GOODWIN CONSULTING GROUP

City and County of San Francisco
Special Tax District No. 2020-1
(Mission Rock Facilities And Services)

Special Tax Administration Report
Fiscal Year 2020-21

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Special Tax District No. 2020-1
Special Tax Administration Report

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EXECUTIVE SUMMARY

The following summary provides a brief overview of the main points from this report regarding the City and County of San Francisco Special Tax District No. 2020-1 (Mission Rock Facilities and Services) ("STD No. 2020-1" or "STD"):

Fiscal Year 2020-21 Special Tax Levy

Special Tax Levy	Number of Taxed Parcels	Total Special Tax Levy
Development Special Tax	1	$1,837,010
Office Special Tax	0	$0
Shoreline Special Tax	0	$0
Contingent Services Special Tax	0	$0

For further detail regarding the special tax levy, or special tax rates, please refer to Section IV of this report.

Development Status for Fiscal Year 2020-21

Development Status	Taxable Parcels
Developed Property	0
Undeveloped Property	1

For more information regarding the status of development in STD No. 2020-1, please see Section V of this report.

I. INTRODUCTION

Special Tax District No. 2020-1 (Mission Rock Facilities and Services)

On April 14, 2020, the City and County of San Francisco (the "City") adopted the Resolution of Formation of Special Tax District No. 2020-1 (Mission Rock Facilities and Services). In a landowner election held on the same day, the then-qualified landowners within STD No. 2020-1 authorized the levy of a Mello-Roos special tax to fund certain public facilities and services. The landowners also voted to incur bonded indebtedness, secured by special taxes levied in STD No. 2020-1 in an amount not to exceed $3,700,000,000.

Property in STD No. 2020-1 consists of 12 blocks of land within the Mission Bay neighborhood at Seawall Lot 337 and Pier 48. The STD is entitled for the development of 1,400,000 square feet of office space, 222,175 square feet of retail space, and 1,119 for-rent multi-family residential units, of which 40% will be affordable and exempt from the special tax.

The types of facilities to be funded by special tax revenues generally include the acquisition of land for public improvements; demolition and abatement; auxiliary water supply system improvements; low pressure water improvements; non-potable water system (blackwater treatment facility) improvements; district energy system improvements; sanitary sewer, storm drain, and stormwater management improvements; joint trench and dry utilities; earthwork and retaining walls; roadway improvements; streetscape improvements; parks and public space; water-based transportation improvements; historic rehabilitation required for horizontal improvements; hazardous soil removal; shoreline adaptation studies; shoreline protection facilities; deferred infrastructure; entitlement costs; associated public benefits; miscellaneous horizontal development costs; and any other costs authorized to be financed by the STD under the DDA. In addition, the STD is also authorized to fund public services. Proceeds of the services special tax levy may be used to pay for maintenance, capital repair, replacement and operation of public parks and open spaces; public right-of-ways ("ROWs"); shoreline improvements; landscaping and irrigation systems; streets; furniture and fixtures and signage in public spaces and public ROWs; capital repair and replacement and operation of utilities in public spaces and public ROWs; and any other costs authorized to be financed by the STD under the DDA.

The Mello-Roos Community Facilities Act of 1982

The reduction in property tax revenue that resulted from the passage of Proposition 13 in 1978 required public agencies and real estate developers to look for other means to fund public infrastructure. The funding available from traditional assessment districts was limited by certain requirements of the assessment acts, and it became clear that a more flexible funding tool was needed. In response, the California State Legislature approved the Mello-Roos Community Facilities Act of 1982 (the "Act"), which provides for the levy of a special tax within a defined geographic area, namely a community facilities district, if such a levy is approved by two-thirds of the qualified electors in the area. Community facilities districts can generate funding for a broad range of facilities, and special taxes can be allocated to property in any reasonable manner other than on an ad valorem basis.

A community facilities district is authorized to issue tax-exempt bonds that are secured by land within the district. If a parcel does not pay the special tax levied on it, a public agency can foreclose on the parcel and use the proceeds of the foreclosure sale to ensure that bondholders receive interest and principal payments on the bonds. Because bonds issued by a community facilities district are land-secured, there is no risk to a public agency's general fund or taxing capacity. In addition, because the bonds are tax-exempt, they typically carry an interest rate that is lower than conventional construction financing.

A community facilities district can also fund a broad range of services. These services include police protection services, fire protection and suppression services, library services, recreation program services, flood and storm protection services, and maintenance of roads, parks, parkways, and open space. Special taxes can be allocated to property in any reasonable manner other than on an ad valorem basis.

II. PURPOSE OF REPORT

This STD Tax Administration Report (the "Report") presents findings from research and financial analysis performed by Goodwin Consulting Group, Inc. to determine the fiscal year 2020-21 special tax levy for STD No. 2020-1. The Report is intended to provide information to interested parties regarding STD No. 2020-1, including the current financial obligations of the STD and special taxes to be levied in fiscal year 2020-21. The Report also summarizes development activity as well as other pertinent information for STD No. 2020-1.

The Report is organized into the following sections:

- **Section III** identifies the financial obligations of STD No. 2020-1 for fiscal year 2020-21.

- **Section IV** provides a summary of the methodology that is used to apportion the special tax among parcels in STD No. 2020-1.

- **Section V** summarizes the status of development within STD No. 2020-1.

- **Section VI** provides a summary of state reporting requirements.

III. *Special Tax Requirements*

Special taxes for STD No. 2020-1 are levied pursuant to the methodology set forth in the Rate and Method of Apportionment of Special Taxes ("RMA"), which was adopted as an exhibit to the Resolution of Formation of STD No. 2020-1. The RMA allows for Development Special Taxes, Office Special Taxes, Shoreline Special Taxes, and should a Trigger Event occur, Contingent Services Special Taxes. The Trigger Event generally refers to the earlier of (i) any amendment to the Management Agreement that expressly authorizes the levy of Contingent Services Special Taxes, (ii) the expiration or earlier termination of the Management Agreement, or (iii) any Taxable Parcel becoming Developed Property prior to a Management Agreement being executed by both the Port and the Association (or related entity). Therefore, starting in the first fiscal year after the Trigger Event, the Contingent Services Special Tax commences. The amount of Development Special Taxes, Office Special Taxes, Shoreline Special Taxes, and Contingent Services Special Taxes is determined through application of the Development Special Tax Requirement, Office Special Tax Requirement, Shoreline Special Tax Requirement, and Services Special Tax Requirement that are each explained in more detail below.

Development Special Tax Requirement

Pursuant to the RMA, the Development Special Tax Requirement means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Development Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Development Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Development Special Tax Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Development Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Development Special Tax Bonds which have occurred in the prior Fiscal Year; (v) in any Fiscal Year in which there is a Development Special Tax levied on one or more Parcels pursuant to Step 1d. in Section F below, pay the fee imposed by the City for levying such Development Special Tax on the County tax roll; (vi) pay other obligations described in the Financing Plan; and (vii) pay directly for Authorized Expenditures, so long as such levy under this clause (vii) does not increase the Development Special Tax levied on Undeveloped Property. The amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Development Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Development Special Taxes; and (c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port.

For fiscal year 2020-21, the Development Special Tax Requirement is $1,837,010 and is calculated in the table below.

Community Facilities District No. 2020-1
Development Special Tax Requirement*
Fiscal Year 2020-21

Estimated Debt Service	$1,800,000
Administrative Expenses	$37,010
Development Special Tax Requirement for Fiscal Year 2020-21	**$1,837,010**

**Totals may not sum due to rounding*

Office Special Tax Requirement

The Office Special Tax Requirement is defined as the amount necessary in any Fiscal Year to: (i) pay principal and interest on Office Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Office Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Office Special Tax Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Office Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Office Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay other obligations described in the Financing Plan; and (vii) pay directly for Authorized Expenditures, so long as such levy under this clause (vii) does not increase the Office Special Tax levied on Undeveloped Property. The amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Office Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Office Special Taxes; and (c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port. For fiscal year 2020-21, the Office Special Tax Requirement is $0.

Shoreline Special Tax Requirement

The Shoreline Special Tax Requirement is defined as any amount necessary in any Fiscal Year to: (i) pay principal and interest on Shoreline Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Shoreline Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Shoreline Special Tax Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Shoreline Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Shoreline Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay directly for the costs of shoreline improvements so long as such levy under this clause (vi) does not increase the Shoreline Special Tax levied on Undeveloped Property; and (vii) pay other obligations described in the Financing Plan. The amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Shoreline Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Shoreline Special Taxes; and (c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port. For fiscal year 2020-21, the Office Special Tax Requirement is $0.

Services Special Tax Requirement

The Services Special Tax Requirement is defined as any amount necessary in any Fiscal Year to: (i) pay the costs of operations and maintenance or other public services that are included as Authorized Expenditures; (ii) cure delinquencies in the payment of Contingent Services Special Taxes in the prior Fiscal Year; and (iii) pay Administrative Expenses. As of fiscal year 2020-21, the Trigger Event has not yet occurred. Therefore, there is no Services Special Tax Requirement for fiscal year 2020-21.

IV. *SPECIAL TAX LEVY*

Special Tax Categories

Special taxes within STD No. 2020-1 are levied pursuant to the methodology set forth in the RMA. Among other things, the RMA establishes various special tax categories against which the special tax may be levied, the maximum special tax rates, and the methodology by which the special tax is applied. On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether each Taxable Parcel is Developed Property or Undeveloped Property; (ii) the Planning Parcel and Tax Zone within which each Taxable Parcel is located; (iii) for Developed Property, the Market-Rate Residential Square Footage and Office Square Footage within each building; (iv) the Taxpayer for each Leasehold Interest in a Taxable Parcel; and (v) the Development Special Tax Requirement, Office Special Tax Requirement, Shoreline Special Tax Requirement, and, if applicable, Services Special Tax Requirement for the Fiscal Year. (*Unless otherwise indicated, capitalized terms shall have the same meaning set forth in the RMA, which is included in Appendix C of this Report.)*

Maximum Special Tax Rates

The maximum special tax rates applicable to each Taxable Parcel in STD No. 2020-1 are set forth in Section C of the RMA. The percentage of the maximum special tax rates that will be levied on each land use category in fiscal year 2020-21 are determined by the method of apportionment included in Section F of the RMA. The table in Appendix A identifies the fiscal year 2020-21 maximum special taxes and actual special taxes for STD No. 2020-1.

Apportionment of Special Taxes

Development Special Tax

The amount of special tax that is apportioned to each parcel is determined through application of Section F of the RMA. Once the Development Special Tax Requirement for the fiscal year is determined, the following steps determine the amount of development special tax each property will be taxed.

Step 1. The Administrator shall determine the Development Special Tax to be levied on Leasehold Interests in each Taxable Parcel of Developed Property, as follows:

> Calculate the Maximum Development Special Tax for each Leasehold Interest in each Parcel of Developed Property. In consultation with the City, determine which Parcels of Developed Property are Assessed Parcels. For all Parcels of Developed Property that are not Assessed Parcels, levy the Maximum Development Special Tax on Leasehold Interests

in such Parcels. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

For all Assessed Parcels: Determine the amount of the Parcel Increment. If the total amount of Parcel Increment available is equal to or greater than the total aggregate Maximum Development Special Taxes for all Assessed Parcels, then the levy on each Assessed Parcel shall be zero ($0). If the total amount of Parcel Increment available is less than the aggregate Maximum Development Special Taxes for all Assessed Parcels, the Administrator shall apply the appropriate sub-step below:

Substep (i): If, after coordination with the City and Port, the Administrator is provided with a breakdown of Parcel Increment on a Parcel-by-Parcel basis in time for submission of the Special Tax levy, the Administrator shall determine the net tax levy on Leasehold Interests in each Assessed Parcel (the "Net Assessed Parcel Tax Levy") by taking the following steps in the following order of priority: (i) subtract from the Maximum Development Special Tax for each Assessed Parcel the amount of Parcel Increment generated from the applicable Assessed Parcel, and (ii) for each Assessed Parcel whose tax levy was not reduced to $0 pursuant to item (i) in this paragraph, apply any remaining Parcel Increment that was not applied pursuant to item (i) in this paragraph to each such Assessed Parcel on a pro rata basis (based on the Assessed Parcel's net remaining tax levy as a percentage of the aggregate net remaining tax levy for all Assessed Parcels for which Parcel Increment was insufficient to pay the full amount of the Assessed Parcel's Maximum Development Special Tax). The Administrator shall levy on Leasehold Interests in each Assessed Parcel the Net Assessed Parcel Tax Levy for such Assessed Parcel. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Substep (ii): If, after coordination with the City and Port, the Administrator determines that a breakdown of Parcel Increment on a Parcel-by-Parcel basis cannot be provided in time for submission of the Special Tax levy, the Administrator shall determine the net tax levy on the Leasehold Interest in each Assessed Parcel (the "Net Assessed Parcel Tax Levy") by subtracting from the Maximum Development Special Tax for each Assessed Parcel a pro rata share of the Parcel Increment, with such pro rata share determined based on each Assessed Parcel's Maximum Development Special Tax as a percentage of the aggregate Maximum Development Special Tax for all Assessed Parcels in the STD. The Administrator shall levy on the Leasehold Interest in each Assessed Parcel the Net Assessed Parcel Tax Levy for such Assessed Parcel. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Development Special Tax Requirement after Capitalized Interest has been applied to reduce the Development Special Tax Requirement, the Development Special Tax shall be levied Proportionately on Leasehold Interests in each Taxable Parcel of Undeveloped Property, in an amount up to 100% of the Maximum Development Special Tax for Leasehold Interests in each Taxable Parcel of Undeveloped Property for such Fiscal Year.

Office Special Tax

Once the Office Special Tax Requirement for the fiscal year is determined, the following steps determine the amount of office special tax each property will be taxed.

