

IMPARTIAL ANALYSIS

CITY AND COUNTY OF SAN FRANCISCO Community Facilities District No. 2014-1 (Transbay Transit Center)

The Board of Supervisors (the “Board of Supervisors”) of the City and County of San Francisco (the “City”), acting pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), has formed the “City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center)” (the “CFD”) for the purpose of financing certain authorized public facilities.

The Board of Supervisors, pursuant to Resolution No. 352-14 (the “Election Resolution”), has called a mail ballot election on December 29, 2014 of the CFD’s qualified electors on a ballot measure that, if approved, would:

- (i) authorize the City, on behalf of the CFD, to issue bonds or other indebtedness (as defined in the Act; collectively, “Bonds”) in an aggregate principal amount not to exceed \$1,400,000,000 with interest at a rate or rates not to exceed the maximum interest rate permitted by law at the time of sale of such Bonds for the purpose of financing the authorized public facilities and paying for the costs of issuing the Bonds and related expenses;
- (ii) authorize the City to levy a special tax in the CFD to pay for debt service on the Bonds, the City’s costs in administering the CFD, and the costs of acquiring the authorized public facilities; no property will be obligated to pay the special tax for more than 30 fiscal years and the City will not levy the special tax in the CFD for more than 75 fiscal years; and
- (iii) establish an annual appropriations limit for the CFD in the amount of \$300 million.

The ballot measure is being placed on the ballot by the Board of Supervisors. The qualified electors in this election are the landowners in the CFD (as defined in the Act). In order to pass, this measure must be approved by two-thirds of the votes cast. If the measure is approved, parcels in the CFD would be subject to a special tax according to the Amended and Restated Rate and Method of Apportionment of Special Tax (“Rate and Method”) set forth in Board of Supervisors’ Resolution No. 350-14 (“Formation Resolution”). If the ballot measure is approved, upon recordation of a notice of special tax lien in accordance with applicable law, a continuing lien to secure the levy of the special tax would attach to all nonexempt property in the CFD.

In the Election Resolution, the Board of Supervisors adopted accountability measures with respect to the special taxes and the Bonds, as required by California law.

Reference is made to the Formation Resolution for a complete description of the boundaries of the CFD, the authorized facilities, and the Rate and Method.

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