

City & County of San Francisco

Infrastructure & Revitalization Financing District No. 1 (Treasure Island)

Continuing Disclosure Annual Report

Fiscal Year Ended June 30, 2024

Issued: March 26, 2025

Due: March 31, 2025



CUSIP Numbers

Series 2022A (Facilities Increment)

<u>Maturity Date</u>	<u>CUSIP</u>
9/1/2027	79773NAA6
9/1/2032	79773NAB4
9/1/2037	79773NAC2
9/1/2052	79773NAD0

Series 2022B (Housing Increment)

<u>Maturity Date</u>	<u>CUSIP</u>
9/1/2032	79773NAE8
9/1/2052	79773NAF5

Series 2023A (Facilities Increment)

<u>Maturity Date</u>	<u>CUSIP</u>
9/1/2033	79773NAG3
9/1/2043	79773NAH1
9/1/2053	79773NAJ7

Series 2023B (Housing Increment)

<u>Maturity Date</u>	<u>CUSIP</u>
9/1/2053	79773NAK4

The Continuing Disclosure Annual Report contains certain information required to be filed annually per SEC rule 15c2-12(b)(5) (“Rule”) by the City and County of San Francisco (“City”) Infrastructure and Revitalization Financing District (“IRFD”) No. 1 (Treasure Island) (“District”). The Rule is applicable to the following:

- Tax Increment Revenue Bonds, Series 2022A (Facilities Increment) (“Series 2022A Bonds”) issued in the aggregate principal amount of \$24,270,000 by the City on behalf of the District on September 8, 2022.
- Tax Increment Revenue Bonds, Series 2022B (Housing Increment) (“Series 2022B Bonds”) issued in the aggregate principal amount of \$5,120,000 by the City on behalf of the District on September 8, 2022.
- Tax Increment Revenue Bonds, Series 2023A (Facilities Increment) (“Series 2023A Bonds”) issued in the aggregate principal amount of \$7,615,000 by the City on behalf of the District on December 21, 2023.
- Tax Increment Revenue Bonds, Series 2023B (Housing Increment) (“Series 2023B Bonds”) issued in the aggregate principal amount of \$1,595,000 by the City on behalf of the District on December 21, 2023.

The Series 2022A Bonds, Series 2022B Bonds, Series 2023A Bonds and Series 2023B Bonds are collectively referred to as the “Bonds” in this report. The Rule requires that an issuer undertake in a written agreement or contract, for the benefit of holders of the securities issued, to file with national and state repositories the following:

1. Certain financial information as presented in the Continuing Disclosure Certificates
2. Audited financial statements of the City
3. Notice of certain enumerated significant events
4. Notice of any failure to provide such annual financial information as agreed

In compliance with the Rule, the City signed the Continuing Disclosure Certificates requiring the District to provide annually, or as they occur, the enumerated information or events above.

Per the Continuing Disclosure Certificates, the City is required to file an annual report with the Municipal Securities Rulemaking Board which includes:

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a) The audited general purpose financial statements of the City prepared in accordance with generally accepted accounting principles applicable to governmental entities. The financial statements required by this subsection (a) shall be accompanied by the following statement:

The City's annual financial statement is provided solely to comply with the Securities Exchange Commission staff's interpretation of rule 15c2-12. The bonds are limited obligations of the City, secured by and payable solely from the pledged tax increment revenues and the funds pledged therefore under the Indentures. The Bonds are not payable from any other source of funds other than the pledged tax increment revenues and the funds pledged therefore under the Indentures. The General Fund of the City is not liable for the payment of the principal of or interest on the Bonds, and neither the credit nor the taxing power of the City (except to the limited extent set forth in the Indentures) or of the State of California or any political subdivision thereof is pledged to the payment of the Bonds.

Report filed under separate cover:

<https://emma.msrb.org/P21870417-P21429027-P21875554.pdf>

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b) The principal amount of the outstanding Parity Facilities Bonds by series as of September 2 preceding the date of the Annual Report.

Series	Original Par Amount	Outstanding Principal
2022A (Facilities)	\$24,270,000	\$23,500,000
2023A (Facilities)	\$7,615,000	\$7,410,000

b) The principal amount of the outstanding Parity Housing Bonds by series as of September 2 preceding the date of the Annual Report.

Series	Original Par Amount	Outstanding Principal
2022B (Housing)	\$5,120,000	\$4,960,000
2023B (Housing)	\$1,595,000	\$1,550,000

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c) The balance in the 2022 Facilities Reserve Account and the then-current Reserve Requirement for the Bonds as of September 2, preceding the date of the Annual Report.