Step 1. Levy the Maximum Office Special Tax on Leasehold Interests in each Taxable Parcel of Developed Property. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Office Special Tax Requirement after Capitalized Interest has been applied to reduce the Office Special Tax Requirement, the Office Special Tax shall be levied Proportionately on Leasehold Interests in each Taxable Parcel of Undeveloped Property, in an amount up to 100% of the Maximum Office Special Tax for Leasehold Interests in each Taxable Parcel of Undeveloped Property for such Fiscal Year.

Shoreline Special Tax

Once the Shoreline Special Tax Requirement for the fiscal year is determined, the following steps determine the amount of shoreline special tax each property will be taxed.

Step 1. Levy the Maximum Shoreline Special Tax on Leasehold Interests in each Taxable Parcel of Developed Property. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Shoreline Special Tax Requirement after Capitalized Interest has been applied to reduce the Shoreline Special Tax Requirement, the Shoreline Special Tax shall be levied Proportionately on Leasehold Interests in each Taxable Parcel of Undeveloped Property, in an amount up to 100% of the Maximum Shoreline Special Tax for Leasehold Interests in each Taxable Parcel of Undeveloped Property for such Fiscal Year.

Contingent Services Special Tax

Once the Services Special Tax Requirement for the fiscal year is determined, the following step determines the amount of contingent services special tax each property will be taxed.

Each Fiscal Year after the Fiscal Year in which the Trigger Event occurs, the Administrator shall coordinate with the City and the Port to determine the Services Special Tax Requirement for the Fiscal Year. The Contingent Services Special Tax shall then be levied Proportionately on Leasehold Interests in each Taxable Parcel of Developed Property, in an amount up to 100% of the Maximum Contingent Services Special Tax for Leasehold Interests in each Parcel of Developed Property for such Fiscal Year until the amount levied is equal to the Services Special Tax Requirement. The Contingent Services Special Tax may not be levied on Undeveloped Property.

The special tax roll, which identifies the special tax to be levied against each parcel in STD No. 2020-1 in fiscal year 2020-21, is provided in Appendix B.

V. DEVELOPMENT STATUS

As of June 30, 2020, no building permits have been issued within STD No. 2020-1. Based on the current status of development in STD No. 2020-1, the following table summarizes the allocation of parcels to the special tax categories established in the RMA:

STD No. 2020-1
Allocation to Special Tax Category
Fiscal Year 2020-21

Development Status	Taxable Parcels
Developed Property	0
Undeveloped Property	1

VI. STATE REPORTING REQUIREMENTS

Senate Bill No. 165

On September 18, 2000, former Governor Gray Davis signed Senate Bill 165 which enacted the Local Agency Special Tax and Bond Accountability Act. In approving the bill, the Legislature declared that local agencies need to demonstrate to the voters that special taxes and bond proceeds are being spent on the facilities and services for which they were intended. To further this objective, the Legislature added Sections 50075.3 and 53411 to the California Government Code setting forth annual reporting requirements relative to special taxes collected and bonds issued by a local public agency. Pursuant to the Sections 50075.3 and 53411, the "chief fiscal officer" of the public agency will, by January 1, 2002, and at least once a year thereafter, file a report with the City setting forth (i) the amount of special taxes that have been collected and expended; (ii) the status of any project required or authorized to be funded by the special taxes; (iii) if bonds have been issued, the amount of bonds that have been collected and expended; and (iv) if bonds have been issued, the status of any project required or authorized to be funded from bond proceeds.

Assembly Bill No. 1666

On July 25, 2016, Governor Jerry Brown signed Assembly Bill No. 1666, adding Section 53343.2 to the California Government Code ("GC"). The bill enhances the transparency of community facilities districts by requiring that certain reports be accessible on a local agency's web site. Pursuant to Section 53343.2, a local agency that has a web site shall, within seven months after the last day of each fiscal year of the district, display prominently on its web site the following information:

Item (a): A copy of an annual report, if requested, pursuant to GC Section 53343.1. The report required by Section 53343.1 includes STD budgetary information for the prior fiscal year and is only prepared by a community facilities district at the request of a person who resides in or owns property in the community facilities district. If the annual report has not been requested to be prepared, then a posting to the web site would not be necessary.

Item (b): A copy of the report provided to the California Debt and Investment Advisory Commission ("CDIAC") pursuant to GC Section 53359.5. Under Section 53359.5, local agencies must provide CDIAC with the following: (i) notice of proposed sale of bonds; (ii) annual reports on the fiscal status of bonded districts; and (iii) notice of any failure to pay debt service on bonds, or of any draw on a reserve fund to pay debt service on bonds.

Item (c): A copy of the report provided to the State Controller's Office pursuant to GC Section 12463.2. This section refers to the parcel tax portion of a local agency's Financial Transactions Report that is prepared for the State Controller's Office annually. Note that school districts are not subject to the reporting required by GC Section 12463.2.

Assembly Bill No. 1483

On October 9, 2019, Governor Gavin Newsom signed Assembly Bill No. 1483, adding Section 65940.1 to the California Government Code. The law requires that a city, county, or special district that has an internet website, maintain on its website a current schedule of fees, exactions, and affordability requirements imposed by the public agency on all housing development projects. Pursuant to Section 65940.1, the definition of an exaction includes a special tax levied pursuant to the Mello-Roos Community Facilities Act.

Assembly Bill No. 1483 defines a housing development project as consisting of (a) residential units only; or (b) mixed-use developments consisting of residential and non-residential land uses with at least two-thirds of the square footage designated for residential use; or (c) transitional housing or supportive housing. Assembly Bill No. 1483 also requires a city, county, or special district to update this information on their website within 30 days of any changes made to the information.

APPENDIX A

Summary of Fiscal Year 2020-21
Special Tax Levy

City and County of San Francisco
Special Tax District No. 2020-1
(Mission Rock Facilities and Services)
Fiscal Year 2020-21 Special Tax Levy Summary

Development Status and Square Footage Category	Taxable Square Footage	FY 2020-21 Maximum Development Special Tax	FY 2020-21 Actual Development Special Tax	FY 2020-21 Maximum Office Special Tax	FY 2020-21 Actual Office Special Tax	FY 2020-21 Maximum Shoreline Special Tax	FY 2020-21 Actual Shoreline Special Tax	Total FY 2020-21 Special Tax Levy
TAX ZONE 1								
Developed Property								
Market-Rate Residential Square Footage	0	$8.75	$8.75	$0.00	$0.00	$0.00	$0.00	$0
Office Square Footage	0	$6.63	$6.63	$1.96	$0.00	$1.86	$0.00	$0
Excess Exempt Square Footage	0	$8.75	$8.75	$1.96	$0.00	$1.86	$0.00	$0
Subtotal	0							$0
Undeveloped Property								
Market-Rate Residential Square Footage	259,000	$8.75	$1.13	$0.00	$0.00	$0.00	$0.00	$293,596
Office Square Footage	586,778	$6.63	$0.86	$1.96	$0.00	$1.86	$0.00	$503,907
Excess Exempt Square Footage	0	$8.75	$1.13	$1.96	$0.00	$1.86	$0.00	$0
Subtotal	845,778							$797,503
TAX ZONE 2								
Developed Property								
Market-Rate Residential Square Footage	0	$8.75	$8.75	$0.00	$0.00	$0.00	$0.00	$0
Office Square Footage	0	$6.63	$6.63	$1.64	$0.00	$1.86	$0.00	$0
Excess Exempt Square Footage	0	$8.75	$8.75	$1.64	$0.00	$1.86	$0.00	$0
Subtotal	0							$0
Undeveloped Property								
Market-Rate Residential Square Footage	235,200	$8.75	$1.13	$0.00	$0.00	$0.00	$0.00	$266,617
Office Square Footage	899,998	$6.63	$0.86	$1.64	$0.00	$1.86	$0.00	$772,890
Excess Exempt Square Footage	0	$8.75	$1.13	$1.64	$0.00	$1.86	$0.00	$0
Subtotal	1,135,198							$1,039,507
TOTAL FISCAL YEAR 2020-21 SPECIAL TAX LEVY								**$1,837,010**

APPENDIX B

Fiscal Year 2020-21 Special Tax Levy for Individual Assessor's Parcels

City and County of San Francisco
Special Tax District No. 2020-1
(Mission Rock Facilities and Services)
Fiscal Year 2020-21 Special Tax Levy

Block and Lot	Development Status	FY 2020-21 Maximum Development Special Tax	FY 2020-21 Actual Development Special Tax	FY 2020-21 Maximum Office Special Tax	FY 2020-21 Actual Office Special Tax	FY 2020-21 Maximum Shoreline Special Tax	FY 2020-21 Actual Shoreline Special Tax	Total FY 2020-21 Special Tax Levy
8719-006	Undeveloped	$14,182,368	$1,837,010	$2,627,121	$0	$2,760,052	$0	$1,837,010
Total Special Tax Levy		**$14,182,368**	**$1,837,010**	**$2,627,121**	**$0**	**$2,760,052**	**$0**	**$1,837,010**

Goodwin Consulting Group, Inc.

APPENDIX C

Rate and Method of Apportionment of Special Taxes

EXHIBIT B

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2020-1
(MISSION ROCK FACILITIES AND SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

Special Taxes applicable to the Leasehold Interest in each Taxable Parcel in the City and County of San Francisco Special Tax District No. 2020-1 (Mission Rock Facilities and Services) shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Leasehold Interests in Taxable Parcels, as described below. The Leasehold Interest in all Taxable Parcels in the STD shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the STD.

Special Taxes shall be levied only on Leasehold Interests in Taxable Parcels. In the event a Leasehold Interest in a Taxable Parcel is terminated, the Special Taxes shall be levied on any successor Leasehold Interest in the Taxable Parcel. If a Leasehold Interest terminates while a Special Tax that was previously levied remains unpaid, the owner of the successor Leasehold Interest will take the interest subject to the obligation to pay the unpaid Special Tax along with any applicable penalties and interest.

The City will covenant in each Indenture that, as long as any Bonds are outstanding, it will not terminate, and it will inhibit the Port from terminating, any Leasehold Interest in a Taxable Parcel unless the Port enters into a new lease the term of which ends on or after the final maturity date of the Bonds and that covers substantially the same real property and improvements as the terminated lease. It will not be a violation of this covenant if the City or the Port initiates judicial foreclosure of any such lease pursuant to the CFD Law.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City carrying out duties with respect to the STD and the Bonds, including, but not limited to, levying and collecting the Special Taxes, the fees and expenses of legal counsel, charges levied by the City, including the Controller's Office, the Treasurer and Tax Collector's Office, the City Attorney, and the Port, costs related to property owner inquiries regarding the Special Taxes, costs associated with appeals or requests for interpretation associated with the Special Taxes and this RMA, costs associated with annexation of property into the STD, amounts needed to pay rebate to the federal government with respect to the Bonds, costs associated with complying with any continuing disclosure requirements for the City and any other major property owner (whether or not deemed to be an obligated person), costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of the City in any way related to the establishment or administration of the STD.

"Administrator" means the Director of the Office of Public Finance or his/her designee who shall be responsible for administering the Special Taxes according to this RMA.

"Affordable Housing Project" means a residential or primarily residential project, as determined by the Review Authority, within which 100% of the residential units are Affordable Units.

"Affordable Square Footage" means both: (i) the entire square footage of an Affordable Housing Project; and (ii) the aggregate net rentable square footage that is or is expected to be associated with Affordable Units within a building on a Parcel of Developed Property. The Review Authority shall make the final determination as to the amount of Affordable Square Footage within a building in the STD.

"Affordable Unit" means a Residential Unit for which a deed restriction has been recorded that (i) limits the rental rates on the unit or (ii) in any other way is intended to restrict the current or future value of the unit, as determined by the Review Authority.

"Appendix" means the Appendix to the DDA.

"Assessed Parcel" means, in any Fiscal Year, any Taxable Parcel that meets all five of the following conditions: (i) there is a building on the Taxable Parcel for which a Certificate of Occupancy has been issued; (ii) based on all information available to the Administrator, the Baseline Assessed Value has been determined for the Taxable Parcel; (iii) ad valorem taxes have been levied on the Taxable Parcel based on the Baseline Assessed Value of the building; (iv) by the end of the prior Fiscal Year, at least one year of ad valorem taxes based upon the Baseline Assessed Value of the building have been paid; and (v) the Taxable Parcel does not have outstanding delinquencies in the payment of ad valorem property taxes or Special Taxes at the latest point at which the Administrator is able to receive delinquency information from the County prior to submitting the Development Special Tax levy in any Fiscal Year. Once a Taxable Parcel has been categorized as an Assessed Parcel, such Taxable Parcel shall be considered an Assessed Parcel in all future Fiscal Years in which there are no outstanding delinquencies for the Parcel, regardless of increases or decreases in assessed value.

"Assessor's Parcel" or "**Parcel**" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating Parcels by Assessor's Parcel number.

"Association" means a homeowners or property owners association, including any master or sub-association, that provides services to, and collects dues, fees, or charges from, property within the STD.

"Association Square Footage" means square footage within a building that is (i) on property in the STD that is leased to an Association, not including any such property that is located directly under a residential structure, and (ii) used for purposes of the Association and not leased or otherwise used for purposes that are not part of the operation of the Association.

"Authorized Expenditures" means, separately with respect to the Development Special Tax, Office Special Tax, Shoreline Special Tax, and Contingent Services Special Tax, those costs, facilities or public services authorized to be funded by the applicable Special Tax as set forth in the Financing Plan and the documents adopted by the Board at STD Formation, as may be amended from time to time.

"Base Contingent Services Special Tax" means, for any Square Footage Category, the per-square-foot Contingent Services Special Tax for square footage within such Square Footage Category, as identified in Table 4 in Section C below, that can be levied on a Leasehold Interest in a Taxable Parcel.

