

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. (415) 554-5184  
Fax No. (415) 554-5163  
TDD/TTY No. (415) 554-5227

## MEMORANDUM

TO: Greg Wagner, Controller, Office of the Controller

FROM: Victor Young, Assistant Clerk *Victor Young*

DATE: June 10, 2024

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee received the following proposed Ordinance:

File No. 240638

**Ordinance amending the Administrative Code to provide for Enhanced Infrastructure Financing District Public Financing Authority No. 1 to act as the governing body of multiple enhanced infrastructure financing districts.**

If you have comments or reports to be included with the file, please forward them to Victor Young at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: [victor.young@sfgov.org](mailto:victor.young@sfgov.org).

c: Todd Rydstrom, Office of the Controller



# City and County of San Francisco

## Master Report

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 240638      **File Type:** Ordinance      **Status:** 30 Day Rule

**Enacted:** \_\_\_\_\_ **Effective:** \_\_\_\_\_

**Version:** 1      **In Control:** Rules Committee

**File Name:** Administrative Code - Enhanced Infrastructure Financing District Public Financing Authority No. 1      **Date Introduced:** 06/04/2024

**Requester:** \_\_\_\_\_ **Cost:** \_\_\_\_\_ **Final Action:** \_\_\_\_\_

**Comment:** \_\_\_\_\_ **Title:** Ordinance amending the Administrative Code to provide for Enhanced Infrastructure Financing District Public Financing Authority No. 1 to act as the governing body of multiple enhanced infrastructure financing districts.

**Sponsors:** Melgar; Peskin

### History of Legislative File 240638

Ver	Acting Body	Date	Action	Sent To	Due Date	Result
1	President	06/04/2024	ASSIGNED UNDER 30 DAY RULE	Rules Committee	07/04/2024	

1 [Administrative Code - Enhanced Infrastructure Financing District Public Financing Authority  
2 No. 1]

3 **Ordinance amending the Administrative Code to provide for Enhanced Infrastructure**  
4 **Financing District Public Financing Authority No. 1 to act as the governing body of**  
5 **multiple enhanced infrastructure financing districts.**

6 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
7 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
8 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
9 **Board amendment additions** are in double-underlined Arial font.  
10 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
11 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
12 subsections or parts of tables.

13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. Background and Findings.

15 (a) The Board of Supervisors of the City and County of San Francisco (“City”) is  
16 authorized to initiate the process to establish an enhanced infrastructure financing district  
17 pursuant to California Government Code Sections 53398.50 et seq. (“EIFD Law”). An  
18 enhanced infrastructure financing district (“EIFD”) is a legally constituted governmental entity  
19 that may be established for the sole purpose of financing select public facilities or projects.

20 (b) On March 21, 2023, the Board of Supervisors adopted Resolution No. 133-23  
21 (“Power Station Resolution of Intention”), which was signed by the Mayor on March 28, 2023,  
22 declaring the City’s intention to establish the San Francisco Enhanced Infrastructure  
23 Financing District No. 1 (Power Station) (“Power Station EIFD”) to finance public capital  
24 facilities and projects related to the proposed development project known as the Potrero  
25 Power Station Project. A copy of said resolution is on file with the Clerk of the Board of  
Supervisors in Board File No. 230168.

1 (c) Ordinance No. 044-23, which was then passed by the Board of Supervisors on  
2 April 4, 2023, and signed by the Mayor on April 7, 2023, added Article XLVIII to Chapter 5 of  
3 the Administrative Code and established the Enhanced Infrastructure Financing District Public  
4 Financing Authority No. 1 (“EIFD Public Financing Authority No. 1”) to act as the legislative  
5 body of the Power Station EIFD. A copy of said ordinance is on file with the Clerk of the Board  
6 of Supervisors in Board File No. 230160.

7 (d) Pursuant to Administrative Code Section 5.48-3(b), to the extent permitted under  
8 applicable law, the EIFD Public Financing Authority No. 1 also may act as the legislative body  
9 of other EIFDs formed in the City pursuant to the EIFD Law, on such terms and conditions as  
10 the Board of Supervisors shall determine by ordinance and as otherwise set forth in the  
11 proceedings establishing such infrastructure financing districts.

