

**CITY OF SOUTH SAN FRANCISCO  
PUBLIC FACILITIES FINANCING AUTHORITY**

**\$43,905,000  
(POLICE STATION PROJECT)  
LEASE REVENUE BONDS,  
SERIES 2020A**

**San Mateo County, California  
Dated: March 11, 2020  
Base CUSIP+: 840035**



**2021 ANNUAL CONTINUING DISCLOSURE  
INFORMATION STATEMENT  
As of January 24, 2022**



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\* In its role as Disclosure Consultant and Dissemination Agent, Willdan Financial Services has not passed upon the accuracy, completeness or fairness of the statements contained herein.

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## ***I. INTRODUCTION***

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The City of South San Francisco Public Facilities Financing Authority (the “Authority”) issued \$43,905,000 (Police Station Project) Lease Revenue Bonds, Series 2020A (the “Bonds”). Proceeds of the Bonds were primarily used to finance the costs of the acquisition, construction and installation of certain capital improvements constituting a new city police station to be located within the City of South San Francisco’s (the “City”) new Civic Center Campus, and related improvements, facilities and equipment.

The City covers approximately 9.5 square miles and is located in northern San Mateo County, 10 miles south of San Francisco and 2 miles north of the San Francisco International Airport.

The Bonds are payable solely from Base Rental Payments, as defined within the Official Statement dated February 27, 2020 (the “Official Statement”), to be made by the City for the right to use certain real property consisting of a City-owned parking garage and a City-owned park pursuant to a Lease Agreement, as defined within the Official Statement, by and between the City, as lessee, and the Authority, as lessor.

The Bonds are special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged therefor under the Indenture, as defined within the Official Statement. Neither the faith and credit nor the taxing power of the Authority, the City or the State of California, or any political subdivision thereof, is pledged to the payment of the Bonds.

This Annual Continuing Disclosure Information Statement (the “Report”) is being provided pursuant to a covenant made by the City for the benefit of the holders of the Bonds and includes the information specified in a Continuing Disclosure Agreement. For further information and a more complete description of the Authority, the City and the Bonds, reference is made to the Official Statement.

The information set forth herein has been furnished by the City and by other sources, which is believed to be accurate and reliable, but is not guaranteed as to accuracy or completeness. Statements contained in this Report that involve estimates, forecasts, or other matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact. Further, the information and expressions of opinion contained herein are subject to change without notice and the delivery of this Report will not, under any circumstances, create any implication that there has been no change in the affairs of the City or any other parties described herein.

**THIS REPORT IS OF A FACTUAL NATURE WITHOUT SUBJECTIVE ASSUMPTIONS, OPINIONS, OR VIEWS AND MAY NOT BE RELIED UPON AS ADVICE OR RECOMMENDATION TO PURCHASE OR SELL ANY PRODUCT OR UTILIZE ANY PARTICULAR STRATEGY RELATING TO THE ISSUANCE OF MUNICIPAL SECURITIES OR PURCHASE OF FINANCIAL PRODUCTS. IN PROVIDING THIS REPORT, WILLDAN FINANCIAL SERVICES AND ITS EMPLOYEES (COLLECTIVELY “WILLDAN”) DO NOT RECOMMEND ANY ACTIONS AND ARE NOT ACTING AS AN ADVISOR TO ANY MUNICIPAL ENTITY, BOARD, OFFICER, AGENT, EMPLOYEE OR OBLIGATED PERSON PURSUANT TO SECTION 15B OF THE EXCHANGE ACT UNLESS SPECIFICALLY AGREED TO IN A SEPARATE WRITING WITH THE RECIPIENT. PRIOR TO ACTING ON ANY INFORMATION OR MATERIAL CONTAINED IN THIS REPORT, YOU SHOULD DISCUSS IT WITH APPROPRIATE INTERNAL OR EXTERNAL ADVISORS AND EXPERTS AND ONLY RELY UPON THEIR ADVICE.**

## **II. REFERENCE TO PREVIOUSLY FILED INFORMATION**

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For historical information, reference is made to the Reports previously filed on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website ("EMMA").