"Base Development Special Tax" means, for any Square Footage Category, the per-square-foot Development Special Tax for Square Footage within such Square Footage Category, as identified in Table 1 in Section C below, that can be levied on a Leasehold Interest in a Taxable Parcel.

"Base Office Special Tax" means, for Office Square Footage and Excess Exempt Square Footage, the per-square-foot Office Special Tax identified in Table 2 in Section C below, that can be levied on a Leasehold Interest in a Taxable Parcel.

"Base Shoreline Special Tax" means, for any Square Footage Category, the per-square-foot Shoreline Special Tax for Square Footage within such Square Footage Category, as identified in Table 3 in Section C below, that can be levied on a Leasehold Interest in a Taxable Parcel.

"Base Special Tax" means, collectively, the Base Development Special Tax, the Base Office Special Tax, the Base Shoreline Special Tax, and the Base Contingent Services Special Tax.

"Baseline Assessed Value" means, after a Certificate of Occupancy has been issued for a Taxable Parcel, the assessed value that the Port and Vertical Developer mutually agree is the final, unappealable value for the Taxable Parcel.

"Board" means the Board of Supervisors of the City, acting as the legislative body of STD No. 2020-1.

"Bond Sale" means, for the Development Special Tax, issuance of Development Special Tax Bonds, for the Office Special Tax, issuance of Office Special Tax Bonds, and, for the Shoreline Special Tax, issuance of Shoreline Special Tax Bonds.

"Bonds" means bonds or other debt (as defined in the CFD Law), whether in one or more series, that are issued or assumed by or for the STD to finance Authorized Expenditures including any Development Special Tax Bonds, Office Special Tax Bonds, and Shoreline Special Tax Bonds. The term "Bonds" includes any promissory note executed by or on behalf of STD No. 2020-1 for the benefit of the Port.

"Capitalized Interest" means funds in any capitalized interest account available to pay debt service on Bonds.

"Certificate of Occupancy" means the first certificate, including any temporary certificate of occupancy, issued by the Port to confirm that a building or a portion of a building has met all of the building codes and can be occupied for residential or non-residential use. For purposes of this RMA, "Certificate of Occupancy" shall not include any certificate of occupancy that was issued prior to January 1, 2019 for a building within the STD; however, any subsequent certificates of occupancy that are issued for new construction, or expansion of a building shall be deemed a Certificate of Occupancy and the Special Taxes shall apply to the associated square footage. For Pier 48, only a certificate of occupancy issued in association with the permanent reuse of the building (as determined by the Port) shall qualify as a "Certificate of Occupancy" for purposes of this RMA.

"CFD Law" means the San Francisco Special Tax Financing Law (Admin. Code ch. 43, art. X), which incorporates the Mello-Roos Act.

"City" means the City and County of San Francisco, California.

"Contingent Services Special Tax" means a special tax levied in any Fiscal Year after the Trigger Event on a Leasehold Interest in a Taxable Parcel to pay the Services Special Tax Requirement.

"County" means the City and County of San Francisco, California.

"DDA" means the Disposition and Development Agreement between the Port and the Developer, including all exhibits and attachments, as may be amended from time to time.

"Deputy Director" means the Deputy Director of Finance and Administration for the Port or other such official that acts as the chief financial officer for the Port.

"Developed Property" means, in any Fiscal Year, all Taxable Parcels for which the 24-month anniversary of the Parcel Lease Execution Date has occurred in a preceding Fiscal Year, regardless of whether a Permit has been issued. For any Taxable Parcel on which a structure is built and occupied without execution of a Parcel Lease, such Taxable Parcel shall be categorized as Developed Property in the Fiscal Year in which a Certificate of Occupancy was issued on or prior to June 30 of the preceding Fiscal Year.

"Developer" means Seawall Lot 337 Associates, LLC, or any successor or assign that takes over as tenant under the Master Lease.

"Development Approval Documents" means, collectively, the DDA, any Vertical DDA, any Final Maps, Review Authority approvals, or other such approved or recorded document or plan that identifies the type of structures, acreage, and Market-Rate Residential Square Footage and Office Square Footage approved for development on Taxable Parcels.

"Development Special Tax" means a special tax levied in any Fiscal Year on a Leasehold Interest in a Taxable Parcel to pay the Development Special Tax Requirement.

"Development Special Tax Bonds" means any Bonds secured solely by Development Special Taxes.

"Development Special Tax Requirement" means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Development Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Development Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Development Special Tax Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Development Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Development Special Tax Bonds which have occurred in the prior Fiscal Year; (v) in any Fiscal Year in which there is a Development Special Tax levied on one or more Parcels pursuant to Step 1d. in Section F below, pay the fee imposed by the City for levying such Development Special Tax on the County tax roll; (vi) pay other obligations described in the Financing Plan; and (vii) pay directly for Authorized Expenditures, so long as such levy under this clause (vii) does not increase the Development Special Tax levied on Undeveloped Property. The amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Development Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Development Special Taxes; and (c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port.

"Escalator" means the lesser of the following: (i) the annual increase, if any, in the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-Hayward region (base years 1982-1984=100) published by the Bureau of Labor Statistics of the United States Department of Labor, or, if such index is no longer published, a similar escalator that is determined by the Port and City to be appropriate, and (ii) five percent (5%).

"Estimated Base Development Tax Revenues" means, at any point in time, the amount calculated by the Administrator by multiplying the Base Development Special Tax by square footage within each Square Footage Category proposed for development and, if applicable, already in completed buildings on a Taxable Parcel.

"Estimated Base Office Special Tax Revenues" means, at any point in time, the amount calculated by the Administrator by multiplying the Base Office Special Tax by square footage within each Square Footage Category proposed for development and, if applicable, already in completed buildings on a Taxable Parcel.

"Estimated Base Shoreline Special Tax Revenues" means, at any point in time, the amount calculated by the Administrator by multiplying the Base Shoreline Special Tax by square footage within each Square Footage Category proposed for development and, if applicable, already in completed buildings on a Taxable Parcel.

"Excess Exempt Square Footage" means, after the First Bond Sale, any square footage in a building on a Parcel of Developed Property that is determined by the Review Authority to exceed the amount of Exempt Square Footage for such building. Excess Exempt Square Foot means a single square-foot unit of Excess Exempt Square Footage.

"Exempt Square Footage" means, prior to the First Bond Sale, any square footage in or expected in a building on a Parcel of Developed Property that is determined by the Review Authority to be used or reserved for an Exempt Use. After the First Bond Sale, "Exempt Square Footage" for any building on a Parcel of Developed Property shall be the sum of following, as determined by the Review Authority:

1. The Initial Exempt Square Footage for the building; and

2. Square footage in or expected in the building that (i) exceeds the Initial Exempt Square Footage, and (ii) if exempted from Special Taxes, would not reduce coverage on outstanding Bonds below the Required Coverage.

"Exempt Use" means any of the following uses:

1) *Affordable Square Footage*

2) *Association Square Footage*

3) *Child Care* – child care uses that qualify for exemption from the Special Taxes, as determined by the Review Authority after review and consideration of the criteria and requirements set forth in the Parcel Lease and DDA.

4) *Parking* – areas reserved for automobile, motorcycle, or bicycle parking

5) *Retail* – commercial establishments that sell general merchandise, hard goods, food and beverage, personal services, and other items directly to consumers, including but not limited to restaurants (subject to the limitation below), bars, entertainment venues, health clubs, laundromats, dry cleaners, repair shops, storage facilities, and parcel delivery shops. In addition: (i) all street-level retail bank branches, real estate brokerages, and other such ground-level uses that are open to the public, and (ii) any area designated, pursuant to Section 102 of the Planning Code or successor sections, for "Planning, Distribution, and Repair" (PDR) services, which includes but will not be limited to the following uses: industrial or agricultural use, ambulance services, animal hospital, automotive service station, automotive repair, automotive wash, arts activities, business services, cat boarding, catering service, commercial storage, kennel, motor vehicle tow service, livery stable, parcel delivery service, public utilities yard, storage yard, trade office, trade shop, wholesale sales, or wholesale storage.

6) *Utilities* – areas reserved for facilities associated with the treatment of water or sewer, or the transmission or provision of gas and electricity, or the heating and cooling of buildings.

7) *Amenity Square Footage* – areas reserved for sitewide amenities, such as a welcome center, leasing office, sitewide management, or sitewide security.

"Expected Land Uses" means the total Market-Rate Residential Square Footage and Office Square Footage expected on each Planning Parcel in the STD. The Expected Land Uses at STD Formation are identified in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

"Expected Maximum Development Special Tax Revenues" means the aggregate Development Special Tax that can be levied based on application of the Base Development Special Tax to the Expected Land Uses. The Expected Maximum Development Special Tax Revenues for each Planning Parcel at STD Formation are shown in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

"Expected Maximum Office Special Tax Revenues" means the aggregate Office Special Tax that can be levied based on application of the Base Office Special Tax to the Expected Land Uses. The Expected Maximum Office Special Tax Revenues for each Planning Parcel at STD Formation are shown in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

"Expected Maximum Shoreline Special Tax Revenues" means the aggregate Shoreline Special Tax that can be levied based on application of the Base Shoreline Special Tax to the Expected Land Uses. The Expected Maximum Shoreline Special Tax Revenues for each Planning Parcel at STD Formation are shown in Attachment 3 and may be revised pursuant to Sections B, C, D, and E below.

"Final Map" means a final map, or portion thereof, recorded by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) that creates individual lots on which Permits for new construction or historic rehabilitation may be issued without further subdivision.

"Financing Plan" means the Financing Plan attached as Exhibit C1 and incorporated into the DDA, as such plan may be amended or supplemented from time to time in accordance with the terms of the DDA.

"First Bond Sale" means, (i) for the Development Special Tax, a Bond Sale of the first series of Development Special Tax Bonds, (ii) for the Office Special Tax, a Bond Sale of the first series of Office Special Tax Bonds, and (iii) for the Shoreline Special Tax, a Bond Sale of the first series of Shoreline Special Tax Bonds.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Future Annexation Area" means that geographic area that, at STD Formation, was considered potential annexation area for the STD and which was, therefore, identified as "future annexation area" on the recorded STD boundary map. Such designation does not mean that any or all of the Future Annexation Area will annex into the STD, but should owners of property designated as Future Annexation Area choose to annex, the annexation may be processed pursuant to the annexation procedures in the CFD Law for territory included in a future annexation area, as well as the procedures established by the Board and any other applicable provisions of the CFD Law.

"Indenture" means any indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, or supplemented from time to time, and any instrument replacing or supplementing the same.

"Initial Exempt Square Footage" means, for any building on a Parcel of Developed Property, the square footage in or expected in the building that, at the time the Parcel became Developed Property, was determined by the Review Authority to be reserved for an Exempt Use.

"Land Use Change" means a change to the Expected Land Uses after STD Formation.

"Leasehold Interest" means a Master Lease, ground lease, or any other lease arrangement of a Parcel or Parcels against which Special Taxes may be levied in any current or future Fiscal Year. The Review Authority shall make the final determination as to whether a Parcel or building in the STD is subject to a Leasehold Interest for purposes of this RMA.

"Management Agreement" means the agreement between the Port and the Association (or related entity) for maintenance, operations, and event planning of the entire public realm (parks, streets, other ROWs) within the Project Site.

"Market-Rate Residential Square Footage" means, in any building on a Taxable Parcel, the net rentable square footage that is or is expected to be used for one or more of the following uses: (i) Market-Rate Units, (ii) any type of group or student housing that provides lodging for a week or more and may or may not have individual cooking facilities, including but not limited to boarding houses, dormitories, housing operated by medical institutions, and single room occupancy units, or (iii) a residential care facility that is not staffed by licensed medical professionals. As set forth in Section B below, the Review Authority shall make the determination as to the amount of Market-Rate Residential Square Footage on a Taxable Parcel in the STD. Market-Rate Residential Square Foot means a single square-foot unit of Market-Rate Residential Square Footage.

"Market-Rate Unit" means a Residential Unit that is not an Affordable Unit.

"Master Lease" means a lease for all or part of the Project Site that allows the Developer to take possession of the Master Lease Premises and construct horizontal improvements approved under the DDA and to conduct other uses as provided in the DDA.

"Master Lease Premises" means, at any point in time, the area subject to the Master Lease.

"Maximum Contingent Services Special Tax" means, after the Trigger Event, the greatest amount of Contingent Services Special Tax that can be levied on a Leasehold Interest in a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

"Maximum Contingent Services Special Tax Revenues" means, at any point in time after the Trigger Event, the aggregate Maximum Contingent Services Special Tax that can be levied on all Leasehold Interests in all Taxable Parcels.

“**Maximum Development Special Tax”** means the greatest amount of Development Special Tax that can be levied on a Leasehold Interest in a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Development Special Tax Revenues” means, at any point in time, the aggregate Maximum Development Special Tax that can be levied on all Leasehold Interests in all Taxable Parcels.

“**Maximum Office Special Tax”** means the greatest amount of Office Special Tax that can be levied on a Leasehold Interest in a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Office Special Tax Revenues” means, at any point in time, the aggregate Maximum Office Special Tax that can be levied on all Leasehold Interests in all Taxable Parcels.

“**Maximum Shoreline Special Tax”** means the greatest amount of Shoreline Special Tax that can be levied on a Leasehold Interest in a Taxable Parcel in any Fiscal Year determined in accordance with Sections C, D, and E below.

“Maximum Shoreline Special Tax Revenues” means, at any point in time, the aggregate Maximum Shoreline Special Tax that can be levied on all Leasehold Interests in all Taxable Parcels.

