

1 [Establishing Area Plan Infrastructure Finance Committee]

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3 **Resolution establishing an Area Plan Infrastructure Finance Committee to supervise a**
4 **consultant study to develop policy criteria and recommendations on the use of**
5 **Infrastructure Finance Districts (IFDs) in newly adopted Area Plans, including within**
6 **the Eastern Neighborhoods Area Plans, to determine the appropriate steps to form**
7 **IFDs, and to supervise the formation of a pilot Infrastructure Finance District (IFD) in**
8 **Rincon Hill.**

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10 Note: Additions are single-underline italics Times New Roman;
11 deletions are ~~strikethrough italics Times New Roman~~.
12 Board amendment additions are double underlined.
13 Board amendment deletions are ~~strikethrough normal~~.

14 WHEREAS, The Board of Supervisors adopted the Eastern Neighborhoods Area Plans
15 (ENAP, Ordinance No. 297-08) which rezoned portions of the largely industrial neighborhoods
16 of the Mission, Eastern South of Market Area, Central Waterfront, and Showplace Square/
17 Potrero Hill to promote a balanced mix of residential and sustainable commercial development
18 along with a package of public benefits and infrastructure improvements; and

19 WHEREAS, An ENAP Needs Assessment was prepared which identified specific
20 demands for public infrastructure to accommodate projected new growth and the ENAP
21 impact fees were only projected to meet up to 50% of the projected cost of such new
22 infrastructure, the Board of Supervisors directed the Capital Planning Committee (CPC) to
23 establish a nine-member subcommittee called the Eastern Neighborhoods Infrastructure
24 Finance Working Group (ENIFWG) to recommend funding strategies for the ENAP
25 (Resolution No. 510-08); and

1 WHEREAS, The ENIFWG produced and unanimously approved on July 1, 2009, a
2 report entitled *Strategies for Funding the Public Improvements in the Eastern Neighborhoods*
3 *Area Plans* (the Strategies Report) that evaluated potential funding alternatives to meet
4 infrastructure needs in the ENAP, and which could be similarly applicable to other recently
5 adopted Area Plans, and made four recommendations to the Board of Supervisors on how the
6 City could move forward; and

7 WHEREAS the CPC reviewed and unanimously accepted the Strategies Report and its
8 four recommendations to the Board of Supervisors on July 6, 2009, which recommendations
9 included: (1) commissioning a consultant study to inform the formation of an IFD and CFD in
10 the ENAP, including determining the potential boundaries of the IFD and CFD, appropriate tax
11 rates, appropriate portion of tax increment, and the total estimated bonding capacity under a
12 variety of growth scenarios; (2) developing a clear statement of policy criteria to guide the use
13 of an IFD in the ENAP and (3) developing criteria for a potential future modified IFD tool; and

14 WHEREAS, The Board of Supervisors has also adopted comprehensive Area Plans in
15 Rincon Hill, Market and Octavia, Balboa Park and Visitacion Valley which have also rezoned
16 existing use districts to reduce land use conflicts and to encourage diverse housing affordable
17 to a range of incomes and commercial and mixed-uses along with a package of public
18 benefits and infrastructure improvements; and,

19 WHEREAS, The City anticipates significant new housing units and other commercial
20 development within these Plan Areas, and this future development will impact each Plan
21 Area's neighborhood infrastructure by generating greater need for new investment in
22 recreation and open space facilities, transit and transportation improvements, streetscape
23 improvements and community facilities and other improvements identified in the public
24 benefits package for each Area Plan; and,

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1 WHEREAS, To ensure that new neighborhood infrastructure is provided concurrently
2 with the demands generated by new growth in both the ENAP and in each of the above listed
3 Area Plans, the lessons learned from the Strategies Report should be applied on a broader
4 policy basis; and,

5 WHEREAS, Detailed recommendations on the development of an Infrastructure
6 finance district, including boundaries, revenue projections, and related infrastructure
7 improvements would prepare the City to pursue the establishment of an IFD which would
8 support growth in the Eastern Neighborhoods and move towards completing the Eastern
9 Neighborhoods priority projects identified by the Board of Supervisors; and,

10 WHEREAS, A project sponsor on Rincon Hill, Harrison Fremont LLC, has recently
11 expressed interest in funding the formation of a pilot IFD in the Rincon Hill Area Plan to help
12 finance the acquisition and construction of a new public park located at 333 Harrison Street
13 but the City has not yet adopted clear policy parameters to guide the formation and
14 application of IFDs in new Area Plans; therefore, be it

15 RESOLVED, That the Board of Supervisors hereby directs the CPC to establish and
16 appoint a Chair for a new subcommittee called the Area Plan Infrastructure Finance
17 Committee (the "APIF Committee") to (1) manage and oversee a consultant study to inform
18 the formation of an IFD and CFD in the ENAP as recommended by ENIWG; (2) develop a
19 clear statement of policy criteria to guide the use of IFDs in recently adopted Area Plans as
20 recommended by ENIFWG; (3) to review and supervise the formation of the proposed Rincon
21 Hill Pilot IFD based on the proposed IFD policy criteria: and (4) to provide such proposals or
22 recommendations within six (6) months of study initiation; and, be it

23 FURTHER RESOLVED, That the APIF Committee include representatives of relevant
24 City agencies and no more than four (4) members of the public; and, be it

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1 FURTHER RESOLVED, That the representatives of City agencies shall at a minimum
2 include one representative from each of the following City departments or committee,
3 appointed by the head of each such department or committee: the Planning Department, the
4 Office of Economic and Workforce Development, the Mayor's Office of Public Policy and
5 Finance, the Controller's Office and the Capital Planning Committee and other implementing
6 agencies as deemed appropriate by the CPC; and, be it

7 FURTHER RESOLVED, That two of the four (4) members of the public on the APIF
8 Committee shall be "at-large" representatives, one representative from the ENAP CAC and
9 one representative from the Market & Octavia CAC, and be appointed by the President of the
10 Board of Supervisors; and, be it

11 FURTHER RESOLVED, That upon any resignation or vacancy of any position on the
12 APIF Committee, replacements shall be designated in the same manner as the original
13 appointments; and, be it

14 FURTHER RESOLVED, That the Chair of the APIF Committee shall convene the
15 public and private members of the APIF Committee separately or together as frequently as
16 necessary to complete the scope of work identified in this Resolution.

17 FURTHER RESOLVED, That the final consultant study, policy criteria and Rincon Hill
18 Pilot IFD be presented to the CPC for their review and approval prior to initiation of any IFD or
19 submission to the Mayor or Board of Supervisors.

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