

1 [Proposing Adoption of Infrastructure Financing Plan - Infrastructure and Revitalization
2 Financing District No. 1 (Treasure Island)]

2

3 **Resolution proposing adoption of the Infrastructure Financing Plan and formation of**
4 **City and County of San Francisco Infrastructure and Revitalization Financing District**
5 **No. 1 (Treasure Island) and project areas therein; providing for future annexation; and**
6 **determining other matters in connection therewith.**

7

8 WHEREAS, Under Chapter 2.6 of Part 1 of Division 2 of Title 5 of the California
9 Government Code, commencing with Section 53369 (“IRFD Law”), this Board of Supervisors
10 is authorized to establish an infrastructure and revitalization financing district and to act as the
11 legislative body for an infrastructure and revitalization financing district; and

12 WHEREAS, Pursuant to IRFD Law Section 53369.5, an infrastructure and revitalization
13 financing district may be divided into project areas; and

14 WHEREAS, IRFD Law Section 53369.14(d)(5) provides that the legislative body of a
15 proposed infrastructure and revitalization financing district may specify, by ordinance, the date
16 on which the allocation of tax increment will begin and IRFD Law Section 53369.5(b) provides
17 that project areas within a district may be subject to distinct limitations established under the
18 IRFD Law, and the Board of Supervisors has indicated that it wishes to specify the date on
19 which the allocation of tax increment will begin for the proposed infrastructure and
20 revitalization financing district on a project area-by-project area basis; and

21 WHEREAS, Pursuant to the Financing Plan and the IRFD Law, the Board of
22 Supervisors adopted its "Resolution of Intention to establish City and County of San Francisco
23 Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas
24 therein to finance the construction and/or acquisition of facilities on Treasure Island and Yerba
25 Buena Island; to provide for annexation; to call a public hearing on the formation of the district

1 and project areas therein and to provide public notice thereof; and determining other matters
2 in connection therewith” (the “Resolution of Intention to Establish IRFD”), stating its intention
3 to form (i) the “City and County of San Francisco Infrastructure and Revitalization Financing
4 District No. 1 (Treasure Island)” (the “IRFD”), (ii) “Project Area A of the City and County of San
5 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)” (“Project
6 Area A”) as a project area within the IRFD, (iii) “Project Area B of the City and County of San
7 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)” (“Project
8 Area B”) as a project area within the IRFD, (iv) “Project Area C of the City and County of San
9 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)” (“Project
10 Area C”) as a project area within the IRFD, (v) “Project Area D of the City and County of San
11 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)” (“Project
12 Area D”) as a project area within the IRFD, and (vi) “Project Area E of the City and County of
13 San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)”
14 (“Project Area E” and, together with Project Area A, Project Area B, Project Area C and
15 Project Area D, the “Initial Project Areas” and together with any future project areas that may
16 be established in the IRFD, the “Project Areas”) as a project area within the IRFD, pursuant to
17 the IRFD Law; and

18 WHEREAS, The Resolution of Intention to Establish IRFD, is on file with the Clerk of
19 the Board of Supervisors in File No. 161035, and the provisions thereof, except as modified
20 by this Resolution, are incorporated herein by this reference as if fully set forth herein; and

21 WHEREAS, The City intends to form the IRFD and the Project Areas for the purpose of
22 financing the cost of certain facilities (the “Facilities”) as further provided in the Resolution of
23 Intention to Establish IRFD; and

24 WHEREAS, This Board of Supervisors has also adopted a resolution entitled
25 "Resolution authorizing and directing the Director of the Office of Public Finance, or designee

1 thereof, to prepare an infrastructure financing plan for City and County of San Francisco
2 Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas
3 therein; and determining other matters in connection therewith," on file with the Clerk of the
4 Board of Supervisors in File No. 161036, to order preparation of an infrastructure financing
5 plan for the IRFD and the Project Areas (the "Infrastructure Financing Plan") consistent with
6 the requirements of the IRFD Law; and