“**Maximum Special Tax”** means, for any Leasehold Interest in a Taxable Parcel in any Fiscal Year, the sum of the Maximum Development Special Tax, Maximum Office Special Tax, Maximum Shoreline Special Tax, and Maximum Contingent Services Special Tax.

“Maximum Special Tax Revenues” means, collectively, the Maximum Development Special Tax Revenues, Maximum Office Special Tax Revenues, Maximum Shoreline Special Tax Revenues, and Maximum Contingent Services Special Tax Revenues.

“Mello-Roos Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Part 1, Division 2 of Title 5 of the Government Code of the State of California.

“Office Special Tax” means a special tax levied in any Fiscal Year on Office Square Footage within a Leasehold Interest in a Taxable Parcel to pay the Office Special Tax Requirement.

“Office Special Tax Bonds” means any Bonds secured solely by Office Special Taxes.

“Office Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Office Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Office Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Office Special Tax Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Office Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Office Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay other obligations described in the Financing Plan; and (vii) pay directly for Authorized Expenditures, so long as such levy under this clause (vii) does not increase the Office Special Tax levied on Undeveloped Property. The amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Office Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Office Special Taxes; and (c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port.

"Office Square Footage" means, within any building on a Taxable Parcel: (i) the planning gross square footage for which a Prop. M allocation has been secured, (ii) square footage that is or is expected to be part of a hotel operation, including square footage of hotel rooms, restaurants, meeting and convention facilities, gift shops, spas, offices, and other related uses, and (iii) any other square footage in the building that does not meet the definition of Market-Rate Residential Square Footage, Exempt Square Footage, or Excess Exempt Square Footage. The Review Authority shall make the final determination as to the amount of Office Square Footage within a building in the STD. Office Square Foot means a single square-foot unit of Office Square Footage.

"Parcel Increment" means, in any Fiscal Year, the amount of Tax Increment and funds from any tax increment reserve fund maintained by the City that the Deputy Director has determined, pursuant to the Financing Plan, is available to reduce the amount of Development Special Tax levied against Assessed Parcels.

"Parcel Lease" means a contract in the form set forth as an exhibit to the DDA by which the Port will convey a leasehold interest in a Taxable Parcel to a Vertical Developer.

"Parcel Lease Execution Date" means the effective date of a Parcel Lease that was fully executed by the Port and a Vertical Developer.

"Permit" means (i) for Pier 48, a permit issued by the Port that allows for rehabilitation of the existing historic structures, and (ii) for all property in the STD (other than Pier 48 if it is annexed to the STD), the first permit, whether a site permit or building permit, issued by the Port that, immediately upon issuance or ultimately after addenda to the permit, allows for vertical construction of a building or buildings.

"Pier 48" is defined in the Appendix.

"Planning Code" means the Planning Code of the City and County of San Francisco, as it may be amended from time to time.

"Planning Parcel" means a geographic area within the STD that, for planning and entitlement purposes, has been designated as a separate Parcel with an alpha, numeric, or alpha-numeric identifier to be used for reference until an Assessor's Parcel is created and an Assessor's Parcel number is assigned. The Planning Parcels at STD Formation are identified in Attachment 1 hereto.

"Port" means the Port of San Francisco.

"Project Area I" means the area within the City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco) that covers the Project Site and was formed by Ordinance No. 34-18.

"Project Site" is defined in the Appendix.

"Prop. M" means Proposition M, the citizen-sponsored initiative passed by San Francisco voters in November 1986 that created an annual limit on the square footage of certain office development in the City, and any subsequent proposition that limits office square footage within the STD.

"Proportionately" means, for Developed Property, that the ratio of the actual Contingent Services Special Tax levied in any Fiscal Year to the Maximum Contingent Services Special Tax authorized to be levied in that Fiscal Year is equal for all Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Development Special Tax, Office Special Tax, and Shoreline Special Tax levied to the Maximum Development Special Tax, Office Special Tax, and Shoreline Special Tax, respectively, is equal for all Parcels of Undeveloped Property.

"Public Property" means any property within the boundaries of the STD that is owned by or leased to the federal government, State of California, City, or public agency other than the Port. Parcels of Public Property, and/or Leasehold Interests in Public Property, that do not fall within the definition of Exempt Square Footage shall be taxed as Developed Property or Undeveloped Property, as determined by the Administrator pursuant to the definitions set forth in this RMA.

"Remainder Special Taxes" means, as calculated between September 1st and December 31st of any Fiscal Year, any Development Special Tax, Office Special Tax, and Shoreline Special Tax revenues that were collected in the prior Fiscal Year and were not needed to: (i) pay debt service on the applicable Development Special Tax Bonds, Shoreline Special Tax Bonds, or Office Special Tax Bonds that was due in the calendar year that begins in the Fiscal Year in which the Remainder Special Taxes were levied; (ii) pay periodic costs on the applicable Development Special Tax Bonds, Shoreline Special Tax Bonds, or Office Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments (iii) replenish reserve funds created for the applicable Development Special Tax Bonds, Shoreline Special Tax Bonds, or Office Special Tax Bonds under the applicable Indenture; (iv) cure any delinquencies in the payment of principal or interest on applicable Development Special Tax Bonds, Shoreline Special Tax Bonds, or Office Special Tax Bonds which have occurred in the prior Fiscal Year; or (v) pay Administrative Expenses that have been incurred, or are expected to be incurred, by the City or Port prior to the receipt of Development Special Tax, Shoreline Special Tax or Office Special Tax proceeds.

"Required Coverage" means (i) for Development Special Tax Bonds, the amount by which the Maximum Development Special Tax Revenues must exceed the Development Special Tax Bond debt service and priority Administrative Expenses (if any), as set forth in the applicable Indenture, Certificate of Special Tax Consultant, or other STD Formation Proceedings or Bond document that sets forth the minimum required debt service coverage; (ii) for Shoreline Special

Tax Bonds, the amount by which the Maximum Shoreline Special Tax Revenues must exceed the Shoreline Special Tax Bond debt service and priority Administrative Expenses (if any), as set forth in the applicable Indenture, Certificate of Special Tax Consultant, or other STD Formation Proceedings or Bond document that sets forth the minimum required debt service coverage, and (iii) for Office Special Tax Bonds, the amount by which the Maximum Office Special Tax Revenues must exceed the Office Special Tax Bond debt service and priority Administrative Expenses (if any), as set forth in the applicable Indenture, Certificate of Special Tax Consultant, or other STD Formation Proceedings or Bond document that sets forth the minimum required debt service coverage.

"Residential Unit" means an individual residential housing unit in a residential or mixed-use building.

"Review Authority" means the Deputy Director of Real Estate & Development for the Port or an alternate designee from the Port or the City who is responsible for approvals and entitlements of a development project.

"RMA" means this Rate and Method of Apportionment of Special Taxes.

"Services Special Tax Requirement" means the amount necessary in any Fiscal Year to: (i) pay the costs of operations and maintenance or other public services that are included as Authorized Expenditures; (ii) cure delinquencies in the payment of Contingent Services Special Taxes in the prior Fiscal Year; and (iii) pay Administrative Expenses.

"Shoreline Special Tax" means a special tax levied in any Fiscal Year to pay the Shoreline Special Tax Requirement.

"Shoreline Special Tax Bonds" means any Bonds secured solely by Shoreline Special Taxes that have been levied and are available after dividing the Shoreline Special Taxes as set forth in Financing Plan Section 4.7, and factoring in debt service coverage and related Indenture requirements, as determined by the Administrator

"Shoreline Special Tax Requirement" means the amount necessary in any Fiscal Year to pay: (i) pay principal and interest on Shoreline Special Tax Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on Shoreline Special Tax Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments; (iii) replenish reserve funds created for Shoreline Special Tax Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Shoreline Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Shoreline Special Tax Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; (vi) pay directly for the costs of shoreline improvements so long as such levy under this clause (vi) does not increase the Shoreline Special Tax levied on Undeveloped Property; and (vii) pay other obligations described in the Financing Plan. The amount calculated to pay items (i) through (vii) above may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Shoreline Special Tax Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the Port, proceeds received by the STD from the collection of penalties associated with delinquent Shoreline Special Taxes; and

(c) any other revenues available to pay such costs, as determined by the Administrator, the City, and the Port.

"Special Taxes" means the Development Special Tax, Shoreline Special Tax, Office Special Tax, and Contingent Services Special Tax.

"Square Footage Category" means, individually, Market-Rate Residential Square Footage, Office Square Footage, and Excess Exempt Square Footage.

"STD" or **"STD No. 2020-1"** means the City and County of San Francisco Special Tax District No. 2020-1 (Mission Rock Facilities and Services).

"STD Formation" means the date on which the Board approved documents to form the STD.

"STD Formation Proceedings" means the proceedings to form the STD, including all resolutions, reports, and notices.

"Sub-Project Areas" means all sub-project areas designated within Project Area I.

"Tax-Exempt Port Parcels" means Port-owned Parcels that are or are intended to be used as streets, walkways, alleys, rights of way, parks, open space, or other similar uses. The final determination as to whether a Parcel is a Tax-Exempt Port Parcel shall be made by the Review Authority.

"Tax Increment" means the tax increment generated from all Sub-Project Areas.

"Taxable Parcel" means any Parcel within the STD that is not a Tax-Exempt Port Parcel or a Parcel for which the Special Tax has been prepaid pursuant to Sections 53317.3 or 53317.5 of the Mello-Roos Act.

"Taxpayer" means the lessee of a Taxable Parcel within the STD.

"Tax Zone" means a separate and distinct geographic area in the STD within which one or more Special Taxes are applied at a rate or in a manner that is different than in other areas within the STD. The two Tax Zones at STD Formation are identified in Attachment 2 hereto. Parcels that annex into the CFD may annex into Tax Zone 1, Tax Zone 2, or establish a new Tax Zone upon annexation. The Port will determine the applicable Tax Zone for Parcels that annex into the STD.

"Trigger Event" means the earlier of (i) any amendment to the Management Agreement that expressly authorizes the levy of Contingent Services Special Taxes, (ii) the expiration or earlier termination of the Management Agreement, or (iii) any Taxable Parcel becoming Developed Property prior to a Management Agreement being executed by both the Port and the Association (or related entity).

"Undeveloped Property" means, in any Fiscal Year, all Taxable Parcels that are not Developed Property.

"Vertical Developer" means a developer that has entered into a Parcel Lease for construction of vertical improvements on a Taxable Parcel or rehabilitation of Pier 48.

B. DATA FOR STD ADMINISTRATION

On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Taxable Parcels. The Administrator shall also determine: (i) whether each Taxable Parcel is Developed Property or Undeveloped Property; (ii) the Planning Parcel and Tax Zone within which each Taxable Parcel is located; (iii) for Developed Property, the Market-Rate Residential Square Footage and Office Square Footage within each building; (iv) the Taxpayer for each Leasehold Interest in a Taxable Parcel; and (v) the Development Special Tax Requirement, Office Special Tax Requirement, Shoreline Special Tax Requirement, and, if applicable, Services Special Tax Requirement for the Fiscal Year.

When a Parcel becomes Developed Property, the Administrator and Review Authority shall reference the Permit for each building on the Parcel to determine the Market-Rate Residential Square Footage and/or Office Square Footage within the building(s). If the Market-Rate Residential Square Footage and/or Office Square Footage is not identified on the Permit, the square footage assumptions used in the appraisal prepared when the Vertical DDA and/or Parcel Lease for such Parcel was executed shall be used to determine Market-Rate Residential Square Footage and/or Office Square Footage within the building. If, after review of the Permit and appraisal, there is still no clear indication of the Market-Rate Residential Square Footage and/or Office Square Footage for a building, the Review Authority shall review the Development Approval Documents and make a determination as to the amount of Market-Rate Residential Square Footage and/or Office Square Footage in the building.

When a Parcel becomes Developed Property, the Administrator and Review Authority shall also identify and document the Initial Exempt Square Footage for the building or buildings on or expected on the Parcel. The Administrator shall keep a record of the Initial Exempt Square Footage broken down by Exempt Use. After the First Bond Sale, as square footage within a building is designated for Exempt Uses, the Administrator shall compare the actual square footage used for each Exempt Use to the Initial Exempt Square Footage by Exempt Use. If, at any point in time, there is determined to be Excess Exempt Square Footage within a building, the Administrator and Review Authority shall use this comparison to determine which square footage should be designated Excess Exempt Square Footage. In addition, the Administrator shall determine whether the Excess Exempt Square Footage resulted in a reduction in Market-Rate Residential Square Footage or Office Square Footage expected in the building and, based on this determination, identify the applicable Maximum Special Taxes for the Excess Exempt Square Footage pursuant to the tables in Section C below.

The Administrator shall also: (i) coordinate with the Deputy Director to confirm Parcel Increment; (ii) coordinate with the Treasurer-Tax Collector's Office to determine if there have been any Special Tax delinquencies or repayment of Special Tax delinquencies in prior Fiscal Years; (iii) review the Development Approval Documents and communicate with the Developer and Vertical Developers regarding proposed Land Use Changes; and (iv) upon each annexation, Land Use Change, and notification of Parcel Lease Execution Dates, update Attachment 3 to reflect the then-current Expected Land Uses, Expected Maximum Development Special Tax

Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues. The Developer, Port, or Vertical Developer shall notify the Administrator each time a Parcel Lease is executed in order for the Administrator to keep track of Parcel Lease Execution Dates. In addition, the Port will: (i) provide the Administrator with copies of all leases that establish a Leasehold Interest, (ii) notify the Administrator of renewals of leases that establish a Leasehold Interest, and (iii) identify the buildings, Parcels, and Square Footage subject to such leases that establish a Leasehold Interest. Any time a lease on property within the STD is terminated, the Port will immediately notify the Administrator of such termination.

