

1 [Resolution Authorizing Issuance of Bonds - San Francisco Enhanced Infrastructure Financing
District No. 1 (Power Station)]

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3 **Resolution authorizing issuance of bonds by San Francisco Enhanced Infrastructure**
4 **Financing District No. 1 (Power Station) and determining other matters in connection**
5 **therewith.**

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8 WHEREAS, The San Francisco Enhanced Infrastructure Financing District No. 1
9 (Power Station) (“Power Station EIFD”) and certain project areas therein (“Project Areas”)
10 have been formed by the Enhanced Infrastructure Financing District Public Financing
11 Authority No. 1” (“EIFD Public Financing Authority No. 1”) pursuant to Chapter 2.99 of Part 1
12 of Division 2 of Title 5 of the California Government Code (commencing with section
13 53398.50) (“EIFD Law”) and Resolution No. 2024-2 adopted by the EIFD Public Financing
14 Authority No. 1 on March 28, 2024; and

15 WHEREAS, An Infrastructure Financing Plan (“Power Station IFP”) for the Power
16 Station EIFD was approved by the Board of Supervisors of the City and County of San
17 Francisco (“City”) pursuant to its Resolution No. 113-24, which was adopted on March 19,
18 2024 and signed by the Mayor on March 21, 2024, and adopted by the EIFD Public Financing
19 Authority No. 1 pursuant to its Resolution No. 2024-2; and

20 WHEREAS, the Power Station IFP provides for the issuance of bonds and other debt
21 that are payable from Allocated Tax Revenue and Conditional Tax Revenue (as those terms
22 are used in the Power Station IFP) to finance public capital facilities or other projects (whether
23 publicly- or privately-owned) of communitywide significance that are (i) authorized by the EIFD
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1 Law and (ii) related to the development of the project (“Project”) known as the Potrero Power
2 Station project (“Facilities”); and

3 WHEREAS, The Project is a phased, mixed use development described in the Power
4 Station IFP; and

5 WHEREAS, On January 30, 2020, by Motion No. 20635, the Planning Commission
6 certified as adequate, accurate and complete the Final Environmental Impact Report (“FEIR”)
7 for the Project pursuant to the California Environmental Quality Act (California Public
8 Resources Code Section 21000 et seq.) (“CEQA”); a copy of Planning Commission Motion
9 No. 20635 is on file with the Clerk of the Board of Supervisors in File No. 200040. Also, on
10 January 30, 2020, by Motion No. 20636, the Planning Commission adopted findings, including
11 a rejection of alternatives and a statement of overriding considerations (“CEQA Findings”) and
12 a Mitigation Monitoring and Reporting Program (“MMRP”); these motions are on file with the
13 Clerk of the Board of Supervisors in File No. 200040. In Ordinance No. 62-20, the Board of
14 Supervisors adopted as its own and incorporated by reference as though fully set forth therein
15 the CEQA Findings, including the statement of overriding considerations, and the MMRP; and

16 WHEREAS, On September 9, 2020, the San Francisco Planning Department published
17 an Addendum to the FEIR finding certain proposed changes to the Project’s phasing plan did
18 not change the conclusions of the FEIR and that the changes would not result in substantially
19 more severe impacts than what was identified in the FEIR (the “FEIR Addendum”); and

20 WHEREAS, Section 53398.77 of the EIFD Law authorizes the EIFD Public Financing
21 Authority No. 1, by majority vote, to issue bonds; and

22 WHEREAS, The EIFD Public Financing Authority No. 1 wishes to authorize the
23 issuance of one or more series of bonds to finance the Facilities; and

24 WHEREAS, All conditions, things and acts required to exist, to have happened and to
25 have been performed precedent to and in the issuance of the bonds as contemplated by this

1 resolution, have happened and have been performed in due time, form and manner as
2 required by the laws of the State of California, including the EIFD Law; now, therefore, be it