## **III. BOND INFORMATION**

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### **A. MATURITY SCHEDULE**

(As of June 30, 2021)

<b>Period Ending June 1,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$980,000	\$1,785,450	\$2,765,450
2023	1,030,000	1,736,450	2,766,450
2024	1,080,000	1,684,950	2,764,950
2025	1,135,000	1,630,950	2,765,950
2026	1,190,000	1,574,200	2,764,200
2027	1,250,000	1,514,700	2,764,700
2028	1,310,000	1,452,200	2,762,200
2029	1,365,000	1,399,800	2,764,800
2030	1,420,000	1,345,200	2,765,200
2031	1,475,000	1,288,400	2,763,400
2032	1,535,000	1,229,400	2,764,400
2033	1,595,000	1,168,000	2,763,000
2034	1,660,000	1,104,200	2,764,200
2035	1,725,000	1,037,800	2,762,800
2036	1,795,000	968,800	2,763,800
2037	1,870,000	897,000	2,767,000
2038	1,940,000	822,200	2,762,200
2039	2,020,000	744,600	2,764,600
2040	2,100,000	663,800	2,763,800
2041	2,185,000	579,800	2,764,800
2042	2,270,000	492,400	2,762,400
2043	2,365,000	401,600	2,766,600
2044	2,460,000	307,000	2,767,000
2045	2,555,000	208,600	2,763,600
2046	2,660,000	106,400	2,766,400
<b>Total Outstanding</b>	<b>\$42,970,000</b>	<b>\$26,143,900</b>	<b>\$69,113,900</b>

## ***IV. FINANCIAL INFORMATION***

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### **A. AUDITED FINANCIAL STATEMENTS**

The City's audited financial statements for the fiscal year ended June 30, 2021 have been separately filed on EMMA and are hereby incorporated by reference into this Report.

## B. GENERAL FUND BUDGETS TO ACTUAL COMPARISONS

	Fiscal Year 2019/20		Fiscal Year 2020/21	
	Final Budget	Actual Amount	Final Budget	Actual Amount
<b>Revenues</b>				
Property taxes	\$36,659,133	\$42,847,443	\$43,051,499	\$44,239,406
Sales taxes	31,133,000	31,563,148	31,208,000	32,749,447
Transient occupancy taxes	16,855,297	13,829,025	5,904,328	6,710,271
Franchise fees	4,000,000	4,594,577	4,600,000	4,498,202
Other taxes	6,058,132	4,515,376	3,118,206	4,529,764
Intergovernmental	2,662,818	1,626,529	3,260,631	4,323,151
Interest and rentals	3,059,459	4,845,966	3,827,794	3,063,987
Licenses and permits	12,131,018	15,900,500	14,995,498	15,589,002
Charges for services	10,417,839	9,978,678	7,061,654	6,518,254
Fines and forfeitures	618,500	814,354	789,249	535,750
Other	181,994	390,733	175,341	731,752
<b>Total Revenues</b>	<b>\$123,777,190</b>	<b>\$130,906,329</b>	<b>\$117,992,200</b>	<b>\$123,488,986</b>
<b>Expenditures</b>				
City Council	\$290,291	\$258,413	\$284,561	\$224,257
City Clerk	1,091,062	978,451	1,096,593	1,016,698
City Treasurer	143,138	151,726	145,525	38,705
City Attorney	1,115,935	1,009,372	910,049	987,044
City Manager	6,001,363	6,496,800	5,459,829	6,214,173
Finance	3,851,736	3,397,916	3,639,551	3,442,495
Non-departmental	1,452,844	1,081,965	1,737,423	1,366,323
Human Resources	2,019,064	1,781,034	2,031,504	1,889,976
Fire	30,983,929	28,434,808	31,010,490	32,023,646
Police	31,071,930	30,190,060	32,020,244	30,984,959
Public Works	5,755,272	6,487,502	5,856,707	5,973,424
Parks and Recreation	17,893,967	17,253,040	16,024,167	15,978,135
Library	6,674,593	5,952,038	6,245,898	5,903,883
Economic and Community Development	13,935,395	9,920,252	9,606,747	8,415,150
<b>Total Expenditures</b>	<b>\$122,280,519</b>	<b>\$113,393,377</b>	<b>\$116,069,288</b>	<b>\$114,458,868</b>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of capital assets	\$2,250,000	\$0	\$0	(\$818,692)
Transfers in	1,539,100	1,302,435	2,323,871	2,272,021
Transfers out	(42,438,974)	(24,642,202)	(41,616,511)	(24,041,188)
<b>Total Other Financing Sources (Uses)</b>	<b>(\$38,649,874)</b>	<b>(\$23,339,767)</b>	<b>(\$39,292,640)</b>	<b>(\$22,587,859)</b>
Net Change in Fund Balances Before Special Items	(\$37,153,203)	(\$5,826,815)	(\$37,369,728)	(\$13,557,741)
<b>Special Items</b>				
Proceeds from sale of common interest		\$1,247,950		\$0
Assets transferred from the Successor Agency		0		0
Remittance of land sale proceeds		(971,011)		(1,378,533)
Net Change in Fund Balances	(\$37,153,203)	(\$5,549,876)	(\$37,369,728)	(\$14,936,274)
<b>Fund Balance – July 1</b>		<b>\$84,943,183</b>		<b>\$85,114,095</b>
Adjustment to budgetary basis:				
Encumbrance adjustments		5,720,788		5,581,180
<b>Fund Balance – June 30</b>		<b>\$85,114,095</b>		<b>\$75,759,001</b>