Prior to the First Bond Sale, the Administrator, Port, Developer, and any Vertical Developers shall coordinate to review the Expected Land Uses and determine if changes should be made to reflect more current estimates for land uses on each Planning Parcel. Based on this review, the Administrator shall update Attachment 3 with the then-current Expected Land Uses and Expected Maximum Development Special Tax Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues, which will be used to size the sale of Bonds unless and until there are additional updates of Attachment 3.

In any Fiscal Year, if it is determined that (i) a parcel map or condominium plan was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the map or plan was recorded, the Assessor does not yet recognize the newly-created Parcels, and (iii) one or more of the newly-created Parcels meets the definition of Developed Property, the Administrator shall calculate the Special Taxes for the property affected by recordation of the map or plan by determining the Special Taxes that applies separately to each newly-created Parcel, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map or condominium plan.

C. <u>MAXIMUM SPECIAL TAXES</u>

In calculating Maximum Special Taxes pursuant to this Section C, in any Fiscal Year in which the boundaries of the Planning Parcels are not identical to the boundaries of the then-current Assessor's Parcels, the Administrator shall review the Expected Land Uses for each Planning Parcel and assign the Maximum Special Taxes to the then-current Assessor's Parcels. The Maximum Special Tax Revenues after such allocation shall not be less than the Maximum Special Tax Revenues prior to the allocation.

1. Undeveloped Property

1a. Development Special Tax, Office Special Tax, Shoreline Special Tax

The Maximum Development Special Tax, Maximum Office Special Tax, and Maximum Shoreline Special Tax for Leasehold Interests in Undeveloped Property in all Tax Zones shall be the Expected Maximum Development Special Tax Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues shown in Attachment 3 of this RMA, as it may be amended as set forth herein.

1b. Contingent Services Special Tax

No Contingent Services Special Tax shall be levied on Parcels of Undeveloped Property in any Tax Zone within the STD.

2. Developed Property

2a. Development Special Tax

When a Taxable Parcel in Tax Zone 1 or Tax Zone 2 becomes Developed Property, the Administrator shall use the Base Development Special Taxes shown in Table 1 below and apply the steps set forth in this Section 2a to determine the Maximum Development Special Tax for Leasehold Interests in the Taxable Parcel. For property that annexes into the CFD, different maximum rates and different Square Footage Categories may be established by creating a separate Tax Zone for such annexed property. Alternatively, property may be annexed into Tax Zones that were established prior to the annexation, and such property shall be subject to the Maximum Special Taxes applicable to that Tax Zone.

Table 1
Base Development Special Tax

Square Footage Category	**Base Development Special Tax Tax Zone 1 (FY 2019-20) ***	**Base Development Special Tax Tax Zone 2 (FY 2019-20) ***
Market-Rate Residential Square Footage	$8.58 per Market-Rate Residential Square Foot	$8.58 per Market-Rate Residential Square Foot
Office Square Footage	$6.50 per Office Square Foot	$6.50 per Office Square Foot
Excess Exempt Square Footage	$8.58 per Excess Exempt Square Foot if Market-Rate Residential Square Footage was reduced or $6.50 per Excess Exempt Square Foot if Office Square Footage was reduced	$8.58 per Excess Exempt Square Foot if Market-Rate Residential Square Footage was reduced or $6.50 per Excess Exempt Square Foot if Office Square Footage was reduced

*** The Base Development Special Tax shown above for each Tax Zone shall be escalated as set forth in Section D.1.**

Step 1. Identify the Market-Rate Residential Square Footage, Office Square Footage, and/or Excess Exempt Square Footage in the building(s) on the Taxable Parcel pursuant to Section B above.

Step 2. Multiply the applicable Base Development Special Tax from Table 1 by the actual and/or expected Market-Rate Residential Square Footage and Office Square Footage included in Leasehold Interests in the Taxable Parcel. Prior to the First Bond Sale, the Maximum Development Special Tax for Leasehold Interests in the Taxable Parcel shall be the sum of the amounts calculated for Market-Rate Residential Square Footage and Office Square Footage, and Step 3 below shall not apply.

After the First Bond Sale, the Administrator shall apply Step 3 to determine the Maximum Development Special Tax for Leasehold Interests in the Taxable Parcel.

Step 3. Compare the Estimated Base Development Special Tax Revenues from Step 2 to the Expected Maximum Development Special Tax Revenues, and, apply one of the following, as applicable:

- *If the Estimated Base Development Special Tax Revenues are: (i) <u>greater than or equal to</u> the Expected Maximum Development Special Tax Revenues or (ii) <u>less than</u> the Expected Maximum Development Special Tax Revenues, but the Maximum Development Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Development Special Tax Revenues, are still sufficient to provide Required Coverage,* then the Maximum Development Special Tax for Leasehold Interests in the Taxable Parcel shall be determined by multiplying the applicable Base Development Special Taxes by the actual and/or expected Market-Rate Residential Square Footage and Office Square Footage within each building on the Taxable Parcel. The Administrator shall update Attachment 3 to reflect the change in the Expected Maximum Development Special Tax Revenues.

- *If the Estimated Base Development Special Tax Revenues are <u>less than</u> the Expected Maximum Development Special Tax Revenues, and the Maximum Development Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Development Special Tax Revenues, are insufficient to provide Required Coverage,* then the Administrator and Review Authority shall coordinate with the Developer and Vertical Developer, and the Review Authority shall determine which of the following shall occur:

  (i) the Base Development Special Taxes that were applied to Market-Rate Residential Square Footage and/or Office Square Footage in Step 2 shall be increased proportionately until the amount that can be levied on Leasehold Interests in the Taxable Parcel, combined with the Expected Maximum Development Special Tax Revenues from all other Taxable Parcels in the STD, is sufficient to maintain Required Coverage, ***or***

  (ii) if Estimated Base Development Special Tax Revenues are less than the Expected Maximum Development Special Tax Revenues due to Excess Exempt Square Footage, then the Base Development Special Tax for Excess Exempt Square Footage shall be levied against all Excess Exempt Square Footage included in Leasehold Interests in the Taxable Parcel.

If, pursuant to (i) above, the Base Development Special Taxes are proportionately increased to maintain Required Coverage, the Administrator shall use the adjusted per-square-foot rates to calculate the Maximum Development Special Tax for each building on the Taxable Parcel. The Administrator shall revise Attachment 3 to reflect any changes to the Expected Land Uses (including the addition of Excess Exempt Square Footage) and the Expected Maximum Development Special Tax Revenues.

If, in any Fiscal Year, the Maximum Development Special Tax is determined for Leasehold Interests in any Parcel of Developed Property for which a Permit had not yet been issued, and if, when a Permit is issued for a building(s) on the Parcel, the Market-Rate Residential Square Footage and/or Office Square Footage of such building(s) is different than that used to determine the Maximum Development Special Tax, then the Administrator shall once again apply Steps 1 through 3 in this Section C.2a to recalculate the Maximum Development Special Tax for Leasehold Interests in the Parcel based on the Market-Rate Residential Square Footage and/or Office Square Footage that was determined when the Permit was issued.

The Administrator shall do a final check of the Market-Rate Residential Square Footage and Office Square Footage within each building when a Certificate of Occupancy is issued. Once again, if the Market-Rate Residential Square Footage and/or Office Square Footage is different than the Market-Rate Residential Square Footage and/or Office Square Footage that was used to determine the Maximum Development Special Tax after the Permit was issued, then the Administrator shall apply Steps 1 through 3 in this Section C.2a to recalculate the Maximum Development Special Tax for Leasehold Interests in the Parcel.

2b. Office Special Tax

When a Taxable Parcel in Tax Zone 1 or Tax Zone 2 becomes Developed Property, the Administrator shall use the Base Office Special Taxes shown in Table 2 below and apply the steps set forth in this Section 2b to determine the Maximum Office Special Tax for Leasehold Interests in the Taxable Parcel. For property that annexes into the CFD, different maximum rates and different Square Footage Categories may be established by creating a separate Tax Zone for such annexed property. Alternatively, property may be annexed into Tax Zones that were established prior to the annexation, and such property shall be subject to the Maximum Special Taxes applicable to that Tax Zone.

Table 2 Base Office Special Tax		
Square Footage Category	**Base Office Special Tax Tax Zone 1 (FY 2019-20) ***	**Base Office Special Tax Tax Zone 2 (FY 2019-20) ***
Office Square Footage	$1.92 per Office Square Foot	$1.61 per Office Square Foot
Excess Exempt Square Footage	$1.92 per Excess Exempt Square Foot	$1.61 per Excess Exempt Square Foot

*** The Base Office Special Tax shown above for each Tax Zone shall be escalated as set forth in Section D.1.**

Step 1. Identify the Office Square Footage and Excess Exempt Square Footage in the building(s) on the Taxable Parcel pursuant to Section B above.

Step 2. Multiply the applicable Base Office Special Tax from Table 2 by the actual and/or expected Office Square Footage included in Leasehold Interests in the Taxable Parcel which, prior to the First Bond Sale, shall be the Maximum Office Special Tax for Leasehold Interests in the Taxable Parcel; Step 3 below shall not apply.

After the First Bond Sale, the Administrator shall apply Step 3 to determine the Maximum Office Special Tax for Leasehold Interests in the Taxable Parcel.

Step 3. Compare the Estimated Base Office Special Tax Revenues from Step 2 to the Expected Maximum Office Special Tax Revenues, and, apply one of the following, as applicable:

- *If the Estimated Base Office Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Office Special Tax Revenues or (ii) less than the Expected Maximum Office Special Tax Revenues, but the Maximum Office Special Tax Revenues, assuming the same Office Square Footage that went into the calculation of the Estimated Base Office Special Tax Revenues, are still sufficient to provide Required Coverage*, then the Maximum Office Special Tax for Leasehold Interests in the Taxable Parcel shall be determined by multiplying the applicable Base Office Special Taxes by the actual and/or expected Office Square Footage within each building on the Taxable Parcel. The Administrator shall update Attachment 3 to reflect the change in the Expected Maximum Office Special Tax Revenues.

- *If the Estimated Base Office Special Tax Revenues are less than the Expected Maximum Office Special Tax Revenues, and the Maximum Office Special Tax Revenues, assuming the same Office Square Footage* *that went into the calculation of the Estimated Base Office Special Tax Revenues, are insufficient to provide Required Coverage*, then the Administrator and Review Authority shall coordinate with the Developer and Vertical Developer, and the Review Authority shall determine which of the following shall occur:

(i) the Base Office Special Taxes that were applied to Office Square Footage in Step 2 shall be increased proportionately until the amount that can be levied on Leasehold Interests in the Taxable Parcel, combined with the Expected Maximum Office Special Tax Revenues from all other Taxable Parcels in the STD, is sufficient to maintain Required Coverage, ***or***

(ii) if Estimated Base Office Special Tax Revenues are less than the Expected Maximum Office Special Tax Revenues due to Excess Exempt Square Footage, then the Base Office Special Tax for Excess Exempt Square Footage shall be levied against all Excess Exempt Square Footage included in Leasehold Interests in the Taxable Parcel.

If, pursuant to (i) above, the Base Office Special Taxes are proportionately increased to maintain Required Coverage, the Administrator shall use the adjusted per-square-foot rates to calculate the Maximum Office Special Tax for each building on the Taxable Parcel. The Administrator shall revise Attachment 3 to reflect any changes to the Expected Land Uses (including the addition of Excess Exempt Square Footage) and the Expected Maximum Office Special Tax Revenues.

If, in any Fiscal Year, the Maximum Office Special Tax is determined for Leasehold Interests in any Parcel of Developed Property for which a Permit had not yet been issued, and if, when a Permit is issued for a building(s) on the Parcel, the Office Square Footage of such building(s) is different than that used to determine the Maximum Office Special Tax, then the Administrator shall once again apply Steps 1 through 3 in this Section C.2b to recalculate the Maximum Office Special Tax for Leasehold Interests in the Parcel based on the Office Square Footage that was determined when the Permit was issued.

The Administrator shall do a final check of the Office Square Footage within each building when a Certificate of Occupancy is issued. Once again, if the Office Square Footage is different than the Office Square Footage that was used to determine the Maximum Office Special Tax after the Permit was issued, then the Administrator shall apply Steps 1 through 3 in this Section C.2b to recalculate the Maximum Office Special Tax for Leasehold Interests in the Parcel.

2c. Shoreline Special Tax

When a Taxable Parcel in Tax Zone 1 or Tax Zone 2 becomes Developed Property, the Administrator shall use the Base Shoreline Special Taxes shown in Table 3 below and apply the steps set forth in this Section 2c to determine the Maximum Shoreline Special

Tax for Leasehold Interests in the Taxable Parcel. For property that annexes into the CFD, different maximum rates and different Square Footage Categories may be established by creating a separate Tax Zone for such annexed property. Alternatively, property may be annexed into Tax Zones that were established prior to the annexation, and such property shall be subject to the Maximum Special Taxes applicable to that Tax Zone.

Table 3 Base Shoreline Special Tax		
Square Footage Category	**Base Shoreline Special Tax Tax Zone 1 (FY 2019-20) ***	**Base Shoreline Special Tax Tax Zone 2 (FY 2019-20) ***
Office Square Footage	$1.82 per Office Square Foot	$1.82 per Office Square Foot
Excess Exempt Square Footage	$1.82 per Excess Exempt Square Foot if Market-Rate Residential Square Footage was reduced or $1.82 per Excess Exempt Square Foot if Office Square Footage was reduced	$1.82 per Excess Exempt Square Foot if Market-Rate Residential Square Footage was reduced or $1.82 per Excess Exempt Square Foot if Office Square Footage was reduced

*** The Base Shoreline Special Tax shown above for each Tax Zone shall be escalated as set forth in Section D.1.**

Step 1. Identify the Market-Rate Residential Square Footage, Office Square Footage, and/or Excess Exempt Square Footage in the building(s) on the Taxable Parcel pursuant to Section B above.

