructure Financing Plan for the District, including the Project Areas, adopted and approved by the Board of Supervisors of the City and County of San Francisco by Ordinance No. 29-22, adopted on February 15, 2022, as heretofore amended and as may hereafter be amended in accordance with the law.

"Interest Account" means the account by that name established and held by the Trustee pursuant to the Facilities Indenture.

"Interest Payment Date" means each March 1 and September 1 for so long as any of the Facilities Bonds remain Outstanding under the Facilities Indenture.

"Law" means Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California Government Code, and the acts amendatory thereof and supplemental thereto.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year, including payments on any Parity Facilities Debt, as certified in writing by the District to the Trustee.

"Moody's" means Moody's Investors Service and its successors.

"Net Available Facilities Increment" means 82.5% of the Net Available Increment.

"Net Available Facilities Increment Special Account" means the account of that name established pursuant to the Facilities Indenture.

"Net Available Housing Increment" means 17.5% of the Net Available Increment.

"Net Available Housing Increment Special Account" means the account of that name established pursuant to the Facilities Indenture.

"Net Available Increment" means 56.588206% of the Gross Tax Increment, subject to the Plan Limit, as provided in the Infrastructure Financing Plan.

"Net Available Increment Special Fund" means the fund established and held by the District pursuant to the Facilities Indenture.

"Nominee" means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to the Facilities Indenture.

"Original Resolution of Issuance" means Resolution No. 7-17, which was adopted by the Board of Supervisors as the legislative body of the District on January 24, 2017, and signed by the Mayor on February 3, 2017.

"Outstanding" when used as of any particular time with reference to Facilities Bonds, means (subject to the provisions of the Facilities Indenture regarding disqualified bonds) all Facilities 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 Facilities Indenture; and

(c) Bonds in lieu of or in substitution for which other Bonds will have been authorized, executed, issued and delivered by the District pursuant to the Facilities Indenture.

"Owner" or "Bond Owner" means, with respect to any Facilities Bond, the person in whose name the ownership of such Facilities Bond will be registered on the Registration Books.

"Parity Facilities Debt" means any additional bonds, (including any Facilities Bonds), loans, advances or indebtedness issued or incurred by the District on a parity with the Series 2022A Facilities Bonds and the Series 2023A Facilities Bonds pursuant to the Facilities Indenture as described in "Issuance of Parity Debt".

"Parity Facilities Debt Instrument" means any Supplemental Indenture or other instrument providing for the issuance or incurrence of Parity Facilities 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 in compliance with the City's investment policies then in effect (provided that the Trustee will be entitled to rely upon any investment direction from the District as conclusive certification to the Trustee that the investments described therein are in compliance with the City's investment policies then in effect), but only to the extent that the same are acquired at Fair Market Value:

(a) Federal Securities;

(b) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including: Export-Import Bank, Farmers Home Administration, General Services Administration, U.S. Maritime Administration, Small Business Administration, Government National Mortgage Association, U.S. Department of Housing & Urban Development, and Federal Housing Administration;

(c) bonds, notes or other evidences of indebtedness rated AAA by S&P and Aaa by Moody's issued by Fannie Mae or Freddie Mac with remaining maturities not exceeding three years;

(d) U.S. dollar denominated deposit accounts (including those with the Trustee or with any affiliate of the Trustee), federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of A-1 or A-1+ by S&P and P-1 by Moody's, and maturing no more than 360 days after the date of purchase;

(e) commercial paper which is rated at the time of purchase in the single highest classification, A-1+ by S&P and P-1 by Moody's and which matures not more than 270 days after the date of purchase;

(f) investments in a money market fund rated AAAm or AAAm-G or better by S&P, which may include funds for which the Trustee or its affiliates provide investment advisory or other management services;

(g) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based on the escrow, in the highest rating category of S&P and Moody's or (ii)(A) which are fully secured as to principal and interest and redemption premium (if any) by a fund consisting only of cash or Federal Securities, which fund may be applied only to the payment of such principal of and interest and redemption premium (if any) in such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates under such irrevocable instructions, as appropriate, and (B) which fund is sufficient, as verified by an independent accountant, to pay principal of and interest and redemption premium (if any) on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate;

(h) investment agreements with a provider that is rated in one of the two highest rating categories by S&P and Moody's;

(i) the Local Agency Investment Fund which is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided 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) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the California Government Code which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the California Government Code, as it may be amended, including but not limited to the California Asset Management Program (CAMP).

"Plan Limit" means the limitation, if any, contained in the Infrastructure Financing Plan on the number of dollars of taxes which may be divided and allocated to the District pursuant to the Infrastructure Financing Plan and the Law.

“Pledged Facilities Increment” means the sum of Net Available Facilities Increment and Conditional City Facilities Increment, less the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law.

“Pledged Housing Increment” means the sum of Net Available Housing Increment and Conditional City Housing Increment, less the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law.

"Principal Account" means the account by that name established and held by the Trustee pursuant to the Facilities Indenture.

"Principal Corporate Trust Office" means such principal corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the District.

"Project Area" means, collectively, each project area established from time to time for the District pursuant to the Law.

“Qualified Purchaser” means (a) a qualified institutional buyer, as that term is defined in Securities and Exchange Commission Rule 144A promulgated under the Securities Act of 1933, as amended and (b) an “institutional accredited investor,” which consists of accredited investors as defined in subsections (a)(1), (2), (3) and (7) of Securities and Exchange Commission Rule 501 promulgated under the Securities Act of 1933, as amended.

"Qualified Reserve Account Credit Instrument" means an irrevocable standby or direct-pay letter of credit, insurance policy 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) in the case of a commercial bank, the long-term credit rating of such bank at the time of delivery of the irrevocable standby or direct-pay letter of credit is at least "A" from S&P or "A" from Moody’s and, in the case of an insurance company, the claims paying ability of such insurance company at the time of delivery of the insurance policy or surety bond is at least "A" from S&P, or "A" Moody’s or, if not rated by S&P or Moody’s but is rated by A.M. Best & Company, is rated at the time of delivery in the highest rating category by A.M. Best & Company; (b) such letter of credit or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the 2022 Facilities 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 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 that are payable from the 2022 Facilities Reserve Account for the purpose of making payments required by the Facilities Indenture.

"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 the Facilities Indenture.

"Registration Books" means the records maintained by the Trustee pursuant to the Facilities Indenture for the registration and transfer of ownership of the Facilities Bonds.

"Report" means a document in writing signed by an Independent Economic Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of the Facilities 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.

"S&P" means S&P Global, a division of McGraw-Hill, and its successors and assigns.

"Serial Facilities Bonds" means all Facilities Bonds other than Term Facilities Bonds.

"State" means the State of California.

"Subordinate Facilities Debt" means any loans, advances or indebtedness issued or incurred by the District pursuant to the Facilities Indenture as described under "Issuance of Subordinate Debt" herein, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Facilities Increment; or (b) secured by a pledge of or lien upon the Pledged Facilities Increment which is expressly subordinate to the pledge of and lien upon the Pledged Facilities Increment under the Facilities Indenture for the security of the Facilities Bonds.

"Subordinate Facilities Debt Instrument" means any instrument providing for the issuance of Subordinate Facilities Debt.

"Supplemental Indenture" means any resolution, agreement or other instrument which has been duly adopted or entered into by the District, but only if and to the extent that such Supplemental Indenture is specifically authorized under the Facilities Indenture.

"Term Facilities Bonds" means that portion of any Facilities Bonds payable from mandatory sinking account payments.

"Trigger Amount" has the meaning given that term in the Infrastructure Financing Plan.

"Trustee" means Zions Bancorporation, National Association, as trustee under the Facilities Indenture, or any successor thereto appointed as trustee under the Facilities Indenture in accordance with the provisions of the Facilities Indenture.

"Written Request of the District" or "Written Certificate of the District" means a request or certificate, in writing signed by the Director of the Office of Public Finance on behalf of the District or such other officer of the City identified by the Controller of the City to act on behalf of the District

"2022 Facilities Reserve Account" means the fund designated the "2022 Facilities Reserve Account" established under the Facilities Indenture and administered under the Facilities Indenture.

"2022 Facilities Reserve Requirement" means the amount as of any date of calculation equal to the least of (a) Maximum Annual Debt Service on the Series 2022A Facilities Bonds and 2022 Related

Facilities Bonds, if any, (b) 125% of average Annual Debt Service on the Series 2022A Facilities Bonds and 2022 Related Facilities Bonds, if any and (c) 10% of the original principal of the Series 2022A Facilities Bonds and 2022 Related Facilities Bonds, if any; provided, however:

(A) that with respect to the calculation of clause (c), the issue price of the Series 2022A Facilities Bonds or any 2022 Related Facilities Bonds excluding accrued interest shall be used rather than the outstanding principal amount, if (i) the net original issue discount or premium of the Series 2022A Facilities Bonds or any 2022 Related Facilities Bonds was less than 98% or more than 102% of the original principal amount of the Series 2022A Facilities Bonds or any 2022 Related Facilities Bonds and (ii) using the issue price would produce a lower result than using the outstanding principal amount;

(B) that in no event shall the amount calculated hereunder exceed the amount on deposit in the 2022 Facilities Reserve Account on the date of issuance of the Series 2022A Facilities Bonds (if they are the only Bonds covered by the 2022 Facilities Reserve Account) or the most recently issued series of 2022 Related Facilities Bonds except in connection with any increase associated with the issuance of 2022 Related Facilities Bonds; and

(C) that in no event shall the amount required to be deposited into the 2022 Facilities Reserve Account in connection with the issuance of a series of 2022 Related Facilities Bonds exceed the maximum amount under the Tax Code that can be financed with tax-exempt bonds and invested an unrestricted yield.

"2022 Related Facilities Bonds" means the Series 2023A Facilities Bonds and any series of Facilities Bonds for which (i) the proceeds are deposited into the 2022 Facilities Reserve Account so that the balance therein is equal to the 2022 Facilities Reserve Requirement following issuance of such Facilities Bonds and (ii) the related Supplemental Indenture specifies that the 2022 Facilities Reserve Account shall act as a reserve for the payment of the principal of, and interest and any premium on, such series of Facilities Bonds.

Additional Transfer Restrictions Applicable to Series 2023A Facilities Bonds

No transfer, sale or other disposition of any Series 2023A Facilities Bond, or any beneficial interest therein, may be made except to an entity that is a Qualified Purchaser that is purchasing such Series 2023A Facilities Bond for its own account for investment purposes and not with a view to distributing such Series 2023A Facilities Bond. Each transferee of a Series 2023A Facilities Bond, or any beneficial interest therein, shall be deemed to have acknowledged, represented, warranted and agreed with and to the District, the Participating Underwriter and the Trustee that (i) such transferee is a Qualified Purchaser that is purchasing such Series 2023A Facilities Bond for its own account for investment purposes and not with a view to distributing such Series 2023A Facilities Bond in violation of the Securities Act of 1933 or other applicable securities laws, (ii) the Series 2023A Facilities Bonds are payable from Pledged Housing Increment and such other funds described in the Indenture, (iii) the Series 2023A Facilities Bonds, or any beneficial interest therein, may only be transferred to a Qualified Purchaser and (iv) the District, the Participating Underwriter and the Trustee and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements. Each Series 2023A Facilities Bond shall bear a legend describing or referencing the foregoing restrictions on transferability.

Neither the Participating Underwriter nor any Owner or Beneficial Owner of the Series 2023A Facilities Bonds shall deposit the Series 2023A Facilities Bonds in any trust or account under its control and sell any shares, participatory interest or certificates in such trust and account, and neither the Participating Underwriter nor any Owner or Beneficial Owner shall deposit the Series 2023A Facilities

Bonds in any trust or account under its control the majority of the assets of which constitute the Series 2023A Facilities Bonds, and sell shares, participatory interest or certificates in such trust or account except to Qualified Purchasers.

Each entity that is or that becomes a Beneficial Owner of a Series 2023A Facilities Bond shall be deemed by the acceptance or acquisition of such beneficial ownership interest to have agreed to be bound by the provisions of the Indenture. In the event that a holder of the Series 2023A Facilities Bonds makes an assignment of its beneficial ownership interest in the Series 2023A Facilities Bonds, the assignor will notify the assignee of the restrictions on purchase and transfer described herein. Any transfer of a Series 2023A Facilities Bond to any entity that is not a Qualified Purchaser shall be deemed null and void.

Any Series 2023A Facilities Bond registered in the name of DTC or the Nominee shall be deemed to comply with this Indenture so long as each Beneficial Owner of such Series 2023A Facilities Bond is a Qualified Purchaser.

Establishment of Funds and Accounts; Flow of Funds

Facilities Project Fund. The moneys in the Facilities Project Fund will be maintained separate and apart from other moneys of the District. The moneys on deposit in the Facilities Project Fund will be used in the manner provided by the Law. The District covenants in the Facilities Indenture that no funds on deposit in the Facilities Project Fund will be applied for any purpose not authorized by the Law.

Special Funds and Accounts; Deposit of Net Available Facilities Increment and Conditional City Facilities Increment.

(a) Net Available Increment Special Fund; Net Available Housing Increment Special Account; Net Available Facilities Increment Special Account. The District shall establish a fund to be held by or on behalf of the District as a separate restricted account, to be known as the "Net Available Increment Special Fund." The District shall establish the following accounts within the Net Available Increment Special Fund to be held by or on behalf of the District as separate restricted accounts: the "Net Available Housing Increment Special Account" and the "Net Available Facilities Increment Special Account." Amounts on deposit in the Net Available Housing Increment Special Account will be transferred and applied as provided in a bond indenture or other agreement providing for the pledge or use of the Net Available Housing Increment in accordance with the Infrastructure Financing Plan.

(b) Deposits into the Net Available Increment Special Fund, the Net Available Housing Increment Special Account and the Net Available Facilities Increment Special Account. Promptly upon receipt thereof, if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were not deducted prior to allocation to the District, the District will set such amounts aside for payment pursuant to Section 53369.31.

Thereafter, or if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were deducted prior to payment of the Net Available Increment to the District, the District will deposit 82.5% of the Net Available Increment received in any Bond Year in the Net Available Facilities Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel) and 17.5% of such Net Available Increment in the Net Available Housing Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate accounts within the Net Available Increment Special Fund, and separate sub-accounts within the Net Available Facilities Increment Special Account and the Net Available Housing Increment Special Account in its discretion.

Amounts deposited to and held by the District in the Net Available Increment Special Fund and the accounts therein will be at all times separately accounted for by the District from all other funds or accounts, and the Net Available Facilities Increment will be used and applied solely as set forth in the Facilities Indenture.

The Net Available Facilities Increment received in any Bond Year and deposited into the Net Available Facilities Increment Special Account will be subject to the pledge, security interest and lien set forth in the Facilities Indenture until such time during such Facilities Bond Year as the amounts on deposit in the Net Available Facilities Increment Special Account equal the aggregate amounts required to be transferred in such Bond Year (i) for deposit into the Interest Account, the Principal Account, the 2022 Facilities Reserve Account, any other reserve account held by the Trustee for Bonds that are not 2022 Related Facilities Bonds and the Redemption Account in such Bond Year pursuant to the Facilities Indenture and, if applicable, (ii) with respect to any Parity Facilities Debt other than Bonds pursuant to the applicable Parity Facilities Debt Instrument.

All Net Available Facilities Increment received by the District during any Bond Year in excess of the amount required to be deposited in the Net Available Facilities Increment Special Account during such Bond Year pursuant to the Facilities Indenture on shall be released from the pledge, security interest and lien hereunder for the security of the Facilities Bonds and any additional Parity Facilities Debt and may be applied by the District for any lawful purpose of the District, including but not limited to the repayment of the City for use of Conditional City Facilities Increment to pay debt service on the Facilities Bonds or any Parity Facilities Debt, payment of Subordinate Facilities Debt, payment of administrative expenses of the District, or the payment of any amounts due and owing to the United States of America pursuant to the Facilities Indenture.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Facilities Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indenture or Parity Facilities Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Net Available Facilities Increment Special Account, except as may be provided in the Facilities Indenture and in any Supplemental Indenture or Parity Facilities Debt Instrument.

(c) Conditional City Increment Special Fund; Conditional City Facilities Increment Special Account; Conditional City Housing Increment Special Account. Amounts on deposit in the Conditional City Housing Increment Special Account will be transferred and applied as provided in a bond indenture or other agreement providing for the pledge or use of the Conditional City Housing Increment in accordance with the Infrastructure Financing Plan.

(d) Deposits into the Conditional City Increment Special Fund, Conditional City Facilities Increment Special Account and the Conditional City Housing Increment Special Account. Promptly upon receipt thereof, if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were not deducted prior to allocation to the District, the District shall set such amounts aside for payment pursuant to Section 53369.31.

Thereafter, or if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were deducted prior to payment of the Conditional City Increment to the District, the District shall deposit 82.5% of the Conditional City Increment received in any Bond Year in the Conditional City Facilities Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel) and 17.5% of such Conditional City Increment in the Conditional City Housing Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate accounts within the Conditional City Increment Special Fund, and separate sub-accounts within the Conditional City Facilities Increment Special Account and the Conditional City Housing Increment Special Account in its discretion.

Amounts deposited to and held by the District in the Conditional City Increment Special Fund and the accounts therein will be at all times separately accounted for by the District from all other funds or accounts, and the Conditional City Facilities Increment shall be used and applied solely as set forth in the Facilities Indenture.

The Conditional City Facilities Increment received in any Bond Year and deposited into the Conditional City Facilities Increment Special Account shall be subject to the pledge, security interest and lien set forth in the Facilities Indenture until such time during such Bond Year as the amount of Net Available Facilities Increment on deposit in the Net Available Facilities Increment Special Account is equal to the aggregate amounts required to be transferred in such Bond Year (i) for deposit into the Interest Account, the Principal Account, and the Redemption Account in such Bond Year pursuant to the Facilities Indenture and, if applicable, (ii) with respect to any Parity Facilities Debt other than additional Facilities Bonds pursuant to the applicable Parity Facilities Debt Instrument.

Once the condition set forth in the prior paragraph has been satisfied, all Conditional City Facilities Increment shall be released from the pledge, security interest and lien hereunder for the security of the Facilities Bonds and any additional Parity Facilities Debt.

If the condition set forth in the second preceding paragraph is not satisfied in a Bond Year, any remaining Conditional City Facilities Increment in the Conditional City Facilities Increment Special Account shall be released from the pledge, security interest and lien hereunder for the security of the Facilities Bonds and any additional Parity Facilities Debt following payment of the principal or redemption price of and interest on the Facilities Bonds due during such Bond Year and the payment of any amounts due during such Bond Year on any Parity Facilities Debt.

On each September 2, or such earlier date on which the pledge, security interest and lien on the Conditional City Facilities Increment is released as described in the preceding two paragraphs, the District shall, first, use any Conditional City Facilities Increment in the Conditional City Facilities Increment Special Account to pay debt service on other obligations that is then due in accordance with the Infrastructure Financing Plan, and, second, transfer any remaining such Conditional City Facilities Increment to the City.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Facilities Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indenture or Parity Facilities Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Conditional City Facilities Increment Special Account, except as may be provided in the Facilities Indenture and in any Supplemental Indenture or Parity Facilities Debt Instrument.

Facilities Debt Service Fund; Deposit of Amounts by Trustee. Moneys in the Net Available Facilities Increment Special Account and the Conditional City Facilities Increment Special Account, in that order and as provided in the Facilities Indenture, with moneys in the Net Available Facilities Increment Special Account being exhausted before moneys in the Conditional City Facilities Increment Special Account are used, shall be transferred by the District 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 Facilities Debt Service Fund, and in the following order of priority (provided that, if on the fifth (5th) Business Day prior to the date the District is required to transfer amounts on deposit in the Net Available Facilities Increment Special Account and the Conditional City Facilities Increment Special

Account 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 Facilities Debt other than Bonds, the District shall immediately notify the Trustee of the amount of any such insufficiency):

(a) Interest Account. On or before the third (3rd) Business Day preceding each Interest Payment Date, the District will withdraw from the Net Available Facilities Increment Special Account and the Conditional City Facilities Increment Special Account, in that order, 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 Facilities 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 Facilities 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 Facilities Bonds as it will become due and payable (including accrued interest on any Facilities Bonds redeemed prior to maturity pursuant to the Facilities Indenture).

(b) Principal Account. On or before the third (3rd) Business Day preceding September 1 in each year beginning at the time specified in the Facilities Indenture, the District will withdraw from the Net Available Facilities Increment Special Account and the Conditional City Facilities Increment Special Account, in that order, 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 Facilities Bonds and Outstanding Term Facilities Bonds, including pursuant to mandatory sinking account redemption, on the next September 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 September 1 on all of the Outstanding Serial Facilities Bonds and Term Facilities 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 Facilities Bonds and the Term Facilities Bonds, including by mandatory sinking account redemption, as the same will become due and payable.

(c) Debt Service Reserve Accounts. In the event that (i) the amount on deposit in the 2022 Facilities Reserve Account at any time becomes less than the 2022 Facilities Reserve Requirement, or (ii) the amount in any other reserve account that is held by the Trustee for Bonds that are not 2002 Related Bonds becomes less than its required amount, the Trustee will promptly notify the District of such fact. Promptly upon receipt of any such notice, the District will, without preference or priority and on a pro rata basis based on the outstanding principal amount of any Facilities Bonds or other Parity Facilities Debt, (i) transfer to the Trustee an amount of Net Available Facilities Increment sufficient for the amount on deposit in the 2022 Facilities Reserve Account to equal the 2022 Facilities Reserve Requirement, (ii) transfer to the Trustee an amount of Net Available Facilities Increment sufficient for the amount on deposit in such other reserve account held by the Trustee to equal its required amount and (iii) transfer as necessary to increase the amount in a debt service reserve account for any Parity Facilities Debt that is not held by the Trustee to its required amount. If there will then not be sufficient Net Available Facilities Increment to make the transfers described in the preceding sentence, the District shall be obligated to continue making transfers as Net Available Facilities Increment becomes available in the Net Available Facilities Increment Special Account until there is an amount sufficient to make the required transfers.

(d) Redemption Account. On or before the Business Day preceding any date on which any series of Facilities Bonds are to be optionally redeemed pursuant to a Supplemental Indenture, the Trustee shall withdraw from the Facilities Debt Service Fund any amount transferred by the District pursuant to the Facilities Indenture for deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the Facilities Bonds to be optionally 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 Facilities Bonds to be optionally redeemed pursuant to the Facilities Indenture or a similar provision of a Supplemental Indenture on the date set for such optional redemption. Interest due on the Facilities Bonds to be optionally redeemed on the date set for optional 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 optional redemption of any such Facilities Bonds, the Trustee may, at the direction of the District, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of the Facilities Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such Facilities Bonds, which is payable from the Interest Account) shall be directed by the District.

2022 Facilities Reserve Account

(a) Use of 2022 Facilities Reserve Account. All money in the 2022 Facilities Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority to pay principal of and interest on the Series 2022A Facilities Bonds and any 2022 Related Facilities Bonds, in the event of any deficiency at any time in any of such accounts.

So long as the District is not in default under the Facilities Indenture, any amount in the 2022 Facilities Reserve Account in excess of the 2022 Facilities Reserve Requirement shall be withdrawn by the Trustee from the 2022 Facilities Reserve Account semiannually on or before the fifth (5th) Business Day preceding each March 1 and September 1 for the following purposes, as directed in a Written Certificate of the District: (i) to make a payment to the federal government to comply with the Facilities Indenture and (ii) to pay for authorized costs under the DDA Financing Plan, the Infrastructure Financing Plan and the Law.

(b) Investment. Moneys in the 2022 Facilities Reserve Account shall be invested by the Trustee under the Facilities Indenture.

(c) Qualified Reserve Account Credit Instruments. The District shall have the right at any time to direct the Trustee to release funds from the 2022 Facilities 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 Series 2022A Facilities Bonds or any 2022 Related Facilities 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 District to the Trustee of a written calculation of the amount permitted to be released from the 2022 Facilities Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the 2022 Facilities Reserve Account to the related account(s) in the Facilities Project Fund to be used for the purposes thereof. Upon the scheduled expiration of any Qualified Reserve Account Credit Instrument, the District 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 2022 Facilities Reserve Requirement, which deposit shall be derived from the first Net Available Facilities Increment that is available for that Bond Year or, if necessary any succeeding Bond Years, but only after the District has transferred or provided for the transfer of amounts (A) to be deposited into the Interest Account, the Principal Account, any debt service reserve account for Bonds that are not 2022 Related Facilities Bonds and the Redemption Account in such Bond Year and (B) required in such Bond Year under a Parity Facilities Debt Instrument with respect to any Parity Facilities Debt other than Facilities Bonds.

If the Qualified Reserve Account Credit Instrument is in the form of a letter of credit and the District has not renewed or replaced such letter of credit two weeks prior to its expiration or termination, the Trustee shall draw on such letter of credit in full and deposit the proceeds of such draw in the 2022 Facilities Reserve Account.

If the 2022 Facilities Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Facilities Debt Service Fund with respect to the Series 2022A Facilities Bonds and any 2022 Related Facilities Bonds. If the 2022 Facilities Reserve Requirement 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 Facilities Debt Service Fund with respect to the Series 2022A Facilities Bonds and any 2022 Related Facilities Bonds shall be pro rata with respect to the stated amount of each such instrument.

In the event that a Qualified Reserve Account Credit Instrument is available to be drawn upon for only one or more particular series of Facilities Bonds covered by the 2022 Facilities Reserve Account, a separate subaccount in the 2022 Facilities Reserve Account may be established for such series, and the calculation of the 2022 Facilities Reserve Requirement with respect to the other Bonds covered by the 2022 Facilities Reserve Account shall exclude the debt service on such series of Facilities Bonds.

The District will have no obligation to replace a Qualified Reserve Account Credit Instrument or to fund the 2022 Facilities Reserve Account with cash if, at any time that the Series 2022A Facilities Bonds or any 2022 Related Facilities Bonds are Outstanding, the Qualified Reserve Account Credit Instrument (or its provider) is downgraded or the provider becomes insolvent, if there is an unscheduled termination of the Qualified Reserve Account Credit Instrument or if for any reason insufficient amounts are available to be drawn upon under the Qualified Reserve Account Credit Instrument; provided, however, that the District shall reimburse the provider, in accordance with the terms of the Qualified Reserve Account Credit Instrument, for any draws made thereon.

The District and the Trustee shall comply with the terms of the Qualified Reserve Account Credit Instrument as shall be required to receive payments thereunder in the event and to the extent required under the Facilities Indenture.

Investment of Moneys in Funds

Moneys in the Facilities Project Fund (including any accounts therein), the Facilities Debt Service Fund, the Interest Account, the Principal Account, the 2022 Facilities Reserve Account, any reserve account held by the Trustee for Bonds that are not 2022 Related Facilities Bonds, the Redemption Account and the capitalized interest account for any Facilities Bonds shall be invested by the Trustee in Permitted Investments as directed by the District in the Written Request of the District filed with the Trustee, except that moneys in the 2022 Facilities Reserve Account and, except as provided in a Supplemental Indenture, any reserve account held by the Trustee for Bonds that are not 2022 Related Facilities Bonds, 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 (h) of the definition thereof. In the absence of any such Written Request of the District, the Trustee shall invest any such moneys in Permitted Investments described in clause (f) 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 will be entitled to rely conclusively upon the written instructions of the District directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and will 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 will be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the District's expense. Moneys in the Net Available Facilities Increment Special Account and the Conditional City Facilities Increment Special Account may be invested by the District in any obligations in which the District is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund will 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 Facilities Indenture will be deposited in the Interest Account; *provided, however,* that (i) all interest or gain from the investment of amounts in the 2022 Facilities Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the 2022 Facilities Reserve Account to equal the 2022 Facilities Reserve Requirement and (ii) all interest or gain from the investment of amounts in any other debt service reserve account held by the Trustee for Bonds that are not 2022 Related Facilities Bonds will be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the 2022 Facilities Reserve Account to equal the 2022 Facilities Reserve Requirement or the balance in such other reserve account to equal its required amount. 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 will incur no liability for losses arising from any investments made at the direction of the District or otherwise made in accordance with provisions described in this paragraph. For investment purposes only, the Trustee may commingle the funds and accounts established under the Facilities Indenture, but will account for each separately.

Issuance of Parity Facilities Debt

In addition to the Series 2022A Facilities Bonds and the Series 2023A Facilities Bonds, the District may issue Parity Facilities Debt to finance and/or refinance activities that are permitted to be financed and/or refinanced by the District with Net Available Facilities Increment in such principal amount as shall be determined by the District. Any Parity Facilities Debt shall be secured by a pledge of Pledged Facilities Increment as set forth in the Facilities Indenture. The District may issue and deliver any such Parity Facilities Debt subject to the following specific conditions all of which are hereby made conditions precedent to the issuance and delivery of such Parity Facilities Debt:

(a) Except as provided in subsection (i) below, no event of default hereunder, under any Parity Facilities Debt Instrument or under any Subordinate Facilities Debt Instrument shall have occurred and be continuing, unless the event of default shall be cured by the issuance of the Parity Facilities Debt, and the District shall otherwise be in compliance with all covenants set forth in the Facilities Indenture.

(b) Except as provided in subsection (i) below, based on the most recent taxable valuation of property in the Project Areas of the District that met their Trigger Amount in prior Fiscal Years and in the Project Areas of the District that met their Trigger Amount in the current Fiscal Year, as evidenced by the records of the District or the City, plus at the option of the District the amount of any Additional Facilities Revenues, the Pledged Facilities Increment shall equal at least one hundred twenty-five percent (125%) of Annual Debt Service payable from Pledged Facilities Increment in each of the years that the proposed Parity Facilities Debt will be outstanding, including within such Annual Debt Service, the amount of Annual Debt Service on the Parity Facilities Debt then proposed to be issued or incurred.