**City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
2022 Facilities Reserve Account Balance**

Account	Account Balance	Amount Required for Reserve
2022 Facilities Reserve ⁽¹⁾	\$2,120,128	\$2,065,675

(1) 2022 Facilities Reserve is the combined reserve fund for Tax Increment Revenue Bonds, Series 2022A (Facilities Increment) and Tax Increment Revenue Bonds, Series 2023A (Facilities Increment).

c) The balance in the 2022 Housing Reserve Account and the then-current Reserve Requirement for the Bonds as of September 2 preceding the date of the Annual Report.

**City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
2022 Housing Reserve Account Balance**

Account	Account Balance	Amount Required for Reserve
2022 Housing Reserve ⁽¹⁾	\$449,854	438,300

(1) 2022 Housing Reserve is the combined reserve fund for Tax Increment Revenue Bonds, Series 2022B (Housing Increment) and Tax Increment Revenue Bonds, Series 2023B (Housing Increment).

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- d) An update to Table 3 in the Official Statement, including any subsequently annexed project areas.

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

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

(1) Aggregate land area of Assessor's parcels within each Project Area in the District.

(2) Last year for collection of tax increment in Project Areas C and D will be 40 years following the Commencement Year.

(3) Project Areas A, B and E, for which the Commencement Year has occurred, total approximately 29 acres.

Source: Keyser Marston.

- e) An update to Table 4 in the Official Statement for the current fiscal year and prior nine fiscal years (if available), including subsequently annexed project areas.

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

Fiscal Year	Project Areas Active in Fiscal Year 2024-25			Total for Project Areas Active in Fiscal Year 2024-25 ⁽⁴⁾	Project Areas Not Yet Active		Total for All Project Areas ⁽⁴⁾	% Increase
	Project Area A ⁽³⁾	Project Area B	Project Area E		Project Area C	Project Area D		
2016-17 ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
2017-18	-	-	-	-	-	-	-	n/a
2018-19	68,568,818	4,883,740	577,630	74,030,188	1,768,367	2,848,093	78,646,648	n/a
2019-20	70,090,194	5,054,967	972,038	76,117,199	1,803,733	2,448,642	80,369,574	2.2%
2020-21	102,085,597	5,155,625	991,477	108,232,699	1,839,808	2,497,179	112,569,686	40.1%
2021-22 ⁽²⁾	201,114,923	47,700,000	25,900,000	274,714,923	1,858,868	2,523,048	279,096,839	147.9%
2022-23	287,081,623	52,177,932	33,061,340	372,320,895	1,896,045	31,477,893	405,694,833	45.4%
2023-24	314,688,909	98,331,576	73,843,791	486,864,276	1,933,965	32,107,450	520,905,691	28.4%
2024-25 ⁽³⁾	373,460,835	121,915,309	166,409,148	661,785,292	1,972,644	32,749,598	696,507,534	33.7%

Columns that reflect inclusion of project areas not yet collecting tax increment in Fiscal Year 2024-25 are shown in gray.

(1) Fiscal Year 2016-17 is the Base Year.

(2) Includes Fiscal Year 2021-22 escape roll assessments representing assessed values added by transfers of ownership that occurred prior to the January 1, 2021 lien date for the Fiscal Year 2021-22 assessment roll.

(3) The Assessed Value of Project Area A for FY 2024-25 is net of \$35,000 Homeowners' Exemption.

(4) All figures in this table represent both total and Incremental Assessed Property Value, as the Base Year assessed value is \$0.

Source: Controller.

f) The top ten taxpayers by assessed valuation in the Project Areas for the current fiscal year, including property owner name, number of parcels owned by such property owner, Project Area(s) location of such parcel(s), and aggregate assessed valuation for each with each of land value indicated; however, the District may redact the names of any individual property owner responsible for less than 5% of aggregate assessed valuation in the Project Areas.