Step 2. Multiply the applicable Base Shoreline Special Tax from Table 3 by the actual and/or expected Market-Rate Residential Square Footage and Office Square Footage included in Leasehold Interests in the Taxable Parcel. Prior to the First Bond Sale, the Maximum Shoreline Special Tax for Leasehold Interests in the Taxable Parcel shall be the sum of the amounts calculated for Market-Rate Residential Square Footage and Office Square Footage, and Step 3 below shall not apply.

After the First Bond Sale, the Administrator shall apply Step 3 to determine the Maximum Shoreline Special Tax for Leasehold Interests in the Taxable Parcel.

Step 3. Compare the Estimated Base Shoreline Special Tax Revenues from Step 2 to the Expected Maximum Shoreline Special Tax Revenues, and, apply one of the following, as applicable:

- *If the Estimated Base Shoreline Special Tax Revenues are: (i) greater than or equal to the Expected Maximum Shoreline Special Tax Revenues or (ii) less than the Expected Maximum Shoreline Special Tax Revenues, but the Maximum Shoreline Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Shoreline Special Tax Revenues, are still sufficient to provide Required Coverage*, then the Maximum Shoreline Special Tax for Leasehold Interests in the Taxable Parcel shall be determined by multiplying the applicable Base Shoreline Special Taxes by the actual and/or expected Market-Rate Residential Square Footage and Office Square Footage within each building on the Taxable Parcel. The Administrator shall update Attachment 3 to reflect the change in the Expected Maximum Shoreline Special Tax Revenues.

- *If the Estimated Base Shoreline Special Tax Revenues are less than the Expected Maximum Shoreline Special Tax Revenues, and the Maximum Shoreline Special Tax Revenues, assuming the same land uses that went into the calculation of the Estimated Base Shoreline Special Tax Revenues, are insufficient to provide Required Coverage*, then the Administrator and Review Authority shall coordinate with the Developer and Vertical Developer, and the Review Authority shall determine which of the following shall occur:

  (i) the Base Shoreline Special Taxes that were applied to Market-Rate Residential Square Footage and/or Office Square Footage in Step 2 shall be increased proportionately until the amount that can be levied on Leasehold Interests in the Taxable Parcel, combined with the Expected Maximum Shoreline Special Tax Revenues from all other Taxable Parcels in the STD, is sufficient to maintain Required Coverage, ***or***

  (ii) if Estimated Base Shoreline Special Tax Revenues are less than the Expected Maximum Shoreline Special Tax Revenues due to Excess Exempt Square Footage, then the Base Shoreline Special Tax for Excess Exempt Square Footage shall be levied against all Excess Exempt Square Footage included in Leasehold Interests in the Taxable Parcel.

  If, pursuant to (i) above, the Base Shoreline Special Taxes are proportionately increased to maintain Required Coverage, the Administrator shall use the adjusted per-square-foot rates to calculate the Maximum Shoreline Special Tax for each building on the Taxable Parcel. The Administrator shall revise Attachment 3 to reflect any changes to the Expected Land Uses (including the addition of Excess Exempt Square Footage) and the Expected Maximum Shoreline Special Tax Revenues.

If, in any Fiscal Year, the Maximum Shoreline Special Tax is determined for Leasehold Interests in any Parcel of Developed Property for which a Permit had not yet been issued, and if, when a Permit is issued for a building(s) on the Parcel, the Market-Rate Residential Square Footage and/or Office Square Footage of such building(s) is different than that used to determine the Maximum Shoreline Special Tax, then the Administrator shall once again apply Steps 1 through 3 in this Section C.2c to recalculate the Maximum Shoreline Special Tax for Leasehold Interests in the Parcel based on the Market-Rate Residential Square Footage and/or Office Square Footage that was determined when the Permit was issued.

The Administrator shall do a final check of the Market-Rate Residential Square Footage and Office Square Footage within each building when a Certificate of Occupancy is issued. Once again, if the Market-Rate Residential Square Footage and/or Office Square Footage is different than the Market-Rate Residential Square Footage and/or Office Square Footage that was used to determine the Maximum Shoreline Special Tax after the Permit was issued, then the Administrator shall apply Steps 1 through 3 in this Section C.2c to recalculate the Maximum Shoreline Special Tax for Leasehold Interests in the Parcel.

2d. Contingent Services Special Tax

In the first Fiscal Year after the Fiscal Year in which the Trigger Event occurs, and in each Fiscal Year thereafter, this Section C.2d shall be applied to determine the Contingent Services Special Tax for each Taxable Parcel in the STD.

When a Taxable Parcel in Tax Zone 1 or Tax Zone 2 becomes Developed Property, the Administrator shall use the Base Contingent Services Special Taxes shown in Table 4 below and apply the steps set forth in this Section 2d to determine the Maximum Contingent Services Special Tax for Leasehold Interests in the Taxable Parcel. For property that annexes into the CFD, different maximum rates may be established by creating a separate Tax Zone for such annexed property. Alternatively, property may be annexed into Tax Zones that were established prior to the annexation, and such property shall be subject to the Maximum Special Taxes applicable to that Tax Zone.

Table 4
Base Contingent Services Special Tax

Square Footage Category	**Base Contingent Services Special Tax Tax Zone 1 (FY 2019-20) ***	**Base Contingent Services Special Tax Tax Zone 2 (FY 2019-20) ***
Market-Rate Residential Square Footage	$1.40 per Market-Rate Residential Square Foot	$1.40 per Market-Rate Residential Square Foot
Office Square Footage	$1.40 per Office Square Foot	$1.40 per Office Square Foot
Excess Exempt Square Footage	$1.40 per Excess Exempt Square Foot	$1.40 per Excess Exempt Square Foot

*** The Base Contingent Services Special Tax for each Tax Zone shown above shall be escalated as set forth in Section D.2.**

Step 1. Identify the Market-Rate Residential Square Footage, Office Square Footage, and/or Excess Exempt Square Footage in the building(s) on the Taxable Parcel pursuant to Section B above.

Step 2. Multiply the applicable Base Contingent Services Special Tax from Table 4 by the actual and/or expected Market-Rate Residential Square Footage, Office Square Footage, and Excess Exempt Square Footage included in Leasehold Interests in the Taxable Parcel. The Maximum Contingent Services Special Tax for Leasehold Interests in the Taxable Parcel shall be the sum of the amounts calculated for Market-Rate Residential Square Footage, Office Square Footage, and Excess Exempt Square Footage.

If additional structures are anticipated to be built on the Taxable Parcel as shown in the Development Approval Documents, the Administrator shall, regardless of the definitions set forth herein, categorize each building for which a Permit has been issued as Developed Property, and any remaining buildings for which Permits have not yet been issued shall not be subject to a Contingent Services Special Tax until a Permit is issued for such remaining buildings. To determine the Contingent Services Special Tax for any such Taxable Parcel, the Administrator shall take the sum of the Contingent Services Special Taxes determined for each building.

D. <u>CHANGES TO THE MAXIMUM SPECIAL TAXES</u>

1. Annual Escalation of Development Special Tax, Office Special Tax, and Shoreline Special Tax

Beginning July 1, 2020 and each July 1 thereafter, each of the following amounts shall be increased by 2% of the amount in effect in the prior Fiscal Year: the Base Development Special Tax for each Tax Zone; the Base Office Special Tax for each Tax Zone; the Base Shoreline Special Tax for each Tax Zone; the Expected Maximum Development Special Tax Revenues, the Expected Maximum Office Special Tax Revenues, and the Expected Maximum Shoreline Special Tax Revenues in Attachment 3; and the Maximum Development Special Tax, the Maximum Office Special Tax, and the Maximum Shoreline Special Tax assigned to the Leasehold Interests in each Taxable Parcel.

2. Annual Escalation of Contingent Services Special Tax

Beginning July 1, 2020 and each July 1 thereafter, the Base Contingent Services Special Tax for each Tax Zone and the Maximum Contingent Services Special Tax assigned to the Leasehold Interests in each Taxable Parcel shall be adjusted by the Escalator.

3. Changes in Square Footage Category on a Parcel of Developed Property

If any Parcel that had been taxed as Developed Property in a prior Fiscal Year is rezoned or otherwise has a Land Use Change, as determined by the Review Authority, the Administrator shall, separately for each of the Special Taxes, multiply the applicable Base Special Tax by the new square footage within each Square Footage Category; if the First Bond Sale has not yet occurred, this amount shall be the Maximum Special Tax for Leasehold Interests in the Parcel. If the First Bond Sale has taken place, the Administrator shall apply the remainder of this Section D.3.

If the Maximum Special Tax that would apply to Leasehold Interests in the Parcel after the Land Use Change is greater than the Maximum Special Tax that applied to Leasehold Interests in the Parcel prior to the Land Use Change, the Administrator shall increase the Maximum Special Tax for the Parcel to the amount calculated for each new Square Footage Category. If the Maximum Special Tax after the Land Use Change is less than the Maximum Special Tax that applied prior to the Land Use Change, there will be no change to the Maximum Special Tax for Leasehold Interests in the Parcel. Under no circumstances shall the Maximum Special Tax on Leasehold Interests in any Parcel of Developed Property be reduced, regardless of changes in Square Footage Category or square footage on the Parcel, including reductions in square footage that may occur due to demolition, fire, water damage, or acts of God.

4. Changes to Planning Parcels and Expected Land Uses

If, at any time prior to the First Bond Sale, the Developer or a Vertical Developer makes changes to the boundaries of the Planning Parcels or the Expected Land Uses within one or more Planning Parcels, as determined by the Review Authority, the Administrator shall update the Expected Land Uses and Expected Maximum Development Special Tax Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues, which will be reflected on an updated Attachment 3. In addition, the Administrator will request updated Attachments 1 and 2 from the Developer. Updated attachments shall be maintained by the Administrator for purposes of applying this RMA, and such updates shall not require recordation of an amended RMA.

If, after the First Bond Sale, the Developer or a Vertical Developer proposes to make changes to the boundaries of the Planning Parcels or the Expected Land Uses within one or more Planning Parcels, the Administrator shall meet with the Port, Developer, and any affected Vertical Developers to review the proposed changes and evaluate the impact on the Expected Maximum Development Special Tax Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues. If the Administrator determines that such changes will not reduce Required Coverage on Bonds that have been or will be issued, the Port will decide whether to allow the proposed changes and corresponding redistribution of the Expected Maximum Development Special Tax Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues. If such changes are permitted, the Administrator will update Attachment 3 and request updated Attachments 1 and 2 from the Developer. Updated attachments shall be maintained by the Administrator for purposes of applying this RMA, and such updates shall not require recordation of an amended RMA. If the Administrator determines that the proposed changes will reduce Required Coverage on Bonds that have been issued, the Port will not permit the changes.

5. Reduction in Maximum Development Special Taxes Prior to First Bond Sale

Prior to the First Bond Sale, if the City, Port and Developer determine that assumptions that were factored into estimates of Tax Increment at STD Formation have changed, and the estimated Tax Increment is expected to be lower than the original estimates, the Port and Developer may agree to a proportional or disproportional reduction in the Base Development Special Tax as set forth in Section 4.5(e) of the Financing Plan. If the parties agree to such a reduction, the Port will direct the Administrator to use the reduced Base Development Special Tax for purposes of levying the taxes pursuant to this RMA, and an amended Notice of Special Tax Lien reflecting the reduction will be recorded against all Taxable Parcels within the STD. The reduction shall be made without a vote of the qualified STD electors.

E. ANNEXATIONS

If, in any Fiscal Year, a property owner within the Future Annexation Area wants to annex property into the STD, the Administrator shall apply the following steps as part of the annexation proceedings:

Step 1. Working with Port staff, the Administrator shall determine the Expected Land Uses for the area to be annexed and the Tax Zone into which the property will be placed.

Step 2. The Administrator shall prepare or have prepared updated Attachments 1, 2, and 3 to reflect the annexed property and identify the revised Expected Land Uses, Expected Maximum Development Special Tax Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues. After the annexation is complete, the application of this RMA shall be based on the adjusted Expected Land Uses and Maximum Development Special Tax Revenues, Maximum Office Special Tax Revenues, and Maximum Shoreline Special Tax Revenues, as applicable, including the newly annexed property.

Step 3. The Administrator shall ensure that a Notice of Special Tax Lien is recorded against all Parcels that are annexed to the STD.

F. METHOD OF LEVY OF THE SPECIAL TAXES

1. *Development Special Tax*

Each Fiscal Year, the Administrator shall determine the Development Special Tax Requirement for the Fiscal Year, and the Development Special Tax shall be levied according to the steps outlined below:

Step 1. The Administrator shall determine the Development Special Tax to be levied on Leasehold Interests in each Taxable Parcel of Developed Property, as follows:

Step 1a. Calculate the Maximum Development Special Tax for each Leasehold Interest in each Parcel of Developed Property.

Step 1b. In consultation with the City, determine which Parcels of Developed Property are Assessed Parcels.

Step 1c. For all Parcels of Developed Property that are not Assessed Parcels, levy the Maximum Development Special Tax on Leasehold Interests in such Parcels. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Step 1d. For all Assessed Parcels:

Step 1dA. Determine the amount of the Parcel Increment.

Step 1dB. If the total amount of Parcel Increment available is equal to or greater than the total aggregate Maximum Development Special Taxes for all Assessed Parcels, then the levy on each Assessed Parcel shall be zero ($0).