(c) In the case of Parity Facilities Debt issued as additional Facilities Bonds under the Facilities Indenture, the Supplemental Indenture providing for the issuance of such Facilities Bonds shall provide for (i) a deposit to the 2022 Facilities Reserve Account in an amount necessary such that the amount deposited therein shall equal the 2022 Facilities Reserve Requirement following issuance of the additional Facilities Bonds, or (ii) a deposit to a reserve account for such additional Facilities Bonds (and such other series of Facilities Bonds identified by the District) in an amount defined in such Supplemental Indenture, as long as such Supplemental Indenture expressly declares that the Owners of such additional Facilities Bonds will have no interest in or claim to the 2022 Facilities Reserve Account and that the Owners of the Facilities Bonds covered by the 2022 Facilities Reserve Account will have no interest in or claim to such other reserve account or (iii) no deposit to either the 2022 Facilities Reserve Account or another reserve account as long as such Supplemental Indenture expressly declares that the Owners of such additional Facilities Bonds will have no interest in or claim to the 2022 Facilities Reserve Account or any other reserve account. The Supplemental Indenture may provide that the District may satisfy the 2022 Facilities Reserve Requirement for a series of Parity Facilities Debt issued as additional Facilities Bonds under the Facilities Indenture by the deposit into the reserve account established pursuant to such Supplemental Indenture of an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company as described in the Supplemental Indenture.

Nothing in the Facilities Indenture establishes a requirement for the District to establish a debt service reserve account for Parity Facilities Debt that is not issued as additional Facilities Bonds under the Facilities Indenture.

(d) Principal with respect to such Parity Facilities Debt will be required to be paid on September 1 in any year in which such principal is payable.

(e) The aggregate principal amount of bonds and other debt (as defined in the Law and the Infrastructure Financing Plan) that will have been issued by the District following the issuance of such Parity Facilities Debt shall not exceed the maximum amount of bonds and other debt permitted to be issued by the District. Pursuant to the Original Resolution of Issuance, the following Parity Facilities Debt shall not account against the aggregate principal amount of bonds and other debt permitted to be issued by the District: (i) any bonds or other debt issued or incurred for the sole purpose of refunding the Facilities Bonds, funding a reserve fund for such refunding bonds and paying related costs of issuance and (ii) any bonds or other debt issued or incurred for the sole purpose of refunding such refunding bonds, funding a reserve fund and paying related costs of issuance.

(f) The aggregate amount of the principal of and interest on all bonds, loans, advances or indebtedness payable from Net Available Facilities Increment, Net Available Housing Increment and Conditional City Increment coming due and payable following the issuance of such Parity Facilities Debt shall not exceed the maximum amount of Net Available Facilities Increment, Net Available Facilities Increment and Conditional City Increment permitted under the Plan Limit to be allocated and paid to the District following the issuance of such Parity Facilities Debt.

(g) The proceeds of the Parity Facilities Debt will be used for a lawful purpose of the Pledged Facilities Increment under the Law and the Infrastructure Financing Plan.

(h) Except as provided in subsection (i), the District will deliver to the Trustee (i) a Written Certificate of the District certifying that the conditions precedent to the issuance of such

Parity Facilities Debt set forth in subsections (a) through (g) above have been satisfied and (ii) a written certificate of the City certifying that the condition precedent to the issuance of such Parity Facilities Debt set forth in subsection (g) has been satisfied.

(i) The conditions set forth in subsections (a) and (b) of this Section shall not apply to the issuance or incurrence of any Parity Facilities Debt the net proceeds of which will be used solely to refund all or any portion of the Series 2022A Facilities Bonds, the Series 2023A Facilities Bonds or any other outstanding Parity Facilities Debt, provided that debt service payable in each year with respect to the proposed Parity Facilities Debt is less than the debt service otherwise payable in each year with respect to the Series 2022A Facilities Bonds, the Series 2023A Facilities Bonds or Parity Facilities Debt, or portion thereof, proposed to be refunded.

Issuance of Subordinate Facilities Debt

The District may issue or incur Subordinate Facilities Debt in such principal amount as shall be determined by the District. The District may issue or incur such Subordinate Facilities Debt secured by a pledge of Pledged Facilities Increment that is subordinate to the pledge of Pledged Facilities Increment to the Facilities Bonds and any Parity Facilities Debt, subject to the following specific conditions precedent:

(a) The issuance of such Subordinate Facilities Debt shall comply with the conditions set forth in the Facilities Indenture.

(b) The Subordinate Facilities Debt shall be payable from Pledged Facilities Increment and secured by a pledge of Net Available Facilities Increment on a subordinate basis to the District's pledge of Net Available Facilities Increment as security for its obligation to repay the City from Net Available Facilities Increment for any Conditional City Increment used to pay debt service on obligations of the District, as set forth in the Infrastructure Financing Plan.

(c) The District shall deliver to the Trustee a Written Certificate of the District certifying that the conditions precedent to the issuance of such Subordinate Facilities Debt set forth in the preceding subsections have been satisfied.

(d) As of the date of the Facilities Indenture, the District has previously incurred a Subordinate Facilities Debt under a Subordinate Pledge Agreement, dated May 29, 2015, by the City on behalf of the District for the benefit of the United States of America. The pledge of Net Available Facilities Increment under the Subordinate Pledge Agreement is subordinate to the pledge of Net Available Facilities Increment to Facilities Bonds and Parity Facilities Debt and to the District's obligation to repay the City from Net Available Facilities Increment as set forth in the preceding subsection (b).

Certain Other Covenants of the District

The District makes the following covenants in the Facilities Indenture:

Limitation on Additional Indebtedness; Against Encumbrances. So long as the Facilities Bonds are Outstanding, the District 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 Facilities Increment, excepting only (i) the Series 2022A Facilities Bonds, (ii) any Parity Facilities Debt (including the Series 2023A Facilities Bonds) and (iii) any Subordinate Facilities Debt**.** The District will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Facilities Increment or other amounts pledged to the Facilities Bonds superior or equal to the pledge and lien created for the benefit of the Facilities Bonds in the Facilities Indenture.

Extension of Payment. The District will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Facilities Bond or claim for interest on any of the Facilities Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Facilities Bonds or claims for interest in any other manner. In case the maturity of any Facilities Bond or claim for interest will be extended or funded, whether or not with the consent of the District, any Facilities Bond or claim for interest so extended or funded will not be entitled, in case of default under the Facilities Indenture, to the benefits of the Facilities Indenture, except subject to the prior payment in full of the principal of all of the Facilities Bonds then Outstanding and of all claims for interest which will not have been so extended or funded.

Payment of Claims. The District will 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 District or upon the Pledged Facilities Increment or other amounts pledged to the payment of the Facilities Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Facilities Bonds. Nothing in the Facilities Indenture contained will require the District to make any such payment so long as the District in good faith will contest the validity of said claims.

Books and Accounts; Financial Statements. The District will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the District and the City and County of San Francisco, in which complete and correct entries will be made of all transactions relating to the District, Project Areas, the Net Available Facilities Increment, the Conditional City Facilities Increment, the Facilities Project Fund, the Net Available Facilities Increment Special Account and the Conditional City Facilities Increment Special Account. Such books of record and accounts will at all times during business hours be subject to the Owners of not less than ten percent (10%) in aggregate principal amount of the Facilities Bonds then Outstanding, or their representatives authorized in writing.

Maintenance of Pledged Facilities Increment. The District will comply with all requirements of the Law to insure the allocation and payment to it of the Pledged Facilities Increment. The District will not undertake proceedings for amendment of the Infrastructure Financing Plan if such amendments will impair the District's ability to pay debt service on the Facilities Bonds or, in and of themselves, cause the amount of Pledged Facilities Increment available to the District for application hereunder in any succeeding Fiscal Year to fall below 125% of Maximum Annual Debt Service.

Plan Limit. (a) The District will manage its fiscal affairs in a manner which ensures that it will have sufficient Pledged Facilities Increment available under the Plan Limit in the amounts and at the times required to enable the District to pay the principal of and interest and premium (if any) on the Outstanding Facilities Bonds and any outstanding Parity Facilities Debt when due.

(b) The District will annually review the total amount of Net Available Increment available to be allocated to the District under the Plan Limits, as well as future cumulative annual payments on (i) the Facilities Bonds, (ii) any Parity Facilities Debt, (iii) any Subordinate Facilities Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Housing Increment.

In furtherance of the covenant in the preceding paragraph, if the District ever determines that during the next succeeding Bond Year, the future cumulative annual payments on (i) the Facilities Bonds, (ii) any Parity Facilities Debt, (iii) any Subordinate Facilities Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Housing Increment is expected to equal at least 80% of the remaining amount of Net Available Increment available to be allocated to the District under the Plan Limits, then the District shall either (i) adopt a plan approved by an Independent Economic Consultant that demonstrates the District's continuing ability to pay all of the debt service on the Facilities Bonds and any Parity Facilities Debt, through the scheduled maturity date(s), or (ii) claim all Net Available Facilities Increment not needed to pay current or any past due debt service on Facilities Bonds or any Parity Facilities Debt for so long as the 80% threshold set forth above is met and deposit such amounts, when received, into a Trustee-held escrow account (the "Escrow Account") and invested in Defeasance Obligations. Moneys in the Escrow Account must be used only to pay debt service on the Facilities Bonds and any Parity Facilities Debt, or to redeem Facilities Bonds and any Parity Facilities Debt that does not constitute Facilities Bonds.

Tax Covenants Relating to the 2023A Facilities Bonds. The District will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Series 2023A Facilities 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 Series 2023A Facilities Bonds would have caused the Series 2023A Facilities Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code. The District will take all actions necessary to assure the exclusion of interest on the Series 2023A Facilities Bonds from the gross income of the Owners of the Series 2023A Facilities 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 Series 2023A Facilities Bonds.

Continuing Disclosure. The District will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of the Facilities Indenture, failure of the District to comply with the Continuing Disclosure Certificate will not be an Event of Default under the Facilities Indenture. However, any Participating Underwriter or any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations as described in this paragraph.

Amendment of Indenture

The Facilities Indenture and the rights and obligations of the District and of the Owners may be modified or amended at any time by a Supplemental Indenture which will 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 District in the Facilities Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers reserved to or conferred upon the District in the Facilities Indenture; 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 Facilities Indenture, or in any other respect whatsoever as the District may deem necessary or desirable, provided under any circumstances that such modifications or amendments will not, in the reasonable determination of the District, materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Facilities Debt in accordance with the Facilities Indenture; or

(d) to amend any provision of the Facilities 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

Facilities Bonds the interest on which is intended to be excluded from gross income for federal income tax purposes, in the opinion of Bond Counsel; or

(e) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument for the 2022 Facilities Reserve Account or a similar provider for any other debt service reserve account held by the Trustee for Bonds that are not 2022 Related Facilities Bonds.

Except as described in the preceding paragraph, the Facilities Indenture and the rights and obligations of the District and of the Owners may be modified or amended at any time by a Supplemental Indenture which will become binding when the written consent of the Owners of a majority in aggregate principal amount of the Facilities Bonds then Outstanding are filed with the Trustee. No such modification or amendment will (a) extend the maturity of or reduce the interest rate on any Facilities Bond or otherwise alter or impair the obligation of the District 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 Facilities Bond without the express written consent of the Owner of any Facilities Bond, or (b) reduce the percentage of Facilities Bonds required for the written consent to any such amendment or modification. In no event will any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent.

For the avoidance of doubt, the owners of a series of Facilities Bonds shall be deemed to have consented to the provisions of a Supplemental Indenture if notice of the provisions is given by the District in an Official Statement for any Facilities Bonds prior to the sale of any Facilities Bonds.

Events of Default and Remedies and Acceleration of Maturities

Events of Default. The following events will constitute Events of Default under the Facilities Indenture:

(a) if default will be made by the District in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Facilities Bond when and as the same will become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default will be made by the District in the observance of any of the covenants, agreements or conditions on its part in the Facilities Indenture or in the Facilities Bonds contained, other than a default described in the preceding clause (a), and such default will have continued for a period of thirty (30) days following receipt by the District of written notice from the Trustee, or written notice from any Owner (with a copy of said notice delivered to the Trustee) of the occurrence of such default, provided that if in the reasonable opinion of the District 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 District within such thirty (30) day period and the District thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(c) If the District 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 District 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 District, 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 District or of the whole or any substantial part of its property.

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 Facilities Bonds then Outstanding the Trustee will, (a) declare the principal of the Facilities Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same will become immediately due and payable, anything in the Facilities Indenture or in the Facilities Bonds to the contrary notwithstanding, and (b) subject to the provisions of the Facilities Indenture, exercise any other remedies available to the Trustee and the Owners of the Facilities Bonds in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee will give notice of such Event of Default to the District by telephone promptly confirmed in writing. Such notice will also state whether the principal of the Facilities Bonds will have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee will, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which will include the statement that interest on the Facilities Bonds will cease to accrue from and after the date, if any, on which the Trustee will have declared the Facilities Bonds to become due and payable pursuant to the Facilities Indenture as described 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 Facilities Bonds will have been so declared due and payable, and before any judgment or decree for the payment of the moneys due will have been obtained or entered, the District will, with the written consent of a majority in aggregate principal amount of the Owners of the Facilities Bonds, deposit with the Trustee a sum sufficient to pay all principal on the Facilities Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Facilities 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 Facilities Bonds due and payable solely by reason of such declaration) will have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate will have been made therefor, then, and in every such case, the Trustee will promptly give written notice of the foregoing to the Owners of all Facilities Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Facilities Bonds then Outstanding, by written notice to the District and to the Trustee, may, on behalf of the Owners of all of the Facilities Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment will extend to or will affect any subsequent default or will impair or exhaust any right or power consequent thereon.

<u>Application of Funds Upon Acceleration.</u> All of the Pledged Facilities Increment that are available to pay debt service on the Facilities Bonds and all sums in the funds and accounts established and held by the Trustee under the Facilities Indenture upon the date of the declaration of acceleration as provided in the Facilities Indenture, and all sums thereafter received by the Trustee under the Facilities Indenture, will be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

<u>First,</u> 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 as described in the Facilities 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, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Facilities 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 Facilities Bonds (to the extent that such interest on overdue installments of principal and interest will have been collected), and in case such moneys will be insufficient to pay in full the whole amount so owing and unpaid upon the Facilities Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest without taking into account the availability of funds in the 2022 Facilities Reserve Account or any other reserve account.

Notwithstanding the foregoing, Conditional City Facilities Increment may only be used to pay principal and interest on the Facilities Bonds and any Parity Facilities Debt, and any Subordinate Facilities Debt.

Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, will have taken any action, by judicial proceedings or otherwise, pursuant to its duties under the Facilities Indenture, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Facilities Bonds then Outstanding, it will have full power, in the exercise of its discretion for the best interests of the Owners of the Facilities Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee will 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 Facilities Bonds under the Facilities Indenture opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Limitation on Owner's Right to Sue. No Owner of any Facilities Bond issued under the Facilities Indenture will have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Facilities Indenture, unless (a) such Owner will have previously given to the District, the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Facilities Bonds then Outstanding will have made written request upon the Trustee to exercise the powers described above or to institute such action, suit or proceeding in its own name; (c) said Owners will 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 will have refused or omitted to comply with such request for a period of sixty (60) days after such written request will have been received by, and said tender of indemnity will have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy under the Facilities Indenture; it being understood and intended that no one or more Owners will have any right in any manner whatever by his or their action to enforce any right under the Facilities Indenture, except in the manner therein provided, and that all proceedings at law or in equity to enforce any provision of the Facilities Indenture will be instituted, had and maintained in the manner therein provided and for the equal benefit of all Owners of the Outstanding Facilities Bonds.

Discharge of Indenture

The District may pay and discharge the entire indebtedness on all Facilities 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 Facilities 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 Facilities Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Facilities 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 will determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to the Facilities Indenture, be fully sufficient to pay and discharge the indebtedness on all Facilities Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if any Facilities Bonds are to be redeemed prior to the maturity thereof, notice of such redemption will have been given pursuant to the Facilities Indenture or provision satisfactory to the Trustee will have been made for the giving of such notice, then, at the election of the District, and notwithstanding that any Facilities Bonds will not have been surrendered for payment, the pledge of the Pledged Facilities Increment and other funds provided for in the Facilities Indenture and all other obligations of the Trustee and the District under the Facilities Indenture will cease and terminate with respect to all Outstanding Facilities Bonds or, if applicable, with respect to that portion of the Facilities Bonds which has been paid and discharged, except only (a) the covenants of the District under the Facilities Indenture with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Facilities Bonds under the Facilities Indenture, (c) the obligations of the District relating to compensation and indemnification of the Trustee, and (d) the obligation of the District to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee, all fees, expenses and costs of the Trustee. In the event the District will, pursuant to the foregoing provision, pay and discharge any portion or all of the Facilities Bonds then Outstanding, the Trustee will be authorized to take such actions and execute and deliver to the District 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 Facilities Bonds that the District has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Facilities Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee as compensation or indemnification will be paid over to the District.

Certain Provisions Related to the Trustee

The District may remove the Trustee at any time, unless an Event of Default will have occurred and then be continuing, and will 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 Facilities Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the District has knowledge that the Trustee will cease to be eligible as described below, or will become incapable of acting, or will be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property will be appointed, or any public officer will 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 will be accomplished by the giving of written notice of such removal by the District to the Trustee, whereupon the District will appoint a successor Trustee by an instrument in writing.

The Trustee may at any time resign by giving written notice of such resignation to the District and by giving the Owners 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 District will promptly appoint a successor Trustee by an instrument in writing.

Any removal or resignation of the Trustee and appointment of a successor Trustee will become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee will have been appointed and have accepted appointment within forty-five (45) days of giving 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 District 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. Upon acceptance of appointment by a successor Trustee, the District will cause either the predecessor Trustee or the successor Trustee to mail a notice of the succession of such Trustee to the trusts under the Facilities Indenture to each rating District which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books.

The District agrees that, so long as any Bonds or any Parity Debt are Outstanding, the Trustee will 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 will 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 paragraph the combined capital and surplus of such financial institution will 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 will cease to be eligible in accordance with the provisions described in this paragraph, the Trustee will resign immediately in the manner and with the effect described above.

APPENDIX D

SUMMARY OF CERTAIN PROVISIONS OF THE HOUSING INDENTURE

The following is a brief summary of certain provisions of the Housing Indenture authorizing the Series 2023B Housing Bonds that are not otherwise described in the text of this Official Statement. Such summary is not intended to be definitive, and reference is made to the actual Housing Indenture (copies of which may be obtained from the District) 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:

"<u>Additional Housing Revenues</u>" means, as of the date of calculation, the amount of Net Available Housing Increment and Conditional City Housing Increment which, as shown in the Report of an Independent Economic Consultant based on written records of the City, are estimated to be receivable by the District within the Fiscal Year following the Fiscal Year in which such calculation is made, as a result of increases in the assessed valuation of taxable property in the District due to (i) the completion of construction which is not then reflected on the tax rolls, or (ii) transfer of ownership or any other interest in real property which has been recorded but which is not then reflected on the tax rolls.

For purposes of this definition, the term "increases in the assessed valuation" means the amount by which the assessed valuation of taxable property in the District is estimated to increase above the assessed valuation of taxable property in the District as of the date on which such calculation is made. For the avoidance of doubt, written records of the City may include written correspondence between the owner of taxable property (or its representatives) and the City with respect to construction in progress or property sales.

"<u>Annual Debt Service</u>" means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Housing Bonds and other Parity Housing Debt in such Bond Year, assuming that the Outstanding Serial Housing Bonds are retired as scheduled and that the Outstanding Term Housing Bonds are redeemed from mandatory sinking account payments as scheduled, (b) the principal amount of the Outstanding Serial Housing Bonds and other Parity Housing Debt payable by their terms in such Bond Year, and (c) the principal amount of the Outstanding Term Housing Bonds scheduled to be paid or redeemed from mandatory sinking account payments in such Bond Year.

For purposes of the calculation of Annual Debt Service, there will be excluded the principal of and interest on any Parity Housing Debt to the extent the proceeds thereof are then deposited in a fully self-supporting escrow fund (the fully self-supporting nature of which is evidenced by a report prepared by an Independent Economic Consultant and delivered to the Trustee) from which amounts may not be released to the District unless the amount of Pledged Housing Increment, calculated as described under "Issuance of Parity Debt" below, and Additional Housing Revenues are then calculated to be not less than the percentage of Maximum Annual Debt Service required by the Housing Indenture as described under "Issuance of Parity Debt" below.

"<u>Base Year</u>" for the Project Areas is defined in the Infrastructure Financing Plan as Fiscal Year 2016-17.

"Bond Counsel" means an attorney or firm of attorneys appointed by or acceptable to the District, 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 any twelve-month period beginning on September 2 in any year and ending on the next succeeding September 1, both dates inclusive.

"Business Day" means a day of the year on which banks in the State of California, are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

"City" means the City and County of San Francisco, California, a municipal corporation and chartered city duly organized and existing under the Constitution and laws of the State.

"Closing Date" means the date on which a series of Housing Bonds is delivered by the District to the original purchaser thereof.

"Code" means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Series 2023B Housing Bonds or (except as otherwise referenced in the Housing Indenture) as it may be amended to apply to obligations issued on the date of issuance of the Series 2023B Housing Bonds, together with applicable, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"Conditional City Facilities Increment" means 82.5% of the Conditional City Increment.

"Conditional City Facilities Increment Special Account" means the account of that name established by the District pursuant to the Housing Indenture.

"Conditional City Housing Increment" means 17.5% of the Conditional City Increment.

"Conditional City Housing Increment Special Account" means the account of that name established by the District pursuant to the Housing Indenture.

"Conditional City Increment" means, for each Project Area, an amount equal to 8.00% of the Gross Tax Increment, subject to the Plan Limit, as provided in the Infrastructure Financing Plan.

"Conditional City Increment Special Fund" means the Conditional City Increment Special Fund established by the District pursuant to the Housing Indenture.

"Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate_with respect to the Series 2023B Housing Bonds executed by the District, 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 District relating to the authorization, issuance, sale and delivery of the Housing Bonds, including but not limited to printing expenses, bond insurance premiums, rating District 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 Housing Bonds, administrative costs of the District and City incurred in connection with the issuance of the Housing Bonds, and any other cost, charge or fee in connection with the original issuance of the Housing Bonds.

"DDA Financing Plan" means the Financing Plan (Treasure Island/Yerba Buena Island) attached to the Disposition and Development Agreement (Treasure Island/Yerba Buena Island), dated June 28, 2011, by and between Treasure Island Development Authority and Treasure Island Community Development, LLC.

"Defeasance Obligations" means any of the following which, at the time of investment, are in compliance with the City's investment policies then in effect (provided that the Trustee will be entitled to rely upon any investment direction from the District as conclusive certification to the Trustee that investments described therein are in compliance with the City's investment policies then in effect:

(a) Cash;

(b) Federal 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 or "AAA" by S&P;

(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 District 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 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; and

(f) 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 District 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 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.

"District" means the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island), an infrastructure and revitalization financing district and a legally constituted governmental entity established pursuant to the laws of the State of California.

"Event of Default" means any of the events described under "Events of Default and Remedies" herein.

"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 District and related parties do not own more than a 10% beneficial interest therein if the return paid by the fund is without regard to the source of the investment. To the extent required by the applicable regulations under the Code, the term "investment" will include a hedge.

"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 this First Supplemental Indenture, dated as of December 1, 2023, by and between the District 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 District to the Trustee in writing as its official fiscal year period.

"Gross Tax Increment" means, for each of the Project Areas, 100% of the revenue produced by the application of the 1% ad valorem tax rate to the Incremental Assessed Property Value of property within the Project Area. Gross Tax Increment does not include any ad valorem property tax revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and Taxation Code.

"Housing Bonds" means the Series 2023B Housing Bonds and any Parity Housing Debt issued as bonds pursuant to a Supplemental Indenture.

"Housing Debt Service Fund" means the fund by that name established and held by the Trustee pursuant to the Housing Indenture.

"Housing Project Fund" means the fund by that name established and held by the Trustee pursuant to the Housing Indenture.

"Incremental Assessed Property Value" means, in any year, for each Project Area, the difference between the assessed value of the property within such Project Area for that fiscal year and the assessed value of the property within such Project Area in the Base Year, to the extent that the difference is a positive number.

"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 District, and who, or each of whom:

(a) is in fact independent and not under domination of the District;

(b) does not have any substantial interest, direct or indirect, with the District; and

(c) is not connected with the District as an officer or employee of the District, but who may be regularly retained to make reports to the District.

"Independent Economic Consultant" means any consultant or firm of such consultants appointed by the District and who, or each of whom:

(a) is judged by the District to have experience in matters relating to the collection of tax increment revenues or otherwise with respect to tax increment financing of districts;

(b) is in fact independent and not under domination of the District;

(c) does not have any substantial interest, direct or indirect, with the District; and

(d) is not connected with the District as an officer or employee of the District, but who may be regularly retained to make reports to the District.

"Infrastructure Financing Plan" means the Amended and Restated Infrastructure Financing Plan for the District, including the Project Areas, adopted and approved by the Board of Supervisors of the City and County of San Francisco by Ordinance No. 29-22, adopted on February 15, 2022, as heretofore amended and as may hereafter be amended in accordance with the law.

"Interest Account" means the account by that name established and held by the Trustee pursuant to the Housing Indenture.

"Interest Payment Date" means each March 1 and September 1, commencing March 1, 2023, for so long as any of the Housing Bonds remain Outstanding under the Housing Indenture.

"Law" means Chapter 2.6 of Part 1 of Division 2 of t Title 5 of the California Government Code, and the acts amendatory thereof and supplemental thereto.

"Maximum Annual Debt Service" means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year, including payments on any Parity Housing Debt, as certified in writing by the District to the Trustee.

"Moody's" means Moody's Investors Service and its successors.

“Net Available Facilities Increment” means 82.5% of the Net Available Increment.

“Net Available Facilities Increment Special Account” means the account of that name established pursuant to the Housing Indenture.

“Net Available Housing Increment” means 17.5% of the Net Available Increment.

“Net Available Housing Increment Special Account” means the account of that name established pursuant to the Housing Indenture.

“Net Available Increment” means 56.588206% of the Gross Tax Increment, subject to the Plan Limit, as provided in the Infrastructure Financing Plan.

"Net Available Increment Special Fund" means the fund established and held by the District pursuant to the Housing Indenture.

"Original Resolution of Issuance" means Resolution No. 7-17, which was adopted by the Board of Supervisors as the legislative body of the District on January 24, 2017, and signed by the Mayor on February 3, 2017.

"Outstanding" when used as of any particular time with reference to Housing Bonds, means (subject to the provisions of the Housing Indenture regarding disqualified bonds) all Housing 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 Housing Indenture; and

(c) Bonds in lieu of or in substitution for which other Bonds will have been authorized, executed, issued and delivered by the District pursuant to the Housing Indenture.

"Owner" or "Bond Owner" means, with respect to any Housing Bond, the person in whose name the ownership of such Housing Bond will be registered on the Registration Books.

"Parity Housing Debt" means any additional bonds, (including any Housing Bonds), loans, advances or indebtedness issued or incurred by the District on a parity with the Series 2022B Housing Bonds and the Series 2023B Housing Bonds pursuant to the Housing Indenture as described in "Issuance of Parity Debt".

"Parity Housing Debt Instrument" means any Supplemental Indenture or other instrument providing for the issuance or incurrence of Parity Housing 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 in compliance with the City's investment policies then in effect (provided that the Trustee will be entitled to rely upon any investment direction from the District as conclusive certification to the Trustee that the investments described therein are in compliance with the City's investment policies then in effect), but only to the extent that the same are acquired at Fair Market Value:

(a) Federal Securities;

(b) obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including: Export-Import Bank, Farmers Home Administration, General Services Administration, U.S. Maritime Administration, Small Business Administration, Government National Mortgage Association, U.S. Department of Housing & Urban Development, and Federal Housing Administration;

(c) bonds, notes or other evidences of indebtedness rated AAA by S&P and Aaa by Moody's issued by Fannie Mae or Freddie Mac with remaining maturities not exceeding three years;

(d) U.S. dollar denominated deposit accounts (including those with the Trustee or with any affiliate of the Trustee), federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of A-1 or A-1+ by S&P and P-1 by Moody's, and maturing no more than 360 days after the date of purchase;

(e) commercial paper which is rated at the time of purchase in the single highest classification, A-1+ by S&P and P-1 by Moody's and which matures not more than 270 days after the date of purchase;

(f) investments in a money market fund rated AAAm or AAAm-G or better by S&P, which may include funds for which the Trustee or its affiliates provide investment advisory or other management services;

(g) any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based on the escrow, in the highest rating category of S&P and Moody's or (ii)(A) which are fully secured as to principal and interest and redemption premium (if any) by a fund consisting only of cash or Federal Securities, which fund may be applied only to the payment of such principal of and interest and redemption premium (if any) in such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates under such irrevocable instructions, as appropriate, and (B) which fund is sufficient, as verified by an independent accountant, to pay principal of and interest and redemption premium (if any) on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate;

(h) investment agreements with a provider that is rated in one of the two highest rating categories by S&P and Moody's;

(i) the Local Agency Investment Fund which is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California, provided 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) shares in a California common law trust established pursuant to Title 1, Division 7, Chapter 5 of the California Government Code which invests exclusively in investments permitted by Section 53635 of Title 5, Division 2, Chapter 4 of the California Government Code, as it may be amended, including but not limited to the California Asset Management Program (CAMP).

"Plan Limit" means the limitation, if any, contained in the Infrastructure Financing Plan on the number of dollars of taxes which may be divided and allocated to the District pursuant to the Infrastructure Financing Plan and the Law.

"Pledged Facilities Increment" means the sum of Net Available Facilities Increment and Conditional City Facilities Increment, less the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law.

"Pledged Housing Increment" means the sum of Net Available Housing Increment and Conditional City Housing Increment, less the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law.

"Principal Account" means the account by that name established and held by the Trustee pursuant to the Housing Indenture.

"Principal Corporate Trust Office" means such principal corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the District.

"Project" means the Project described in the Certificate Regarding Use of Proceeds for the Bonds, or such other project identified by the District after consulting with the City Attorney and Bond Counsel.

"Project Area" means, collectively, each project area established from time to time for the District pursuant to the Law.

"Qualified Project Costs" means costs and expenses of the Project that are properly chargeable to a capital account and, to the extent that such expenditures do not exceed 5% of the sale proceeds of the Series 2023B Housing Bonds, non-capital costs that are directly related to the Project. Qualified Project Costs do not include amounts to be used to reimburse expenditures paid before the date of issuance of the Series 2023B Housing Bonds other than Qualified Reimbursable Costs.