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City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Top Ten Taxpayers for Fiscal Year 2024-25

					Assessed Value FY 2024-25 ⁽⁷⁾		% Total and Incr. AV ⁽⁸⁾		
Top Taxpayers FY 2024-25		Description	Planned No. of Res. Units	No. of Parcel	Proj. Area	All Project Areas	Active Project Areas ⁽⁹⁾	All	Active ⁽⁹⁾
1. Stockbridge and Wilson Meany ⁽¹⁾									
YBI Phase 1 Investors, LLC	Bristol for-sale condos (Sub-Block 4Y (portion))	53	53	A	\$73,061,626	\$73,061,626	10.5%	11.0%	
YBI Phase 4 Investors, LLC	Site planned for for-sale condos, townhomes, single-family homes (Sub-Block 1Y)	78	1	A	\$83,606,210	\$83,606,210	12.0%	12.6%	
TI Lot 10, LLC	Built rental apartment tower (Sub-Block C2.4)	250	1	E	\$166,409,148	\$166,409,148	23.9%	25.1%	
YBI Phase 3 Investors, LLC	For-sale townhomes & flats (Sub-Block 4Y (portion)) ⁽⁶⁾	53	1	A	\$101,447,500	\$101,447,500	14.6%	15.3%	
YBI Phase 2 Investors, LLC	Site planned for for-sale townhomes (Sub-Block 3Y)	11	1	A	\$19,089,690	\$19,089,690	2.7%	2.9%	
Subtotal		445	57		\$443,614,174	\$443,614,174	63.7%	67.0%	
2. Stockbridge, Wilson Meany, and Lennar Joint Venture ⁽²⁾									
TI Lots 3-4, LLC	For-sale condos under construction (Sub-Block C3.3/3.4)	148	1	B	\$71,962,753	\$71,962,753	10.3%	10.9%	
TI Lots 5-6, LLC	Site planned for for-sale condo tower (Sub-Block C3.5) and park	160	2	D	\$31,411,756	N/A	4.5%	N/A	
Subtotal		308	3		\$103,374,509	\$71,962,753	14.8%	10.9%	
3. Poly USA ⁽³⁾									
B1 Treasure Island 048 Holdings, LLC	Site planned for rental apartments (Sub-Block B1)	117	2	B	\$13,650,542	\$13,650,542	2.0%	2.1%	
C23 Treasure Island 048 Holdings, LLC	Site planned for for-sale condos (Sub-Block C2.3)	85	1	B	\$11,673,288	\$11,673,288	1.7%	1.8%	
Subtotal		202	3		\$25,323,830	\$25,323,830	3.6%	3.8%	
4. Lennar ⁽⁴⁾									
	Built rental apartments (Sub-Block C2.2)	178	1	B	\$24,628,726	\$24,628,726	3.5%	3.7%	
5. LH YBI Holdings LLC									
	Twelve built for-sale condo units in the Bristol (Sub-Block 4Y (portion))	12	12	A	\$21,219,083	\$21,219,083	3.0%	3.2%	
6. Bristol Homeowner 1									
	Built private for-sale condo residences in the Bristol	2	2	A	\$3,794,857	\$3,794,857	0.5%	0.6%	
7. Bristol Homeowner 2									
	Built private for-sale condo residence in the Bristol	1	1	A	\$3,467,518	\$3,467,518	0.5%	0.5%	
8. TI Series 1 ⁽⁵⁾									
	Sites planned for two for-sale condo towers (Sub-Block C1.1/C1.2, C2.1)	551	2	C&D	\$3,310,486	N/A	0.5%	N/A	
9. Bristol Homeowner 3									
	Built private for-sale condo residence in the Bristol	1	1	A	\$3,156,184	\$3,156,184	0.5%	0.5%	
10. Bristol Homeowner 4									
	Built private for-sale condo residences in the Bristol	2	2	A	\$2,988,936	\$2,988,936	0.4%	0.5%	
11. Bristol Homeowner 5 [top ten taxpayer for active areas only]									
	Built private for-sale condo residence in the Bristol	1	1	A	N/A ⁽¹⁰⁾	\$2,308,647	N/A ⁽¹⁰⁾	0.3%	
Total Top Taxpayers		1,703	85		\$634,878,303	\$602,464,708	91.1%	91.0%	

Columns that reflect inclusion of project areas not yet collecting tax increment in FY 2024-25 are shown in grey.