## C. GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE

The table below presents the City's audited General Fund Statement of Revenues, Expenditures and Change in Fund Balance for the last five fiscal years.

	Fiscal Year				
	2016/17	2017/18	2018/19	2019/20	2020/21
<b>REVENUES</b>					
Property Taxes	\$33,405,829	\$34,143,627	\$38,659,657	\$42,847,443	\$44,239,406
Sales Taxes	24,479,476	28,728,427	32,251,636	31,563,148	32,749,447
Transient Occupancy Taxes	13,631,507	13,978,533	17,091,222	13,829,025	6,710,271
Franchise Fees	4,090,073	4,403,493	4,469,808	4,594,577	4,498,202
Other Taxes	5,708,187	5,871,096	4,995,404	4,515,376	4,529,764
Intergovernmental	1,593,508	2,610,233	2,876,545	1,626,529	4,323,151
Interest and Rentals	2,784,072	2,846,967	4,409,185	4,845,966	3,063,987
Licenses and Permits	7,823,403	14,674,809	15,381,416	15,900,500	15,589,002
Charges for Services	9,451,835	10,924,668	11,563,755	9,978,678	6,518,254
Fines and Forfeitures	899,118	423,604	926,729	814,354	535,750
Other	1,092,691	266,872	330,881	390,733	731,752
<b>Total Revenues</b>	<b>\$104,959,699</b>	<b>\$118,872,329</b>	<b>\$132,956,238</b>	<b>\$130,906,329</b>	<b>\$123,488,986</b>
<b>EXPENDITURES</b>					
City Council	\$206,950	\$239,264	\$258,760	\$258,413	\$224,257
City Clerk	607,096	660,306	770,985	978,451	956,698
City Treasurer	110,559	135,218	123,505	151,726	38,705
City Attorney	1,187,716	996,380	961,588	1,009,372	987,044
City Manager	1,948,911	2,691,066	2,339,342	4,139,612	3,993,952
Finance	2,613,473	3,080,769	2,789,187	3,222,657	2,917,393
Non-departmental	1,145,698	1,049,187	1,219,533	1,014,840	1,336,201
Human Resources	1,571,647	1,541,524	1,621,409	1,672,701	1,654,369
Fire	25,567,548	26,059,072	27,572,488	28,138,053	31,817,325
Police	25,539,781	26,639,009	28,482,445	30,190,060	30,959,959
Public Works	4,654,758	5,014,343	5,787,782	6,156,203	5,731,652
Parks and Recreation	14,897,157	15,468,370	16,530,603	17,130,302	15,795,645
Library	5,157,355	5,379,836	5,628,693	5,940,870	5,903,883
Economic and Community Development	7,158,564	7,722,689	8,433,298	7,669,329	6,560,605
<b>Total Expenditures</b>	<b>\$92,367,213</b>	<b>\$96,677,033</b>	<b>\$102,519,618</b>	<b>\$107,672,589</b>	<b>\$108,877,688</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$12,592,486	\$22,195,296	\$30,436,620	\$23,233,740	\$14,611,298
<b>Other Financing Sources (Uses)</b>					
Proceeds from Sale of Property	\$0	\$3,990,605	\$840,298	\$0	(\$818,692)
Transfers in	6,021,853	6,269,262	4,906,791	1,302,435	2,272,021
Transfers out	(5,909,636)	(20,317,868)	(11,995,827)	(24,642,202)	(24,041,188)
<b>Total Other Financing Sources (Uses)</b>	<b>\$112,217</b>	<b>(\$10,058,001)</b>	<b>(\$6,248,738)</b>	<b>(\$23,339,767)</b>	<b>(\$22,587,859)</b>
Net Change in Fund Balances before special items	\$12,704,703	\$12,137,295	\$24,187,882	(\$106,027)	(\$7,976,561)
<b>Special Items</b>					
Proceeds from sale of common interest	\$0	\$0	\$0	\$1,247,950	\$0
Assets transferred from the Successor Agency	20,582,335	0	829,315	0	0
Remittance of land sale proceeds	0	(7,154,626)	(1,360,906)	(971,011)	(1,378,533)
Net Change in Fund Balances	\$33,287,038	\$4,982,669	\$23,656,291	\$170,912	(\$9,355,094)
Fund Balances (Deficits) - July 1	23,017,185	56,304,223	61,286,892	84,943,183	85,114,095
<b>Fund Balances (Deficits) - June 30</b>	<b>\$56,304,223</b>	<b>\$61,286,892</b>	<b>\$84,943,183</b>	<b>\$85,114,095</b>	<b>\$75,759,001</b>