"Qualified Purchaser" means (a) a qualified institutional buyer, as that term is defined in Securities and Exchange Commission Rule 144A promulgated under the Securities Act of 1933, as amended and (b) an "institutional accredited investor," which consists of accredited investors as defined in subsections (a)(1), (2), (3) and (7) of Securities and Exchange Commission Rule 501 promulgated under the Securities Act of 1933, as amended.

"Qualified Reserve Account Credit Instrument" means an irrevocable standby or direct-pay letter of credit, insurance policy 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) in the case of a commercial bank, the long-term credit rating of such bank at the time of delivery of the irrevocable standby or direct-pay letter of credit is at least "A" from S&P or "A" from Moody's and, in the case of an insurance company, the claims paying ability of such insurance company at the time of delivery of the insurance policy or surety bond is at least "A" from S&P, or "A" Moody's or, if not rated by S&P or Moody's but is rated by A.M. Best & Company, is rated at the time of delivery in the highest rating category by A.M. Best & Company; (b) such letter of credit or surety bond has a term of at least 12 months; (c) such letter of credit or surety bond has a stated amount at least equal to the portion of the 2022 Housing 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 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 that are payable from the 2022 Housing Reserve Account for the purpose of making payments required by the Housing Indenture.

"Qualified Reimbursable Costs" means, unless otherwise determined by the City Attorney and Bond Counsel, (i) expenditures paid for costs of issuance of the Series 2023B Housing Bonds, (ii) preliminary capital expenditures (within the meaning of United States Treasury Regulations section 1.150-2(f)(2)) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition or construction of the Project that do not exceed 20% of the issue price of the Series 2023B Housing Bonds, and (iii) capital expenditures that (A) were paid no earlier than 60 days before the date of the adoption by the District or the Corporation of a declaration of intent to reimburse such expenditures from the proceeds of obligations, and (B) are reimbursed no later than 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 3 years after the expenditure is paid).

"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 the Housing Indenture.

"Registration Books" means the records maintained by the Trustee pursuant to the Housing Indenture for the registration and transfer of ownership of the Housing Bonds.

"Report" means a document in writing signed by an Independent Economic Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of the Housing 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.

"S&P" means S&P Global, a division of McGraw-Hill, and its successors and assigns.

"Serial Housing Bonds" means all Housing Bonds other than Term Housing Bonds.

"State" means the State of California.

"Subordinate Housing Debt" means any loans, advances or indebtedness issued or incurred by the District pursuant to the Housing Indenture as described under "Issuance of Subordinate Debt" herein, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Pledged Housing Increment; or (b) secured by a pledge of or lien upon the Pledged Housing Increment which is expressly subordinate to the pledge of and lien upon the Pledged Housing Increment under the Housing Indenture for the security of the Housing Bonds.

"Subordinate Housing Debt Instrument" means any instrument providing for the issuance of Subordinate Housing Debt.

"Supplemental Indenture" means any resolution, agreement or other instrument which has been duly adopted or entered into by the District, but only if and to the extent that such Supplemental Indenture is specifically authorized under the Housing Indenture.

"<u>Term Housing Bonds</u>" means that portion of any Housing Bonds payable from mandatory sinking account payments.

"<u>Trigger Amount</u>" has the meaning given that term in the Infrastructure Financing Plan.

"<u>Trustee</u>" means Zions Bancorporation, National Association, as trustee under the Housing Indenture, or any successor thereto appointed as trustee under the Housing Indenture in accordance with the provisions of the Housing Indenture.

"<u>Written Request of the District</u>" or "<u>Written Certificate of the District</u>" means a request or certificate, in writing signed by the Director of the Office of Public Finance on behalf of the District or such other officer of the City identified by the Controller of the City to act on behalf of the District

"<u>2022 Housing Reserve Account</u>" means the fund designated the "2022 Housing Reserve Account" established under the Housing Indenture and administered under the Housing Indenture.

"<u>2022 Housing Reserve Requirement</u>" means the amount as of any date of calculation equal to the least of (a) Maximum Annual Debt Service on the Series 2022B Housing Bonds and 2022 Related Housing Bonds, if any, (b) 125% of average Annual Debt Service on the Series 2022B Housing Bonds and 2022 Related Housing Bonds, if any and (c) 10% of the original principal of the Series 2022B Housing Bonds and 2022 Related Housing Bonds, if any; provided, however:

(A) that with respect to the calculation of clause (c), the issue price of the Series 2022B Housing Bonds or any 2022 Related Housing Bonds excluding accrued interest shall be used rather than the outstanding principal amount, if (i) the net original issue discount or premium of the Series 2022B Housing Bonds or any 2022 Related Housing Bonds was less than 98% or more than 102% of the original principal amount of the Series 2022B Housing Bonds or any 2022 Related Housing Bonds and (ii) using the issue price would produce a lower result than using the outstanding principal amount;

(B) that in no event shall the amount calculated hereunder exceed the amount on deposit in the 2022 Housing Reserve Account on the date of issuance of the Series 2022B Housing Bonds (if they are the only Bonds covered by the 2022 Housing Reserve Account) or the most recently issued series of 2022 Related Housing Bonds except in connection with any increase associated with the issuance of 2022 Related Housing Bonds; and

(C) that in no event shall the amount required to be deposited into the 2022 Housing Reserve Account in connection with the issuance of a series of 2022 Related Housing Bonds exceed the maximum amount under the Tax Code that can be financed with tax-exempt bonds and invested an unrestricted yield.

"<u>2022 Related Housing Bonds</u>" means the Series 2023B Housing Bonds and any series of Housing Bonds for which (i) the proceeds are deposited into the 2022 Housing Reserve Account so that the balance therein is equal to the 2022 Housing Reserve Requirement following issuance of such Housing Bonds and (ii) the related Supplemental Indenture specifies that the 2022 Housing Reserve Account shall act as a reserve for the payment of the principal of, and interest and any premium on, such series of Housing Bonds.

Additional Transfer Restrictions Applicable to Series 2023B Housing Bonds

No transfer, sale or other disposition of any Series 2023B Housing Bond, or any beneficial interest therein, may be made except to an entity that is a Qualified Purchaser that is purchasing such Series 2023B Housing Bond for its own account for investment purposes and not with a view to distributing such Series 2023B Housing Bond. Each transferee of a Series 2023B Housing Bond, or any beneficial interest therein, shall be deemed to have acknowledged, represented, warranted and agreed with and to the District, the Participating Underwriter and the Trustee that (i) such transferee is a Qualified Purchaser that is purchasing such Series 2023B Housing Bond for its own account for investment purposes and not with a view to distributing such Series 2023B Housing Bond in violation of the Securities Act of 1933 or other applicable securities laws, (ii) the Series 2023B Housing Bonds are payable from Pledged Housing Increment and such other funds described in the Indenture, (iii) the Series 2023B Housing Bonds, or any beneficial interest therein, may only be transferred to a Qualified Purchaser and (iv) the District, the Participating Underwriter and the Trustee and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements. Each Series 2023B Housing Bond shall bear a legend describing or referencing the foregoing restrictions on transferability.

Neither the Participating Underwriter nor any Owner or Beneficial Owner of the Series 2023B Housing Bonds shall deposit the Series 2023B Housing Bonds in any trust or account under its control and sell any shares, participatory interest or certificates in such trust and account, and neither the Participating Underwriter nor any Owner or Beneficial Owner shall deposit the Series 2023B Housing Bonds in any trust or account under its control the majority of the assets of which constitute the Series 2023B Housing Bonds, and sell shares, participatory interest or certificates in such trust or account except to Qualified Purchasers.

Each entity that is or that becomes a Beneficial Owner of a Series 2023B Housing Bond shall be deemed by the acceptance or acquisition of such beneficial ownership interest to have agreed to be bound by the provisions of the Indenture. In the event that a holder of the Series 2023B Housing Bonds makes an assignment of its beneficial ownership interest in the Series 2023B Housing Bonds, the assignor will notify the assignee of the restrictions on purchase and transfer described herein. Any transfer of a Series 2023B Housing Bond to any entity that is not a Qualified Purchaser shall be deemed null and void.

Any Series 2023B Housing Bond registered in the name of DTC or the Nominee shall be deemed to comply with this Indenture so long as each Beneficial Owner of such Series 2023B Housing Bond is a Qualified Purchaser.

Establishment of Funds and Accounts; Flow of Funds

Housing Project Fund. The moneys in the Housing Project Fund will be maintained separate and apart from other moneys of the District. The moneys on deposit in the Housing Project Fund will be used in the manner provided by the Law. The District covenants in the Housing Indenture that no funds on deposit in the Housing Project Fund will be applied for any purpose not authorized by the Law.

Special Funds and Accounts; Deposit of Net Available Housing Increment and Conditional City Housing Increment.

(a) Net Available Increment Special Fund; Net Available Facilities Increment Special Account; Net Available Housing Increment Special Account. The District shall establish a fund to be held by or on behalf of the District as a separate restricted account, to be known as the "Net Available

Increment Special Fund." The District shall establish the following accounts within the Net Available Increment Special Fund to be held by or on behalf of the District as separate restricted accounts: the "Net Available Housing Increment Special Account" and the "Net Available Facilities Increment Special Account." Amounts on deposit in the Net Available Facilities Increment Special Account will be transferred and applied as provided in a bond indenture or other agreement providing for the pledge or use of the Net Available Facilities Increment in accordance with the Infrastructure Financing Plan.

(b) Deposits into the Net Available Increment Special Fund, the Net Available Facilities Increment Special Account and the Net Available Housing Increment Special Account. Promptly upon receipt thereof, if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were not deducted prior to allocation to the District, the District will set such amounts aside for payment pursuant to Section 53369.31.

Thereafter, or if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were deducted prior to payment of the Net Available Increment to the District, the District will deposit 17.5% of the Net Available Increment received in any Bond Year in the Net Available Housing Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel) and 82.5% of such Net Available Increment in the Net Available Facilities Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate accounts within the Net Available Increment Special Fund, and separate sub-accounts within the Net Available Housing Increment Special Account and the Net Available Facilities Increment Special Account in its discretion.

Amounts deposited to and held by the District in the Net Available Increment Special Fund and the accounts therein will be at all times separately accounted for by the District from all other funds or accounts, and the Net Available Housing Increment will be used and applied solely as set forth in the Housing Indenture.

The Net Available Housing Increment received in any Bond Year and deposited into the Net Available Housing Increment Special Account will be subject to the pledge, security interest and lien set forth in the Housing Indenture until such time during such Housing Bond Year as the amounts on deposit in the Net Available Housing Increment Special Account equal the aggregate amounts required to be transferred in such Bond Year (i) for deposit into the Interest Account, the Principal Account, the 2022 Housing Reserve Account, any other reserve account held by the Trustee for Bonds that are not 2022 Related Housing Bonds and the Redemption Account in such Bond Year pursuant to the Housing Indenture and, if applicable, (ii) with respect to any Parity Housing Debt other than Bonds pursuant to the applicable Parity Housing Debt Instrument.

All Net Available Housing Increment received by the District during any Bond Year in excess of the amount required to be deposited in the Net Available Housing Increment Special Account during such Bond Year pursuant to the Housing Indenture on shall be released from the pledge, security interest and lien hereunder for the security of the Housing Bonds and any additional Parity Housing Debt and may be applied by the District for any lawful purpose of the District, including but not limited to the repayment of the City for use of Conditional City Housing Increment to pay debt service on the Housing Bonds or any Parity Housing Debt, payment of Subordinate Housing Debt, payment of administrative expenses of the District, or the payment of any amounts due and owing to the United States of America pursuant to the Housing Indenture.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Housing Bonds and the payment in full of all other amounts payable hereunder and under any

Supplemental Indenture or Parity Housing Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Net Available Housing Increment Special Account, except as may be provided in the Housing Indenture and in any Supplemental Indenture or Parity Housing Debt Instrument.

(c) Conditional City Increment Special Fund; Conditional City Housing Increment Special Account; Conditional City Facilities Increment Special Account. Amounts on deposit in the Conditional City Facilities Increment Special Account will be transferred and applied as provided in a bond indenture or other agreement providing for the pledge or use of the Conditional City Facilities Increment in accordance with the Infrastructure Financing Plan.

(d) Deposits into the Conditional City Increment Special Fund, Conditional City Housing Increment Special Account and the Conditional City Facilities Increment Special Account. Promptly upon receipt thereof, if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were not deducted prior to allocation to the District, the District shall set such amounts aside for payment pursuant to Section 53369.31.

Thereafter, or if the amounts required to be paid to the City and County of San Francisco pursuant to Section 53369.31 of the Law were deducted prior to payment of the Conditional City Increment to the District, the District shall deposit 17.5% of the Conditional City Increment received in any Bond Year in the Conditional City Housing Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel) and 82.5% of such Conditional City Increment in the Conditional City Facilities Increment Special Account (or such greater or lesser amount permitted to be deposited therein pursuant to an opinion of nationally-recognized bond counsel). The District may establish separate accounts within the Conditional City Increment Special Fund, and separate sub-accounts within the Conditional City Housing Increment Special Account and the Conditional City Facilities Increment Special Account in its discretion.

Amounts deposited to and held by the District in the Conditional City Increment Special Fund and the accounts therein will be at all times separately accounted for by the District from all other funds or accounts, and the Conditional City Housing Increment shall be used and applied solely as set forth in the Housing Indenture.

The Conditional City Housing Increment received in any Bond Year and deposited into the Conditional City Housing Increment Special Account shall be subject to the pledge, security interest and lien set forth in the Housing Indenture until such time during such Bond Year as the amount of Net Available Housing Increment on deposit in the Net Available Housing Increment Special Account is equal to the aggregate amounts required to be transferred in such Bond Year (i) for deposit into the Interest Account, the Principal Account, and the Redemption Account in such Bond Year pursuant to the Housing Indenture and, if applicable, (ii) with respect to any Parity Housing Debt other than additional Housing Bonds pursuant to the applicable Parity Housing Debt Instrument.

Once the condition set forth in the prior paragraph has been satisfied, all Conditional City Housing Increment shall be released from the pledge, security interest and lien hereunder for the security of the Housing Bonds and any additional Parity Housing Debt.

If the condition set forth in the second preceding paragraph is not satisfied in a Bond Year, any remaining Conditional City Housing Increment in the Conditional City Housing Increment Special Account shall be released from the pledge, security interest and lien hereunder for the security of the Housing Bonds and any additional Parity Housing Debt ity following payment of the principal or redemption price of and interest on the Housing Bonds due during such Bond Year and the payment of any amounts due during such Bond Year on any Parity Housing Debt.

On each September 2, or such earlier date on which the pledge, security interest and lien on the Conditional City Housing Increment is released as described in the preceding two paragraphs, the District shall, first, use any Conditional City Housing Increment in the Conditional City Housing Increment Special Account to pay debt service on other obligations that is then due in accordance with the Infrastructure Financing Plan, and, second, transfer any remaining such Conditional City Housing Increment to the City.

Prior to the payment in full of the principal of and interest and redemption premium (if any) on the Housing Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indenture or Parity Housing Debt Instrument, the District shall not have any beneficial right or interest in the moneys on deposit in the Conditional City Housing Increment Special Account, except as may be provided in the Housing Indenture and in any Supplemental Indenture or Parity Housing Debt Instrument.

Housing Debt Service Fund; Deposit of Amounts by Trustee. Moneys in the Net Available Housing Increment Special Account and the Conditional City Housing Increment Special Account, in that order and as provided in the Housing Indenture, with moneys in the Net Available Housing Increment Special Account being exhausted before moneys in the Conditional City Housing Increment Special Account are used, shall be transferred by the District 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 Housing Debt Service Fund, and in the following order of priority (provided that, if on the fifth (5th) Business Day prior to the date the District is required to transfer amounts on deposit in the Net Available Housing Increment Special Account and the Conditional City Housing Increment Special Account 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 Housing Debt other than Bonds, the District shall immediately notify the Trustee of the amount of any such insufficiency):

(a) Interest Account. On or before the third (3rd) Business Day preceding each Interest Payment Date, the District will withdraw from the Net Available Housing Increment Special Account and the Conditional City Housing Increment Special Account, in that order, 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 Housing 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 Housing 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 Housing Bonds as it will become due and payable (including accrued interest on any Housing Bonds redeemed prior to maturity pursuant to the Housing Indenture).

(b) Principal Account. On or before the third (3rd) Business Day preceding September 1 in each year beginning at the time specified in the Housing Indenture, the District will withdraw from the Net Available Housing Increment Special Account and the Conditional City Housing Increment Special Account, in that order, 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 Housing Bonds and Outstanding Term Housing Bonds, including pursuant to mandatory sinking account redemption, on the next September 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 September 1 on all of the Outstanding Serial Housing Bonds and Term Housing 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 Housing Bonds and the Term Housing Bonds, including by mandatory sinking account redemption, as the same will become due and payable.

(c) Debt Service Reserve Accounts. In the event that (i) the amount on deposit in the 2022 Housing Reserve Account at any time becomes less than the 2022 Housing Reserve Requirement, or (ii) the amount in any other reserve account that is held by the Trustee for Bonds that are not 2002 Related Bonds becomes less than its required amount, the Trustee will promptly notify the District of such fact. Promptly upon receipt of any such notice, the District will, without preference or priority and on a pro rata basis based on the outstanding principal amount of any Housing Bonds or other Parity Housing Debt, (i) transfer to the Trustee an amount of Net Available Housing Increment sufficient for the amount on deposit in the 2022 Housing Reserve Account to equal the 2022 Housing Reserve Requirement, (ii) transfer to the Trustee an amount of Net Available Housing Increment sufficient for the amount on deposit in such other reserve account held by the Trustee to equal its required amount and (iii) transfer as necessary to increase the amount in a debt service reserve account for any Parity Housing Debt that is not held by the Trustee to its required amount. If there will then not be sufficient Net Available Housing Increment to make the transfers described in the preceding sentence, the District shall be obligated to continue making transfers as Net Available Housing Increment becomes available in the Net Available Housing Increment Special Account until there is an amount sufficient to make the required transfers.

(d) Redemption Account. On or before the Business Day preceding any date on which the Housing Bonds are to be optionally redeemed pursuant to a Supplemental Indenture, the Trustee shall withdraw from the Housing Debt Service Fund any amount transferred by the District pursuant to the Housing Indenture for deposit in the Redemption Account, such amount being the amount required to pay the principal of and premium, if any, on the Housing Bonds to be optionally 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 Housing Bonds to be optionally redeemed pursuant to Section 2.03(a) or a similar provision of a Supplemental Indenture on the date set for such optional redemption. Interest due on the Housing Bonds to be optionally redeemed on the date set for optional 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 optional redemption of any such Housing Bonds, the Trustee may, at the direction of the District, apply amounts deposited or otherwise to be deposited in the Redemption Account to the purchase of the Housing Bonds at public or private sale, as and when and at such prices (including brokerage and other charges, but excluding accrued interest on such Housing Bonds, which is payable from the Interest Account) s shall be directed by the District.

2022 Housing Reserve Account

(a) Use of 2022 Housing Reserve Account. All money in the 2022 Housing Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority to pay principal of and interest on the Series 2022B Housing Bonds and any 2022 Related Housing Bonds, in the event of any deficiency at any time in any of such accounts.

So long as the District is not in default under the Housing Indenture, any amount in the 2022 Housing Reserve Account in excess of the 2022 Housing Reserve Requirement shall be withdrawn by the Trustee from the 2022 Housing Reserve Account semiannually on or before the fifth (5th) Business Day preceding each March 1 and September 1 for the following purposes, as directed in a Written Certificate of the District: (i) to make a payment to the federal government to comply with the Housing Indenture and (ii) to pay for authorized costs under the DDA Financing Plan, the Infrastructure Financing Plan and the Law.

(b) Investment. Moneys in the 2022 Housing Reserve Account shall be invested by the Trustee under the Housing Indenture.

(c) Qualified Reserve Account Credit Instruments. The District shall have the right at any time to direct the Trustee to release funds from the 2022 Housing 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 Series 2022B Housing Bonds or any 2022 Related Housing 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 District to the Trustee of a written calculation of the amount permitted to be released from the 2022 Housing Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the 2022 Housing Reserve Account to the related account(s) in the Housing Project Fund to be used for the purposes thereof. Upon the scheduled expiration of any Qualified Reserve Account Credit Instrument, the District 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 2022 Housing Reserve Requirement, which deposit shall be derived from the first Net Available Housing Increment that is available for that Bond Year or, if necessary any succeeding Bond Years, but only after the District has transferred or provided for the transfer of amounts (A) to be deposited into the Interest Account, the Principal Account, any debt service reserve account for Bonds that are not 2022 Related Housing Bonds and the Redemption Account in such Bond Year and (B) required in such Bond Year under a Parity Housing Debt Instrument with respect to any Parity Housing Debt other than Housing Bonds.

If the Qualified Reserve Account Credit Instrument is in the form of a letter of credit and the District has not renewed or replaced such letter of credit two weeks prior to its expiration or termination, the Trustee shall draw on such letter of credit in full and deposit the proceeds of such draw in the 2022 Housing Reserve Account.

If the 2022 Housing Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Housing Debt Service Fund with respect to the Series 2022B Housing Bonds and any 2022 Related Housing Bonds. If the 2022 Housing Reserve Requirement 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 Housing Debt Service Fund with respect to the Series 2022B Housing Bonds and any 2022 Related Housing Bonds shall be pro rata with respect to the stated amount of each such instrument.

In the event that a Qualified Reserve Account Credit Instrument is available to be drawn upon for only one or more particular series of Housing Bonds covered by the 2022 Housing Reserve Account, a separate subaccount in the 2022 Housing Reserve Account may be established for such series, and the calculation of the 2022 Housing Reserve Requirement with respect to the other Bonds covered by the 2022 Housing Reserve Account shall exclude the debt service on such series of Housing Bonds.

The District will have no obligation to replace a Qualified Reserve Account Credit Instrument or to fund the 2022 Housing Reserve Account with cash if, at any time that the Series 2022B Housing Bonds or any 2022 Related Housing Bonds are Outstanding, the Qualified Reserve Account Credit Instrument (or its provider) is downgraded or the provider becomes insolvent, if there is an unscheduled termination of the Qualified Reserve Account Credit Instrument or if for any reason insufficient amounts are available to be drawn upon under the Qualified Reserve Account Credit Instrument; provided, however, that the District shall reimburse the provider, in accordance with the terms of the Qualified Reserve Account Credit Instrument, for any draws made thereon.

The District and the Trustee shall comply with the terms of the Qualified Reserve Account Credit Instrument as shall be required to receive payments thereunder in the event and to the extent required under the Housing Indenture.

Investment of Moneys in Funds

Moneys in the Housing Project Fund (including any accounts therein), the Housing Debt Service Fund, the Interest Account, the Principal Account, the 2022 Housing Reserve Account, any reserve account held by the Trustee for Bonds that are not 2022 Related Housing Bonds, the Redemption Account and the capitalized interest account for any Housing Bonds shall be invested by the Trustee in Permitted Investments as directed by the District in the Written Request of the District filed with the Trustee, except that moneys in the 2022 Housing Reserve Account and, except as provided in a Supplemental Indenture, any reserve account held by the Trustee for Bonds that are not 2022 Related Housing Bonds, 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 (h) of the definition thereof. In the absence of any such Written Request of the District, the Trustee shall invest any such moneys in Permitted Investments described in clause (f) 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 will be entitled to rely conclusively upon the written instructions of the District directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and will 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 will be entitled to rely conclusively on an opinion of counsel or upon a representation of the provider of such Permitted Investment obtained at the District's expense. Moneys in the Net Available Housing Increment Special Account and the Conditional City Housing Increment Special Account may be invested by the District in any obligations in which the District is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund will 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 Housing Indenture will be deposited in the Interest Account; *provided, however,* that (i) all interest or gain from the investment of amounts in the 2022 Housing Reserve Account shall be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the 2022 Housing Reserve Account to equal the 2022 Housing Reserve Requirement and (ii) all interest or gain from the investment of amounts in any other debt service reserve account held by the Trustee for Bonds that are not 2022 Related Housing Bonds will be deposited by the Trustee in the Interest Account only to the extent not required to cause the balance in the 2022 Housing Reserve Account to equal the 2022 Housing Reserve Requirement or the balance in such other reserve account to equal its required amount. 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 will incur no liability for losses arising from any investments made at the direction of the District or otherwise made in accordance with provisions described in this paragraph. For investment purposes only, the Trustee may commingle the funds and accounts established under the Housing Indenture, but will account for each separately.

Issuance of Parity Housing Debt

In addition to the Series 2022B Housing Bonds and the Series 2023B Housing Bonds, the District may issue Parity Housing Debt to finance and/or refinance activities that are permitted to be financed and/or refinanced by the District with Net Available Housing Increment in such principal amount as shall be determined by the District. Any Parity Housing Debt shall be secured by a pledge of Pledged Housing Increment as set forth in the Housing Indenture. The District may issue and deliver any such Parity Housing Debt subject to the following specific conditions all of which are hereby made conditions precedent to the issuance and delivery of such Parity Housing Debt:

(a) Except as provided in subsection (i) below, no event of default hereunder, under any Parity Housing Debt Instrument or under any Subordinate Housing Debt Instrument shall have occurred and be continuing, unless the event of default shall be cured by the issuance of the Parity Housing Debt, and the District shall otherwise be in compliance with all covenants set forth in the Housing Indenture.

(b) Except as provided in subsection (i) below, based on the most recent taxable valuation of property in the Project Areas of the District that met their Trigger Amount in prior Fiscal Years and in the Project Areas of the District that met their Trigger Amount in the current Fiscal Year as evidenced by the records of the District and the City, plus at the option of the District the amount of any Additional Housing Revenues, the Pledged Housing Increment shall equal at least one hundred twenty-five percent (125%) of Annual Debt Service payable from Pledged Housing Increment in each of the years that the proposed Parity Housing Debt will be outstanding, including within such Annual Debt Service, the amount of Annual Debt Service on the Parity Housing Debt then proposed to be issued or incurred.

(c) In the case of Parity Housing Debt issued as additional Housing Bonds under the Housing Indenture, the Supplemental Indenture providing for the issuance of such Housing Bonds shall provide for (i) a deposit to the 2022 Housing Reserve Account in an amount necessary such that the amount deposited therein shall equal the 2022 Housing Reserve Requirement following issuance of the additional Housing Bonds, or (ii) a deposit to a reserve account for such additional Housing Bonds (and such other series of Housing Bonds identified by the District) in an amount defined in such Supplemental Indenture, as long as such Supplemental Indenture expressly declares that the Owners of such additional Housing Bonds will have no interest in or claim to the 2022 Housing Reserve Account and that the Owners of the Housing Bonds covered by the 2022 Housing Reserve Account will have no interest in or claim to such other reserve account or (iii) no deposit to either the 2022 Housing Reserve Account or another reserve account as long as such Supplemental Indenture expressly declares that the Owners of such additional Housing Bonds will have no interest in or claim to the 2022 Housing Reserve Account or any other reserve account. The Supplemental Indenture may provide that the District may satisfy the 2022 Housing Reserve Requirement for a series of Parity Housing Debt issued as additional Housing Bonds under the Housing Indenture by the deposit into the reserve account established pursuant to such Supplemental Indenture of an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company as described in the Supplemental Indenture.

Nothing in the Housing Indenture establishes a requirement for the District to establish a debt service reserve account for Parity Housing Debt that is not issued as additional Housing Bonds under the Housing Indenture.

(d) Principal with respect to such Parity Housing Debt will be required to be paid on September 1 in any year in which such principal is payable.

(e) The aggregate principal amount of bonds and other debt (as defined in the Law and the Infrastructure Financing Plan) that will have been issued by the District following the issuance of such Parity Housing Debt shall not exceed the maximum amount of bonds and other debt permitted to be issued by the District. Pursuant to the Original Resolution of Issuance, the following Parity Housing Debt shall not account against the aggregate principal amount of bonds and other debt permitted to be issued by the District: (i) any bonds or other debt issued or incurred for the sole purpose of refunding the Housing Bonds, funding a reserve fund for such refunding bonds and paying related costs of issuance and (ii) any bonds or other debt issued or incurred for the sole purpose of refunding such refunding bonds, funding a reserve fund and paying related costs of issuance.

(f) The aggregate amount of the principal of and interest on all bonds, loans, advances or indebtedness payable from Net Available Housing Increment, Net Available Facilities Increment and Conditional City Increment coming due and payable following the issuance of such Parity Housing Debt shall not exceed the maximum amount of Net Available Housing Increment, Net Available Facilities Increment and Conditional City Increment permitted under the Plan Limit to be allocated and paid to the District following the issuance of such Parity Housing Debt.

(g) The proceeds of the Parity Housing Debt shall be used for a lawful purpose of the Pledged Housing Increment under the Law and the Infrastructure Financing Plan.

(h) Except as provided in subsection (i), the District shall deliver to the Trustee (i) a Written Certificate of the District certifying that the conditions precedent to the issuance of such Parity Housing Debt set forth in subsections (a) through (g) above have been satisfied and (ii) a written certificate of the City certifying that the condition precedent to the issuance of such Parity Housing Debt set forth in subsection (g) has been satisfied.

(i) The conditions set forth in subsections (a) and (b) of this Section shall not apply to the issuance or incurrence of any Parity Housing Debt the net proceeds of which will be used solely to refund all or any portion of the Series 2022B Housing Bonds, the Series 2023B Housing Bonds or any other outstanding Parity Housing Debt, provided that debt service payable in each year with respect to the proposed Parity Housing Debt is less than the debt service otherwise payable in each year with respect to the Series 2022B Housing Bonds, the Series 2023B Housing Bonds or Parity Housing Debt, or portion thereof, proposed to be refunded.

Issuance of Subordinate Housing Debt

The District may issue or incur Subordinate Housing Debt in such principal amount as shall be determined by the District. The District may issue or incur such Subordinate Housing Debt secured by a pledge of Pledged Housing Increment that is subordinate to the pledge of Pledged Housing Increment to the Housing Bonds and any Parity Housing Debt, subject to the following specific conditions precedent:

(a) The issuance of such Subordinate Housing Debt shall comply with the conditions set forth in the Housing Indenture.