3 RESOLVED, That pursuant to the EIFD Law and this resolution, the bonds entitled
4 “San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station) Tax
5 Increment Revenue Bonds” (the “Bonds”) are hereby authorized to be issued by the Power
6 Station EIFD in one or more series, with a series designation (such as “Series 20__ A”) to be
7 appended to the designation thereof; and, be it

8 FURTHER RESOLVED, That the Bonds shall be issued to finance the Facilities
9 described in the Power Station IFP; and, be it

10 FURTHER RESOLVED, That the Power Station IFP estimates that the cost of the
11 Facilities will be approximately \$548 million (in 2023 dollars); and, be it

12 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 estimates that
13 the cost of preparing and issuing the Bonds will be approximately 5% of the principal amount
14 of such Bonds; and, be it

15 FURTHER RESOLVED, That the principal amount of the Bonds shall be consistent
16 with the cost of the Facilities and the costs of preparing and issuing the Bonds, and shall be
17 approved by the EIFD Public Financing Authority No. 1 subject to the parameters and as
18 provided herein; and, be it

19 FURTHER RESOLVED, That the maximum interest rate on the Bonds shall not exceed
20 the maximum rate permitted by applicable law; and, be it

21 FURTHER RESOLVED, That the maximum original issue discount on the Bonds shall
22 not exceed 5% of the principal amount of the Bonds, and the maximum underwriter’s discount
23 on the Bonds shall not exceed 5% of the principal amount of the Bonds unless otherwise
24 approved by the EIFD Public Financing Authority No. 1; and, be it

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1 FURTHER RESOLVED, That the Power Station IFP provides that the total nominal
2 dollar amount of Allocated Tax Revenue (as defined in the Power Station IFP) to be allocated
3 to the Power Station EIFD shall not exceed \$3.29 billion, and that the total nominal dollar
4 amount of Conditional Tax Revenue (as defined in the Power Station IFP) to be allocated to
5 the Power Station EIFD shall not exceed \$2.36 billion; and, be it

6 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 hereby finds
7 that the amount necessary to pay the principal of, and interest on, the Bonds will be less than,
8 or equal to, the amount of Allocated Tax Revenue and Conditional Tax Revenue described in
9 the preceding paragraph; and, be it

10 FURTHER RESOLVED, That the terms of the Bonds shall be as follows: (i) each Bond
11 shall be dated its date of issuance, (ii) the maturity date of each Bond shall be a date not to
12 exceed 35 years from the date of its issuance or such later date as is permitted by the EIFD
13 Law and approved by the Executive Director, (iii) the Bonds shall be issued in denominations
14 of \$5,000 or any integral multiple of \$5,000 or such other denomination determined by the
15 Executive Director, (iv) the form of the Bonds shall be substantially the form attached hereto
16 as Appendix A, (v) the Bonds shall be executed by the Chair and attested to by the Secretary,
17 (vi) the principal of and interest on the Bonds shall be payable in lawful money of the United
18 States of America, (vii) the Bonds shall be registered with the trustee or fiscal agent for the
19 Bonds identified by the Executive Director and shall be payable at the principal office of or by
20 check or wire of the trustee or fiscal agent for the Bonds, and (viii) the Bonds shall be subject
21 to redemption prior to maturity at the times and subject to the premiums approved by the
22 Executive Director; and, be it

23 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 hereby
24 approves the sale of one or more series of Bonds as set forth herein, provided, however, that
25 the Bonds shall not be issued until such time as (i) the Board of Supervisors has approved the

1 terms of the sale to the investor(s) and (ii) an Authorized Officer (as defined below) has
2 caused the legal documents relating to the Bonds and any related disclosure document
3 describing the Bonds and the security for the Bonds to be prepared and caused such
4 documents to be submitted to the EIFD Public Financing Authority No. 1 for its approval along
5 with the final terms of the Bonds, including their principal amount; and, be it

6 FURTHER RESOLVED, That the Bonds shall be sold in accordance with the EIFD Law
7 and other applicable provisions of law, including California Government Code Section 6589;
8 and be it