- (1) Includes separate legal entities affiliated with Wilson Meany and the Stockbridge Capital Group, LLC, as listed. Stockbridge and Wilson Meany have an ownership interest in TI Series 1, No. 8 on the list of top taxpayers. In addition, Stockbridge and Wilson Meany have an interest in two properties listed under the ownership of Stockbridge, Wilson Meany, and Lennar, No. 2 on the list of top taxpayers, being developed as a joint venture.
- (2) TI Lots 3-4 LLC and TI Lots 5-6 LLC are being developed as a joint venture between Stockbridge, Wilson Meany, and Lennar (number 1 and 4 on the list of top taxpayers).
- (3) Includes separate entities affiliated with developer Poly (USA) Real Estate Development Corp., as listed. Poly USA has an ownership interest in TI Series 1 (No. 8 top taxpayer).
- (4) Represents a parcel owned by subsidiary TI Lot 8, LLC. In addition, Lennar has an interest in two properties listed under the ownership of Stockbridge, Wilson Meany, and Lennar, number 2 on the list of top taxpayers, being developed as a joint venture. Lennar also has an ownership interest in TI Series 1, number 8 on the list of top taxpayers.
- (5) Treasure Island Series 1, LLC a wholly-owned subsidiary of TICD, master developer for the Treasure Island Project. The top four taxpayers, (1) Stockbridge and Wilson Meany, (2) Stockbridge, Wilson Meany, and Lennar Joint Venture, (3) Poly USA, and (4) Lennar, each have an ownership interest in TICD.
- (6) Includes units that are complete, under construction, and planned.
- (7) All assessed value consists of secured property (land and improvements).
- (8) Percentages calculated based upon FY 2024-25 assessed value and incremental assessed value of \$696,542,534 and \$661,820,292 for active areas (base year AV is zero).
- (9) Includes Project Areas A, B, and E that will collect tax increment in FY 2024-25.
- (10) Bristol homeowner 5 is part of the list of the top ten taxpayers for active project areas but is not on a member of the top taxpayers list when all project areas are included.

Source: Keyser Marston

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g) Pledged Facilities Increment and Pledged Housing Increment and actual levy and collections for the most recently completed Fiscal Year:

City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Allocation of Tax Increment to District in FY23-24

		Actual 2023-24
Assessed Value Increment, Active Project Areas ⁽¹⁾		\$486,864,276
Active Project Areas		A, B, E
Calculated 1% Tax Increment		\$ 4,868,643
Property Tax Administrative Costs ⁽²⁾		\$ 8,511
Calculated District Tax Increment ⁽³⁾ (Net Available Increment + Conditional City Increment)		
Pledged Facilities Increment	53.285270%	\$ 2,587,248
Pledged Housing Increment	<u>11.302936%</u>	<u>548,810</u>
Total	64.588206%	\$ 3,136,058
Actual Amount Allocated by Controller ^(3,4)		
Pledged Facilities Increment		\$ 2,679,531
Pledged Housing Increment		<u>568,385</u>
Total		\$ 3,247,916
Collections as % of Computed Levy ⁽⁵⁾		103.6%

(1) The Base Year assessed value is zero.

(2) Administrative costs for division of taxes include Controller property tax administrative costs and approximately 10% of Accounting Operations and Suppliers Division costs.

(3) Includes Conditional City Increment required to be allocated and held for payment of debt service until after each annual principal payment date, but subject to release to the City thereafter to the extent not required for debt service. The administrative cost of division of taxes on line 3 is deducted proportionately from Pledged Facilities Increment and Pledged Housing Increment.

(4) Includes \$6,119.02 tax increment distribution for Treasure Island in FY 2023-24 to compensate for under-distribution in FY 2020-21 caused by a one-time legacy system migration issue.

(5) Collections as a percentage of the computed levy is the same for Pledged Facilities Increment and Pledged Housing Increment.

Source: Controller

- h) An updated debt service coverage table, substantially in the form of Table 9 in the Official Statement, reflecting Pledged Facilities Increment derived from current fiscal year assessed valuations and reflecting debt service on all then-outstanding Parity Facilities Bonds.

City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Debt Service and Coverage for Series 2022A and 2023A Facilities Bonds