7 WHEREAS, The Infrastructure Financing Plan includes a list of the Facilities to be
8 financed by tax increment revenues of the IRFD; and

9 WHEREAS, As required by the IRFD Law, the Clerk of the Board of Supervisors
10 caused to be mailed a copy of the Resolution of Intention to Establish IRFD to each owner of
11 land within the proposed IRFD and each affected taxing entity (as defined in the IRFD Law);
12 and

13 WHEREAS, As further required by the IRFD Law, the Director of the Office of Public
14 Finance prepared the Infrastructure Financing Plan and the Treasure Island Director sent the
15 Infrastructure Financing Plan, along with any report required by the California Environmental
16 Quality Act (Division 13) (commencing with Section 2100) of the Public Resources Code) that
17 pertains to the proposed Facilities or the proposed development project for which the Facilities
18 are needed, to (i) each owner of land within the proposed IRFD and (ii) each affected taxing
19 entity; the Treasure Island Director also sent the Infrastructure Financing Plan and the CEQA
20 Report to the City's Planning Commission and the Board of Supervisors; and

21 WHEREAS, The Clerk of the Board of Supervisors made the Infrastructure Financing
22 Plan available for public inspection, on file with the Clerk of the Board of Supervisors in File
23 No. 161117; and

24 WHEREAS, On December 6, 2016, as required by the IRFD Law, the Board of
25 Supervisors, as the legislative body of the City, which is the only affected taxing entity which is

1 proposed to be subject to the division of taxes pursuant the IRFD Law, considered and
2 adopted its resolution “Resolution approving infrastructure financing plan for City and County
3 of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
4 and project areas therein; and determining other matters in connection therewith,” on file with
5 the Clerk of the Board of Supervisors in File No. 161116, pursuant to which the Board of
6 Supervisors, as the governing body of the City, in its capacity as an affected taxing entity,
7 approved the Infrastructure Financing Plan and the procedures for future annexation of
8 territory into the IRFD described in the Resolution of Intention to Establish IRFD; and

9 WHEREAS, On January 24, 2017, following publication of a notice consistent with the
10 requirements of the IRFD Law, this Board of Supervisors held a public hearing as required by
11 the IRFD Law relating to the proposed IRFD and the Initial Project Areas, the proposed
12 Infrastructure Financing Plan and the proposed future annexation of territory on Yerba Buena
13 Island and Treasure Island to the IRFD in the manner described in the Resolution of Intention
14 to Establish IRFD; and

15 WHEREAS, At the hearing any persons having any objections to the proposed
16 Infrastructure Financing Plan, or the regularity of any of the prior proceedings, and all written
17 and oral objections, and all evidence and testimony for and against the adoption of the
18 Infrastructure Financing Plan, were heard and considered, and a full and fair hearing was
19 held; and

20 WHEREAS, This Board of Supervisors wishes to propose adoption of the Infrastructure
21 Financing Plan, and formation of the IRFD and the Initial Project Areas; now, therefore, be it

22 RESOLVED, That the foregoing recitals are true and correct; and, be it

23 FURTHER RESOLVED, That all prior proceedings taken by this Board of Supervisors
24 in connection with the establishment of the IRFD and the Initial Project Areas and preparation
25

1 and approval of the Infrastructure Financing Plan have been duly considered and are hereby
2 found and determined to be valid and in conformity with the IRFD Law; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby proposes formation of
4 the IRFD and the Initial Project Areas and division of taxes of the City as described in the
5 Infrastructure Financing Plan; and, be it

6 FURTHER RESOLVED, The proposed IRFD shall be designated the “City and County
7 of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island),
8 ”and pursuant to IRFD Law Section 53369.5, the territory to be initially included in the IRFD
9 (as shown on the map described below) is hereby designated to include the following Initial
10 Project Areas:

- 11 a. Project Area A of the City and County of San Francisco Infrastructure and
12 Revitalization Financing District No. 1 (Treasure Island) (“Project Area A”);
- 13 b. Project Area B of the City and County of San Francisco Infrastructure and
14 Revitalization Financing District No. 1 (Treasure Island) (“Project Area B”);
- 15 c. Project Area C of the City and County of San Francisco Infrastructure
16 and Revitalization Financing District No. 1 (Treasure Island) (“Project Area C”);
- 17 d. Project Area D of the City and County of San Francisco Infrastructure and
18 Revitalization Financing District No. 1 (Treasure Island) (“Project Area D”);
- 19 e. Project Area E of the City and County of San Francisco Infrastructure and
20 Revitalization Financing District No. 1 (Treasure Island) (“Project Area E”); and, be it

21 FURTHER RESOLVED, That the Board of Supervisors hereby proposes adoption of
22 the Infrastructure Financing Plan in the form on file with the Clerk of the Board of Supervisors;
23 and, be it

24 FURTHER RESOLVED, That future annexations of property on Yerba Buena Island
25 and Treasure Island into the IRFD may occur at any time after formation of the IRFD, but only

1 if the Board of Supervisors has completed the procedures set forth in the Infrastructure
2 Financing Plan, which procedures shall include the following: (i) this Board of Supervisors
3 adopts a resolution of intention to annex property (the “annexation territory”) into the IRFD and
4 describes whether the annexation territory will be included in one of the then-existing Project
5 Areas or in a new Project Area and to issue bonds and other debt (“Bonds”), (ii) the resolution
6 of intention is mailed to each owner of land in the annexation territory and each affected
7 taxing entity in the annexation territory, if any, in substantial compliance with IRFD Law
8 Sections 53369.11 and 53369.12, (iii) this Board of Supervisors designates TIDA to prepare
9 an amendment to the Infrastructure Financing Plan, if necessary, and the designated official
10 prepares any such amendment, in substantial compliance with IRFD Law Sections 53369.13
11 and 53369.14, (iv) any amendment to the Infrastructure Financing Plan is sent to each owner
12 of land and each affected taxing entity (if any) within the annexation territory, in substantial
13 compliance with IRFD Law Sections 53369.15 and 53369.16, and approved by this Board of
14 Supervisors, as the legislative body of the only affected taxing entity that is subject to the
15 division of taxes pursuant to the IRFD Law, (v) this Board of Supervisors notices and holds a
16 public hearing on the proposed annexation, in substantial compliance with IRFD Law Sections
17 53369.17 and 53369.18, (vi) this Board of Supervisors adopts a resolution proposing the
18 adoption of any amendment to the Infrastructure Financing Plan and annexation of the
19 annexation territory to the IRFD, and submits the proposed annexation to the qualified
20 electors in the annexation territory, in substantial compliance with IRFD Law Sections
21 53369.20-53369.22, with the ballot measure to include the question of the proposed
22 annexation of the annexation territory into the IRFD, approval of the appropriations limit for the
23 IRFD and approval of the issuance of Bonds for the IRFD, and (vii) after canvass of returns of
24 any election, and if two-thirds of the votes cast upon the question are in favor of the ballot
25 measure, this Board may, by ordinance, adopt the amendment to the Infrastructure Financing

1 Plan, if any, and approve the annexation of the annexation territory to the IRFD, in substantial
2 compliance with IRFD Law Section 53369.23; and, be it

3 FURTHER RESOLVED, That in accordance with IRFD Law Sections 53369.5(b) and
4 53369.14(d)(5), the Board of Supervisors shall establish, by ordinance, the date on which the
5 allocation of tax increment shall begin for the IRFD, which date shall be determined on a
6 Project Area-by-Project Area basis (each such date, the "Commencement Date"), and each
7 Project Area may accordingly have a different Commencement Date, with each
8 Commencement Date being the first day of the fiscal year following the fiscal year in which the
9 applicable Project Area has generated and the City has received (i) with respect to Project
10 Areas A, B and E, at least \$150,000 of tax increment, (ii) with respect to Project Areas C and
11 D, at least \$300,000 of tax increment, and (iii) with respect to all other Project Areas
12 established in connection with the annexation of territory to the IRFD, the amount of tax
13 increment specified in the ordinance annexing such Project Area to the IRFD; and, be it