## D. GENERAL FUND BALANCE SHEETS

The table below presents the City's audited General Fund Balance Sheets for the last five fiscal years.

	Fiscal Year				
	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Assets</b>					
Cash and Investments	\$33,222,598	\$37,648,050	\$60,775,901	\$61,426,353	\$56,463,292
Receivables:					
Accounts	6,021,069	7,734,046	8,581,277	7,813,980	10,529,164
Accrued Interest	64,817	213,239	274,790	243,824	164,535
Due from Conference Center	43,668	0	53,589	60,650	62,516
Due from Other Funds	336,000	70,000	1,100,000	4,400,000	0
Inventory	474	106	372	574	4,099
Restricted Cash and Investments	0	200,000	200,000	352,797	152,797
Properties Held for Redevelopment	20,582,335	20,582,335	19,201,948	18,372,633	16,354,141
<b>Total Assets</b>	<b>\$60,270,961</b>	<b>\$66,447,776</b>	<b>\$90,187,877</b>	<b>\$92,670,811</b>	<b>\$83,730,544</b>
<b>Liabilities</b>					
Accounts Payable	\$2,012,208	\$1,307,966	\$2,609,145	\$2,018,069	\$3,200,919
Accrued Salaries and Benefits	1,569,242	3,027,256	1,659,795	3,416,228	2,835,241
Other Payable	278,678	290,552	65,755	186,956	797,807
Deposits	0	411,025	763,563	1,935,463	927,576
Unearned Revenue	106,610	124,085	146,436	0	210,000
<b>Total Liabilities</b>	<b>\$3,966,738</b>	<b>\$5,160,884</b>	<b>\$5,244,694</b>	<b>\$7,556,716</b>	<b>\$7,971,543</b>
<b>Fund Balances:</b>					
Nonspendable	\$474	\$106	\$372	\$574	\$4,099
Restricted	0	20,582,335	19,201,948	18,372,633	16,354,141
Committed	11,780,724	16,725,897	22,619,868	17,723,338	12,372,202
Assigned	5,244,279	4,334,322	11,881,363	5,720,788	5,431,178
Unassigned	39,278,746	19,644,232	31,239,632	43,296,762	41,597,381
<b>Total Fund Balances (Deficits)</b>	<b>\$56,304,223</b>	<b>\$61,286,892</b>	<b>\$84,943,183</b>	<b>\$85,114,095</b>	<b>\$75,759,001</b>
<b>Total Liabilities and Fund Balances (Deficits)</b>	<b>\$60,270,961</b>	<b>\$66,447,776</b>	<b>\$90,187,877</b>	<b>\$92,670,811</b>	<b>\$83,730,544</b>

## V. OPERATING INFORMATION

### A. ASSESSED VALUATIONS

The following table sets forth the assessed valuations for the City for the last ten fiscal years.