Year Ending ⁽¹⁾	Facilities Bonds Debt Service			Fiscal Year 2024-25 Pledged Facilities Increment ⁽²⁾	Coverage from Fiscal Year 2024-25 Pledged Facilities Increment ⁽³⁾
	Outstanding Series 2022A Facilities Bonds	Outstanding Series 2023A Facilities Bonds	Total		
2025	\$1,575,000	\$488,425	\$2,063,425	\$3,517,453	170%
2026	1,575,000	488,675	2,063,675	3,517,453	170%
2027	1,579,000	483,675	2,062,675	3,517,453	171%
2028	1,576,750	488,675	2,065,425	3,517,453	170%
2029	1,578,500	483,175	2,061,675	3,517,453	171%
2030	1,579,000	482,675	2,061,675	3,517,453	171%
2031	1,578,250	486,925	2,065,175	3,517,453	170%
2032	1,576,250	485,675	2,061,925	3,517,453	171%
2033	1,578,000	484,175	2,062,175	3,517,453	171%
2034	1,578,250	487,425	2,065,675	3,517,453	170%
2035	1,577,000	485,175	2,062,175	3,517,453	171%
2036	1,579,250	482,675	2,061,925	3,517,453	171%
2037	1,579,750	484,925	2,064,675	3,517,453	170%
2038	1,578,500	486,675	2,065,175	3,517,453	170%
2039	1,575,500	487,925	2,063,425	3,517,453	170%
2040	1,575,750	488,675	2,064,425	3,517,453	170%
2041	1,579,000	483,925	2,062,925	3,517,453	171%
2042	1,575,000	488,925	2,063,925	3,517,453	170%
2043	1,579,000	483,175	2,062,175	3,517,453	171%
2044	1,575,500	487,175	2,062,675	3,517,453	171%
2045	1,579,750	484,250	2,064,000	3,517,453	170%
2046	1,576,250	485,775	2,062,025	3,517,453	171%
2047	1,575,250	486,475	2,061,725	3,517,453	171%
2048	1,576,500	486,350	2,062,850	3,517,453	171%
2049	1,579,750	485,400	2,065,150	3,517,453	170%
2050	1,579,750	483,625	2,063,375	3,517,453	170%
2051	1,576,500	486,025	2,062,525	3,517,453	171%
2052	1,575,000	487,325	2,062,325	3,517,453	171%
2053	-	2,062,525	2,062,525	3,517,453	171%
Total	\$44,167,000	\$15,666,500	\$59,833,500		

⁽¹⁾ Debt service presented on a bond year ending on September 1, revenues presented on a fiscal year basis ending on June 30.

⁽²⁾ Projected; rounded. Assumes no assessed value changes. No assurance is given that assessed values will not decline.

⁽³⁾ Projected. Reflects Fiscal Year 2024-25 Pledged Facilities Increment divided by Annual Facilities Debt Service.

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h) An updated debt service coverage table, substantially in the form of Table 10 in the Official Statement, reflecting Pledged Housing Increment derived from current fiscal year assessed valuations and reflecting debt service on all then-outstanding Parity Housing Bonds.

City and County of San Francisco
Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
Debt Service and Coverage for Series 2022B and 2023B Housing Bonds

Year Ending ⁽¹⁾	Housing Bonds Debt Service			Fiscal Year 2024-25 Pledged Housing Increment ⁽²⁾	Coverage from Fiscal Year 2024-25 Pledged Housing Increment ⁽³⁾
	Outstanding Series 2022B Housing Bonds	Outstanding Series 2023B Housing Bonds	Total		
2025	\$333,000	\$105,250	\$438,250	\$746,126	170%
2026	333,750	104,150	437,900	746,126	170%
2027	334,250	103,050	437,300	746,126	171%
2028	334,500	101,950	436,450	746,126	171%
2029	334,500	100,850	435,350	746,126	171%
2030	334,250	99,750	434,000	746,126	172%
2031	333,750	103,650	437,400	746,126	171%
2032	333,000	102,275	435,275	746,126	171%
2033	332,000	105,900	437,900	746,126	170%
2034	330,750	104,250	435,000	746,126	172%
2035	334,250	102,600	436,850	746,126	171%
2036	332,250	105,950	438,200	746,126	170%
2037	330,000	104,025	434,025	746,126	172%
2038	332,500	102,100	434,600	746,126	172%
2039	334,500	100,175	434,675	746,126	172%
2040	331,000	103,250	434,250	746,126	172%
2041	332,250	106,050	438,300	746,126	170%
2042	333,000	103,575	436,575	746,126	171%
2043	333,250	101,100	434,350	746,126	172%
2044	333,000	103,625	436,625	746,126	171%
2045	332,250	100,875	433,125	746,126	172%
2046	331,000	103,125	434,125	746,126	172%
2047	334,250	100,100	434,350	746,126	172%
2048	331,750	102,075	433,825	746,126	172%
2049	333,750	103,775	437,525	746,126	171%
2050	330,000	105,200	435,200	746,126	171%
2051	330,750	106,350	437,100	746,126	171%
2052	330,750	107,225	437,975	746,126	170%
2053	-	437,825	437,825	746,126	170%
Total	\$9,314,250	\$3,330,075	\$12,644,325		

⁽¹⁾ Debt service presented on a bond year ending on September 1, revenues presented on a fiscal year basis ending on June 30.

⁽²⁾ Projected; rounded. Assumes no assessed value change. No assurance is given that assessed values will not decline.

⁽³⁾ Projected. Reflects Fiscal Year 2024-25 Pledged Housing Increment divided by Annual Housing Debt Service.