(b) The Subordinate Housing Debt shall be payable from Pledged Housing Increment and secured by a pledge of Net Available Housing Increment on a subordinate basis to the District's pledge of Net Available Housing Increment as security for its obligation to repay the City from Net Available Housing Increment for any Conditional City Increment used to pay debt service on obligations of the District, as set forth in the Infrastructure Financing Plan.

(c) The District shall deliver to the Trustee a Written Certificate of the District certifying that the conditions precedent to the issuance of such Subordinate Housing Debt set forth in the preceding subsections have been satisfied.

(d) As of the date of the Housing Indenture, the District has previously incurred a Subordinate Housing Debt under a Subordinate Pledge Agreement, dated May 29, 2015, by the City on behalf of the District for the benefit of the United States of America. The pledge of Net Available Housing Increment under the Subordinate Pledge Agreement is subordinate to the pledge of Net Available Housing Increment to Housing Bonds and Parity Housing Debt and to the District's obligation to repay the City from Net Available Housing Increment as set forth in the Housing Indenture.

Certain Other Covenants of the District

The District makes the following covenants in the Housing Indenture:

<u>Limitation on Additional Indebtedness; Against Encumbrances.</u> So long as the Housing Bonds are Outstanding, the District 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 Housing Increment, excepting only (i) the Series 2022B Housing Bonds, (ii) any Parity Housing Debt (including the Series 2023B Housing Bonds) and (iii) any Subordinate Housing Debt**.** The District will not otherwise encumber, pledge or place any charge or lien upon any of the Pledged Housing Increment or other amounts pledged to the Housing Bonds superior or equal to the pledge and lien created for the benefit of the Housing Bonds in the Housing Indenture.

<u>Extension of Payment.</u> The District will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Housing Bond or claim for interest on any of the Housing Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Housing Bonds or claims for interest in any other manner. In case the maturity of any Housing Bond or claim for interest will be extended or funded, whether or not with the consent of the District, any Housing Bond or claim for interest so extended or funded will not be entitled, in case of default under the Housing Indenture, to the benefits of the Housing Indenture, except subject to the prior payment in full of the principal of all of the Housing Bonds then Outstanding and of all claims for interest which will not have been so extended or funded.

<u>Payment of Claims.</u> The District will 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 District or upon the Pledged Housing Increment or other amounts pledged to the payment of the Housing Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Housing Bonds. Nothing in the Housing Indenture contained will require the District to make any such payment so long as the District in good faith will contest the validity of said claims.

Books and Accounts; Financial Statements. The District will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the District and the City and County of San Francisco, in which complete and correct entries will be made of all transactions relating to the District, Project Areas, the Net Available Housing Increment, the Conditional City Housing Increment, the Housing Project Fund, the Net Available Housing Increment Special Account and the Conditional City Housing Increment Special Account. Such books of record and accounts will at all times during business hours be subject to the Owners of not less than ten percent (10%) in aggregate principal amount of the Housing Bonds then Outstanding, or their representatives authorized in writing.

Maintenance of Pledged Housing Increment. The District will comply with all requirements of the Law to insure the allocation and payment to it of the Pledged Housing Increment. The District will not undertake proceedings for amendment of the Infrastructure Financing Plan if such amendments will impair the District's ability to pay debt service on the Housing Bonds or, in and of themselves, cause the amount of Pledged Housing Increment available to the District for application hereunder in any succeeding Fiscal Year to fall below 125% of Maximum Annual Debt Service.

Plan Limit. (a) The District will manage its fiscal affairs in a manner which ensures that it will have sufficient Pledged Housing Increment available under the Plan Limit in the amounts and at the times required to enable the District to pay the principal of and interest and premium (if any) on the Outstanding Housing Bonds and any outstanding Parity Housing Debt when due.

(b) The District will annually review the total amount of Net Available Increment available to be allocated to the District under the Plan Limits, as well as future cumulative annual payments on (i) the Housing Bonds, (ii) any Parity Housing Debt, (iii) any Subordinate Housing Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Facilities Increment.

In furtherance of the covenant in the preceding paragraph, if the District ever determines that during the next succeeding Bond Year, the future cumulative annual payments on (i) the Housing Bonds, (ii) any Parity Housing Debt, (iii) any Subordinate Housing Debt, (iv) any obligation to repay the City for any Conditional City Increment used to pay debt service on obligations of the District and (v) any bonds or debt payable from Net Available Facilities Increment is expected to equal at least 80% of the remaining amount of Net Available Increment available to be allocated to the District under the Plan Limits, then the District shall either (i) adopt a plan approved by an Independent Economic Consultant that demonstrates the District's continuing ability to pay all of the debt service on the Housing Bonds and any Parity Housing Debt, through the scheduled maturity date(s), or (ii) claim all Net Available Housing Increment not needed to pay current or any past due debt service on Housing Bonds or any Parity Housing Debt for so long as the 80% threshold set forth above is met and deposit such amounts, when received, into a Trustee-held escrow account (the "Escrow Account") and invested in Defeasance Obligations. Moneys in the Escrow Account must be used only to pay debt service on the Housing Bonds and any Parity Housing Debt, or to redeem Housing Bonds and any Parity Housing Debt that does not constitute Housing Bonds.

Tax Covenants Relating to the 2023B Housing Bonds. The District will not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Series 2023B Housing 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 Series 2023B Housing Bonds would have caused the Series 2023B Housing Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code. The District will take all actions necessary to assure the exclusion of interest on the Series 2023B Housing Bonds from the gross income of the Owners of the Series 2023B Housing 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 Series 2023B Housing Bonds.

Continuing Disclosure. The District will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of the Housing Indenture, failure of the District to comply with the Continuing Disclosure Certificate will not be an Event of Default under the Housing Indenture. However, any Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations as described in this paragraph.

Amendment of Indenture

The Housing Indenture and the rights and obligations of the District and of the Owners may be modified or amended at any time by a Supplemental Indenture which will 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 District in the Housing Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers reserved to or conferred upon the District in the Housing Indenture; 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 Housing Indenture, or in any other respect whatsoever as the District may deem necessary or desirable, provided under any circumstances that such modifications or amendments will not, in the reasonable determination of the District, materially adversely affect the interests of the Owners; or

(c) to provide for the issuance of Parity Housing Debt in accordance with the Housing Indenture; or

(d) to amend any provision of the Housing 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 Housing Bonds the interest on which is intended to be excluded from gross income for federal income tax purposes, in the opinion of Bond Counsel; or

(e) to comply with the requirements of a provider of a Qualified Reserve Account Credit Instrument for the 2022 Housing Reserve Account or a similar provider for any other debt service reserve account held by the Trustee for Bonds that are not 2022 Related Housing Bonds.

Except as described in the preceding paragraph, the Housing Indenture and the rights and obligations of the District and of the Owners may be modified or amended at any time by a Supplemental Indenture which will become binding when the written consent of the Owners of a majority in aggregate principal amount of the Housing Bonds then Outstanding are filed with the Trustee. No such modification or amendment will (a) extend the maturity of or reduce the interest rate on any Housing Bond or otherwise alter or impair the obligation of the District 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 Housing Bond without the express written consent of the Owner of any Housing Bond, or (b) reduce the percentage of Housing Bonds required for the written consent to any such amendment or modification. In no event will any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. For the avoidance of doubt, the owners of a series of Housing Bonds shall be deemed to have consented to the provisions of a Supplemental Indenture if notice of the provisions is given by the District in an Official Statement for any Housing Bonds prior to the sale of any Housing Bonds.

Events of Default and Remedies and Acceleration of Maturities

Events of Default. The following events will constitute Events of Default under the Housing Indenture:

(a) if default will be made by the District in the due and punctual payment of the principal of or interest or redemption premium (if any) on any Housing Bond when and as the same will become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default will be made by the District in the observance of any of the covenants, agreements or conditions on its part in the Housing Indenture or in the Housing Bonds contained, other than a default described in the preceding clause (a), and such default will have continued for a period of thirty (30) days following receipt by the District of written notice from the Trustee, or written notice from any Owner (with a copy of said notice delivered to the Trustee) of the occurrence of such default, provided that if in the reasonable opinion of the District 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 District within such thirty (30) day period and the District thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(c) If the District 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 District 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 District, 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 District or of the whole or any substantial part of its property.

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 Housing Bonds then Outstanding the Trustee will, (a) declare the principal of the Housing Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same will become immediately due and payable, anything in the Housing Indenture or in the Housing Bonds to the contrary notwithstanding, and (b) subject to the provisions of the Housing Indenture, exercise any other remedies available to the Trustee and the Owners of the Housing Bonds in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee will give notice of such Event of Default to the District by telephone promptly confirmed in writing. Such notice will also state whether the principal of the Housing Bonds will have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee will, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which will include the statement that interest on the Housing Bonds will cease to accrue from and after the date, if any, on which the Trustee will have declared the Housing Bonds to become due and payable pursuant to the Housing Indenture as described 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 Housing Bonds will have been so declared due and payable, and before any judgment or decree for the payment of the moneys due will have been obtained or entered, the District will, with the written consent of a majority in aggregate principal amount of the Owners of the Housing Bonds, deposit with the Trustee a sum sufficient to pay all principal on the Housing Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Housing 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 Housing Bonds due and payable solely by reason of such declaration) will have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate will have been made therefor, then, and in every such case, the Trustee will promptly give written notice of the foregoing to the Owners of all Housing Bonds then Outstanding, and with the prior written approval of the Owners of at least a majority in aggregate principal amount of the Housing Bonds then Outstanding, by written notice to the District and to the Trustee, may, on behalf of the Owners of all of the Housing Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment will extend to or will affect any subsequent default or will impair or exhaust any right or power consequent thereon.

Application of Funds Upon Acceleration. All of the Pledged Housing Increment that are available to pay debt service on the Housing Bonds and all sums in the funds and accounts established and held by the Trustee under the Housing Indenture upon the date of the declaration of acceleration as provided in the Housing Indenture, and all sums thereafter received by the Trustee under the Housing Indenture, will be applied by the Trustee in the following order upon presentation of the several 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 as described in the Housing 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, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Housing 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 Housing Bonds (to the extent that such interest on overdue installments of principal and interest will have been collected), and in case such moneys will be insufficient to pay in full the whole amount so owing and unpaid upon the Housing Bonds, then to the payment of such principal and interest without preference or priority, ratably to the aggregate of such principal and interest without taking into account the availability of funds in the 2022 Housing Reserve Account or any other reserve account.

Notwithstanding the foregoing, Conditional City Housing Increment may only be used to pay principal and interest on the Housing Bonds and any Parity Housing Debt, and any Subordinate Housing Debt.

Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, will have taken any action, by judicial proceedings or otherwise, pursuant to its duties under the Housing Indenture, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Housing Bonds then Outstanding, it will have full power, in the exercise of its discretion for the best interests of the Owners of the Housing Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee will 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 Housing Bonds under the Housing Indenture opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Limitation on Owner's Right to Sue. No Owner of any Housing Bond issued under the Housing Indenture will have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon the Housing Indenture, unless (a) such Owner will have previously given to the District, the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Housing Bonds then Outstanding will have made written request upon the Trustee to exercise the powers described above or to institute such action, suit or proceeding in its own name; (c) said Owners will 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 will have refused or omitted to comply with such request for a period of sixty (60) days after such written request will have been received by, and said tender of indemnity will have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy under the Housing Indenture; it being understood and intended that no one or more Owners will have any right in any manner whatever by his or their action to enforce any right under the Housing Indenture, except in the manner therein provided, and that all proceedings at law or in equity to enforce any provision of the Housing Indenture will be instituted, had and maintained in the manner therein provided and for the equal benefit of all Owners of the Outstanding Housing Bonds.

Discharge of Indenture

The District may pay and discharge the entire indebtedness on all Housing 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 Housing 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 Housing Indenture, is fully sufficient to pay all or the applicable portion of Outstanding Housing 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 will determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to the Housing Indenture, be fully sufficient to pay and discharge the indebtedness on all Housing Bonds or the applicable portion thereof (including all principal, interest and redemption premiums) at or before maturity;

and, if any Housing Bonds are to be redeemed prior to the maturity thereof, notice of such redemption will have been given pursuant to the Housing Indenture or provision satisfactory to the Trustee will have been made for the giving of such notice, then, at the election of the District, and notwithstanding that any Housing Bonds will not have been surrendered for payment, the pledge of the Pledged Housing Increment and other funds provided for in the Housing Indenture and all other obligations of the Trustee and the District under the Housing Indenture will cease and terminate with respect to all Outstanding Housing Bonds or, if applicable, with respect to that portion of the Housing Bonds which has been paid and discharged, except only (a) the covenants of the District under the Housing Indenture with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Housing Bonds under the Housing Indenture, (c) the obligations of the District relating to compensation and indemnification of the Trustee, and (d) the obligation of the District to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee, all fees, expenses and costs of the Trustee. In the event the District will, pursuant to the foregoing provision, pay and discharge any portion or all of the Housing Bonds then Outstanding, the Trustee will be authorized to take such actions and execute and deliver to the District 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 Housing Bonds that the District has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Housing Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee as compensation or indemnification will be paid over to the District.

Certain Provisions Related to the Trustee

The District may remove the Trustee at any time, unless an Event of Default will have occurred and then be continuing, and will 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 Housing Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the District has knowledge that the Trustee will cease to be eligible as described below, or will become incapable of acting, or will be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property will be appointed, or any public officer will 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 will be accomplished by the giving of written notice of such removal by the District to the Trustee, whereupon the District will appoint a successor Trustee by an instrument in writing.

The Trustee may at any time resign by giving written notice of such resignation to the District and by giving the Owners 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 District will promptly appoint a successor Trustee by an instrument in writing.

Any removal or resignation of the Trustee and appointment of a successor Trustee will become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee will have been appointed and have accepted appointment within forty-five (45) days of giving 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 District 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. Upon acceptance of appointment by a successor Trustee, the District will cause either the predecessor Trustee or the successor Trustee to mail a notice of the succession of such Trustee to the trusts under the Housing Indenture to each rating District which then has a current rating on the Bonds and to the Owners at their respective addresses shown on the Registration Books.

The District agrees that, so long as any Bonds or any Parity Debt are Outstanding, the Trustee will 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 will 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 paragraph the combined capital and surplus of such financial institution will 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 will cease to be eligible in accordance with the provisions described in this paragraph, the Trustee will resign immediately in the manner and with the effect described above.

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APPENDIX E-1

FORM OF SERIES 2023A CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

$7,615,000
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
(TREASURE ISLAND)
TAX INCREMENT REVENUE BONDS,
SERIES 2023A
(FACILITIES INCREMENT)

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "District") in connection with the issuance of the above captioned Bonds (the "Bonds"). The Bonds are issued pursuant to Chapter 2.6 of Part 1 of Division 2 of Title 5 (section 53369 et seq.) of the Government Code of the State of California, as amended (the "Law"), Resolution No. 7-17, adopted by the Board of Supervisors as the legislative body of the District on January 24, 2017, and signed by the Mayor on February 3, 2017 ("Original Resolution of Issuance"), approving the issuance and sale of tax increment revenue bonds in one or more series, in an aggregate principal amount not to exceed $780 million (excluding refunding bonds), and Resolution No. 549-23, adopted by the Board of Supervisors as the legislative body of the District on November 28, 2023 (the "2023 Bond Resolution," and together with the Original Resolution of Issuance, as supplemented, the "Resolution"), and the provisions of an Indenture of Trust, dated as of September 1, 2022, as supplemented by a First Supplemental Indenture, dated as of December 1, 2023 (as so supplemented, the "Indenture"), each by and between the District and Zions Bancorporation, National Association, as trustee (the "Trustee"). The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. The following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which: (a) has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) including, but not limited to, the power to vote or consent with respect to any Bonds or to dispose of ownership of any Bonds; or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean any Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"Financial Obligation" means "financial obligation" as such term is defined in the Rule.

"Holder" shall mean either the registered owners of the Bonds, or, if the Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in such depository system.

"Listed Events" shall mean any of the events listed in Section 5(a) and 5(b) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB currently located at *http://emma.msrb.org.*

"Participating Underwriter" shall mean the original underwriter or purchaser of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean 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.

Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (which date shall be June 30 of each year), commencing with the report for the 2023-24 Fiscal Year (which is due not later than March 31, 2024), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. If the Dissemination Agent is not the District, the District shall provide the Annual Report to the Dissemination Agent not later than 15 days prior to such date. The Annual Report must be submitted in electronic format and accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; *provided*, that if the audited financial statements of the District are not available by the date required above for the filing of the Annual Report, the District shall submit unaudited financial statements and submit the audited financial statements as soon as they are available. If the District's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(e).

(b) If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall send a notice to the MSRB as required by Section 5(c).

(c) The Dissemination Agent shall (if the Dissemination Agent is other than the District), file a report with the District certifying the date that the Annual Report was provided to the MSRB pursuant to this Disclosure Certificate.

SECTION 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following information, as required by the Rule:

(a) the audited general purpose financial statements of the City and County of San Francisco (the "City") prepared in accordance with generally accepted accounting principles applicable to governmental entities. The financial statements required by this subsection (a) shall be accompanied by the following statement:

> The City's annual financial statement is provided solely to comply with the Securities Exchange Commission staff's interpretation of rule 15c2-12. The Bonds are limited obligations of the District, secured by and payable solely from the Pledged Facilities Increment and the funds pledged therefor under the Indenture. The Bonds are not payable from any other source of funds other than Pledged Facilities Increment and the funds pledged therefor under the Indenture. The General Fund of the City is not liable for the payment of the principal of or interest on the Bonds, and neither the credit nor the taxing power of the City or of the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

(b) the principal amount of the outstanding Facilities Bonds by series as of September 2 preceding the date of the Annual Report;

(c) the balance in the 2022 Facilities Reserve Account and the then-current Reserve Requirement for the 2022 Related Facilities Bonds as of September 2 preceding the date of the Annual Report;

(d) an update to Table 3 in the Official Statement, including subsequently annexed Project Areas, if any;

(e) an update to Table 4 in the Official Statement for the current fiscal year and prior nine fiscal years (if available), including subsequently annexed Project Areas, if any

(f) the top ten taxpayers by assessed valuation in the Project Areas for the current fiscal year, including property owner name, number of parcels owned by such property owner, Project Area(s) location of such parcel(s), and aggregate assessed valuation for each with each of land value and improvement value indicated; however, the District may redact the name of any individual property owner responsible for less than 5% of aggregate assessed valuation in the Project Areas;

(g) Pledged Facilities Increment actual levy and collections for the most recently completed Fiscal Year; and

(h) an updated debt service coverage table, substantially in the form of Table 9 in the Official Statement, reflecting Pledged Facilities Increment derived from current fiscal year assessed valuations and reflecting debt service on all then-outstanding Facilities Bonds.

Any or all of the items listed above may be set forth in a document or set of documents, or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB website. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following events numbered 1-10 with respect to the Bonds not later than ten 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. Issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB) or adverse tax opinions;
6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the District; or
10. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the District, any which reflect financial difficulties.

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 governmental 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) The District shall give, or cause to be given, notice of the occurrence of any of the following events numbered 11-18 with respect to the Bonds not later than ten business days after the occurrence of the event, if material:

11. Unless described in paragraph 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;
12. Modifications to rights of Bond holders;
13. Unscheduled or contingent Bond calls;
14. Release, substitution, or sale of property securing repayment of the Bonds;
15. Non-payment related defaults;
16. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the obligated person, 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;

17. Appointment of a successor or additional trustee or the change of name of a trustee; or
18. Incurrence of a Financial Obligation of the District or agreement to covenants, events of default, remedies, priority rights or similar terms of Financial Obligation of the District, any of which affect security holders.

(c) The District shall give, or cause to be given, in a timely manner, notice (substantially in the form of Exhibit A) of a failure to provide the annual financial information on or before the date specified in Section 3.

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection 5(b)(13) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

SECTION 6. Termination of Reporting Obligation. The District's obligations 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 District shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

SECTION 7. Dissemination Agent. The District may, from time to time, 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. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend or waive this Disclosure Certificate or any provision of this Disclosure Certificate, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 3(b), 4, 5(a) or 5(b), it may only be made 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 the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of the District Attorney or nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the owners of a majority in aggregate principal amount of the Bonds or (ii) does not, in the opinion of the District Attorney or nationally recognized bond counsel, materially impair the interests of the Holders.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5; and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District 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 District 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 District 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 10. Remedies. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Participating Underwriter, Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate to cause the District to comply with its obligations under this Disclosure Certificate; provided that any such action may be instituted only in a federal or state court located in the District and County of San Francisco, State of California, and that the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

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SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: December 21, 2023

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND
REVITALIZATION FINANCING DISTRICT
NO. 1 (TREASURE ISLAND)

____
Anna Van Degna
Director of the Office of Public Finance

Approved as to form:

DAVID CHIU
CITY ATTORNEY

By: ___________________________________
Deputy City Attorney

CONTINUING DISCLOSURE CERTIFICATE EXHIBIT A

FORM OF NOTICE TO THE
MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT

Name of District:	CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1 (TREASURE ISLAND)
Name of Bond Issue:	City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023A (Facilities Increment)
Date of Issuance:	December 21, 2023

NOTICE IS HEREBY GIVEN to the Municipal Securities Rulemaking Board that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate of the District and County of San Francisco, dated December 21, 2023. The District anticipates that the Annual Report will be filed by _____________.

Dated: _____, 20__

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND
REVITALIZATION FINANCING DISTRICT
NO. 1 (TREASURE ISLAND)

By: [to be signed only if filed]
Title: ______________________

stop

APPENDIX E-2

FORM OF SERIES 2023B CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

$1,595,000
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1
(TREASURE ISLAND)
TAX INCREMENT REVENUE BONDS,
SERIES 2023B
(HOUSING INCREMENT)

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "District") in connection with the issuance of the above captioned Bonds (the "Bonds"). The Bonds are issued pursuant to Chapter 2.6 of Part 1 of Division 2 of Title 5 (section 53369 et seq.) of the Government Code of the State of California, as amended (the "Law"), Resolution No. 7-17, adopted by the Board of Supervisors as the legislative body of the District on January 24, 2017, and signed by the Mayor on February 3, 2017 ("Original Resolution of Issuance"), approving the issuance and sale of tax increment revenue bonds in one or more series, in an aggregate principal amount not to exceed $780 million (excluding refunding bonds), and Resolution No. 549-23, adopted by the Board of Supervisors as the legislative body of the District on November 28, 2023 (the "2023 Bond Resolution," and together with the Original Resolution of Issuance, as supplemented, the "Resolution"), and the provisions of an Indenture of Trust, dated as of September 1, 2022, as supplemented by a First Supplemental Indenture, dated as of December 1, 2023 (as so supplemented, the "Indenture"), each by and between the District and Zions Bancorporation, National Association, as trustee (the "Trustee"). The District covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. Definitions. The following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which: (a) has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) including, but not limited to, the power to vote or consent with respect to any Bonds or to dispose of ownership of any Bonds; or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Dissemination Agent" shall mean any Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

"Financial Obligation" means "financial obligation" as such term is defined in the Rule.

"Holder" shall mean either the registered owners of the Bonds, or, if the Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in such depository system.

"Listed Events" shall mean any of the events listed in Section 5(a) and 5(b) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB currently located at *http://emma.msrb.org.*

"Participating Underwriter" shall mean the original underwriter or purchaser of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean 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.

Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Indenture.

SECTION 3. Provision of Annual Reports.

(a) The District shall, or shall cause the Dissemination Agent to, not later than nine months after the end of the District's fiscal year (which date shall be June 30 of each year), commencing with the report for the 2023-24 Fiscal Year (which is due not later than March 31, 2024), provide to the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. If the Dissemination Agent is not the District, the District shall provide the Annual Report to the Dissemination Agent not later than 15 days prior to such date. The Annual Report must be submitted in electronic format and accompanied by such identifying information as is prescribed by the MSRB, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; *provided*, that if the audited financial statements of the District are not available by the date required above for the filing of the Annual Report, the District shall submit unaudited financial statements and submit the audited financial statements as soon as they are available. If the District's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(e).

(b) If the District is unable to provide to the MSRB an Annual Report by the date required in subsection (a), the District shall send a notice to the MSRB as required by Section 5(c).

(c) The Dissemination Agent shall (if the Dissemination Agent is other than the District), file a report with the District certifying the date that the Annual Report was provided to the MSRB pursuant to this Disclosure Certificate.

SECTION 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following information, as required by the Rule:

(a) the audited general purpose financial statements of the City and County of San Francisco (the "City") prepared in accordance with generally accepted accounting principles applicable to governmental entities. The financial statements required by this subsection (a) shall be accompanied by the following statement:

> The City's annual financial statement is provided solely to comply with the Securities Exchange Commission staff's interpretation of rule 15c2-12. The Bonds are limited obligations of the District, secured by and payable solely from the Pledge Housing Increment and the funds pledged therefor under the Indenture. The Bonds are not payable from any other source of funds other than Pledged Housing Increment and the funds pledged therefor under the Indenture. The General Fund of the City is not liable for the payment of the principal of or interest on the Bonds, and neither the credit nor the taxing power of the City or of the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

(b) the principal amount of the outstanding Housing Bonds by series as of September 2 preceding the date of the Annual Report;

(c) the balance in the 2022 Housing Reserve Account and the then-current Reserve Requirement for the 2022 Related Housing Bonds as of September 2 preceding the date of the Annual Report;

(d) an update to Table 3 in the Official Statement, including subsequently annexed Project Areas, if any;

(e) an update to Table 4 in the Official Statement for the current fiscal year and prior nine fiscal years (if available), including subsequently annexed Project Areas, if any

(f) the top ten taxpayers by assessed valuation in the Project Areas for the current fiscal year, including property owner name, number of parcels owned by such property owner, Project Area(s) location of such parcel(s), and aggregate assessed valuation for each with each of land value and improvement value indicated; however, the District may redact the name of any individual property owner responsible for less than 5% of aggregate assessed valuation in the Project Areas;

(g) Pledged Housing Increment actual levy and collections for the most recently completed Fiscal Year; and

(h) an updated debt service coverage table, substantially in the form of Table 10 in the Official Statement, reflecting Pledged Housing Increment derived from current fiscal year assessed valuations and reflecting debt service on all then-outstanding Housing Bonds.

Any or all of the items listed above may be set forth in a document or set of documents, or may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on the MSRB website. If the document included by reference is a final official statement, it must be available from the MSRB. The District shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The District shall give, or cause to be given, notice of the occurrence of any of the following events numbered 1-10 with respect to the Bonds not later than ten 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. Issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB) or adverse tax opinions;
6. Tender offers;
7. Defeasances;
8. Rating changes;
9. Bankruptcy, insolvency, receivership or similar event of the District; or
10. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the District, any which reflect financial difficulties.

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 governmental 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) The District shall give, or cause to be given, notice of the occurrence of any of the following events numbered 11-18 with respect to the Bonds not later than ten business days after the occurrence of the event, if material:

11. Unless described in paragraph 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;
12. Modifications to rights of Bond holders;
13. Unscheduled or contingent Bond calls;
14. Release, substitution, or sale of property securing repayment of the Bonds;
15. Non-payment related defaults;
16. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the obligated person, 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;

17. Appointment of a successor or additional trustee or the change of name of a trustee; or
18. Incurrence of a Financial Obligation of the District or agreement to covenants, events of default, remedies, priority rights or similar terms of Financial Obligation of the District, any of which affect security holders.

(c) The District shall give, or cause to be given, in a timely manner, notice (substantially in the form of Exhibit A) of a failure to provide the annual financial information on or before the date specified in Section 3.

(d) Whenever the District obtains knowledge of the occurrence of a Listed Event described in Section 5(b), the District shall determine if such event would be material under applicable federal securities laws.

(e) If the District learns of the occurrence of a Listed Event described in Section 5(a), or determines that knowledge of a Listed Event described in Section 5(b) would be material under applicable federal securities laws, the District shall within ten business days of occurrence file a notice of such occurrence with the MSRB in electronic format, accompanied by such identifying information as is prescribed by the MSRB. Notwithstanding the foregoing, notice of the Listed Event described in subsection 5(b)(13) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Resolution.

SECTION 6. Termination of Reporting Obligation. The District's obligations 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 District shall give notice of such termination in the same manner as for a Listed Event under Section 5(e).

SECTION 7. Dissemination Agent. The District may, from time to time, 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. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend or waive this Disclosure Certificate or any provision of this Disclosure Certificate, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 3(b), 4, 5(a) or 5(b), it may only be made 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 the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of the District Attorney or nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the owners of a majority in aggregate principal amount of the Bonds or (ii) does not, in the opinion of the District Attorney or nationally recognized bond counsel, materially impair the interests of the Holders.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5; and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District 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 District 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 District 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 10. Remedies. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Participating Underwriter, Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate to cause the District to comply with its obligations under this Disclosure Certificate; provided that any such action may be instituted only in a federal or state court located in the District and County of San Francisco, State of California, and that the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

[Remainder of page intentionally left blank.]

SECTION 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Date: December 21, 2023

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND
REVITALIZATION FINANCING DISTRICT
NO. 1 (TREASURE ISLAND)

____
Anna Van Degna
Director of the Office of Public Finance

Approved as to form:

DAVID CHIU
CITY ATTORNEY

By: ______________________________________
Deputy City Attorney

CONTINUING DISCLOSURE CERTIFICATE EXHIBIT A

FORM OF NOTICE TO THE
MUNICIPAL SECURITIES RULEMAKING BOARD
OF FAILURE TO FILE ANNUAL REPORT

Name of District:	CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1 (TREASURE ISLAND)
Name of Bond Issue:	City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023B (Housing Increment)
Date of Issuance:	December 21, 2023

NOTICE IS HEREBY GIVEN to the Municipal Securities Rulemaking Board that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate of the District and County of San Francisco, dated December 21, 2023. The District anticipates that the Annual Report will be filed by _____________.