Fiscal Year	Local Secured Value	Unsecured Value	Total Assessed Value
2011/12	\$12,531,951,091	\$1,295,085,027	\$13,827,036,118
2012/13	12,704,362,559	1,288,434,392	13,992,796,951
2013/14	13,091,998,899	1,212,353,871	14,304,352,770
2014/15	13,650,652,805	1,244,971,467	14,895,624,272
2015/16	14,283,534,240	1,197,263,526	15,480,797,766
2016/17	15,074,300,488	1,381,715,511	16,456,015,999
2017/18	15,850,972,006	1,423,348,022	17,274,320,028
2018/19	17,421,411,964	1,765,066,449	19,186,478,413
2019/20	19,204,610,134	1,727,590,717	20,932,200,851
2020/21	21,144,945,769	2,056,800,753	23,201,746,522

Source: San Mateo County Assessor Combined Tax Rolls.

### B. LARGEST SECURED TAXPAYERS

The following table sets forth the largest secured taxpayers within the City.

Property Owner	2020/21 Assessed Valuation	% of Total AV <sup>(1)</sup>	Land Use
Genentech Inc.	\$2,953,030,213	12.73%	Industrial, Office, R&D
HCP Oyster Point III LLC	795,928,157	3.43%	Industrial
ARE San Francisco LLC	738,355,548	3.18%	Industrial
Slough SSF LLC	685,393,965	2.95%	Industrial
GNS South Tower LP	633,313,121	2.73%	Commercial, Office
United Airlines Inc.	426,814,705	1.84%	Commercial, Office
Britannia Pointe Grand LP	322,530,116	1.39%	Industrial
ARE East Grand Avenue Owner LLC	240,428,480	1.04%	Industrial
KR Oyster Point LLC	224,702,833	0.97%	Industrial
BMR 1000 Gateway LP	217,352,597	0.94%	Industrial
<b>Total</b>	<b>\$7,237,849,735</b>	<b>31.20%</b>	

(1) 2020/21 Total Assessed Valuation: \$23,201,746,522.

Source: San Mateo County Assessor Combined Tax Rolls.

## **VI. OCCURRENCE OF LISTED EVENTS**

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The Continuing Disclosure Covenants outline the Occurrence of Listed Events that must be reported in not more than ten (10) business days after the occurrence of the event, **irrespective of any determination as to whether such event may or may not be deemed material**. The City has no knowledge that any of the events listed below have occurred that have not been previously reported during the fiscal year ended June 30, 2021.

1. Principal and interest payment delinquencies on the Bonds.
2. Unscheduled draws on debt service reserves reflecting financial difficulties.
3. Unscheduled draws on credit enhancements reflecting financial difficulties.
4. Substitution of credit or liquidity providers, or their failure to perform.
5. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds.
6. Tender offers.
7. Defeasances.
8. Ratings changes.
9. Bankruptcy, insolvency, receivership or similar proceedings pertaining to the City.
10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person any of which reflect financial difficulties.

The Continuing Disclosure Covenants outline the Occurrence of Listed Events that must be reported in not more than ten (10) business days after the occurrence of the event, **if deemed material**. The City has no knowledge that any of the events listed below have occurred that have not been previously reported during the fiscal year ended June 30, 2021.

1. Unless described in #5 above, adverse tax opinions or other material notices or determinations by the Internal Revenue Service with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds.
2. Modifications to the rights of bondholders.
3. Bond calls.
4. Release, substitution or sale of property securing repayment of the Bonds.
5. Non-payment related defaults.
6. The consummation of a merger, consolidation, or acquisition involving the City or the Authority or the sale of all or substantially all of the assets of the City or the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.
7. Appointment of a successor or additional trustee or the change of the name of a trustee.
8. Incurrence of a Financial Obligation of the obligated person, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect Bond Owners.