9 FURTHER RESOLVED, That all actions heretofore taken by the officers and agents of
10 the Power Station EIFD (including, but not limited to, the Chair, Vice Chair, Treasurer,
11 Executive Director, the General Counsel, or such other official of the Power Station EIFD as
12 may be designated by such officer (each, an "Authorized Officer")) with respect to the
13 establishment of the Power Station EIFD and the Project Areas and the sale and issuance of
14 the Bonds are hereby approved, confirmed and ratified, and the appropriate officers of the
15 EIFD Public Financing Authority No. 1 are hereby authorized and directed to do any and all
16 things and take any and all actions and execute any and all certificates, agreements and
17 other documents, which they, or any of them, may deem necessary or advisable in order to
18 consummate the transactions described in this Resolution. All actions to be taken by an
19 Authorized Officer, as defined herein, may be taken by such Authorized Officer or any
20 designee, with the same force and effect as if taken by the Authorized Officer; and, be it

21 FURTHER RESOLVED, That in accordance with Section 53398.58 of the EIFD Law,
22 the EIFD Public Financing Authority No. 1 and/or the City may file an action in the Superior
23 Court of the City and County of San Francisco to determine the validity of the Bonds issued
24 pursuant to the EIFD Law; and be it

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1 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 has reviewed
2 and considered the FEIR and FEIR Addendum, and finds that the FEIR and Addendum are
3 adequate for their use for the actions taken by this resolution and incorporates the FEIR and
4 the CEQA findings contained in Ordinance No. 62-20 and the FEIR Addendum by this
5 reference and further finds that, pursuant to CEQA Guidelines Section 15162, no additional
6 environmental review is required because there are no substantial changes to the Project
7 analyzed in the FEIR and the FEIR Addendum, no change in circumstances under which the
8 Project is being undertaken, and no new information that was not known and could not have
9 been known shows that new significant impacts would occur, that the impacts identified in the
10 FEIR and the FEIR Addendum as significant impacts would be substantially more severe, or
11 that mitigation or alternatives previously found infeasible are now feasible; and, be it

12 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
13 word of this resolution, or any application thereof to any person or circumstance, is held to be
14 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
15 shall not affect the validity of the remaining portions or applications of this resolution, the EIFD
16 Public Financing Authority No. 1 hereby declaring that it would have passed this resolution
17 and each and every section, subsection, sentence, clause, phrase, and word not declared
18 invalid or unconstitutional without regard to whether any other portion of this resolution or
19 application thereof would be subsequently declared invalid or unconstitutional; and, be it

20 FURTHER RESOLVED, That the Chair, the Vice Chair, the Executive Director, the
21 Treasurer and the Secretary are hereby authorized, for and in the name of and on behalf of
22 the Power Station EIFD, to do any and all things and take any and all actions which they, or
23 any of them, may deem necessary or advisable in order to effectuate the purposes of this
24 resolution; provided however that any such actions be solely intended to further the purposes
25 of this resolution, and are subject in all respects to the terms of the Resolution; and, be it

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APPENDIX A
FORM OF BOND

No. ____

\$_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

SAN FRANCISCO ENHANCED FINANCING DISTRICT NO. 1
(POWER STATION)
TAX INCREMENT REVENUE BOND, SERIES _____

INTEREST RATE

MATURITY DATE

DATED DATE

_____%

____ 1, _____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

*****DOLLARS

The San Francisco Enhanced Financing District No. 1 (Power Station) (the "EIFD") for value received, hereby promises to pay solely from the Tax Revenues (as hereinafter defined) to be received by the EIFD or amounts in certain funds and accounts held under the Indenture of Trust (as hereinafter defined), to the registered owner named above, or registered assigns, on the maturity date set forth above, unless redeemed prior thereto as hereinafter provided, the principal amount set forth above, and to pay interest on such principal amount, semiannually on each [September 1] and [March 1] (each an "Interest Payment Date"), commencing as set forth in the Indenture of Trust, at the interest rate set forth above, until the principal amount hereof is paid or made available for payment; provided, however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment.