Dated: _____, 20__

CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND
REVITALIZATION FINANCING DISTRICT
NO. 1 (TREASURE ISLAND)

By: ______[to be signed only if filed]______
Title: ________________________________

stop

APPENDIX F-1

FORM OF SERIES 2023A FACILITIES BOND COUNSEL OPINION

_____, 2023

City and County of San Francisco
Infrastructure and Revitalization Financing District
No. 1 (Treasure Island)
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

OPINION: $7,615,000 City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023A (Facilities Increment)

Members of the Board of Supervisors:

We have acted as bond counsel to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "District") in connection with the issuance by the District of the bonds captioned above, dated the date hereof (the "Bonds"). In such capacity, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to (i) Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Law"), (ii) resolutions of the Board of Supervisors, as legislative body of the District, adopted on January 24, 2017 (Resolution No. 7-17) and November 28, 2023 (Resolution No. 549-23), and (iii) an Indenture of Trust, dated as of September 1, 2022, as supplemented by a First Supplemental Indenture, dated as of December, 1 2023 (as supplemented, the "Indenture"), each by and between the District and Zions Bancorporation, National Association, as trustee.

Regarding questions of fact material to our opinion, we have relied on representations of the District contained in the Indenture, and on 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 District, and others, without undertaking to verify the same by independent investigation, and we have relied on the default judgment rendered on May 7, 2018, by the Superior Court of the State of California, County of San Francisco, in the validation action entitled "City and County of San Francisco, City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island), and Treasure Island Development Authority v. All Persons Interested in the Matter of City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island), Including the Initial Project Areas Therein and the Infrastructure Financing Plan Therefor and Amendments Thereof, Pursuant to Which Tax Increment Will be Allocated to Infrastructure and Revitalization Financing District No. 1 (Treasure Island), Including the Adoption of Resolutions and an Ordinance and the Authorization of the Matters Therein, Ownership of Public Improvements by Treasure Island Development Authority and all Bonds, Debt, Contracts and Other Matters and Proceedings Related Thereto," Case No. CGC-17-557496.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is an infrastructure and revitalization financing district and a legally constituted governmental entity established pursuant to the Law, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the Bonds.

2. The Indenture has been duly executed and delivered by the District and constitutes the valid and binding obligation of the District enforceable upon the District.

3. Pursuant to the Law, the Indenture creates a valid lien on the funds pledged by the Indenture for the security of the Bonds, subject to no prior lien granted under the Law, except as provided therein.

4. The Bonds have been duly authorized, executed and delivered by the District and are valid and binding special obligations of the District payable on a parity with any Parity Facilities Debt (as such term is defined in the Indenture), solely from the sources provided therefor in the Indenture.

5. The interest on the 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. Interest on the 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 District comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The District 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 Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express 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 Bonds.

The rights of the owners of the Bonds, and the enforceability of the Bonds and the Indenture, are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, 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 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 representations, opinions, and covenants referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

APPENDIX F-2

FORM OF SERIES 2023B HOUSING BOND COUNSEL OPINION

_____, 2023

City and County of San Francisco
Infrastructure and Revitalization Financing District
No. 1 (Treasure Island)
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

OPINION: $1,595,000 City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023B (Housing Increment)

Members of the Board of Supervisors:

We have acted as bond counsel to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "District") in connection with the issuance by the District of the bonds captioned above, dated the date hereof (the "Bonds"). In such capacity, we have examined such law and such certified proceedings, certifications, opinions and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to (i) Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Law"), (ii) resolutions of the Board of Supervisors, as legislative body of the District, adopted on January 24, 2017 (Resolution No. 7-17) and November 28, 2023 (Resolution No. 549-23), and (iii) an Indenture of Trust, dated as of September 1, 2022, as supplemented by a First Supplemental Indenture, dated as of December 1, 2023 (as supplemented, the "Indenture"), each by and between the District and Zions Bancorporation, National Association, as trustee.

Regarding questions of fact material to our opinion, we have relied on representations of the District contained in the Indenture, and on 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 District, and others, without undertaking to verify the same by independent investigation, and we have relied on the default judgment rendered on May 7, 2018, by the Superior Court of the State of California, County of San Francisco, in the validation action entitled "City and County of San Francisco, City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island), and Treasure Island Development Authority v. All Persons Interested in the Matter of City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island), Including the Initial Project Areas Therein and the Infrastructure Financing Plan Therefor and Amendments Thereof, Pursuant to Which Tax Increment Will be Allocated to Infrastructure and Revitalization Financing District No. 1 (Treasure Island), Including the Adoption of Resolutions and an Ordinance and the Authorization of the Matters Therein, Ownership of Public Improvements by Treasure Island Development Authority and all Bonds, Debt, Contracts and Other Matters and Proceedings Related Thereto," Case No. CGC-17-557496.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The District is an infrastructure and revitalization financing district and a legally constituted governmental entity established pursuant to the Law, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein, and issue the Bonds.

2. The Indenture has been duly executed and delivered by the District and constitutes the valid and binding obligation of the District enforceable upon the District.

3. Pursuant to the Law, the Indenture creates a valid lien on the funds pledged by the Indenture for the security of the Bonds, subject to no prior lien granted under the Law, except as provided therein.

4. The Bonds have been duly authorized, executed and delivered by the District and are valid and binding special obligations of the District payable on a parity with any Parity Housing Debt (as such term is defined in the Indenture), solely from the sources provided therefor in the Indenture.

5. The interest on the 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. Interest on the 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 District comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The District 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 Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

We express 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 Bonds.

The rights of the owners of the Bonds, and the enforceability of the Bonds and the Indenture, are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, 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 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 representations, opinions, and covenants referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

A Professional Law Corporation

APPENDIX G

BOOK-ENTRY SYSTEM

The information in this section concerning DTC; and DTC's book-entry system has been obtained from sources that District believes to be reliable, but District takes no responsibility for the accuracy thereof.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2023AB Bonds. The Series 2023AB Bonds will be issued as fully-registered securities 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 certificate will be issued for the each issue of the Series 2023AB Bonds, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest 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 die provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 2.2 million issues of U.S. and non-U.S. equity 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, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation and Emerging Markets Clearing Corporation, (NSCC, FICC and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC 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 an S&P Global Ratings 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. *Information on such website is not incorporated by reference herein.*

Purchases of Series 2023AB Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023AB Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2023AB 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 Series 2023AB 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 the Series 2023AB Bonds, except in the event that use of the book-entry system for the Series 2023AB Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023AB Bonds deposited by Direct Participants with DTC are registered in the name of DTCs partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2023AB 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 Series 2023AB Bonds: DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2023AB 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 well 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 Series 2023AB Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2023AB Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2023AB Bond documents. For example, Beneficial Owners of Series 2023AB Bonds may wish to ascertain that the nominee holding the Series 2023AB 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 Series 2023AB Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2023AB Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to District 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 Series 2023AB Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2023AB 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 District or Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by 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 nor its nominee, Trustee, or District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District 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 depository with respect to the Series 2023AB Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered.

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APPENDIX H

FISCAL CONSULTANT REPORT

KEYSER MARSTON ASSOCIATES

FISCAL CONSULTANT REPORT

Prepared for:

CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1 (TREASURE ISLAND)

Prepared by:

Keyser Marston Associates, Inc.

November 27, 2023

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1.0 INTRODUCTION

Keyser Marston Associates, Inc. (“KMA”) has been retained as fiscal consultant to the City and County of San Francisco (“City”) to prepare a review of assessed values and a projection of revenues available for payment of debt service on bonds proposed to be issued by the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (“IRFD No. 1”), including the proposed:

- City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023A (Facilities Increment) (“2023A Bonds”); and

- City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2023B (Housing Increment) (“2023B Bonds”).

Together the 2023A Bonds and 2023B Bonds are referred to as the “Bonds.”

Treasure Island and Yerba Buena Islands are located in the San Francisco Bay and are connected by a causeway. The islands are accessible to San Francisco and the greater San Francisco Bay Area via the San Francisco-Oakland Bay Bridge, which passes through Yerba Buena Island, and by ferry to Downtown San Francisco.

Treasure Island was previously the site of a United States Naval Station ("Naval Station Treasure Island" or "NSTI"). In 1993, Congress selected NSTI for closure and disposition by the Base Realignment and Closure Commission. In 1997, the San Francisco Board of Supervisors authorized the creation of the Treasure Island Development Authority (“TIDA”) to serve as the entity responsible for the reuse and development of the NSTI. TIDA is a California non-profit public benefit corporation, public benefit agency and instrumentality and authority of the City and/or the State of California. TIDA’s board members are appointed by the Mayor of San Francisco. The United States of America, acting through the Department of the Navy (the "Navy"), and TIDA entered into an Economic Development Conveyance Memorandum of Agreement (“Navy MOA”) that provides for transfer of NSTI from the Navy to TIDA in phases as the Navy completes environmental remediation. To date, the Navy has made five separate conveyances to TIDA, including all of the property within IRFD No. 1.

In 2003, TIDA selected Treasure Island Community Development LLC (“TICD”), a California limited liability company to serve as master developer for the “Treasure Island Project.” The Treasure Island Project encompasses portions of both Treasure Island and Yerba Buena Island and is planned for a new mixed-use neighborhood of up to 8,000 homes, hotels, restaurants, retail, arts and entertainment, parks, and open space. In 2011, TIDA entered into a Disposition and Development Agreement (Treasure Island / Yerba Buena Island) with TICD (“DDA”), which provides for the phased transfer of properties planned for private development from TIDA to TICD for development of the Treasure Island Project.

Map 1. Vicinity Map of Treasure and Yerba Buena Islands

Note: IRFD No. 1 boundaries are a portion of the circled area. See Map 2 for additional information.

Exhibit EE to the DDA establishes a financing plan ("DDA Financing Plan") that calls for the formation of an infrastructure financing district to finance the facilities and affordable housing costs of the Treasure Island Project. Pursuant to the DDA Financing Plan, IRFD No. 1 was formed by the City in 2017.

The Infrastructure Financing Plan adopted in connection with formation of IRFD No. 1 governs the financial assistance to be provided by IRFD No. 1.

IRFD No. 1 receives an allocation of property tax revenues that are generated from growth in the taxable assessed values of properties within its boundaries above the base year assessed value of zero. The existing boundaries of IRFD No. 1 include private development parcels within the initial sub-phases of the Treasure Island Project, as further described below. The boundaries of IRFD No. 1 could be expanded in the future through annexation of territory ("Annexation Territory"), such that the ultimate boundaries of the IRFD would encompass all of the private development parcels within the Treasure Island Project, except certain parcels planned for affordable housing and expected to be exempt from property taxes, as contemplated by the DDA Financing Plan.

The DDA Financing Plan provides that TICD may request issuance of debt by IRFD No. 1 from time to time. Pursuant to a request by TICD under the DDA Financing Plan, IRFD No. 1 is proposing to issue its 2023A Bonds to finance facilities costs and its 2023B Bonds to finance affordable housing costs of the Treasure Island Project. The Bonds will be secured on a parity with bonds previously issued by IRFD No. 1, including its:

- City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2022A (Facilities Increment) ("2022A Bonds"); and

- City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) Tax Increment Revenue Bonds, Series 2022B (Housing Increment) ("2022B Bonds").

The proposed 2023A Bonds are secured on a parity with the 2022A Bonds and the proposed 2023B Bonds are secured on a parity with the 2022B Bonds. Additional parity debt may be incurred under the respective indentures for the Bonds.

This Fiscal Consultant Report provides a projection of tax increment revenues available for payment of debt service on the Bonds and parity bonds. Projections reflect reported fiscal year ("FY") 2023-24 assessed values. This report also provides information regarding the IRFD No.1 historic assessed values, distribution of assessed values by land use types, top property taxpayers, assessment appeals, a history of tax increment revenues allocated to IRFD No. 1, and a summary of planned future development.

1.1 Infrastructure Finance and Revitalization Districts

Establishment of Infrastructure and Revitalization Financing Districts (IRFDs) is authorized by Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53369) ("IRFD Law"). IRFDs are authorized to receive an allocation of property taxes calculated based on growth in assessed values over a base year assessed value established at the time of IRFD adoption ("tax increment"). IRFDs may receive the percentage share of tax increment that is attributable to taxing agencies that agree to participate in financing the IRFD, as specified in an adopted Infrastructure Financing Plan ("IFP").

1.2 IRFD No. 1

IRFD No. 1 was formed and the IFP for IRFD No. 1 was approved by adoption of Ordinance 21-17 of the Board of Supervisors of the City ("Board of Supervisors"), which was signed by the Mayor on February 9, 2017. The Board of Supervisors had previously approved the IFP by adoption of Resolution No. 512-16, which was signed by the Mayor on December 16, 2016.

In a judicial validation action brought by TIDA and the City under California Code of Civil Procedure 860 et seq (Case No. CGC-17-557496), the Superior Court issued a judgment on May 9, 2018, that the IRFD had been properly formed, the IFP and future amendments of the IFP consistent with the IRFD Law were valid, the City's allocation of tax increment to IRFD No. 1

under the IFP was legal, valid, and binding, and the bonds to be issued by IRFD No. 1 were valid.

The IFP for IRFD No. 1 and the boundaries of IRFD No. 1 were amended by Ordinance 29-22 of the Board of Supervisors, as legislative body of the IRFD, which was signed by the Mayor on February 25, 2022. Under Ordinance 29-22, territory was added to the IRFD, certain project area boundaries were modified to conform to assessor's parcels, and the percentage allocation of tax increment was adjusted to conform to existing law.

Tax increment funds allocated by the City to IRFD No. 1 are available to fund the facilities and affordable housing costs specified in the IFP for IRFD No. 1, to pay debt service on bonds issued to finance these costs and fund the administrative expenses of the IRFD.

IRFD No. 1 encompasses portions of the first phase of development of the Treasure Island Project. IRFD No. 1 is currently comprised of five component project areas: Project Area A, Project Area B, Project Area C, Project Area D, and Project Area E. As of FY 2023-24, only Project Area A, Project Area B and Project Area E are allocated tax increment. Project Area C and Project Area D will not receive tax increment unless the thresholds for commencement of tax increment described in Section 2.1 are exceeded. The five project areas have a combined land area of approximately 33 acres.

Project Area A encompasses development parcels of the Treasure Island Project that are located on Yerba Buena Island.

Project Areas B, C, D, and E encompass a portion of the development parcels of the Treasure Island Project that are located on Treasure Island within the first phase of development along the waterfront nearest to Downtown San Francisco and the causeway connection to Yerba Buena Island.

Map 2 shows the IRFD No. 1 Project Area boundaries. Only Project Area A, Project Area B and Project Area E are allocated tax increment as of FY 2023-24.

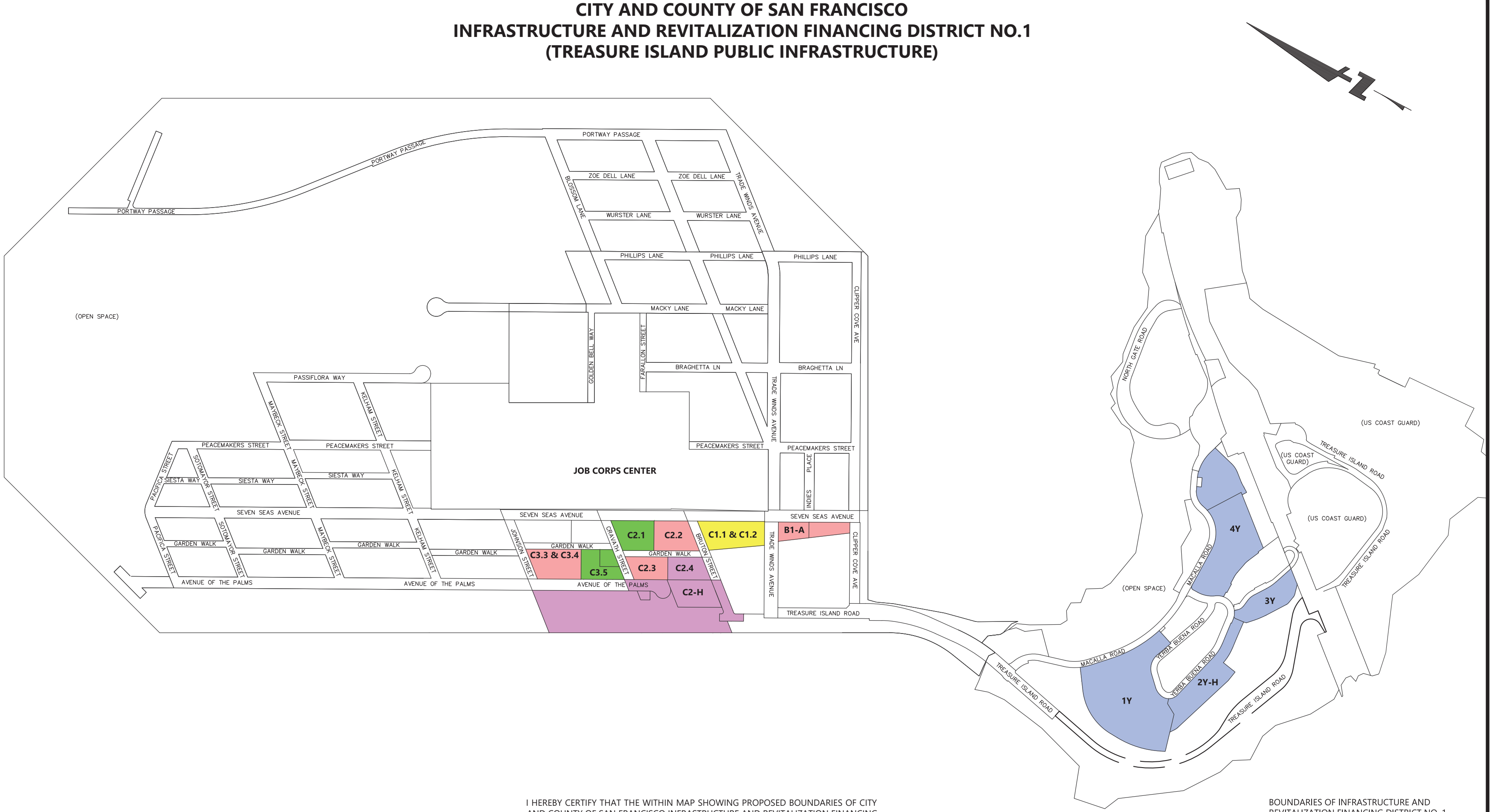
As described above, territory could be added to IRFD No. 1 in the future as property transfers from the Navy to TIDA and development of subsequent phases and subphases of the Treasure Island Project proceeds. Additional territory could be added as additional IRFD No. 1 project areas.

IRFD No. 1 contains parcels within the City and County of San Francisco Community Facilities District 2016-1 (Treasure Island) ("the CFD"), as follows:

- Project Area A contains parcels within Improvement Area No. 1 of the CFD;
- Project Areas B and E contain parcels within Improvement Area No. 2 of the CFD; and
- Project Areas C and D contain parcels within Improvement Area No. 3 of the CFD.

Certain parcels within IRFD No. 1 planned for a hotel, right of way and open space are not within either Improvement Area No. 1, 2 or 3 of the CFD.

MAP 2. BOUNDARIES OF
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1
(TREASURE ISLAND PUBLIC INFRASTRUCTURE)



I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1 (TREASURE ISLAND PUBLIC INFRASTRUCTURE) WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, AT A REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF ___________, 20___, BY ITS RESOLUTION NO. ___________________.

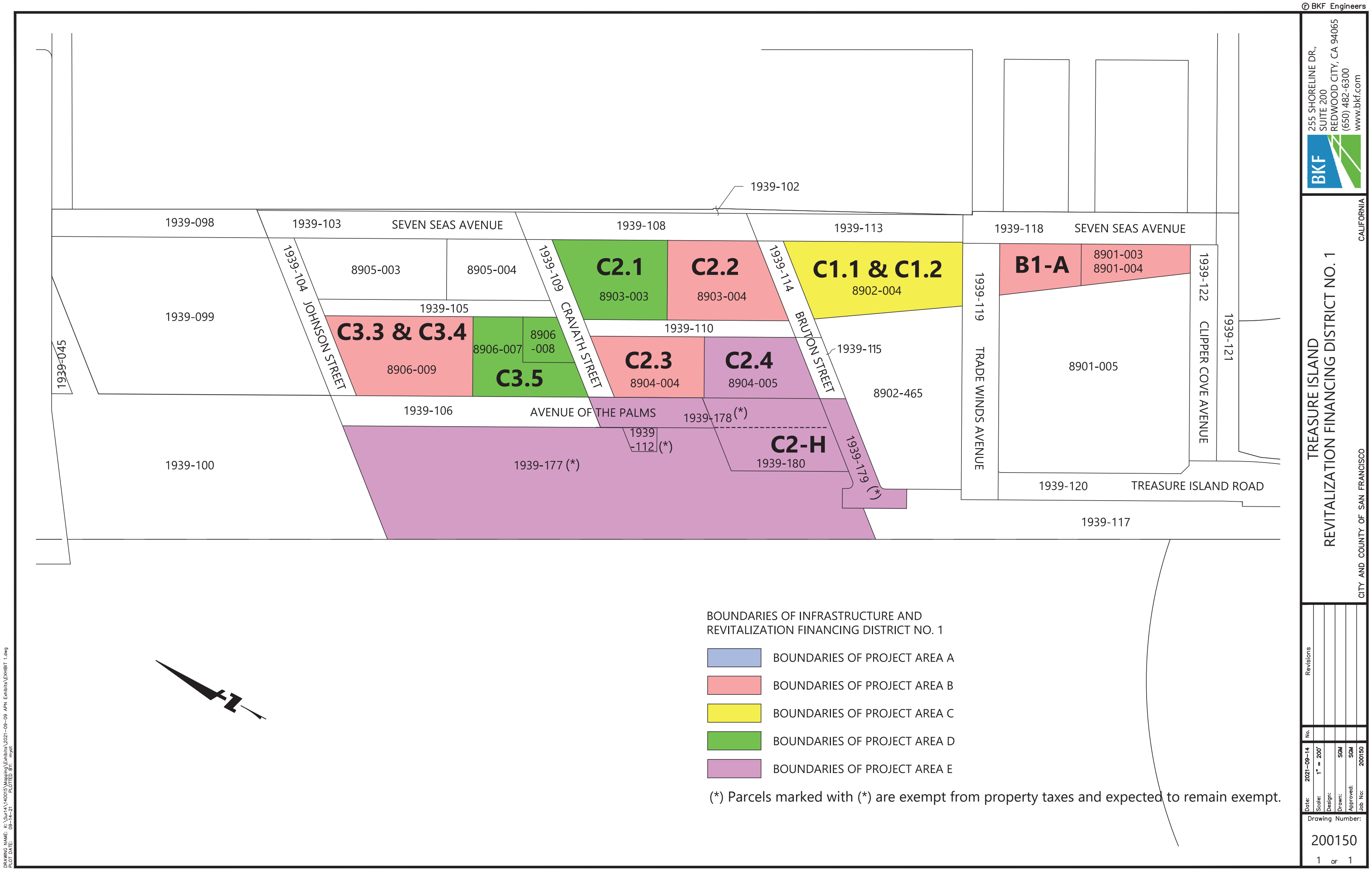
____
(CLERK OF THE BOARD OF SUPERVISORS)

BOUNDARIES OF INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1

- BOUNDARIES OF PROJECT AREA A
- BOUNDARIES OF PROJECT AREA B
- BOUNDARIES OF PROJECT AREA C
- BOUNDARIES OF PROJECT AREA D
- BOUNDARIES OF PROJECT AREA E

BKF

MAP 2. BOUNDARIES OF
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1
(TREASURE ISLAND PUBLIC INFRASTRUCTURE)
DETAIL FOR PROJECT AREAS LOCATED ON TREASURE ISLAND (B, C, D, E)



1.3 Treasure Island Project

The Treasure Island Project consists of 461 acres and encompasses much of Treasure and Yerba Buena Islands. The Treasure Island Project is planned for development of 5,827 market rate residential units, 2,173 below market rate affordable units, 551,000 square feet of commercial space, 500 hotel rooms, and approximately 290 acres of parks and open space.

The Treasure Island Project is being developed by TICD, master developer for the project, pursuant to the DDA and a Development Agreement with the City. TICD is a joint venture incorporated as a California limited liability company and comprised of various affiliates of Lennar Corporation ("Lennar"), Stockbridge TI Fund, LP ("Stockbridge"), Kenwood Investments ("Kenwood"), Wilson Meany, LP ("Wilson Meany"), and Poly USA Real Estate Development Corporation ("Poly USA"). TICD, and its subsidiaries including Treasure Island Series 1, LLC ("TI Series 1"), Treasure Island Series 2, LLC ("TI Series 2"), and Treasure Island Series 3, LLC ("TI Series 3"), are completing the backbone infrastructure improvements of the Treasure Island Project and then selling development pads to vertical builders for construction of residential and commercial development. Of the development pads sold to vertical builders to date, all were sold to entities that are affiliated with one or more members of the TICD joint venture, including Stockbridge, Wilson Meany, Lennar, and Poly USA.

The Treasure Island Project is divided into four major phases. Major Phase 1 has been approved by TIDA and includes plans for approximately 3,329 market rate residential homes, 790 below market rate units, 551,000 square feet of commercial space, and 500 hotel rooms. Major Phase 1 includes eleven sub-phases. IRFD No. 1 currently encompasses development parcels within five of the eleven sub-phases of Major Phase 1 including 1YA, 1YB, 1B, 1C, and 1E, shown on Map 3.

Portions of the Treasure Island Project that are within the boundaries of IRFD No. 1 are planned for development of 1,755 residential units and two hotels. Of the total number of residential units, 1,682 are market rate units and 73 are below market rate affordable units. The infrastructure and utilities necessary for the planned and under construction developments within the existing boundaries of IRFD No. 1 to receive temporary certificates of occupancy have been completed. The Bristol, which includes 124 for-sale residential units, was completed in June 2022. Sale of 46 units within the Bristol had closed escrow as of October 1, 2023, including 37 market rate units and 9 below market rate units. Vertical construction is currently underway for 148 condominium units, 31 townhomes and flats, and 428 rental apartments. In total, 607 residential units are under construction as of the date of this report, of which 567 are market rate and 40 are below market rate affordable units.

Table 1 provides a summary of the Treasure Island Project, Major Phase 1 of the Treasure Island Project, and the portions of Major Phase 1 that are within IRFD No. 1. Table 2 identifies the planned development by IRFD No. 1 Project Area and identifies the development blocks within each. A map of the Treasure Island Project is provided on the subsequent page.

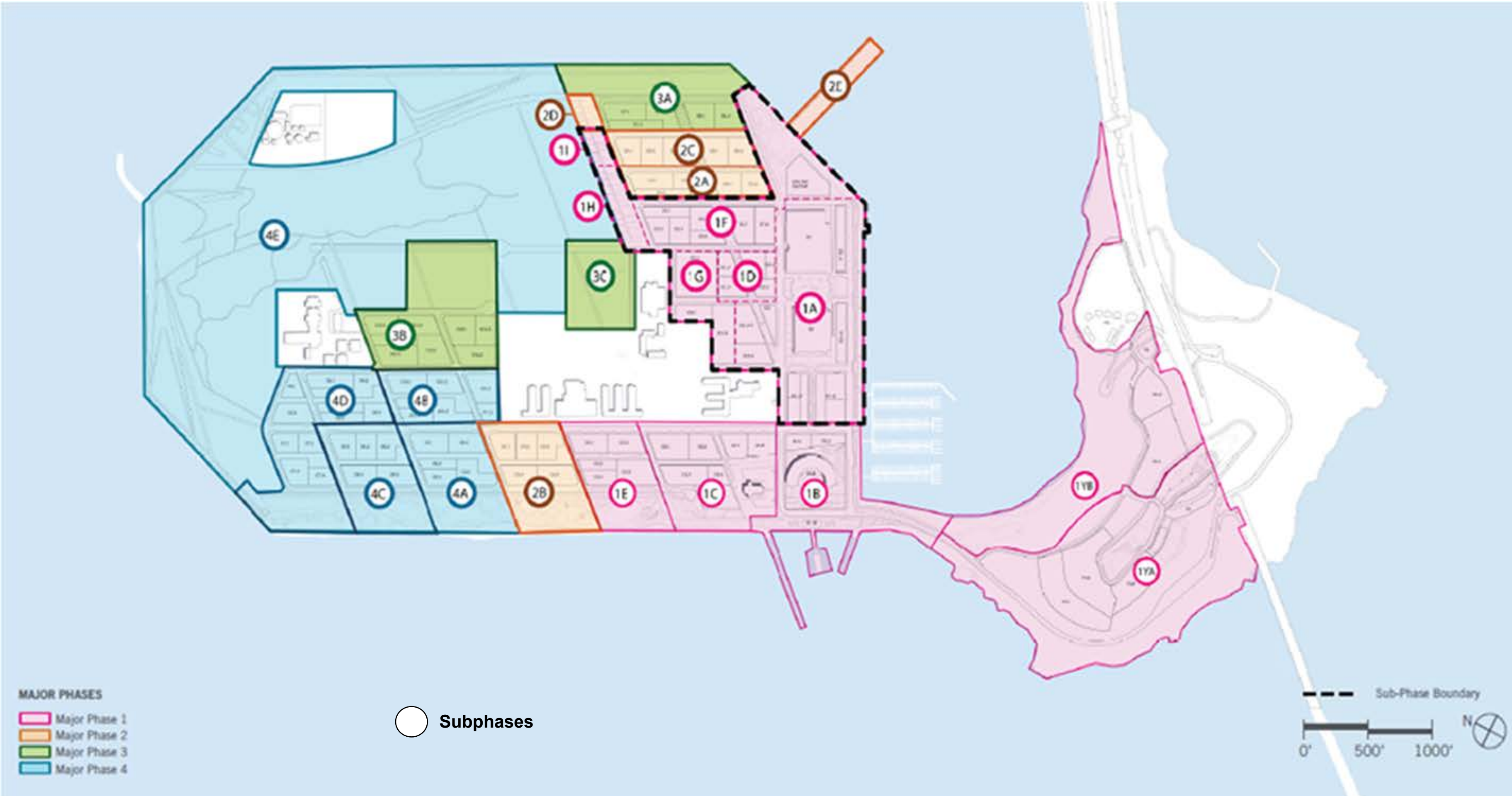
Table 1. Treasure Island Project and Portions Within Major Phase 1 and IRFD No. 1			
	Treasure Island Project	Portion within **Major Phase 1**	Portion within **IRFD No. 1**
Description		First of four major phases of the Treasure Island Project	Portions of five out of eleven subphases of Major Phase 1
Planned Residential Units (up to)			
Market Rate Units	5,827	3,329	1,682
Below Market Rate Units	2,173	790	73
Total Units	8,000	4,119	1,755*
Planned Non-Residential Development (up to)			
Adaptive Reuse Commercial Square Feet	311,000	311,000	0
New Retail Square Feet	140,000	140,000	8,000
New Office Square Feet	100,000	100,000	0
Subtotal	551,000	551,000	8,000
Hotel Rooms	500	500	350

*Of the total 1,755 planned units, 1,044 are within Project Areas A, B, and E that are collecting tax increment in FY 2023-24.