14 FURTHER RESOLVED, That in accordance with the IRFD Law, the annual
15 appropriations limit for the IRFD, as defined by subdivision (h) of Section 8 of Article XIII B of
16 the California Constitution, is hereby established at \$192 million, and said appropriations limits
17 shall be submitted to the qualified electors of the proposed IRFD; and, be it

18 FURTHER RESOLVED, The proposition establishing the annual appropriations limits
19 shall become effective if approved by the qualified electors voting thereon and shall be
20 adjusted in accordance with applicable law; and, be it

21 FURTHER RESOLVED, That pursuant to the provisions of the IRFD Law, the
22 proposition to establish the IRFD and the Initial Project Areas, the proposition to approve the
23 Infrastructure Financing Plan and the proposition to establish the appropriations limit specified
24 above shall be submitted to the qualified electors of the IRFD at an election, and the time,
25 place and conditions of the election shall be as specified by a separate resolution of this

1 Board of Supervisors, and the Board of Supervisors directs staff, within three business days,
2 to provide the Director of Elections of the City and County of San Francisco, as the official to
3 conduct the election, with the following: this Resolution, a certified map of sufficient scale and
4 clarity to show the boundaries of the proposed IRFD and each of the Initial Project Areas, and
5 a sufficient description (including the assessor's parcel numbers in a landowner election) to
6 allow the Director of Elections to determine the boundaries of the proposed IRFD and each of
7 the Initial Project Areas; and, be it

8 FURTHER RESOLVED, That in the "Resolution of intention to establish City and
9 County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure
10 Island) and project areas therein to finance the construction and/or acquisition of facilities on
11 Treasure Island and Yerba Buena Island; to provide for future annexation; to call a public
12 hearing on the formation of the district and project areas therein and to provide public notice
13 thereof; and determining other matters in connection therewith", this Board of Supervisors
14 made certain findings under the California Environmental Quality Act ("CEQA") about the Final
15 Environmental Impact Report ("FEIR") for the disposition and development of a portion of
16 Naval Station Treasure Island, and those findings are incorporated in this Resolution as if set
17 forth in their entirety herein; and, be it

18 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
19 word of this resolution, or any application thereof to any person or circumstance, is held to be
20 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
21 shall not affect the validity of the remaining portions or applications of this resolution, this
22 Board of Supervisors hereby declaring that it would have passed this resolution and each and
23 every section, subsection, sentence, clause, phrase, and word not declared invalid or
24 unconstitutional without regard to whether any other portion of this resolution or application
25 thereof would be subsequently declared invalid or unconstitutional; and, be it

1 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
2 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
3 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
4 things and take any and all actions, including execution and delivery of any and all
5 documents, assignments, certificates, requisitions, agreements, notices, consents,
6 instruments of conveyance, warrants and documents, which they, or any of them, may deem
7 necessary or advisable in order to effectuate the purposes of this Resolution; provided
8 however that any such actions be solely intended to further the purposes of this Resolution,
9 and are subject in all respects to the terms of the Resolution; and, be it

10 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
11 consistent with any documents presented herein, and heretofore taken are hereby ratified,
12 approved and confirmed by this Board of Supervisors; and, be it

13 FURTHER RESOLVED, That this Resolution shall take effect upon its adoption.
14

15 APPROVED AS TO FORM:
16 DENNIS HERRERA, CITY ATTORNEY

17 By _____
18 MARK D. BLAKE
19 Deputy City Attorney
20 n:\spec\as2016\0600537\01143645.docx