1 Principal of and interest on the Bonds (including the final interest payment upon
2 maturity or earlier redemption), is payable on the applicable Interest Payment Date by check
3 of the Trustee (defined below) mailed by first class mail to the registered Owner thereof at
4 such registered Owner's address as it appears on the registration books maintained by the
5 Trustee at the close of business on the Record Date preceding the Interest Payment Date, or
6 by wire transfer made on such Interest Payment Date upon written instructions of any Owner
7 of \$1,000,000 or more in aggregate principal amount of Bonds delivered to the Trustee prior
8 to the applicable Record Date. The principal of the Bonds and any premium on the Bonds are
9 payable in lawful money of the United States of America upon surrender of the Bonds at the
10 Principal Office of the Trustee or such other place as designated by the Trustee.

11 This Bond is one of a duly authorized issue of bonds in the aggregate principal amount
12 of \$_____ approved by resolution of the Enhanced Infrastructure Financing District
13 Public Financing Authority No. 1" ("EIFD Public Financing Authority No. 1"), in its capacity as
14 the governing board of the EIFD, on ____, 20__ (the "Resolution"), under Chapter 2.99 of Part
15 1 of Division 2 of Title 5 of the California Government Code (commencing with section
16 53398.50) (the "EIFD Law") for the purpose of funding certain facilities authorized to be
17 financed by the EIFD, and is one of the series of bonds designated "San Francisco Enhanced
18 Infrastructure Financing District No. 1 (Power Station) Tax Increment Revenue Bonds, Series
19 _____" (the "Bonds"). The issuance of the Bonds and the terms and conditions thereof are
20 provided for by an Indenture of Trust, dated as of _____ 1, 20__ (the "Indenture of Trust"),
21 between the EIFD and the _____ (the "Trustee") and this reference incorporates the
22 Indenture of Trust herein, and by acceptance hereof the owner of this Bond assents to said
23 terms and conditions. The Indenture of Trust is authorized under, this Bond is issued under
24 and both are to be construed in accordance with, the laws of the State of California.

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1 Pursuant to the EIFD Law, the Resolution and the Indenture of Trust, the principal of
2 and interest on this Bond are payable solely from certain funds held under the Indenture of
3 Trust and the "Tax Revenues," as defined in the Indenture of Trust. Any revenues for the
4 payment hereof shall be limited to the Tax Revenues, except to the extent that provision for
5 payment has been made by the EIFD, as may be permitted by law.

6 The Bonds are not a debt of the City or the State of California or of any of its political
7 subdivisions, other than the EIFD to the limited extent described herein, and none of those
8 entities, other than the EIFD to the limited extent described herein, shall be liable on the
9 Bonds, and the Bonds shall be payable exclusively from the Tax Revenues and the specified
10 funds held under the Indenture of Trust. The Bonds do not constitute an indebtedness within
11 the meaning of any constitutional or statutory debt limitation.

12 Optional Redemption. All of the Bonds are subject to redemption prior to their stated
13 maturities, on any Interest Payment Date, in whole or in part, at a redemption price
14 (expressed as a percentage of the principal amount of the Bonds to be redeemed) as set forth
15 below, together with accrued interest thereon to the date fixed for redemption:

<u>Redemption Date</u>	<u>Redemption Price</u>
[to come]	

18 Mandatory Sinking Fund Redemption. The Term Bond maturing on _____ 1, _____ is
19 subject to mandatory redemption in part by lot, from sinking fund payments made by the City
20 from the Bond Fund, at a redemption price equal to the principal amount thereof to be
21 redeemed, without premium, in the aggregate respective principal amounts all as set forth in
22 the following table:

Sinking Fund Redemption Date <u>(_____ 1)</u>	Principal Amount <u>Subject to Redemption</u>
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1 Provided, however, if some but not all of the Term Bonds of a given maturity have been
2 redeemed as a result of an optional redemption or a mandatory redemption, the total amount
3 of all future Sinking Fund Payments relating to such maturity shall be reduced by the
4 aggregate principal amount of Term Bonds of such maturity so redeemed, to be allocated
5 among such Sinking Fund Payments on a pro rata basis in integral multiples of \$5,000 as
6 determined by the Trustee, notice of which determination shall be given by the Trustee to the
7 City.