Step 1dC. If the total amount of Parcel Increment available is less than the aggregate Maximum Development Special Taxes for all Assessed Parcels, the Administrator shall apply the appropriate sub-step below:

Substep 1dC(i). ***If, after coordination with the City and Port, the Administrator is provided with a breakdown of Parcel Increment on a Parcel-by-Parcel basis in time for submission of the Special Tax levy,*** the Administrator shall determine the net tax levy on Leasehold Interests in each Assessed Parcel (the "Net Assessed Parcel Tax Levy") by taking the following steps in the following order of priority: (i) subtract from the Maximum Development Special Tax for each Assessed Parcel the amount of Parcel Increment generated from the applicable Assessed Parcel, and (ii) for each Assessed Parcel whose tax levy was not reduced to $0 pursuant to item (i) in this paragraph, apply any remaining Parcel Increment that was not applied pursuant to item (i) in this paragraph to each such Assessed Parcel on a pro rata basis (based on the Assessed Parcel's net remaining tax levy as a percentage of the aggregate net remaining tax levy for all Assessed Parcels for which Parcel Increment was insufficient to pay the full amount of the Assessed Parcel's Maximum Development Special Tax). The Administrator shall levy on Leasehold Interests in each Assessed Parcel the Net Assessed Parcel Tax Levy for such Assessed Parcel. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Substep 1dC(ii). ***If, after coordination with the City and Port, the Administrator determines that a breakdown of Parcel Increment on a Parcel-by-Parcel basis cannot be provided in time for submission of the Special Tax levy,*** the Administrator shall determine the net tax levy on the Leasehold Interest in each Assessed Parcel (the "Net Assessed Parcel Tax Levy") by subtracting from the Maximum Development Special Tax for each Assessed Parcel a pro rata share of the Parcel Increment, with such pro rata share determined based on each Assessed Parcel's Maximum Development Special Tax as a percentage of the aggregate Maximum Development Special Tax for all Assessed Parcels in the STD. The Administrator shall levy on the Leasehold Interest in each Assessed Parcel the Net Assessed Parcel Tax Levy for such Assessed Parcel. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

The Review Authority shall make the final determination regarding available Parcel Increment, the Maximum Development Special Tax that applies to a Parcel based on the Leasehold Interests in the Parcel, and the application of Parcel Increment pursuant to Substeps 1dC(i). and 1dC(ii) above.

Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Development Special Tax Requirement after Capitalized Interest has been applied to reduce the Development Special Tax Requirement, the Development Special Tax shall be levied Proportionately on Leasehold Interests in each Taxable Parcel of Undeveloped Property, in an amount up to 100% of the Maximum Development Special Tax for Leasehold Interests in each Taxable Parcel of Undeveloped Property for such Fiscal Year.

2. ***Office Special Tax***

Each Fiscal Year, the Administrator shall determine the Office Special Tax Requirement for the Fiscal Year, and the Office Special Tax shall be levied according to the steps outlined below:

Step 1. Levy the Maximum Office Special Tax on Leasehold Interests in each Taxable Parcel of Developed Property. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Office Special Tax Requirement after Capitalized Interest has been applied to reduce the Office Special Tax Requirement, the Office Special Tax shall be levied Proportionately on Leasehold Interests in each Taxable Parcel of Undeveloped Property, in an amount up to 100% of the Maximum Office Special Tax for Leasehold Interests in each Taxable Parcel of Undeveloped Property for such Fiscal Year.

3. ***Shoreline Special Tax***

Each Fiscal Year, the Administrator shall determine the Shoreline Special Tax Requirement for the Fiscal Year, and the Shoreline Special Tax shall be levied according to the steps outlined below:

Step 1. Levy the Maximum Shoreline Special Tax on Leasehold Interests in each Taxable Parcel of Developed Property. Any Remainder Special Taxes collected shall be applied pursuant to the Financing Plan.

Step 2. After the First Bond Sale, if additional revenue is needed after Step 1 in order to meet the Shoreline Special Tax Requirement after Capitalized Interest has been applied to reduce the Shoreline Special Tax Requirement, the Shoreline Special Tax shall be levied Proportionately on Leasehold Interests in each Taxable Parcel of Undeveloped Property, in an amount up to 100% of the Maximum Shoreline Special Tax for Leasehold Interests in each Taxable Parcel of Undeveloped Property for such Fiscal Year.

4. ***Contingent Services Special Tax***

Each Fiscal Year after the Fiscal Year in which the Trigger Event occurs, the Administrator shall coordinate with the City and the Port to determine the Services Special Tax Requirement for the Fiscal Year. The Contingent Services Special Tax shall then be levied Proportionately on Leasehold Interests in each Taxable Parcel of Developed Property, in an amount up to 100% of the Maximum Contingent Services Special Tax for Leasehold Interests in each Parcel of Developed Property for such Fiscal Year until the amount levied is equal to the Services Special Tax Requirement. The Contingent Services Special Tax may not be levied on Undeveloped Property.

G. COLLECTION OF SPECIAL TAXES

Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes on the regular tax roll, provided, however, that the City may directly bill Special Taxes, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods as authorized by the CFD Law. The Board of Supervisors has ordered any Special Taxes to be levied on Leasehold Interests to be levied on the secured roll. The Special Tax bill for any Taxable Parcel subject to a Leasehold Interest will be sent to the same party that receives the possessory interest tax bill associated with the Leasehold Interest unless it is sent directly to the Taxpayer.

In calculating the Development Special Tax Requirement, Office Special Tax Requirement, or Shoreline Special Tax Requirement, under no circumstances may the Development Special Tax, Office Special Tax, or Shoreline Special Tax that is levied on a Leasehold Interest in a Taxable Parcel in a Fiscal Year be increased by more than ten percent (10%) of the respective Maximum Development Special Tax, Maximum Office Special Tax, or Maximum Shoreline Special Tax for that Parcel (or such lesser amount required by the CFD Law) as a consequence of delinquency or default in payment of Special Taxes levied on Leasehold Interests in another Parcel(s) in the STD (the “Delinquency Levy”).

The Delinquency Levy, if any, is determined when calculating the Development Special Tax Requirement. Accordingly, when determining the levy of Development Special Taxes on Leasehold Interests in Assessed Parcels pursuant to Step 1 of Section F.1, the Delinquency Levy, if any, has already been applied and, therefore, the Administrator shall not levy any additional

Delinquency Levy on an Assessed Parcel that has its Development Special Tax levy reduced or eliminated by Parcel Increment.

The Development Special Tax shall be levied and collected on Leasehold Interests in each Taxable Parcel until the earlier of: (i) the Fiscal Year in which the Port determines that all Authorized Expenditures that will be funded by the STD have been funded and all Development Special Tax Bonds have been fully repaid; (ii) the Fiscal Year after the Fiscal Year in which Tax Increment is no longer collected within the Sub-Project Area within which the Taxable Parcel is located and all Development Special Tax Bonds have been fully repaid, as determined by the Administrator with direction from the Deputy Director; and (iii) Fiscal Year 2093-94.

The Office Special Tax and the Shoreline Special Tax shall be levied on and collected from Leasehold Interests in each Taxable Parcel for 120 Fiscal Years.

Beginning in the first Fiscal Year after the Fiscal Year in which the Trigger Event occurs, the Contingent Services Special Tax shall be levied and collected in perpetuity.

H. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Taxes will be levied on fee simple interests in the STD, including Tax-Exempt Port Parcels.

I. INTERPRETATION OF SPECIAL TAX FORMULA

The City may interpret, clarify, and revise this RMA to correct any inconsistency, vagueness, or ambiguity, by resolution or ordinance, as long as such interpretation, clarification, or revision does not materially affect the levy and collection of the Special Taxes and any security for any Bonds.

J. SPECIAL TAX APPEALS

Any Taxpayer who wishes to challenge the accuracy of computation of the Special Taxes in any Fiscal Year may file an application with the Administrator. The Administrator, in consultation with the City Attorney, shall promptly review the Taxpayer's application. If the Administrator concludes that the computation of the Special Taxes was not correct, the Administrator shall correct the Special Tax levy and, if applicable in any case, a refund shall be granted. If the Administrator concludes that the computation of the Special Taxes was correct, then such determination shall be final and conclusive, and the Taxpayer shall have no appeal to the Board from the decision of the Administrator.

The filing of an application or an appeal shall not relieve the Taxpayer of the obligation to pay the Special Taxes when due.

Nothing in this Section J shall be interpreted to allow a Taxpayer to bring a claim that would otherwise be barred by applicable statutes of limitation set forth in the CFD Law or elsewhere in applicable law.

ATTACHMENT 1

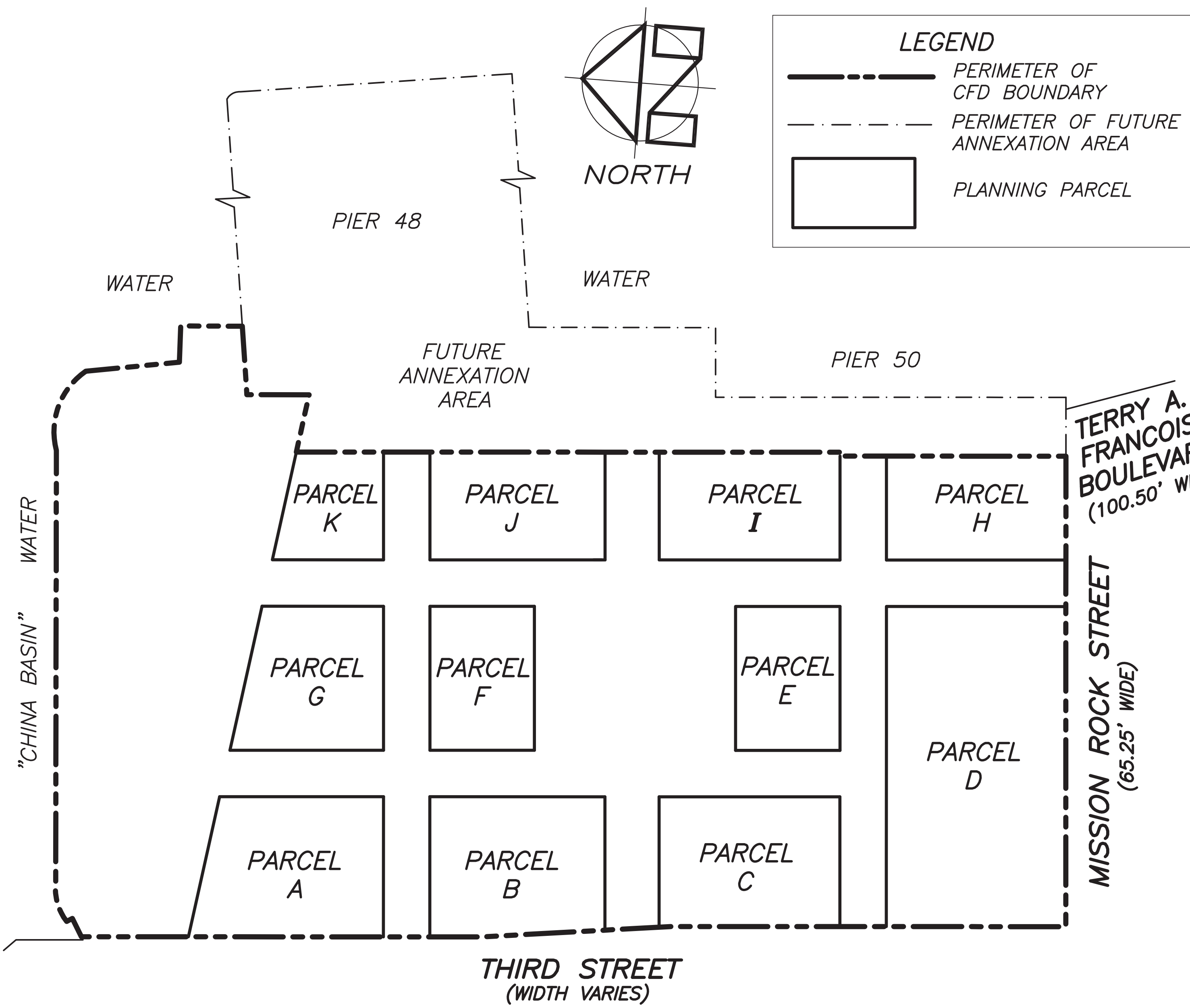
CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2020-1
(MISSION ROCK FACILITIES AND SERVICES)

IDENTIFICATION OF PLANNING PARCELS

ATTACHMENT 1

City and County of San Francisco
Special Tax District No. 2020-1
(Mission Rock Facilities and Services)

IDENTIFICATION OF PLANNING PARCELS



MARTIN M. RON ASSOCIATES, INC.
Land Surveyors
859 HARRISON STREET, SUITE 200
San Francisco, California 94107