Table 2. Planned Development by IRFD No. 1 Project Area						
					Planned Development	
Location	**Applicable Major Phase 1 Subphases**	**Project Area (1)**	**CFD Improvement Area (2)**	**Development Blocks**	**Residential Units**	**Hotel Rooms**
Yerba Buena Island	1YA, 1YB	**A**	No. 1	1Y, 2Y-H, 3Y, 4Y	266	50
Treasure Island	1B, 1C, 1E	**B**	No. 2	B1, C2.2, C2.3, C3.3/C3.4	528	
		C (1)	No. 3	C1.1/C1.2	286	
		D (1)	No. 3	C2.1, C3.5	425	
		E	No. 2(2)	C2.4, C2-H	250	300
				Total:	**1,755**	**350**

(1) Only Project Areas A, B, and E receive tax increment as of FY 2023-24. Project Areas C and D will not receive tax increment until thresholds for commencement described in Section 2.1 are met.
(2) IRFD No. 1 includes additional parcels not within Improvement Areas No. 1, 2 or 3, including development parcel C2-H and parcels planned for right of way and open space.

Map 3. Treasure Island Project, Major Phases and Subphases



2.0 TAX INCREMENT ALLOCATION TO IRFD NO. 1

As described above, the IRFD Law provides for the allocation of incremental property taxes to IRFDs by non-education taxing entities pursuant to an IFP. The IRFD Law requires the IFP to include a financing section that contains, among other things:

- A specification of the maximum portion of the incremental tax revenue of the city and of each affected taxing entity proposed to be committed to the IRFD for each year during which the IRFD will receive incremental tax revenue.

- A limit on the total number of dollars of taxes that may be allocated to the district pursuant to the plan.

- A date on which the district shall cease to exist, by which time all tax allocation to the district will end. The date shall not be more than 40 years from the date on which the ordinance forming the district is adopted pursuant to California Government Code Section 53369.23, or a later date, if specified by the ordinance, on which the allocation of tax increment will begin.

The IFP for IRFD No. 1 provides for the allocation by the City of certain tax increment to IRFD No. 1, as described below.

2.1 Thresholds for Commencement of Tax Increment Allocation to IRFD No. 1

Each IRFD No. 1 project area has its own limitations under the IRFD Law. The base year for each project area within IRFD No. 1 is FY 2016-17, established at adoption of the IFP, but the tax increment revenues will be allocated to each project area commencing in its own unique commencement year (the “Commencement Year”).

The Commencement Year for each project area is the first fiscal year that follows the fiscal year in which a certain amount of tax increment (i.e., the “Trigger Amount”) is generated in the project area and received by the City. Tax increment allocation to the project area ends 40 years thereafter (or such longer period, if permitted by the IRFD Law and approved by the Board of Supervisors). The Trigger Amounts for the five current project areas are identified in Table 3.

Collection of tax increment in Project Area A commenced in FY 2019-20 because the Trigger Amount was met in FY 2018-19. For Project Area B and Project Area E, the $150,000 Trigger Amounts for commencement of tax increment collection were exceeded in FY 2021-22 and tax increment collection commenced in FY 2022-23.

Trigger Amounts for commencement of tax increment allocation have not yet been reached in Project Area C or D.

Table 3 summarizes the tax increment allocation status for each area.

<table>
<tr><th colspan="5">Table 3. IRFD No. 1 Project Areas</th></tr>
<tr><th>Project Area</th><th>Acreage (1)</th><th>Trigger Amount for Commencement of Tax Increment Allocation</th><th>First Year of Tax Increment Allocation to IRFD No. 1</th><th>Last Year of Tax Increment</th></tr>
<tr><td>A</td><td>15.6</td><td>$150,000</td><td>FY 2019-20</td><td>FY 2058-59</td></tr>
<tr><td>B</td><td>4.4</td><td>$150,000</td><td>FY 2022-23</td><td>FY 2061-62</td></tr>
<tr><td>C</td><td>1.6</td><td>$300,000</td><td rowspan="2">To Be Determined</td><td rowspan="2">To Be Determined (2)</td></tr>
<tr><td>D</td><td>2.1</td><td>$300,000</td></tr>
<tr><td>E</td><td>9.5</td><td>$150,000</td><td>FY 2022-23</td><td>FY 2061-62</td></tr>
<tr><td>Total – All Project Areas:

Total - Project Areas A, B, E for which TI is commenced</td><td>33.1

29.4</td><td></td><td colspan="2"></td></tr>
</table>

(1) Aggregate land area of Assessor's parcels within IRFD No. 1.

(2) Last year for collection of tax increment in Project Areas C and D will be 40 years following the Commencement Year.

Tax increment in each component project area ends 40 years following the Commencement Year, which is FY 2058-59 for Project Area A, FY 2061-62 for Project Areas B and E, and a future fiscal year that remains to be determined for Project Areas C and D.

Tax increment funds derived from all component project areas of IRFD No. 1 are aggregated and pledged for payment of the Bonds; although, as previously noted, tax increment allocation has not yet commenced in Project Area C and Project Area D.

2.2 Tax Increment Allocation to IRFD No. 1

Tax increment allocable to IRFD No. 1 is calculated based on growth in assessed value, within those project areas for which tax increment collection has commenced, over a FY 2016-17 base year assessed value established at the time the IFP for IRFD No. 1 was adopted. The base year assessed value is $0 for each of the current IRFD No. 1 project areas. The $0 base year assessed value was a result of ownership by TIDA, a non-profit public benefit agency exempt from property taxes, as of the January 1, 2016 lien date for the base year assessment roll. The $0 base year assessed value is fixed and is not subject to change. In accordance with the IFP for IRFD No. 1, the base year assessed value for any Annexation Territory is also FY 2016-17, which would allow Annexation Territory to have a $0 base year assessed value due to public ownership as of the FY 2016-17 assessment roll.

Allocation of tax increment to IRFD No. 1 is determined based on a percentage share of the basic 1% of assessed value property tax levy under Article XIIIA of the California Constitution, as specified in the IFP. Percentage shares correspond to amounts that are otherwise allocable to the taxing agencies that have dedicated their property tax shares to IRFD No. 1 pursuant to the IFP. The City is the only taxing agency that has allocated its property tax increment to IRFD No. 1. As both a City and County, the City receives a total of 64.588206% of the property tax revenues and contributes its share to IRFD No. 1 in two district components:

(1) **Net Available Increment** - IRFD No. 1 receives 56.588206% of the 1% tax increment within those project areas for which collection of tax increment to IRFD No. 1 has commenced ("Net Available Increment"). Pursuant to the IFP, Net Available Increment is divided into two components:

- **"Net Available Facilities Increment"** calculated as 82.5% of Net Available Increment (equal to 46.685270% of gross tax increment) and available for facilities costs.

- **"Net Available Housing Increment"** calculated as 17.5% of Net Available Increment (equal to 9.902936% of gross tax increment) and available for affordable housing costs (and other costs detailed in the IFP for IRFD No. 1); and

(2) **Conditional City Increment** - IRFD No. 1 is additionally allocated up to 8% of the 1% tax increment to the extent necessary to pay for debt service ("Conditional City Increment"). Conditional City Increment is divided into two components for purposes of the pledge under the Indentures for the 2023A and 2023B Bonds and parity bonds under the indenture:

- **"Conditional City Facilities Increment,"** calculated as 82.5% of Conditional City Increment (equal to 6.6% of gross tax increment), is available if necessary for debt service related to facilities costs.

- **"Conditional City Housing Increment,"** calculated as 17.5% of Conditional City Increment (equal to 1.4% of gross tax increment), is available if necessary for debt service related to housing costs authorized under the IFP; and

"Pledged Facilities Increment" is equal to the sum of (1) Net Available Facilities Increment and (2) Conditional City Facilities Increment (together representing 53.285270% of gross tax increment), less an allocable share of the administrative costs of allocating taxes to the IRFD described in Section 3.1. Pledged Facilities Increment is pledged for payment of debt service on the 2023A Bonds and parity bonds.

"Pledged Housing Increment" is equal to the sum of (1) Net Available Housing Increment and (2) Conditional City Housing Increment (together representing 11.302936% of gross tax increment), less an allocable share of the administrative costs of allocating taxes to the IRFD described in Section 3.1. Pledged Housing Increment is pledged for payment of debt service on the 2023B Bonds and parity bonds.

Table 4 provides a summary.

Table 4. Percentage Allocation of 1% Property Tax Increment to IRFD No. 1			
	Combined Total	**Pledged Facilities Increment** (82.5% share)	**Pledged Housing Increment** (17.5% share)
Allocated to IRFD No. 1			
(1) **Net Available Increment**	56.588206%	46.685270%	9.902936%
(2) **Conditional City Increment** [released to City if not required for debt service (1)]	8.000000%	6.600000%	1.400000%
Pledged Increment [= (1) + (2), less cost of allocating taxes (2)]	64.588206%	**53.285270%**	**11.302936%**
Not Allocated to IRFD No. 1			
Other 1% Taxing Agencies (**not** available to IRFD No. 1)	35.411794%		
Total Tax Increment	100.000000%		

(1) Conditional City Increment is required to be allocated and held for payment of debt service until after each annual principal payment date but is subject to release to the City thereafter to the extent not required for debt service.
(2) The cost of allocating taxes to IRFD No. 1, described in Section 3.1, is deducted in determining the amount of Pledged Facilities Increment and Pledged Housing Increment, but the deduction for these expenses is not illustrated in Table 4.

2.3 Cumulative Limit on Allocation of Tax Increment Revenue

The IFP for IRFD No. 1 establishes a cumulative limit on receipt of Net Available Increment from Project Area A, Project Area B, Project Area C, Project Area D and Project Area E of $1.53 billion and a cumulative limit on receipt of Conditional City Increment of $216 million, resulting in a combined $1.746 billion limit for Project Area A, Project Area B, Project Area C, Project Area D and Project Area E, as shown in Table 5 [1]. Through August 2023, approximately $4,469,000 in Net Available Increment and $632,000 of Conditional City Increment were allocated, representing 0.29% of the respective cumulative limits.

Table 5. Cumulative Limits on Receipt of Tax Increment – Project Areas A to E		
	Cumulative Limit on Receipt of Revenue for IRFD No. 1, Project Areas A to E	**Cumulative Amount Allocated through August 2023, Project Areas A to E (1)**
Net Available Increment	$1,530,000,000	$4,469,096
Conditional City Increment	$216,000,000	$631,814
Total	$1,746,000,000	$5,100,909

(1) Based on the records of the City Office of the Controller.

Based upon the growth assumptions incorporated into the Table 15 and Table 16 revenue projections, incorporating the 2% maximum annual inflation increase under Proposition 13, approximately $119.2 million of Net Available Increment and $16.9 million of Conditional City Increment would be allocable to IRFD No. 1 from the five existing project areas through the

[1] Property taxes collected by the City prior to commencement of tax increment allocation to IRFD No. 1 in a particular project area does not constitute Net Available Increment or Conditional City Increment and is not included in the amount collected toward the cumulative limits summarized in Table 5.

2053 final maturity for the Bonds, representing 7.8% of the cumulative tax increment limits under the IFP. For the cumulative tax increment limits for Project Area A, Project Area B, Project Area C, Project Area D and Project Area E to be reached prior to the final debt service payment in 2053, the FY 2023-24 assessed values for IRFD No. 1 identified in Table 6 would need to grow at a compound annual growth rate more than approximately 15.9% per year. The tax increment projections incorporated into the IFP, which reflect buildout of the development proposed within IRFD No. 1, result in collection of approximately 53% of the respective cumulative tax increment limits through the 2053 final maturity of the Bonds.

As described above, additional territory could be annexed into IRFD No. 1 over time following transfers of additional property by the Navy to TIDA and from TIDA to TICD. Annexation is not simultaneous with property transfers but is generally expected to precede vertical construction. As of the date of this report, additional parcels outside the existing boundaries of IRFD No. 1 had transferred to a TICD affiliate for which annexation into IRFD No. 1 had not yet occurred. It is expected that any such annexations will result in the allocation of additional tax increment revenue by the City to IRFD No. 1 and corresponding increases to the tax increment revenue limits, or establishment of additional separate limits for the annexation areas, such that the analysis of the cumulative tax increment revenue limit set forth in the previous paragraph will change.

2.4 Maximum Principal Amount of Bonds Issued by IRFD No. 1

The IFP establishes a limit on the maximum principal amount of bonds and other debt that may be issued by IRFD No. 1 of (i) $780 million for Project Areas A, B, C, D and E, plus (ii) the amount approved by the Board Supervisors and the qualified electors of the Annexation Territory in connection with each annexation of Annexation Territory to the IRFD. The total principal amount of previously issued bonds is $29,390,000, including the 2022A Bonds and 2022B Bonds described in Section 3.2, leaving $750.6 million remaining within the limit on the maximum principal amount of bonds to be issued for Project Areas A, B, C, D, and E.

As further described in Section 3.4, the IRFD has agreed in a Subordinate Pledge Agreement dated May 29, 2015, to pledge the Net Available Increment as security for TIDA's promise to pay the Navy the purchase price of $55 million, plus interest, for the property constituting the project site of the Treasure Island Project. According to the Subordinate Pledge Agreement, the IRFD's pledge to pay the purchase price is subordinate to any bonds issued by the IRFD. The Subordinate Pledge Agreement is assumed not to utilize any of the $780 million limitation on indebtedness under the IFP because it pledges Net Available Increment only as a secondary source of payment to provide additional security for the Navy, and no payments are currently anticipated to be required.

3.0 IRFD NO. 1 OBLIGATIONS

The following section describes obligations payable from IRFD No. 1 Net Available Increment.

Obligations of IRFD No. 1, other than the statutorily permitted property tax administrative cost described in Section 3.1, are paid on a subordinate basis to the Bonds and are not deducted for purposes of the Table 13 to 16 tax increment revenue projections.

3.1 Administrative Cost for Division of Taxes

Section 53369.31 of the California Government Code provides that costs incurred by a county in connection with the division of taxes to an IRFD are paid by the IRFD. The San Francisco Office of the Controller ("Controller") reported that expenses for division of taxes to IRFD No. 1 were estimated to be $9,387 in FY 2022-23 and that an additional $2,000 fixed charge is expected to be added in future years, resulting in an adjusted expense amount of $11,387. This adjusted $11,387 expense equates to approximately 0.5% of FY 2022-23 Net Available Increment. Property tax-related administrative costs are assumed to equal 0.5% of Net Available Increment in future years, proportionately allocated to Net Available Facilities Increment and Net Available Housing Increment. The estimated administrative expense at 0.5% of Net Available Increment equates to an FY 2023-24 cost of approximately $14,000.

The administrative expenses incurred in connection with the division of taxes to IRFD No. 1 are deducted when calculating Pledged Facilities Increment and Pledged Housing Increment. IRFD No. 1 also incurs additional administrative expenses that are payable on a subordinate basis to the Bonds, which are not deducted in determining Pledged Facilities Increment and Pledged Housing Increment. In FY 2022-23, these subordinate administrative expenses totaled approximately $136,000.

3.2 IRFD No. 1 2022 Bonds

The IRFD No. 1 previously issued its 2022A Bonds and 2022B Bonds. The proposed Series 2023A Bonds are secured on a parity with the Series 2022A Bonds and the proposed Series 2023B Bonds are secured on a parity with the Series 2022B Bonds. Additional parity debt may be incurred under the respective indentures.

3.3 Subordinate Use of Net Available Increment Under DDA Financing Plan

The DDA Financing Plan for the Treasure Island Project provides for the use of Net Available Increment of IRFD No. 1 to pay IRFD debt issued in accordance with the DDA Financing Plan, including the Bonds, to repay the City for the use of any Conditional City Increment, to pay debt service on IRFD debt, and to the extent any Net Available Increment remains, to pay other authorized expenses. This subordinate use of Net Available Increment is not deducted for purposes of the Table 13 to 16 tax increment revenue projections.

3.4 Subordinate Pledge Agreement Securing Payments to Navy

As described above, the Navy and TIDA are parties to the Navy MOA that provides for transfer of NSTI from the Navy to TIDA in phases as the Navy completes environmental remediation. In consideration for such transfer, TIDA agreed to pay the Navy $55 million of "Initial Consideration" in equal $5.5 million annual installments over a ten-year period, plus additional consideration based on net cash flow generated by development of the private portions of the property. The schedule for making annual installment payments has been extended beyond the original ten years based on terms of the Navy MOA that provide for tolling of payment obligations in the event of delays in meeting specified cleanup and property transfer milestones by the Navy.

Under the DDA Financing Plan, TICD agreed to pay the $55 million Initial Consideration in installments, as required under the Navy MOA, and had paid $27.5 million as of July 2023, leaving a remaining balance of $27.5 million. The remaining $27.5 million in payments due to the United States Navy, plus interest, due in connection with the transfer of Treasure and Yerba Buena Islands to TIDA, are secured by a subordinate pledge of Net Available Increment. Payments from Net Available Increment are required only to the extent required payments to the Navy are not made by TICD, as required under the DDA Financing Plan. This subordinate pledge is established in a Subordinate Pledge Agreement dated May 29, 2015. The pledge of Net Available Increment under the Subordinate Pledge Agreement is expressly subordinate to the Bonds and is not deducted for purposes of the Table 13 to 16 revenue projections.

The Subordinate Pledge Agreement affirms that it does not place a limit on incurrence of debt secured by a pledge of Net Available Increment and does not include any specific remedies for the Navy in the event of a default other than those that are generally available "in law or at equity."

4.0 ASSESSED VALUES

The assessed values for IRFD No. 1 are prepared annually by the San Francisco Office of the Assessor-Recorder ("Assessor") and reflect a lien date on the January 1st which precedes the beginning of the applicable fiscal year. Each property assessment is assigned a unique Assessor Parcel Number ("APN") that corresponds to assessment maps prepared by the Assessor. Each APN is assigned to a Tax Rate Area ("TRA") which are geographic sub-areas with a common distribution of taxes. Each component project area of IRFD No. 1 corresponds to a TRA, as follows:

Project Area	Tax Rate Area
A	001-028
B	001-029
C	001-030
D	001-031
E	001-032

The TRAs are newly established as of FY 2023-24, replacing codes previously used by the Assessor on an interim basis pending establishment of new TRAs by the California State Board of Equalization.

The Controller is responsible for aggregation of assessed values assigned by the Assessor to properties within the boundaries of each component project area of IRFD No. 1. This results in the reported total current year assessed value and becomes the basis for determining the tax increment allocated to IRFD No. 1. For project areas for which tax increment allocation is not yet commenced, the Controller also annually reviews property tax revenues to determine if thresholds for commencement of tax increment allocation have been exceeded.

4.1 Historic Taxable Values

Aggregated taxable assessed values for IRFD No. 1 from the FY 2016-17 base year through FY 2023-24 are summarized in Table 6. Further detail, including a breakout between land and improvement assessed values, is provided in Table 7 for current year assessed values, and in Table 19 for both current and prior years.

Table 6. Historic Assessed Values								
	Project Areas Active in FY 2023-24			Total for Project Areas Active in FY 2023-24 (3)	Project Areas Not Yet Active		Total All Project Areas (3)	
Fiscal Year	Area A	Area B	Area E		Area C	Area D		%Increase
2016-17 (1)	-	-	-	-	-	-	-	
2017-18	-	-	-	-	-	-	-	n/a
2018-19	68,568,818	4,883,740	577,630	74,030,188	1,768,367	2,848,093	78,646,648	n/a
2019-20	70,090,194	5,054,967	972,038	76,117,199	1,803,733	2,448,642	80,369,574	2.2%
2020-21	102,085,597	5,155,625	991,477	108,232,699	1,839,808	2,497,179	112,569,686	40.1%
2021-22 (2)	201,114,923	47,700,000	25,900,000	274,714,923	1,858,868	2,523,048	279,096,839	147.9%
2022-23	287,081,623	52,177,932	33,061,340	372,320,895	1,896,045	31,477,893	405,694,833	45.4%
2023-24	$314,688,909	$98,331,576	$73,843,791	$486,864,276	$1,933,965	$32,107,450	$520,905,691	28.4%

Columns that reflect inclusion of project areas not yet collecting tax increment in FY 2023-24 are shown in grey.

(1) FY 2016-17 is the base year.

(2) Includes FY 2021-22 escape roll assessments representing assessed values added by transfers of ownership that occurred prior to the January 1, 2021 lien date for the FY 2021-22 assessment roll.

(3) All figures in this table represent both total and incremental assessed value, as the base year assessed value is zero.

FY 2018-19 is the first fiscal year for which taxable assessed value was included on the roll within IRFD No. 1 and was added following the sale of property within Major Phase 1 to TICD subsidiary TI Series 1, resulting in the properties becoming subject to property taxes. The Assessor established initial assessed values based on an estimated unimproved land value of approximately $1.1 million per developable acre, except for three parcels totaling 6.8 acres on Yerba Buena Island which were assessed based upon the $61.2 million sale price applicable to a sale by TI Series 1 to an affiliated vertical builder. The $1.1 million per acre value was based on an Assessor analysis of value that considered the remaining improvements necessary for development to occur.

The increase in assessed value from FY 2019-20 to FY 2020-21 was a result of development within Project Area A[2], primarily construction in-progress for the 124-unit Bristol condominium project, which is now complete.

The increase in assessed value from FY 2020-21 to FY 2021-22 was primarily[3] due to sale of development pads within Project Areas A, B and E by TI Series 1 to separate vertical builders, each of whom have an ownership interest in TICD, its parent company, which resulted in increases in the assessed values for the applicable parcels to the amount of the sale price.

The increase in assessed value from FY 2021-22 to FY 2022-23 was driven by construction progress on the Bristol and 4Y Townhomes and Flats and sale of a development pad planned

[2] In addition, inflationary increases under Proposition 13, described in Section 4.3, contributed to the increase in assessed value.

[3] Ibid.

for 160 condominium units and a park[4] (Block C3.5) by TI Series 1 to a separate vertical developer affiliated with Stockbridge, Wilson Meany, and Lennar[5].

The increase in assessed value from FY 2022-23 to FY 2023-24 was due to:

- Construction progress on the following residential developments:
  - Isle House (Block C2.4), which added $40.3 million in assessed value;
  - Portico (Block C3.3/C3.4), which added $33.8 million in assessed value;
  - The Residences (Block 4Y Townhomes and Flats), which added $20.6 million in assessed value; and
  - Hawkins (Block C2.2), which added $9.7 million in assessed value.
- Development progress on Blocks B1 and 3Y consisting of incurrence of indirect costs, such as design, and limited direct costs, which the Assessor took into consideration in adding approximately $3.3 million in assessed value to the roll for these properties.
- Application of the 2% inflationary increase under Proposition 13 (described in Section 4.3), which added approximately $7.5 million in assessed value to the roll.

4.2 Current Year Assessed Values for IRFD No. 1

Table 7 provides additional detail regarding the FY 2023-24 taxable assessed values for IRFD No. 1. Of the $520,905,691 in aggregate FY 2023-24 taxable assessed value for IRFD No. 1, including Project Areas A, B, C, D and E, $341,588,776 is land assessed value and $179,316,915 is improvement assessed value. These amounts are net of exemptions that apply to publicly owned TIDA properties. The below market rate affordable units within IRFD No. 1 are not expected to qualify for a welfare exemption from property taxes because they are not owned by a qualifying organization, are not receiving government financing, and affordability restrictions for some units are at income levels that exceed the maximum level eligible to qualify for a welfare exemption.

For Project Areas A, B, and E, for which collection of tax increment has commenced as of FY 2023-24, aggregate FY 2023-24 taxable assessed value is $486,864,276, of which $307,547,361 is land assessed value and $179,316,915 is improvement assessed value.

Secured property includes property for which taxes levied by the County become a lien on that property.

Unsecured property typically includes the value of tenant improvements, trade fixtures, and personal property. Unsecured property also includes possessory interests constituting a right to

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[4] Parcel 8906-008 is planned for a privately-owned pocket park with public access. The parcel has an FY 2023-24 assessed value of $322,524. Completion of the park would occur in conjunction with development of Block C3.5, such that, even if the park were to become exempt from property taxes, there would be a net addition to taxable assessed value through development of the block. The parcel is located within Project Area D, for which allocation of tax increment has not yet commenced.

[5] In addition, inflationary increases under Proposition 13, described in Section 4.3, contributed to the increase in assessed value.

the possession and use of property for a period less than perpetuity. As of FY 2023-24, there is no unsecured property assessed value within IRFD No. 1.

Table 7. FY 2023-24 Taxable Assessed Values, IRFD No. 1							
	Project Areas Active in FY 2023-24			Total for Project Areas Active in FY 2023-24	Project Areas Not Yet Active		Total All Project Areas
	Area A	Area B	Area E		Area C	Area D	
Assessed Value							
Secured Land AV	$173,645,008	$90,015,376	$43,886,977	$307,547,361	$1,933,965	$32,107,450	$341,588,776
Secured Improvement AV	141,043,901	8,316,200	29,956,814	179,316,915	-	-	179,316,915
Unsecured Roll	-	-	-	-	-	-	-
Total Assessed Value	314,688,909	98,331,576	73,843,791	486,864,276	1,933,965	32,107,450	520,905,691
Base Year AV	-	-	-	-	-	-	-
Incremental AV	314,688,909	98,331,576	73,843,791	486,864,276	1,933,965	32,107,450	520,905,691
Parcel count	128	5	6	139	1	3	143
TI Commencement							
Calculated IRFD TI (1)	$2,032,519	$635,106	$476,944	$3,144,569	$12,491	$207,376	N/A (2)
TI Commencement Threshold	$150,000	$150,000	$150,000		$300,000	$300,000	
Threshold Reached	FY 18-19	FY 21-22	FY 21-22		No	No	

Columns that reflect inclusion of project areas not yet collecting tax increment in FY 2023-24 are shown in grey.

(1) Calculated as 1% X incremental assessed value X 64.588206%, including Conditional City Increment.

(2) Tax Increment Allocation is only applicable to active project areas.

Source: Assessor. AV= Assessed Value.

Table 19, at the end of this report, provides a breakout between land and improvement assessed values by project area for FY 2018-19 through FY 2023-24. Table 20, at the end of this report, identifies the FY 2023-24 reported assessed values by parcel.

The volatility ratio applicable to each of the IRFD No. 1 project areas is zero due to the zero base year value for all project areas. The volatility ratio is a metric used to assess sensitivity to changes in assessed value and is computed as base year assessed value divided by current year assessed value. A ratio of zero indicates the least sensitivity and a ratio of 1.0 indicates the greatest sensitivity to assessed value changes.

4.3 Real and Personal Property

Real property assessed value is comprised of land and improvement assessed values on both the secured and unsecured assessment rolls. Annual increases in the assessed value of real property are limited to an annual inflationary increase of up to 2%, as governed by Article XIIIA of the California Constitution and known as the Proposition 13 inflation factor. Real property values also increase or decrease as a result of a property's change of ownership or new construction activity. As of FY 2023-24, all taxable assessed value within IRFD No. 1 is real property assessed value.

The Proposition 13 inflation factor is tied to the change in the California Consumer Price Index ("CCPI") and may be less than 2% if CCPI increases by less than 2%. The CCPI adjustment is based on the change in the CCPI from October to October of the following year. The Proposition 13 inflation factor for FY 2023-24 is 2%. The annual Proposition 13 factor has been less than 2% for four of the last 10 fiscal years. A 10-year history of Proposition 13 inflation factors is provided in Table 8.

Table 8. Prop 13 Inflation Factors, Ten-Year History	
2014-15	0.454%
2015-16	1.998%
2016-17	1.525%
2017-18	2.00%
2018-19	2.00%
2019-20	2.00%
2020-21	2.00%
2021-22	1.036%
2022-23	2.00%
2023-24	2.00%

Assessed value of real property may be adjusted downward if market value declines, either through the assessment appeals process described in Section 5 or through an adjustment by the Assessor. In the event of a decline in market value, values are then subject to restoration over time as market values increase, up to the Proposition 13 base year assessed value that is established for the property upon completion of construction or transfer of ownership, as increased for annual inflationary increases under Proposition 13 of up to 2%.

The assessed value of Personal Property is not subject to the maximum 2% inflationary increase and is subject to annual appraisal, either upward or downward. As of FY 2023-24, IRFD No. 1 does not include any personal property assessed value.

4.4 Values by Property Use

A distribution of FY 2023-24 taxable assessed values by land use category is summarized in Table 9, for all project areas combined and for project areas that will collect tax increment in FY 2023-24. Identification of land uses is based on information provided by the City and TICD affiliates regarding property uses. FY 2023-24 taxable assessed value for IRFD No. 1 is comprised of residential units, residential units under construction, and land for residential development[6].

[6] The future planned residential developments on Blocks B1, C2.2, and C2.4 also include approximately 8,000 square feet of retail/commercial space.

Table 9. FY 2023-24 Taxable Assessed Value by Land Use								
	All IRFD No. 1 Project Areas				**Project Areas Collecting Tax Increment in FY 2023-24** (Project Areas A, B, E)			
Land Uses Composition, FY 2023-24	**Planned Units**	**No. of Parcels**	**2023-24 Taxable Value**	**% of Total**	**Planned Units**	**No. of Parcels**	**2023-24 Taxable Value**	**% of Total**
Completed For-Sale Units (1)								
Private Homeowners	41	41	$44,323,375	8.5%	41	41	$44,323,375	9.1%
Developer-Owned Units	83	83	$111,246,976	21.4%	83	83	$111,246,976	22.8%
Subtotal	124	124	$155,570,351	29.9%	124	124	$155,570,351	32.0%
For-Sale Units Development Sites								
Vertical construction underway (2)	201	2	$107,595,642	20.7%	201	2	$107,595,642	22.1%
Site permit not yet issued (3)	885	7	$146,263,936	28.1%	174	3	$112,222,521	23.1%
Subtotal	1,086	9	*$253,859,578*	*48.7%*	375	5	*$219,818,163*	*45.1%*
Rental Units Development Sites								
Vertical construction underway (4)	428	2	$97,989,602	18.8%	428	2	$97,989,602	20.1%
Site permit issued (5)	117	2	$13,486,160	2.6%	117	2	$13,486,160	2.8%
Subtotal	545	4	*$111,475,762*	*21.4%*	545	4	*$111,475,762*	*22.9%*
Owned by TIDA and non-taxable		*6*	*$0*	*0.0%*		*6*	*$0*	*0.0%*
Total	**1,755**	**143**	**$520,905,691**	**100.0%**	**1,044**	**139**	**$486,864,276**	**100%**

Columns that reflect inclusion of project areas not yet collecting tax increment in FY 2023-24 are shown in grey.