8 Notice of redemption with respect to the Bonds to be redeemed shall be given to the
9 registered owners thereof, in the manner, to the extent and subject to the provisions of the
10 Indenture of Trust. Notice of redemption may be conditional and may be rescinded as set
11 forth in the Indenture of Trust.

12 This Bond shall be registered in the name of the owner hereof, as to both principal and
13 interest. Each registration and transfer of registration of this Bond shall be entered by the
14 Trustee in books kept by it for this purpose and authenticated by its manual signature upon
15 the certificate of authentication endorsed hereon.

16 No transfer or exchange hereof shall be valid for any purpose unless made by the
17 registered owner, by execution of the form of assignment endorsed hereon, and authenticated
18 as herein provided, and the principal hereof, interest hereon and any redemption premium
19 shall be payable only to the registered owner or to such owner's order. The Trustee shall
20 require the registered owner requesting transfer or exchange to pay any tax or other
21 governmental charge required to be paid with respect to such transfer or exchange. No
22 transfer or exchange hereof shall be required to be made (i) fifteen days prior to the date
23 established by the Trustee for selection of Bonds for redemption or (ii) with respect to a Bond
24 after such Bond has been selected for redemption.

1 The Indenture of Trust and the rights and obligations of the City thereunder may be
2 modified or amended as set forth therein. The principal of the Bonds is not subject to
3 acceleration upon a default under the Indenture of Trust or any other document.

4 This Bond shall not become valid or obligatory for any purpose until the certificate of
5 authentication and registration hereon endorsed shall have been dated and signed by the
6 Trustee.

7 IT IS HEREBY CERTIFIED, RECITED AND DECLARED by the EIFD Public Financing
8 Authority No. 1 that all acts, conditions and things required by law to exist, happen and be
9 performed precedent to and in the issuance of this Bond have existed, happened and been
10 performed in due time, form and manner as required by law. This Bond is not a debt of the
11 City and County of San Francisco, State of California or of any of its political subdivisions,
12 other than the EIFD and none of those entities, other than the EIFD, shall be liable on this
13 Bond, and the Bonds shall be payable exclusively from funds or properties of the EIFD. This
14 Bond does not constitute an indebtedness within the meaning of any constitutional or statutory
15 debt limitation.

16 Unless this Bond is presented by an authorized representative of The Depository Trust
17 Company, a New York corporation (“DTC”), to the Trustee for registration of transfer,
18 exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in
19 such other name as is requested by an authorized representative of DTC (and any payment is
20 made to Cede & Co. or to such other entity as is requested by an authorized representative of
21 DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR
22 OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner
23 hereof, Cede & Co., has an interest herein.

1 IN WITNESS WHEREOF, the San Francisco Enhanced Infrastructure Financing
2 District No. 1 (Power Station) has caused this Bond to be to be signed by the facsimile
3 signature of Chair and countersigned by the facsimile signature of the Secretary.

4
5 [S E A L]

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8 _____
Chair Secretary

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10 [FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION AND REGISTRATION]

11
12 This is one of the Bonds described in the Indenture of Trust which has been
13 authenticated on _____, _____.

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15 _____,
16 *as Trustee*

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19 By: _____
20 Authorized Signatory

FORM OF ASSIGNMENT

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For value received, the undersigned do(es) hereby sell, assign and transfer unto

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

the within Bond and do(es) hereby irrevocably constitute and appoint _____
_____, attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in
the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

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