S-9229E _EXHIBIT-CFD BNDY.dwg

JANUARY 31, 2020

ATTACHMENT 2

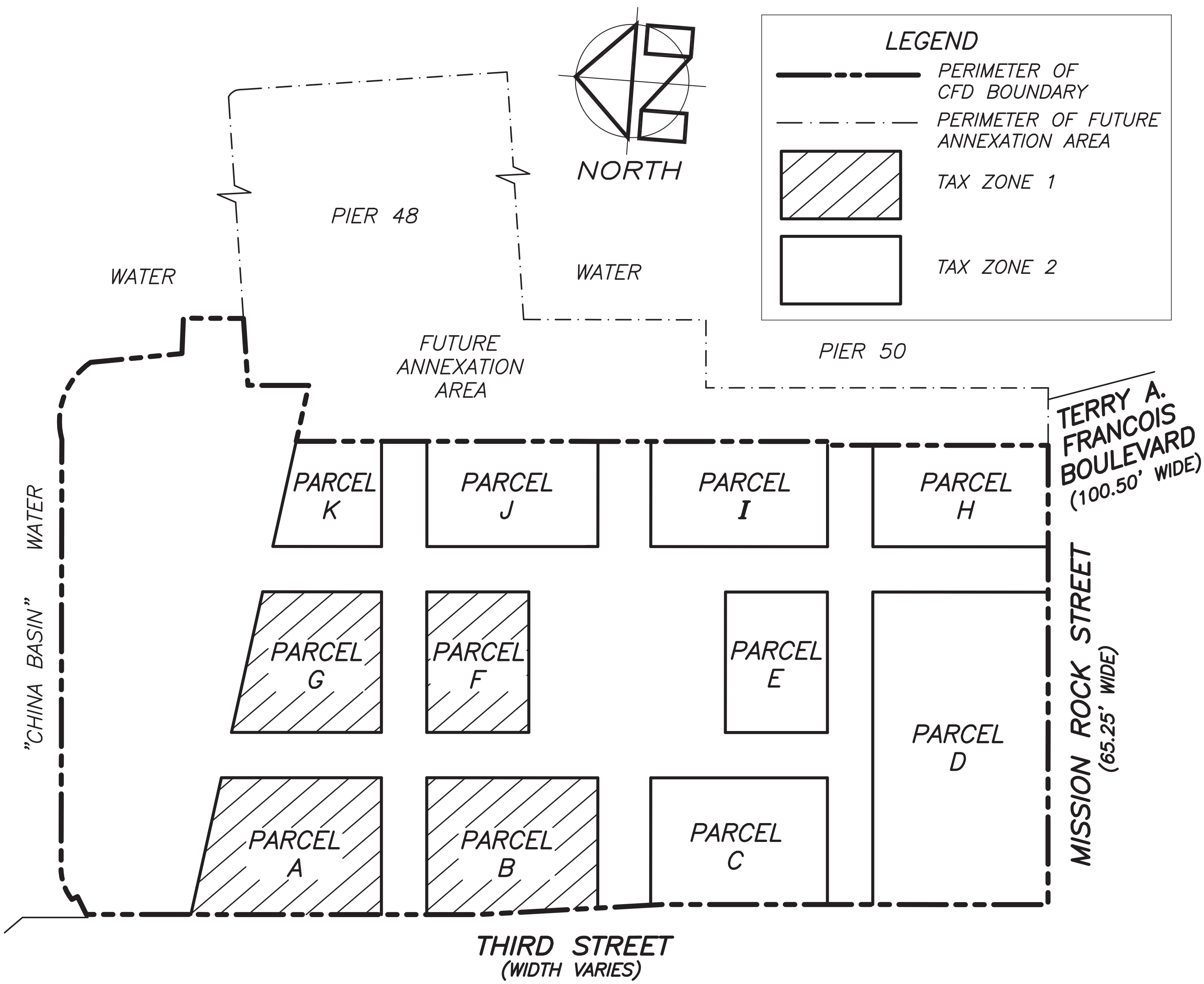
CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2020-1
(MISSION ROCK FACILITIES AND SERVICES)

IDENTIFICATION OF TAX ZONES

ATTACHMENT 2

City and County of San Francisco
Special Tax District No. 2020-1
(Mission Rock Facilities and Services)

IDENTIFICATION OF TAX ZONES



MARTIN M. RON ASSOCIATES, INC.
Land Surveyors
859 HARRISON STREET, SUITE 200
San Francisco, California 94107
S-9229E _EXHIBIT-CFD BNDY.dwg
JANUARY 31, 2020

ATTACHMENT 3

CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2020-1
(MISSION ROCK FACILITIES AND SERVICES)

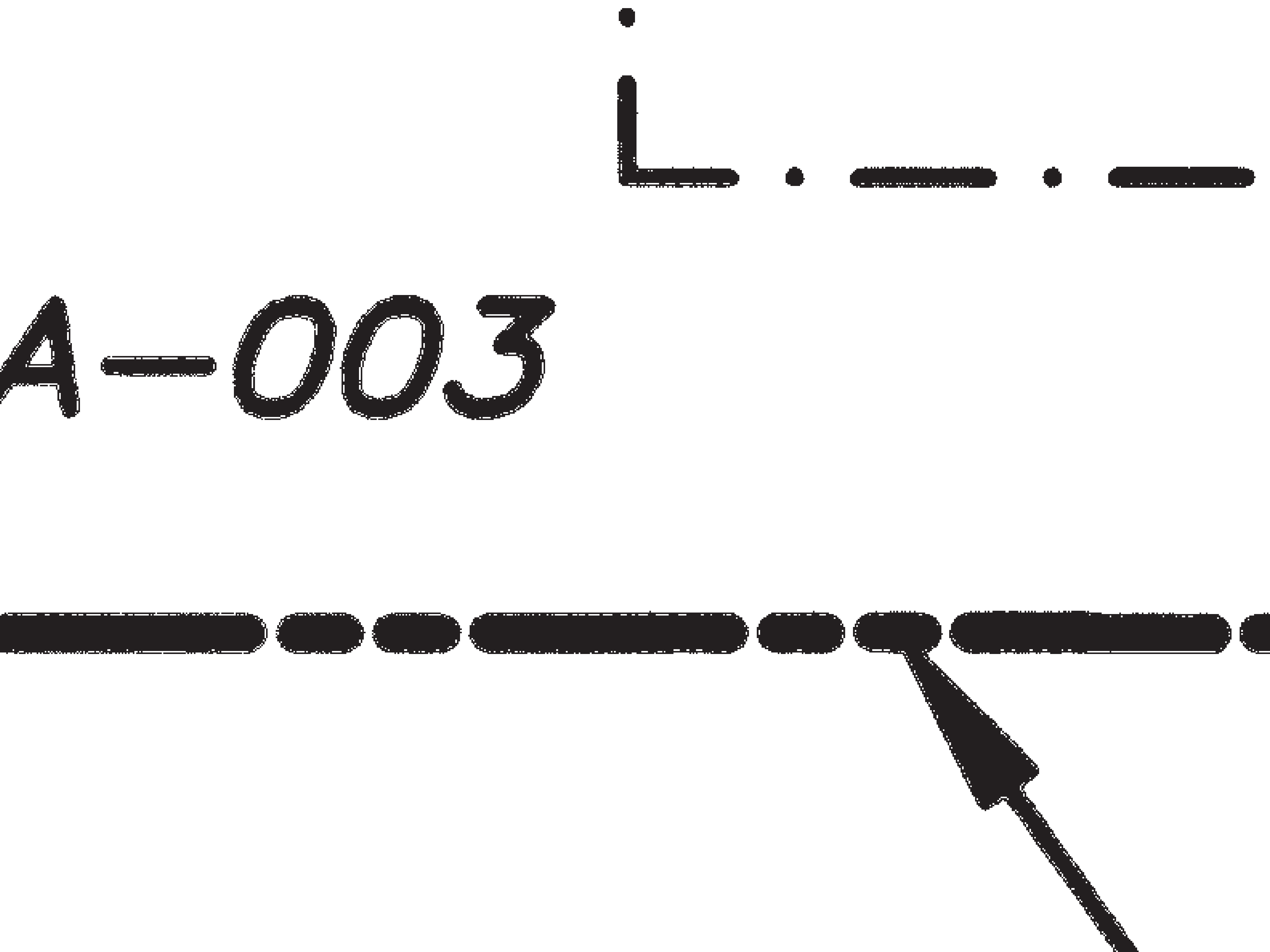
Expected Land Uses, Expected Maximum Development Special Tax Revenues, Expected Maximum Office Special Tax Revenues, and Expected Maximum Shoreline Special Tax Revenues

Planning Parcel	Expected Land Uses	Expected Square Footage	Expected Maximum Development Special Tax Revenues (FY 2019-20)*	Expected Maximum Office Special Tax Revenues (FY 2019-20)*	Expected Maximum Shoreline Special Tax Revenues (FY 2019-20)*
TAX ZONE 1					
Parcel A	Market-Rate Residential Square Footage	146,000	$1,252,680	$0	$0
	Office Square Footage	48,447	$314,906	$93,018	$88,174
Parcel B	Market-Rate Residential Square Footage	0	$0	$0	$0
	Office Square Footage	255,008	$1,657,552	$489,615	$464,115
Parcel G	Market-Rate Residential Square Footage	0	$0	$0	$0
	Office Square Footage	283,323	$1,841,600	$543,980	$515,648
Parcel F	Market-Rate Residential Square Footage	113,000	$969,540	$0	$0
	Office Square Footage	0	$0	$0	$0
TAX ZONE 2					
Parcel C	Market-Rate Residential Square Footage	0	$0	$0	$0
	Office Square Footage	355,000	$2,307,500	$571,550	$646,100
Parcel D	Market-Rate Residential Square Footage	76,800	$658,944	$0	$0
	Office Square Footage	0	$0	$0	$0
Parcel E	Market-Rate Residential Square Footage	0	$0	$0	$0
	Office Square Footage	141,000	$916,500	$227,010	$256,620
Parcel H	Market-Rate Residential Square Footage	96,000	$823,680	$0	$0
	Office Square Footage	49,999	$324,994	$80,498	$90,998
Parcel I	Market-Rate Residential Square Footage	0	$0	$0	$0
	Office Square Footage	152,000	$988,000	$244,720	$276,640
Parcel J	Market-Rate Residential Square Footage	0	$0	$0	$0
	Office Square Footage	152,000	$988,000	$244,720	$276,640
Parcel K	Market-Rate Residential Square Footage	62,400	$535,392	$0	$0
	Office Square Footage	49,999	$324,994	$80,498	$90,998
TOTAL EXPECTED REVENUES (FY 2019-20 $)			**$13,904,280**	**$2,575,611**	**$2,705,932**

*Beginning July 1, 2020 and each July 1 thereafter, the Base Development Special Tax, the Base Office Special Tax, and the Base Shoreline Special Tax shall be escalated as set forth in Section D.1.

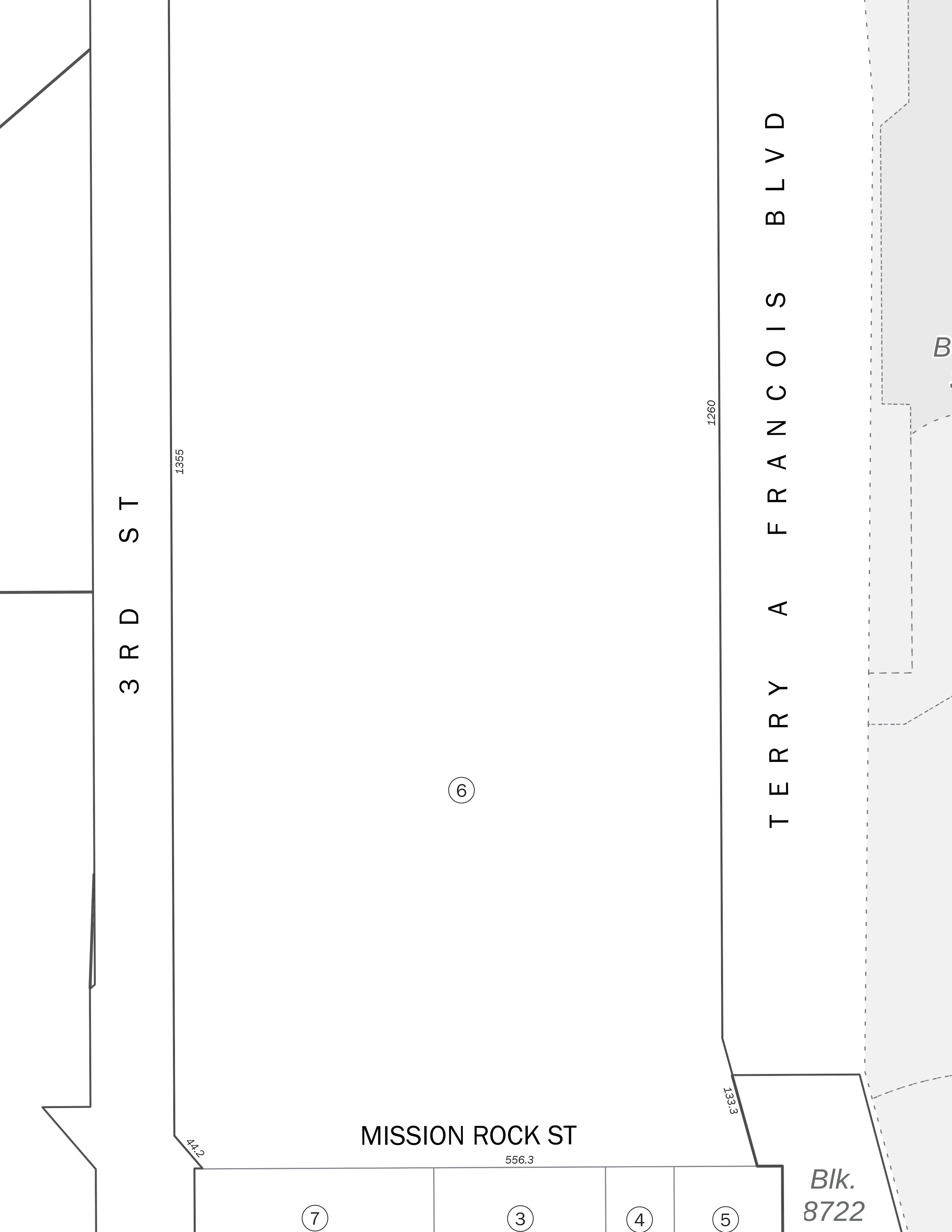
APPENDIX D

Boundary Map of
Community Facilities District No. 2020-1


A-003

APPENDIX E

Assessor's Parcel Maps
for Fiscal Year 2020-21


3RD ST
TERRY A FRANCOIS BLVD
1355
1260
6
MISSION ROCK ST
44.2
556.3
133.3
7
3
4
5
Blk.
8722