Sources: City and County of San Francisco Office of the Assessor-Recorder, TICD, City and County of San Francisco Department of Building Inspection for status of permit issuance.

(1) The 124-unit Bristol condominium building was completed in June 2022. As of the FY 2023-24 assessment roll, which reflects ownership as of July 2023, 83 units were identified as owned by the developer while 41 units were owned by individual homeowners. Five additional units have subsequently sold to individual homeowners as of October 1, 2023, resulting in 78 developer-owned units and 46 private homeowners.

(2) For-sale units under construction include the 148-unit Portico condominium building, of which seven units are below market rate, and the 53-unit 4Y townhomes and flats, which are all market rate. Of the 53 total units within the 4Y townhomes and flats, construction is currently underway on 31 units and construction of the remaining 22 units has not yet commenced.

(3) Includes one parcel (8906 008) planned for use as a privately-owned pocket park with public access, to be developed in conjunction with Block C3.5. The parcel has an FY 2023-24 assessed value of $322,524 and is located within Project Area D, for which allocation of tax increment has not yet commenced.

(4) Rental units under construction include Isle House, a 250-unit high-rise rental development that includes 24 below market rate affordable units and Hawkins, a 178-unit mid-rise rental development with nine below market rate affordable units.

(5) Site permits issued for Block B1, owned by Poly USA, on 12/2021 for a 117-unit mid-rise rental development that includes six below market rate affordable units. Vertical construction has not commenced, and the project is currently on hold.

4.5 Top Ten Taxpayers

The top ten taxpayers for IRFD No. 1 are summarized in Table 10 for all project areas and separately for those project areas that will collect tax increment in FY 2023-24.

Multiple legal entities affiliated with a single ownership are aggregated; for example, Poly USA Real Estate Development Corporation includes two separate legal entities that are aggregated for purposes of the analysis of top taxpayers. Assessed value and ownership is also separately reported in Table 10 by legal entity. The Table 10 summary of the top taxpayers includes taxpayer name, property use, parcel count, assessed value, and percentage share of the total reported and incremental assessed value for each of the top taxpayers[7].

Inclusive of all IRFD No. 1 project areas, the ten largest taxpayers for FY 2023-24 represent 93.6% of total and incremental assessed value.

Including IRFD No. 1 Project Areas A, B and E for which collection of tax increment has commenced, the ten largest taxpayers for FY 2023-24 represent 93.5% of total and incremental assessed value.

Taxable assessed value for the five top taxpayers as of the FY 2023-24 assessment roll is comprised of property owned by TI Series 1, a wholly-owned subsidiary of master developer TICD, and affiliates of four separate vertical builders that each have an ownership interest in TICD.

Other than the five taxpayers affiliated with TICD, all other taxpayers included on the list of top taxpayers are owners of newly constructed condominium units within the Bristol.

[7] Given the base year assessed value for IRFD No. 1 is zero, the percent of total and percent of incremental assessed value are the same.

Table 10. Top Ten Taxpayers for IRFD No. 1, FY 2023-24											
		Planned Development (6) (7)					Assessed Value FY 2023-24(10)		% Total and Incr. AV (11)	
Top Taxpayers FY 2023-24	**Block**	No. Units	Type	Status	**No. of Parcel**	**Proj. Area**	**All Project Areas**	**Active Areas (12)**	**All**	**Active (12)**
1. Stockbridge and Wilson Meany (1)										
YBI Phase 1 Investors, LLC	4Y (por)	83	for-sale	Built	83	A	$111,246,976	$111,246,976	21.4%	22.8%
YBI Phase 4 Investors, LLC	1Y	78	for-sale	Plan	1	A	$81,966,873	$81,966,873	15.7%	16.8%
TI Lot 10, LLC	C2.4	250	rental	Const.	1	E	$73,843,791	$73,843,791	14.2%	15.2%
YBI Phase 3 Investors, LLC	4Y (por)	53	for-sale	Const(8)	1	A	$58,340,437	$58,340,437	11.2%	12.0%
YBI Phase 2 Investors, LLC	3Y	11	for-sale	Plan	1	A	$18,811,248	$18,811,248	3.6%	3.9%
Subtotal		475			87		$344,209,325	$344,209,325	66.1%	70.7%
2. Stockbridge, Wilson Meany, and Lennar Joint Venture (2)										
TI Lots 3-4, LLC	C3.3/.4	148	for-sale	Const.	1	B	$49,255,205	$49,255,205	9.5%	10.1%
TI Lots 5-6, LLC	C3.5	160	for-sale	Plan	2	D	$30,795,840	N/A	5.9%	N/A
Subtotal		308			3		$80,051,045	$49,255,205	15.4%	10.1%
3. Poly USA (3)										
B1 Treasure Island 048 Holdings, LLC	B1	117	rental	Plan(9)	2	B	$13,486,160	$13,486,160	2.6%	2.8%
C23 Treasure Island 048 Holdings, LLC	C2.3	85	for-sale	Plan	1	B	$11,444,400	$11,444,400	2.2%	2.4%
Subtotal		202			3		$24,930,560	$24,930,560	4.8%	5.1%
4. Lennar (4)	C2.2	178	rental	Const.	1	B	$24,145,811	$24,145,811	4.6%	5.0%
5. TI Series 1 (5)	C1.1/2, C2.1	551	for-sale	Plan	2	C&D	$3,245,575	N/A	0.6%	N/A
6. Bristol Homeowner 1		2	for-sale	Built	2	A	$2,989,598	$2,989,598	0.6%	0.6%
7. Bristol Homeowner 2		2	for-sale	Built	2	A	$2,311,928	$2,311,928	0.4%	0.5%
8. Bristol Homeowner 3		1	for-sale	Built	1	A	$1,887,226	$1,887,226	0.4%	0.4%
9. Bristol Homeowner 4		1	for-sale	Built	1	A	$1,840,554	$1,840,554	0.4%	0.4%
10. Bristol Homeowner 5		1	for-sale	Built	1	A	$1,762,303	$1,762,303	0.3%	0.4%
11. Bristol Homeowner 6 *[top ten taxpayer for active areas only]*		1	for-sale	Built	1	A	N/A(13)	$1,707,697	N/A(13)	0.4%
Total Top Taxpayers		1,722			104		$487,373,925	$455,040,207	93.6%	93.5%

Columns that reflect inclusion of project areas not yet collecting tax increment in FY 2023-24 are shown in grey.

(1) Includes separate legal entities affiliated with Wilson Meany and the Stockbridge TI Fund, LP, as listed. Stockbridge and Wilson Meany have an ownership interest in TI Series 1, No. 5 on the list of top taxpayers. In addition, Stockbridge and Wilson Meany have an interest in two properties listed under the ownership of Stockbridge, Wilson Meany, and Lennar, No. 2 on the list of top taxpayers, being developed as a joint venture.

(2) TI Lots 3-4 LLC and TI Lots 5-6 LLC are being developed as a joint venture between Stockbridge, Wilson Meany, and Lennar (number 1 and 4 on the list of top taxpayers).

(3) Includes separate entities affiliated with developer Poly (USA) Real Estate Development Corp., as listed. Poly USA has an ownership interest in TI Series 1 (No. 5 top taxpayer).

(4) Represents a parcel owned by subsidiary TI Lot 8, LLC. In addition, Lennar has an interest in two properties listed under the ownership of Stockbridge, Wilson Meany, and Lennar, number 2 on the list of top taxpayers, being developed as a joint venture. Lennar also has an ownership interest in TI Series 1, number 5 on the list of top taxpayers.

(5) Treasure Island Series 1, LLC a wholly-owned subsidiary of TICD, master developer for the Treasure Island Project. The top four taxpayers, (1) Stockbridge and Wilson Meany, (2) Stockbridge, Wilson Meany, and Lennar Joint Venture, (3) Poly USA, and (4) Lennar, each have an ownership interest in TICD.

(6) Includes units that are complete, under construction, and planned.

(7) "Built" refers to units complete with an occupancy permit, "Plan" refers to planned units, "Const." refers to units under construction.

(8) 31 of the 53 total units are under construction.

(9) A site permit has been issued for construction, but construction has not yet commenced.

(10) All assessed value consists of secured property (land and improvements).

(11) Percentages calculated based upon FY 2023-24 assessed value and incremental assessed value of $520,905,691 and $486,864,276 for active areas (base year AV is zero).

(12) Includes Project Areas A, B, and E that will collect tax increment in FY 2023-24.

(13) Bristol homeowner 6 is part of the list of the top ten taxpayers for active project areas but is not on a member of the top taxpayers list when all project areas are included.

The following provides a description of the top taxpayers for IRFD No. 1.

1. **Stockbridge TI Fund, LP ("Stockbridge") and Wilson Meany, LP** ("**Wilson Meany**") and their affiliated legal entities listed in Table 10, are vertical developers for four parcels within IRFD No. 1 on which 392 units are under construction or planned, and owner of 83 completed units being marketed for sale, comprised of:

   - The Bristol condominium project (YBI Phase 1 Investors LLC parcels), which was completed in June 2022 and includes a total of 124 units. The FY 2023-24 roll reflects 83 units that remained in developer ownership based on Assessor records as of July 2023 and were being marketed for-sale.

   - Isle House (TI Lot 10 LLC parcel) is a rental development with a seven-level podium component and 22-story high-rise tower component, currently under construction. Vertical construction commenced in November 2022 and completion is anticipated in September 2024.

   - The Residences (4Y Townhomes and Flats, YBI Phase 3 Investors LLC parcel) includes 53 total units, of which a 31-unit first phase is under construction. The five individual buildings within the first phase are expected to be completed on a staggered basis in December 2023 through February 2024. The remaining 22 units in The Residences have not yet received building permit approval. As of November 1, 2023, one of the market rate units was under contract to be sold at a price of $4.545 million.

   - Development sites planned for 89 units, including a mix of condominiums, townhomes, flats, and single family home-sites (YBI Phase 2 Investors LLC and YBI Phase 4 Investors LLC). The units have received land use approvals but permits for construction are not yet issued.

   Stockbridge and Wilson Meany also have an ownership interest in the number two top taxpayer, which is comprised of two joint venture developments with Lennar (number four on the list of top taxpayers). If the properties that are part of the joint venture were instead included under the list of properties under Stockbridge and Wilson Meany ownership, Stockbridge and Wilson Meany would have represented a combined 81.4% of assessed value, rather than the 66.1% listed in Table 10, without the joint venture properties.

   Stockbridge and Willson Meany are members of TICD, master developer of the Treasure Island Project.

2. **Stockbridge, Wilson Meany, and Lennar Joint Venture** consists of two joint venture developments between the number one top taxpayer (Stockbridge and Wilson Meany) and the number four top taxpayer (Lennar). The legal entities affiliated with the joint ventures are listed in Table 10. The Stockbridge, Wilson Meany, and Lennar Joint Venture is the vertical developer of three parcels within IRFD No. 1 planned for development of a combined 308 residential units. Of the planned residential units:

   - 148 units are condominium units within a six-story building (Portico, TI Lots 3-4 LLC parcels). Vertical construction commenced in October 2022 and completion is expected by early 2025.

   - 160 are planned future condominium units (TI Lots 5-6 LLC) in a 20-story tower. The units have received land use approvals but permits for construction are not yet issued.

3. **Poly USA Real Estate Development Corporation** ("Poly USA") is an indirect subsidiary of the Chinese property development company, Poly Developments and Holdings Group Co. Ltd. Poly USA and its affiliated legal entities, listed in Table 10, are vertical developers that own three parcels within IRFD No. 1 which are planned for development of a combined 202 residential units. Of the planned residential units:

   - 117 rental units are within a five-story building with retail shell spaces on the ground floor for which a site permit for construction was issued in December 2021 (B1 Treasure Island 048 Holdings LLC parcels). The project is currently on hold and the developer does not have an estimate of when construction will commence.

   - 85 condominium units are within a six-story building that has received land use approvals, but which has not yet received a site permit (C23 Treasure Island 048 Holdings, LLC parcels).

   Poly USA is a member of TICD, master developer of the Treasure Island Project.

4. **Lennar Homes of California, Inc.** ("Lennar") is a subsidiary of homebuilder Lennar Corporation which is publicly listed on the New York Stock Exchange. Lennar and its wholly owned subsidiary TI Lot 8, LLC is the vertical developer for 178 rental units in a six-story building currently under construction (Hawkins). Vertical construction commenced in September 2022 and completion is expected by November 2024.

   Lennar also has an ownership interest in the number two top taxpayer, which is comprised of two joint venture developments with Stockbridge and Wilson Meany (number one on the list of top taxpayers). Lennar would move up to number two on the list of top taxpayers and represent a combined 20% of IRFD No. 1 assessed value if the joint venture properties were included under the Lennar ownership, instead of separately as number two on the list of top taxpayers.

Lennar is a member of TICD, master developer of the Treasure Island Project.

5. **Treasure Island Series 1, LLC** ("TI Series 1") is a wholly-owned subsidiary of TICD, master developer for the Treasure Island Project. TI Series 1 retains two parcels planned for sale to vertical developers for development of two separate condominium towers with a combined 551 units. TICD, parent company of TI Series 1, is a joint venture comprised of various affiliates of Lennar, Stockbridge, Kenwood Investments, Wilson Meany, and Poly USA. Affiliates of the vertical builders comprising the top four taxpayers are all members of TICD.

The four top taxpayers each have an ownership interest in TI Series 1 parent company TICD. TI Series 1 is not a taxpayer within the three project areas that will collect tax increment in FY 2023-24.

The remaining taxpayers consist of homeowners within the recently completed Bristol condominium project.

In addition to the listed taxpayers, TIDA owns six parcels within IRFD No. 1 which are exempt from property taxes. Of the six TIDA parcels, two are planned for separate 50-room and 300-room hotels, and four parcels consist of land planned for use as public right of way, parks, and open space. The hotels are expected to be developed on ground leases with continued public ownership of the underlying land due to restrictions (Tidelands Trust) that preclude sale of a fee interest in the land to a private owner. The ownership structure is expected to result in the taxable assessed value of the hotel being placed on the assessment roll as a taxable possessory interest[8]. Timing for development of the hotels is to be determined and is not expected near-term. As described above, TIDA is a California non-profit public benefit corporation, public benefit agency and instrumentality and authority of the City and/or the State of California, which is dedicated to the economic development of former Naval Station Treasure Island.

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[8] A possessory interest is defined as a possession, a right to the possession, or a claim to a right of the possession of publicly owned real property that is independent, durable, and exclusive of rights held by others, and that provides a private benefit to the possessor.

5.0 ASSESSMENT APPEALS

Property values determined by the Assessor may be subject to an appeal by the property owner. Assessment appeals are filed annually with the Assessment Appeals Board for a hearing and resolution. A property owner can file for a regular assessment appeal of the current fiscal year assessed valuation between July 2 and September 15th. Revenue and Taxation Code §1604 allows up to two years for an assessment appeal to be decided unless this time limit is waived by the applicant[9]. If the appeal is not decided within the two-year statutory time frame and the time limit is not waived, the assessor is required to apply the applicant's opinion of value.

Assessed value reductions as a result of Proposition 8 appeals are subject to annual review by the Assessor and potential restoration over time based on future increases in market value. "Base year" appeals contest changes in assessed value arising from re-assessable events such as transfer of ownership or new construction. Assessed value reductions as a result of "Base Year" appeals affect the maximum assessed value under Proposition 13 on an on-going basis.

The resolution of an appeal may result in a reduction to the Assessor's original taxable value and a tax refund to the property owner. To the extent appeals are filed in the future for properties within IRFD No. 1 and result in a reduction in taxable assessed value, the resulting taxpayer refunds would reduce tax increment allocated to IRFD No. 1 in the fiscal year in which the refund occurs. Successful assessment appeals may also result in a reduction in future year assessed values which would impact future year tax increment.

Review of Assessment Appeal Filings

KMA obtained a copy of the database maintained by the Assessment Appeals Board on appeals filings, including records of appeal filings from July 1, 2018 through November 9, 2023, and encompassing appeals for FY 2018-19 through FY 2023-24. Based on the records included within the Assessment Appeals Board database:

- No assessment appeals were filed within IRFD No. 1 from 2018-19 through FY 2022-23.

- One assessment appeal of FY 2023-24 IRFD No. 1 assessed values has been filed. The appeal was filed by an individual homeowner within the Bristol of an FY 2023-24 escape roll assessment[10]. The applicant's opinion of value is $1,615,000, equal to the assessed value established upon sale in 2022. The Assessor value is $1,647,300, which reflects application of the Proposition 13 2% inflation factor to the $1,615,000 assessed value established upon sale in 2022. The difference between the applicant opinion of value and the Assessor value is $32,300. The appeal relates to escape roll assessed value

[9] A temporary extension of this two-year deadline was granted for certain appeals filed prior to March 4, 2020, as a result of the coronavirus pandemic, but such extension would not apply to appeals of current year assessed values.
[10] Escape roll assessments occur when a correction is made by the Assessor to reflect a re-assessable event that should have been reflected on the regular assessment roll but was not.

that is not included on the regular secured assessment roll on which revenue projections are based; therefore, no reduction in assessed value is assumed for purposes of the Table 13 to 16 revenue projections.

In addition to the one appeal filed within IRFD No. 1, an affiliate of TICD has filed appeals for properties within the Treasure Island Project outside of IRFD No. 1. Appeals relate to the assessed value of unimproved land established upon transfer of the property to private ownership. Appeal filings encompass seven parcels with an aggregate Assessor roll value of $66,610,112 and a property owner opinion of value of $1,371,700. Appeals applicable to five of the seven parcels were filed for multiple assessment roll years from FY 2019-20 through FY 2023-24. As these appeals do not relate to IRFD No. 1 assessed values, no adjustment to IRFD No 1 assessed value is reflected for purposes of the Table 13 to 16 revenue projections.

DDA Financing Plan and CC&R Provisions Regarding Assessment Appeals

The DDA Financing Plan includes a provision for additional payments to the City in the event of successful assessment appeals for properties within IRFD No. 1 that are under the ownership of TICD, master developer of the Treasure Island Project. This DDA Financing Plan provision is effective following issuance of bonds secured by a pledge of IRFD revenues. Payments are required to be allocated in accordance with the IFP. This DDA Financing Plan provision does not mitigate the potential for a reduction in existing IRFD No. 1 revenues as a result of potential future assessment appeal filings because TICD, through its subsidiary TI Series 1, retains ownership of only two parcels within IRFD No. 1, which are in Project Area C and Project Area D that do not currently generate tax increment, and the provision does not apply to the vertical developers and private homeowners that own the remaining taxable parcels in IRFD No. 1.

While the DDA Financing Plan provision does not apply to vertical builders, TICD affiliates have stated that all properties that have been sold to vertical builders within IRFD No. 1 are subject to a covenant not to initiate or intentionally cause to initiate a reassessment of the value of the applicable property, and that it is their intent to require such covenants as part of future property sales to vertical builders. KMA reviewed the Declaration of Development Covenants Conditions and Restrictions recorded on the Block C3.3/C3.4 property (Portico project) and confirmed inclusion of such a covenant but has not independently verified that all properties owned by TICD affiliates include comparable covenants.

Potential Proactive Review of Declines in Market Value Under Proposition 8

The Assessor may proactively review and reduce assessed values in the event of a decline in market values, without an assessment appeal by the property owner, pursuant to Proposition 8. The Assessor has conducted proactive reviews for declines in market value for purposes of recent assessment roll years and may do so again if real estate market values warrant. In the event of a proactive reduction in assessed value by the Assessor, values are subject to restoration over time as market values increase, as with Proposition 8 appeal reductions.

Following is a description of *citywide* Proposition 8 reductions in San Francisco in recent years excerpted from Appendix A to the Preliminary Official Statement for The City and County of San Francisco Certificates of Participation, Series 2023A (Affordable Housing and Community Facilities Projects) (Federally Taxable) and Series 2023B (Multiple Capital Improvement Projects) (Tax-Exempt):

> *Assessors in California have authority to use Proposition 8 ("Prop 8") criteria to apply reductions in valuation to classes of properties affected by any factors affecting market value. COVID-19's impact on San Francisco real property values first arose on the 2021 Assessment Roll, resulting in an almost 4-times increase in the total count of Prop 8 reductions granted compared to the 2020 Assessment Roll (up from 2,059 to 8,212) and more than 8-times increase in the value of the reductions (up from $272 million to $2.18 billion). The total count and value of Prop 8 reductions for the 2023 Assessment Roll were 5,326 and $1.7 billion, respectively.*
>
> *The two most significant factors driving these changes for the 2021 and 2022 Assessment Rolls were reductions in value for hotel and condominium properties. In response to COVID-19, the Assessor's Office performed proactive reviews of commercial properties, which resulted in temporary reductions of $1.01 billion for 26 hotel properties on the 2021 Assessment Roll and $839 million for 15 hotel properties on the 2022 Assessment Roll. For the 2023 Assessment Roll, the Assessor's Office did not grant temporary reductions to these hotel properties. Condominiums accounted for the largest share of new reductions since the onset of the pandemic at over 70% of the total value of temporary reductions excluding hotels on the 2021 and 2022 Assessment Rolls and more than half of the total count for these years. For the 2023 Assessment Roll, condominiums accounted for a slightly lower percentage of total value of temporary reductions at 63% while remaining stable as a percentage of total count.*

6.0 NEW DEVELOPMENT

IRFD No. 1 is comprised of land that is actively under development, contemplated for development, and one recently completed new building. The following section summarizes the planned future and in-progress construction within IRFD No. 1. Buildout of portions of the Treasure Island Project within the existing boundaries of IRFD No. 1 is anticipated to encompass a total of 1,755 residential units and two hotels, as shown in Table 11.

Table 11. Summary of Planned Development Within IRFD No. 1

				Planned	Planned Residential Units					Planned
		Estimated	IRFD	No. of	Market Rate			Total	average	Hotel
Block	Use	completion(1)	Area(4)	Stories	For-sale	Rental	BMR	Units	SF/Unit(1)	Rooms
Construction Complete / Sales On-going										
4Y (portion)	Condo (Bristol)	complete	A	6	110		14	124	1,196	
Under Construction										
4Y (portion)	Townhomes/Flats (2)	Feb. 2024(3)	A	3 to 5	31			31	2,635	
C3.3/4	Condo (Portico)	2025	B	6	141		7	148	1,005	
C2.2	Rental (Hawkins)	Nov. 2024	B	6		169	9	178	795	
C2.4	Rental (Isle House)	Sept. 2024	E	22		226	24	250	830	
Subtotal Under Construction					172	395	40	607		
Projects with Site Permit										
B1	Rental		B	5		111	6	117	730	
Site or Building Permit is Not Yet Issued										
3Y	Townhome		A	3	11			11	3,376	
4Y (portion)	Townhomes/Flats (2)		A	3 to 4	22			22	2,521	
C2.3	Condo		B	6	80		5	85	1,242	
C3.5	Condo		D	20	152		8	160	1,208	
1Y	Townhome		A	3	32			32	3,270	
1Y	Flats		A	4	41			41	2,670	
1Y	Estate homesites		A	TBD	5			5	TBD	
2Y-H	Hotel		A	TBD	n/a			n/a		50
C1.1&2	Condo		C	Tower	286			286	1,584	
C2.1	Condo		D	31	265			265	1,152	
C2-H	Hotel		E	TBD						300
Subtotal Site Permit Not Yet Issued					894	0	13	907		350
Total					**1,176**	**506**	**73**	**1,755**		**350**

Abbreviations used in this table: TBD = to be determined.

(1) Timing estimates and average unit sizes were provided by TICD and affiliated vertical developers.

(2) Of the 53 total units within The Residences (4Y Townhomes and Flats), construction is currently underway on 31 units and construction of the remaining 22 units has not yet commenced.

(3) Estimated timing relates to the 31 units currently under construction.

(4) Project Areas C and D have not commenced collection of Tax Increment and may not reach the Trigger Amount for commencement of tax increment collection until construction of planned development in these Project Areas is underway.

TICD affiliates provided an illustrative estimate of the aggregate assessed value upon full buildout of the planned development listed in Table 11 of approximately $2.27 billion, of which $520.9 million is enrolled as of FY 2023-24, resulting in a potential future net increase in assessed value upon full buildout of approximately $1.75 billion. Figures include Project Areas C and D, which are not currently collecting tax increment, but are expected to commence collection of tax increment with construction of planned development in these areas. This illustrative estimate of future assessed values is not included for purposes of the Table 13 to 16 revenue projections.

Following is a further description of the planned development:

(1) Completed Condominium Units (The Bristol) - The 124-unit Bristol condominium project (Block 4Y) includes 110 market rate units and 14 below market rate affordable units completed in June 2022. The FY 2023-24 roll reflects 41 units having transferred to homebuyers, including 35 market rate and six below market rate units, and 83 units that remain in developer ownership. The developer reports that as of October 1, 2023, the sale of 46 units had closed, including 37 market rate units and nine below market rate units, representing the sale of two additional market rate units and three below market rate units beyond those represented in the FY 2023-24 roll data. Sales and closings of the remaining units are underway. Market rate sales prices have averaged approximately $1.5 million per unit for units averaging approximately 1,100 square feet in size, which is below the overall average unit size for the project of 1,196 square feet. Existing FY 2023-24 assessed values reflect Proposition 13 2% inflation over the FY 2022-23 assessed values and do not incorporate assessed value to be added from either completed or future sales of condominium units. Average market rate sales prices, based on closed sales reported by the developer, are approximately 20% higher than the average existing FY 2023-24 assessed values for market rate units in the Bristol on a dollar per square foot basis, as shown below.

Aggregate Assessed Value, Market Rate Units	$151,061,499
Aggregate Square Footage, Market Rate Units	132,302 SF
Average FY 2023-24 Assessed Value Per Square Foot, Market Rate Units	$1,142 / SF
Average Sales Price Per Square Foot, Closed Market Rate Sales	$1,372 / SF
Percent in Excess of Average FY 2023-24 AV Per Square Foot	**20%**

Any incremental assessed value from sale of units in the Bristol is not included for purposes of the Table 13 to 16 revenue projections. The Bristol is in Project Area A.

(2) Under Construction

- **Block 4Y Townhomes and Flats ("The Residences")** – Vertical construction is underway on the 31-unit first phase of the 53 market rate stacked flats and townhome units planned for Block 4Y. Completion of the 31 units, comprised of five separate buildings, is estimated by the developer to occur on a staggered basis from December 2023 through February 2024. The units are being developed by Stockbridge and Wilson Meany. The applicable parcel (APN 8954-004) has an existing FY 2023-24 assessed value of $58.3 million. This existing assessed value was established through sale of the subject property to the vertical builder and construction progress through January 1, 2023. Assessed values added by in-progress construction through January 1, 2023 were determined based on expenditures reported by the developer to the Assessor for the purposes of establishing assessed values. Assessed value to be added by construction after the January 1, 2023 lien date for the FY 2023-24 assessment roll and sale of new units upon completion is not included for purposes of the Table 13 to 16 revenue projections. The Residences are in Project Area A.

- **Block C3.3/C3.4 ("Portico")** – A six-story 148-unit condominium development with seven below market rate affordable units, received site permit approval in January 2022 and commenced construction in October 2022. The project is being developed by a joint venture development team that includes Stockbridge, Wilson Meany, and Lennar. The developer reported that structural work on the foundation and podium level was completed in October 2023 and wood framing was estimated to be completed in February 2024. Completion of the project is estimated in early 2025. Portico is in Project Area B.

- **Block C2.2 ("Hawkins")** – A six-story apartment development with 178 rental units, including nine below market rate inclusionary units, received site permit approval in July 2022 and commenced construction in September 2022. The project is being developed by Lennar. The developer reports that the concrete podium and wood framing for levels two through six are complete and mechanical, electrical, and plumbing work is ongoing. Completion is estimated in November 2024. Hawkins is in Project Area B.

- **Block C2.4 ("Isle House")** – An apartment development with 250 rental units, including 24 below market rate affordable units, received a site permit in November 2021 and commenced construction in July 2022. The project is being developed by Stockbridge and Wilson Meany. The project includes a seven-level podium component and a 22-story high-rise tower component. The developer reports that the podium component topped out in March 2023 and the tower structure topped out in July 2023. Completion is estimated in September 2024. Isle House is in Project Area E.

(3) **Development Project with Site Permit (Block B1) -** Block B1 is a five-story apartment development with 117 rental units, including six below market rate affordable units. The project is being developed by Poly USA. The project received site permit approval in December 2021. The project is on hold and the developer does not have an estimate of when construction will commence. Block B1 is in Project Area B.

(4) **Development Projects for Which a Site Permit is Not Yet Issued -** Planned development within IRFD No. 1 that has not yet received a site or building permit as of July 1, 2023

includes 907 residential units and 350 hotel rooms planned for Blocks 1Y, 3Y, 4Y (22-unit portion not yet permitted), 2Y-H, C1.1, C1.2, C2.1, C2.3, C2-H, and C3.5. Of the 907 planned residential units, 894 are market rate for-sale units and 13 are below market rate affordable units.

7.0 TAX ALLOCATION AND DISBURSEMENT

7.1 Tax Rates

The tax rates which are applied to taxable values consist of two components: the basic levy of $1.00 per $100 of taxable assessed value and the override tax rate which is levied to pay voter approved indebtedness. The basic levy may not exceed 1% ($1.00 of $100 taxable value) in accordance with Article XIIIA of the California Constitution. Tax increment is comprised of a share of this basic 1% property tax levy from properties that are within IRFD No. 1. Accordingly, a one percent levy is applied in the revenue projections presented in Tables 13 to 16.

7.2 Allocation of Taxes

The Controller is responsible for the aggregation of taxable values assigned by the Assessor as of the lien date for property within the boundaries of IRFD No. 1. This results in the reported total current year IRFD No. 1 taxable value and becomes the basis for determining the revenue to be allocated to IRFD No. 1.

Secured property taxes are due in two equal installments and become delinquent if not paid by December 10 and April 10. Taxes on unsecured property become delinquent if not paid by August 31.

The Controller allocates secured property taxes in accordance with the City's Teeter Plan, which provides for distribution of property taxes based on 100% of the calculated property tax levy, without regard to delinquencies. This allocation method results in allocation of 100% of the calculated tax increment attributed to secured assessed values to IRFD No. 1. Taxes on unsecured property are not part of the Teeter Plan and are allocated to the extent of actual collection of unsecured property taxes; however, as of FY 2023-24 there is no unsecured assessed value within IRFD No. 1.

7.3 Unitary Tax Revenues

Most public utility properties are currently assessed as a single unit on a countywide basis, with assessed value identified on a unitary roll assessed by the California State Board of Equalization. Revenues from unitary property tax assessments are distributed in the following manner: (1) each taxing entity receives the same amount of unitary revenue as in the previous year plus an increase for inflation of up to 2%; (2) if unitary tax revenues are not sufficient to provide the same amount of revenue as the previous year, revenues are allocated in proportion to the prior year unitary revenues; (3) if unitary revenues exceed 102% of the prior year's allocation, the excess is allocated proportionate to each jurisdiction's secured property tax revenue. IRFD No. 1 was allocated $598 of unitary revenue for FY 2022-23. Unitary revenues are not included in the Table 13 to 16 revenue projections.

7.4 Historic Allocations of Tax Increment to IRFD No. 1.

A summary of historic allocations of tax increment for the initial years of tax increment collection is presented in Table 12. As shown, actual amounts allocated to IRFD No. 1 have ranged from 98.9% of the calculated levy in FY 2020-21, to 110.9% in FY 2021-22, and averaged 105.9% of the calculated levy over the initial four years of tax increment allocation.

Table 12. Historic Allocations of Tax Increment to IRFD No. 1

		Actual 2019-20 (1)	Actual 2020-21	Actual 2021-22	Actual 2022-23	Estimated 2023-24
1. Assessed Value Increment, Active Project Areas (2)		$70,090,194	$102,085,597	$201,114,923	$372,320,895	$486,864,276
Active Project Areas		A	A	A	A, B, E	A, B, E
2. Calculated 1% Tax Increment	1% levy	$700,902	$1,020,856	$2,011,149	$3,723,209	$4,868,643
3. Property Tax Admin Cost (3)		applied in FY2021-22		$5,113	$9,387	$13,775
4. Calculated IRFD Tax Increment (4)						
Pledged Facilities Increment	53.285270%	$373,477	$543,966	$1,067,428	$1,976,178	$2,582,905
Pledged Housing Increment	11.302936%	$79,222	$115,387	$226,424	$419,189	$547,889
Total	64.588206%	**$452,700**	**$659,353**	**$1,293,852**	**$2,395,367**	**$3,130,794**
5. Actual Amounts Allocated by Controller (4)						
Pledged Facilities Increment		$373,477	$537,879	$1,183,713	$2,101,219	TBD
Pledged Housing Increment		$79,223	$114,095	$251,091	$445,713	TBD
Total		**$452,700**	**$651,974**	**$1,434,803**	**$2,546,932**	**TBD**
6. Collections as % of Computed Levy (5) (6)		**100%**	**98.9%**	**110.9%**	**106.3%**	**TBD**
Average 19-20 to 22-23	**105.9%**					

Source: San Francisco Office of the Controller, KMA.

(1) 2019-20 was the initial year of tax increment collection for the IRFD.

(2) The base year assessed value is zero.

(3) Administrative costs for division of taxes include Controller property tax administrative costs and approximately 10% of Accounting Operations and Suppliers Division (AOSD) costs. Property tax administrative costs for the initial two years of tax increment were applied in FY 2021-22.

(4) Includes Conditional City Increment required to be allocated and held for payment of debt service until after each annual principal payment date, but subject to release to the City thereafter to the extent not required for debt service. FY 2022-23 revenues include approximately $151,000 in revenue from prior tax years and exclude approximately $5,000 in interest revenue. The administrative cost of division of taxes on line 3 is deducted proportionately from Pledged Facilities Increment and Pledged Housing Increment.

(5) Collections as a percentage of the computed levy is the same for Pledged Facilities Increment and Pledged Housing Increment.

(6) According to the Controller, due to the implementation of a new property tax software system, property tax allocations in FY 2020-21 occurred on a jurisdictional basis rather than on a tax rate area basis. Allocation on a jurisdictional basis resulted in all affected taxing entities and related tax increment financing districts sharing the impact of unpaid portions of non-Teetered property tax levies, such as unsecured taxes, rather than limiting the impact to the TRA in which delinquencies occurred, as in the other fiscal years represented in Table 12.

Table 12 identifies Pledged Facilities Increment and Pledged Housing Increment, inclusive of Conditional City Facilities Increment and Conditional City Housing Increment required to be allocated to IRFD No. 1 and held for payment of debt service until after each annual principal payment date, but thereafter available for release to the City to the extent not required for debt service.

8.0 REVENUE PROJECTION

The projection of tax increment is summarized in Tables 13 through 16 on the following pages with supporting projections of assessed value included in Tables 17 and 18.

Two versions of the projection are presented:

(1) "No Growth Projection" (Tables 13 and 14) that holds reported FY 2023-24 assessed values constant over the term of the projection. Table 13 presents the projection of Pledged Facilities Increment and Table 14 presents the projection of Pledged Housing Increment.

(2) "2% Growth Projection" (Table 15 and 16) reflecting application of the 2% maximum allowable inflationary increase under Proposition 13 to the FY 2023-24 reported assessed values in each future year. Table 15 presents the projection of Pledged Facilities Increment and Table 16 presents the projection of Pledged Housing Increment.

The projections extend through the time limits for collection of tax increment in Areas A, B and E. Time limits for Project Areas C and D remain to be determined.

Table 13. Projection of Pledged Facilities Increment, No Growth Projection						
	A.	B.	C.	D.	E.	F.
	Gross Tax Increment = 1% x Table 17 Incremental Assessed Value for areas Collecting TI	**Net Available Facilities Increment**				
Fiscal Year		Total	Prop Tax Admin Cost (1)	After Prop Tax Admin	Conditional City Facilities Increment	**Pledged Facilities Increment**
	1% x AV	46.68527%	0.50%	=B.+C.	6.60000%	=D.+E.
2023-24	$4,868,643	$2,272,939	($11,365)	$2,261,574	$321,330	$2,582,905
2024-25	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2025-26	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2026-27	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2027-28	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2028-29	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2029-30	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2030-31	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2031-32	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2032-33	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2033-34	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2034-35	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2035-36	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2036-37	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2037-38	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2038-39	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2039-40	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2040-41	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2041-42	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2042-43	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2043-44	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2044-45	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2045-46	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2046-47	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2047-48	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2048-49	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2049-50	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2050-51	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2051-52	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2052-53	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2053-54	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2054-55	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2055-56	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2056-57	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2057-58	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2058-59	4,868,643	2,272,939	(11,365)	2,261,574	321,330	2,582,905
2059-60	1,721,754	803,805	(4,019)	799,786	113,636	913,422
2060-61	1,721,754	803,805	(4,019)	799,786	113,636	913,422
2061-62	1,721,754	803,805	(4,019)	799,786	113,636	913,422

(1) Property tax administrative costs are senior to debt service. Amounts are estimated.

Table 14. Projection of Pledged Housing Increment, No Growth Projection						
	A.	B.	C.	D.	E.	F.
	Gross Tax Increment = 1% x Table 17 Incremental Assessed Value for areas Collecting TI	**Net Available Housing Increment**				
Fiscal Year		Total	Prop Tax Admin Cost (1)	After Prop Tax Admin	Conditional City Housing Increment	**Pledged Housing Increment**
	1% x AV	9.90294%	0.50%	=B.+C.	1.40000%	=D.+E.
2023-24	$4,868,643	$482,139	($2,411)	$479,728	$68,161	$547,889
2024-25	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2025-26	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2026-27	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2027-28	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2028-29	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2029-30	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2030-31	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2031-32	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2032-33	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2033-34	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2034-35	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2035-36	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2036-37	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2037-38	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2038-39	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2039-40	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2040-41	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2041-42	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2042-43	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2043-44	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2044-45	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2045-46	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2046-47	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2047-48	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2048-49	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2049-50	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2050-51	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2051-52	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2052-53	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2053-54	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2054-55	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2055-56	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2056-57	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2057-58	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2058-59	4,868,643	482,139	(2,411)	479,728	68,161	547,889
2059-60	1,721,754	170,504	(853)	169,652	24,105	193,756
2060-61	1,721,754	170,504	(853)	169,652	24,105	193,756
2061-62	1,721,754	170,504	(853)	169,652	24,105	193,756

(1) Property tax administrative costs are senior to debt service. Amounts are estimated.

Table 15. Projection of Pledged Facilities Increment, 2% Growth Projection						
	A.	B.	C.	D.	E.	F.
	Gross Tax Increment = 1% x Table 18 Incremental Assessed Value for areas Collecting TI	**Net Available Facilities Increment**			Conditional City Facilities Increment	**Pledged Facilities Increment**
Fiscal Year		Total	Prop Tax Admin Cost (1)	After Prop Tax Admin		
	1% x AV	46.68527%	0.50%	=B.+C.	6.60000%	=D.+E.
2023-24	$4,868,643	$2,272,939	($11,365)	$2,261,574	$321,330	$2,582,905
2024-25	4,966,016	2,318,398	(11,592)	2,306,806	327,757	2,634,563
2025-26	5,065,336	2,364,766	(11,824)	2,352,942	334,312	2,687,254
2026-27	5,166,643	2,412,061	(12,060)	2,400,001	340,998	2,740,999
2027-28	5,269,975	2,460,302	(12,302)	2,448,001	347,818	2,795,819
2028-29	5,375,375	2,509,508	(12,548)	2,496,961	354,775	2,851,736
2029-30	5,482,883	2,559,699	(12,798)	2,546,900	361,870	2,908,770
2030-31	5,592,540	2,610,892	(13,054)	2,597,838	369,108	2,966,946
2031-32	5,704,391	2,663,110	(13,316)	2,649,795	376,490	3,026,285
2032-33	5,818,479	2,716,373	(13,582)	2,702,791	384,020	3,086,810
2033-34	5,934,848	2,770,700	(13,853)	2,756,846	391,700	3,148,546
2034-35	6,053,545	2,826,114	(14,131)	2,811,983	399,534	3,211,517
2035-36	6,174,616	2,882,636	(14,413)	2,868,223	407,525	3,275,748
2036-37	6,298,109	2,940,289	(14,701)	2,925,588	415,675	3,341,263
2037-38	6,424,071	2,999,095	(14,995)	2,984,099	423,989	3,408,088
2038-39	6,552,552	3,059,077	(15,295)	3,043,781	432,468	3,476,250
2039-40	6,683,603	3,120,258	(15,601)	3,104,657	441,118	3,545,775
2040-41	6,817,275	3,182,663	(15,913)	3,166,750	449,940	3,616,690
2041-42	6,953,621	3,246,317	(16,232)	3,230,085	458,939	3,689,024
2042-43	7,092,693	3,311,243	(16,556)	3,294,687	468,118	3,762,804
2043-44	7,711,647	3,600,203	(18,001)	3,582,202	508,969	4,091,171
2044-45	7,865,880	3,672,207	(18,361)	3,653,846	519,148	4,172,994
2045-46	8,023,197	3,745,651	(18,728)	3,726,923	529,531	4,256,454
2046-47	8,183,661	3,820,564	(19,103)	3,801,462	540,122	4,341,583
2047-48	8,347,335	3,896,976	(19,485)	3,877,491	550,924	4,428,415
2048-49	8,514,281	3,974,915	(19,875)	3,955,041	561,943	4,516,983
2049-50	8,684,567	4,054,413	(20,272)	4,034,141	573,181	4,607,323
2050-51	8,858,258	4,135,502	(20,678)	4,114,824	584,645	4,699,469
2051-52	9,035,423	4,218,212	(21,091)	4,197,121	596,338	4,793,459
2052-53	9,216,132	4,302,576	(21,513)	4,281,063	608,265	4,889,328
2053-54	9,400,454	4,388,628	(21,943)	4,366,684	620,430	4,987,114
2054-55	9,588,464	4,476,400	(22,382)	4,454,018	632,839	5,086,857
2055-56	9,780,233	4,565,928	(22,830)	4,543,098	645,495	5,188,594
2056-57	9,975,837	4,657,247	(23,286)	4,633,960	658,405	5,292,366
2057-58	10,175,354	4,750,392	(23,752)	4,726,640	671,573	5,398,213
2058-59	10,378,861	4,845,399	(24,227)	4,821,172	685,005	5,506,177
2059-60	4,167,139	1,945,440	(9,727)	1,935,713	275,031	2,210,744
2060-61	4,250,482	1,984,349	(9,922)	1,974,427	280,532	2,254,959
2061-62	4,335,492	2,024,036	(10,120)	2,013,916	286,142	2,300,058

(1) Property tax administrative costs are senior to debt service. Amounts are estimated.

Table 16. Projection of Pledged Housing Increment, 2% Growth Projection						
	A.	B.	C.	D.	E.	F.
	Gross Tax Increment = 1% x Table 18 Incremental Assessed Value for areas Collecting TI	**Net Available Housing Increment**				
Fiscal Year		Total	Prop Tax Admin Cost (1)	After Prop Tax Admin	Conditional City Housing Increment	**Pledged Housing Increment**
	1% x AV	9.90294%	0.50%	=B.+C.	1.40000%	=D.+E.
2023-24	$4,868,643	$482,139	($2,411)	$479,728	$68,161	$547,889
2024-25	4,966,016	491,781	(2,459)	489,322	69,524	558,847
2025-26	5,065,336	501,617	(2,508)	499,109	70,915	570,024
2026-27	5,166,643	511,649	(2,558)	509,091	72,333	581,424
2027-28	5,269,975	521,882	(2,609)	519,273	73,780	593,053
2028-29	5,375,375	532,320	(2,662)	529,658	75,255	604,914
2029-30	5,482,883	542,966	(2,715)	540,252	76,760	617,012
2030-31	5,592,540	553,826	(2,769)	551,057	78,296	629,352
2031-32	5,704,391	564,902	(2,825)	562,078	79,861	641,939
2032-33	5,818,479	576,200	(2,881)	573,319	81,459	654,778
2033-34	5,934,848	587,724	(2,939)	584,786	83,088	667,873
2034-35	6,053,545	599,479	(2,997)	596,481	84,750	681,231
2035-36	6,174,616	611,468	(3,057)	608,411	86,445	694,856
2036-37	6,298,109	623,698	(3,118)	620,579	88,174	708,753
2037-38	6,424,071	636,172	(3,181)	632,991	89,937	722,928
2038-39	6,552,552	648,895	(3,244)	645,651	91,736	737,386
2039-40	6,683,603	661,873	(3,309)	658,564	93,570	752,134
2040-41	6,817,275	675,110	(3,376)	671,735	95,442	767,177
2041-42	6,953,621	688,613	(3,443)	685,170	97,351	782,520
2042-43	7,092,693	702,385	(3,512)	698,873	99,298	798,171
2043-44	7,711,647	763,679	(3,818)	759,861	107,963	867,824
2044-45	7,865,880	778,953	(3,895)	775,058	110,122	885,181
2045-46	8,023,197	794,532	(3,973)	790,559	112,325	902,884
2046-47	8,183,661	810,423	(4,052)	806,371	114,571	920,942
2047-48	8,347,335	826,631	(4,133)	822,498	116,863	939,361
2048-49	8,514,281	843,164	(4,216)	838,948	119,200	958,148
2049-50	8,684,567	860,027	(4,300)	855,727	121,584	977,311
2050-51	8,858,258	877,228	(4,386)	872,842	124,016	996,857
2051-52	9,035,423	894,772	(4,474)	890,298	126,496	1,016,794
2052-53	9,216,132	912,668	(4,563)	908,104	129,026	1,037,130
2053-54	9,400,454	930,921	(4,655)	926,266	131,606	1,057,873
2054-55	9,588,464	949,539	(4,748)	944,792	134,238	1,079,030
2055-56	9,780,233	968,530	(4,843)	963,688	136,923	1,100,611
2056-57	9,975,837	987,901	(4,940)	982,961	139,662	1,122,623
2057-58	10,175,354	1,007,659	(5,038)	1,002,621	142,455	1,145,075
2058-59	10,378,861	1,027,812	(5,139)	1,022,673	145,304	1,167,977
2059-60	4,167,139	412,669	(2,063)	410,606	58,340	468,946
2060-61	4,250,482	420,923	(2,105)	418,818	59,507	478,325
2061-62	4,335,492	429,341	(2,147)	427,194	60,697	487,891

(1) Property tax administrative costs are senior to debt service. Amounts are estimated.

Table 17. Projection of Assessed Values, No Growth Projection							
Fiscal Year	Projection of Assessed Values by Project Area					Incremental Assessed Value for Project Areas Projected to Collect Tax Increment (Base year AV = $0)	
	Area A	Area B	Area C	Area D	Area E	AV Total	Areas
2023-24(1)	$314,688,909	$98,331,576	$1,933,965	$32,107,450	$73,843,791	$486,864,276	A, B, E
2024-25	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2025-26	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2026-27	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2027-28	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2028-29	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2029-30	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2030-31	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2031-32	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2032-33	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2033-34	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2034-35	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2035-36	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2036-37	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2037-38	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2038-39	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2039-40	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2040-41	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2041-42	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2042-43	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2043-44	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2044-45	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2045-46	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2046-47	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2047-48	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2048-49	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2049-50	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2050-51	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2051-52	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2052-53	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2053-54	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2054-55	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2055-56	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2056-57	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2057-58	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2058-59	314,688,909	98,331,576	1,933,965	32,107,450	73,843,791	486,864,276	A, B, E
2059-60		98,331,576	1,933,965	32,107,450	73,843,791	172,175,367	B, E
2060-61		98,331,576	1,933,965	32,107,450	73,843,791	172,175,367	B, E
2061-62		98,331,576	1,933,965	32,107,450	73,843,791	172,175,367	B, E

(1) Assessor reported values for FY 2023-24.

(2) Reported FY 2023-24 assessed values held flat in future years.

Values in grey do not contribute to tax increment as collection has not commenced or is expired.

Table 18. Projection of Assessed Values, 2% Growth Projection							
Fiscal Year	Projection of Assessed Values by Project Area					Incremental Assessed Value for Project Areas Projected to Collect Tax Increment (Base year AV = $0)	
	Area A	Area B	Area C	Area D	Area E	AV Total	Areas
2023-24(1)	$314,688,909	$98,331,576	$1,933,965	$32,107,450	$73,843,791	$486,864,276	A, B, E
2024-25	320,982,687	100,298,208	1,972,644	32,749,599	75,320,667	496,601,562	A, B, E
2025-26	327,402,341	102,304,172	2,012,097	33,404,591	76,827,080	506,533,593	A, B, E
2026-27	333,950,388	104,350,255	2,052,339	34,072,683	78,363,622	516,664,265	A, B, E
2027-28	340,629,395	106,437,260	2,093,386	34,754,136	79,930,894	526,997,550	A, B, E
2028-29	347,441,983	108,566,005	2,135,254	35,449,219	81,529,512	537,537,501	A, B, E
2029-30	354,390,823	110,737,326	2,177,959	36,158,204	83,160,102	548,288,251	A, B, E
2030-31	361,478,640	112,952,072	2,221,518	36,881,368	84,823,304	559,254,016	A, B, E
2031-32	368,708,212	115,211,113	2,265,948	37,618,995	86,519,770	570,439,096	A, B, E
2032-33	376,082,377	117,515,336	2,311,267	38,371,375	88,250,166	581,847,878	A, B, E
2033-34	383,604,024	119,865,642	2,357,493	39,138,802	90,015,169	593,484,836	A, B, E
2034-35	391,276,105	122,262,955	2,404,642	39,921,578	91,815,473	605,354,532	A, B, E
2035-36	399,101,627	124,708,214	2,452,735	40,720,010	93,651,782	617,461,623	A, B, E
2036-37	407,083,659	127,202,379	2,501,790	41,534,410	95,524,818	629,810,856	A, B, E
2037-38	415,225,332	129,746,426	2,551,826	42,365,098	97,435,314	642,407,073	A, B, E
2038-39	423,529,839	132,341,355	2,602,862	43,212,400	99,384,020	655,255,214	A, B, E
2039-40	432,000,436	134,988,182	2,654,920	44,076,648	101,371,701	668,360,318	A, B, E
2040-41	440,640,445	137,687,946	2,708,018	44,958,181	103,399,135	681,727,525	A, B, E
2041-42	449,453,253	140,441,704	2,762,178	45,857,345	105,467,117	695,362,075	A, B, E
2042-43	458,442,319	143,250,539	2,817,422	46,774,492	107,576,460	709,269,317	A, B, E
2043-44	467,611,165	146,115,549	2,873,770	47,709,982	109,727,989	771,164,685	A, B, D, E
2044-45	476,963,388	149,037,860	2,931,246	48,664,181	111,922,549	786,587,979	A, B, D, E
2045-46	486,502,656	152,018,617	2,989,871	49,637,465	114,161,000	802,319,738	A, B, D, E
2046-47	496,232,709	155,058,990	3,049,668	50,630,214	116,444,220	818,366,133	A, B, D, E
2047-48	506,157,363	158,160,170	3,110,661	51,642,819	118,773,104	834,733,456	A, B, D, E
2048-49	516,280,510	161,323,373	3,172,875	52,675,675	121,148,566	851,428,125	A, B, D, E
2049-50	526,606,121	164,549,840	3,236,332	53,729,188	123,571,537	868,456,687	A, B, D, E
2050-51	537,138,243	167,840,837	3,301,059	54,803,772	126,042,968	885,825,821	A, B, D, E
2051-52	547,881,008	171,197,654	3,367,080	55,899,848	128,563,828	903,542,337	A, B, D, E
2052-53	558,838,628	174,621,607	3,434,421	57,017,845	131,135,104	921,613,184	A, B, D, E
2053-54	570,015,401	178,114,039	3,503,110	58,158,201	133,757,806	940,045,448	A, B, D, E
2054-55	581,415,709	181,676,320	3,573,172	59,321,366	136,432,962	958,846,357	A, B, D, E
2055-56	593,044,023	185,309,846	3,644,636	60,507,793	139,161,622	978,023,284	A, B, D, E
2056-57	604,904,903	189,016,043	3,717,528	61,717,949	141,944,854	997,583,749	A, B, D, E
2057-58	617,003,001	192,796,364	3,791,879	62,952,308	144,783,751	1,017,535,424	A, B, D, E
2058-59	629,343,061	196,652,292	3,867,716	64,211,354	147,679,426	1,037,886,133	A, B, D, E
2059-60		200,585,337	3,945,071	65,495,581	150,633,015	416,713,933	B, D, E
2060-61		204,597,044	4,023,972	66,805,493	153,645,675	425,048,212	B, D, E
2061-62		208,688,985	4,104,452	68,141,602	156,718,588	433,549,176	B, D, E

(1) Assessor reported values for FY 2023-24.

(2) Projection for FY 2024-25 forward based on 2% maximum annual increase under Prop 13.

Values in grey do not contribute to tax increment as collection has not commenced or is expired.

9.0 CAVEATS AND LIMITATIONS

The projections reflect assumptions based on KMA's understanding of the assessment and tax apportionment procedures employed by the Assessor and Controller, respectively. These procedures are subject to change as a reflection of policy revisions or administrative, regulatory, or legislative mandate. While we believe our estimates to be reasonable, taxable values resulting from actual appraisals may vary from the amounts assumed in the projections. Assumptions have also been made that no changes to State legislation are enacted to change or eliminate the allocation of IRFD tax increment revenues. These assumptions are based on existing State policies and are subject to future regulatory or legislative changes.

No assurances are provided by KMA or the City as to the certainty of the projected tax increment and assessed values incorporated into this report. Actual revenues may be higher or lower than what has been projected and are subject to valuation changes resulting from new developments or transfers of ownership not specifically identified herein, actual resolution of outstanding appeals, future filing of appeals, changes in assessor valuation standards, or the non-payment of taxes due.

KMA is not advising or recommending any action be taken by the City, TIDA, or IRFD No. 1 with respect to any prospective new or existing municipal financial products or issuance of municipal securities (including with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues). KMA is not acting as a municipal advisor and does not assume any fiduciary duty, including, without limitation, a fiduciary duty pursuant to Section 15B of the Exchange Act. The City and TIDA should discuss any such information and material contained in this report with internal and/or external advisors and experts, including its own municipal advisors, that it deems appropriate before acting on the information.

Table 19. Assessed Value History

	2018-19	2019-20	2020-21	2021-22 (1)	2022-23	2023-24
Project Area A	*TI Trigger (2)*	<--------------------------- *TI collection commenced*			---------------------------->	
Land	68,568,818	70,090,194	90,611,492	163,404,923	169,727,537	173,645,008
Structure	0	0	11,474,105	37,710,000	117,354,086	141,043,901
Subtotal	68,568,818	70,090,194	102,085,597	201,114,923	287,081,623	314,688,909
Project Area B				TI Trigger (2)	TI Commenced	
Land	4,883,740	5,054,967	5,155,625	47,700,000	52,177,932	90,015,376
Structure	0	0	0	0	0	8,316,200
Subtotal	4,883,740	5,054,967	5,155,625	47,700,000	52,177,932	98,331,576
Project Area E				TI Trigger (2)	TI Commenced	
Land	577,630	972,038	991,477	25,900,000	26,795,314	43,886,977
Structure	0	0	0	0	6,266,026	29,956,814
Subtotal	577,630	972,038	991,477	25,900,000	33,061,340	73,843,791
Project Area C						
Land	1,768,367	1,803,733	1,839,808	1,858,868	1,896,045	1,933,965
Structure	0	0	0	0	0	0
Subtotal	1,768,367	1,803,733	1,839,808	1,858,868	1,896,045	1,933,965
Project Area D						
Land	2,848,093	2,448,642	2,497,179	2,523,048	31,477,893	32,107,450
Structure	0	0	0	0	0	0
Subtotal	2,848,093	2,448,642	2,497,179	2,523,048	31,477,893	32,107,450
Total - All Project Areas						
Land	78,646,648	80,369,574	101,095,581	241,386,839	282,074,721	341,588,776
Structure	0	0	11,474,105	37,710,000	123,620,112	179,316,915
Subtotal	78,646,648	80,369,574	112,569,686	279,096,839	405,694,833	520,905,691
Project Areas Where Increment Collection is Commenced (2)						
Applicable Project Areas	N/A	A	A	A	A, B, E	A, B, E
Land	**0**	**70,090,194**	**90,611,492**	**163,404,923**	**248,700,783**	**307,547,361**
Structure	**0**	**0**	**11,474,105**	**37,710,000**	**123,620,112**	**179,316,915**
Subtotal	**0**	**70,090,194**	**102,085,597**	**201,114,923**	**372,320,895**	**486,864,276**

(1) Includes $115,203,884 in escape roll assessed value and reflects a roll correction that reduced the FY 2021-22 assessed value of two parcels by a combined by $2,846,434.

(2) Collection of TI commences in the year following the year in which the applicable tax increment trigger amount is reached, $150,000 for areas A, B, E and $300,000 for areas C and D.

Note: Assessed value and incremental assessed value are the same as the base year assessed value is zero. Unsecured roll assessed value is zero for all applicable years.

Source: Assessor.

Values in grey do not contribute to tax increment in the applicable years, or in the case of totals for all project areas, are inclusive of assessed values that do not contribute to tax increment.

Table 20. IRFD No. 1 FY 2023-24 Assessed Values by Block and APN					
			FY 2023-24 Assessor Reported Assessed Value		
IRFD Area	Development Block	APN	Land	Improvements	Total
A	1Y	8948-001	$81,966,873	$0	$81,966,873
A	2Y-H	8949-002	$0	$0	$0
A	3Y	8952-001	$17,161,629	$1,649,619	$18,811,248
A	4Y	8954-004	$24,989,235	$33,351,202	$58,340,437
A	4Y (Bristol)	8954-059 through 182	$49,527,271	$106,043,080	$155,570,351
B	B1	8901-003	$9,376,580	$0	$9,376,580
B	B1	8901-004	$4,109,580	$0	$4,109,580
B	C2.2 (Hawkins)	8903-004	$21,031,696	$3,114,115	$24,145,811
B	C2.3	8904-004	$11,444,400	$0	$11,444,400
B	C3.3/C3.4 (Portico)	8906-009	$44,053,120	$5,202,085	$49,255,205
E	C2.4 (Isle House)	8904-005	$43,886,977	$29,956,814	$73,843,791
E	n/a	1939 112	$0	$0	$0
E	n/a	1939 177	$0	$0	$0
E	n/a	1939 178	$0	$0	$0
E	n/a	1939 179	$0	$0	$0
E	C2-H	1939-180	$0	$0	$0
C	C1.1&2	8902-004	$1,933,965	$0	$1,933,965
D	C2.1	8903-003	$1,311,610	$0	$1,311,610
D	C3.5	8906-007	$30,473,316	$0	$30,473,316
D	C3.5	8906-008	$322,524	$0	$322,524
Total - All Project Areas			$341,588,776	$179,316,915	$520,905,691
Total - Project Areas Collecting TI in FY 2023-24 (1)			$307,547,361	$179,316,915	$486,864,276

Source: Assessor

(1) Total assessed value for Project Areas A, B, and E for which tax increment allocation has commenced as of FY 2023-24.

Values in grey do not contribute to tax increment in FY 2023-24.

CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO. 1 (TREASURE ISLAND)
TAX INCREMENT REVENUE BONDS, SERIES 2023A (FACILITIES INCREMENT) AND SERIES 2023B (HOUSING INCREMENT)

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