12 (e) The purpose of this ordinance is to establish the terms and conditions on which  
13 the EIFD Public Financing Authority No. 1 shall act as the legislative body of EIFDs.

14  
15 Section 2. Article XLVIII of Chapter 5 of the Administrative Code is hereby amended  
16 by revising Sections 5.48-1, 5.48-3, 5.48-5, 5.48-7, and 5.48-8, to read as follows:

17 **SEC. 5.48-1. DEFINITIONS.**

18 For purposes of this Article XLVIII, the following words or phrases shall have the  
19 following meanings:

20 “City” shall mean the City and County of San Francisco.

21 “EIFD Public Financing Authority No. 1” shall mean the public financing authority  
22 established to act as the governing board for the Power Station EIFD and such other EIFDs  
23 identified by the Board of Supervisors from time to time.

24 ~~—“Potrero Power Station Project” shall mean that certain mixed-use waterfront property,~~  
25 ~~including about 1,815 residential units, commercial uses (e.g., office, retail, research and development~~

1 ~~facilities, and hospitality), and community facilities, including seven acres of greenspace, with~~  
2 ~~approximately 1,200 square feet of waterfront frontage, and including 30% affordable housing through~~  
3 ~~a combination of inclusionary housing, stand-alone housing projects, and affordable housing fees.~~

4 “Power Station EIFD” shall mean San Francisco Enhanced Infrastructure Financing  
5 District No. 1 (Power Station)~~the enhanced infrastructure financing district that will be formed under~~  
6 ~~California Government Code Sections 53398.50 et seq. for the purpose of providing funds to pay~~  
7 ~~certain public facilities and projects of community-wide significance associated with the Potrero Power~~  
8 ~~Station Project.~~

9 ~~—“Power Station IFP” shall have the meaning given that term in Section 5.48-3.~~

#### 11 **SEC. 5.48-3. PURPOSE.**

12 ~~—(a)~~The EIFD Public Financing Authority No. 1 shall serve as the governing body for  
13 ~~the Power Station EIFD and, in~~enhanced infrastructure financing districts (including, initially, the  
14 Power Station EIFD), formed in the City pursuant to California Government Code Section 53398.51,  
15 on such terms and conditions as the Board of Supervisors shall determine in the Board of Supervisors’  
16 resolutions of intention for such enhanced infrastructure financing districts. In that capacity, EIFD  
17 Public Financing Authority No. 1 shall be responsible for the duties as are imposed by California  
18 Government Code Sections 53398.50 et seq., including, but not limited to, (i) causing the  
19 preparation of, adopting, and implementing the ~~Infrastructure Financing Plan (“Power Station~~  
20 ~~IFP”)~~for the Power Station EIFD~~infrastructure financing plan for each enhanced infrastructure~~  
21 ~~financing district,~~ which will describe, among other things, the allocation by the City to the  
22 ~~enhanced infrastructure financing district~~Power Station EIFD of certain incremental property tax  
23 revenue for the purpose of funding public capital facilities and other specified projects of  
24 communitywide significance that provide significant benefits to the enhanced infrastructure  
25 financing district~~Power Station EIFD~~ or the surrounding community, (ii) the issuance by the

1 ~~enhanced infrastructure financing district~~Power Station EIFD of bonds and other forms of  
2 indebtedness in furtherance of the purposes of the enhanced infrastructure financing  
3 ~~district~~Power Station EIFD, (iii) causing the timely preparation and delivery of the annual  
4 report required by California Government Code Section 53398.66(j), and (iv) causing the  
5 timely preparation and delivery of the independent audit required by California Government  
6 Code Section 53398.88.

7 ~~—(b) To the extent permitted under applicable law, the EIFD Public Financing Authority No. 1~~  
8 ~~shall act as the legislative body of other enhanced infrastructure financing districts formed in the City~~  
9 ~~pursuant to California Government Code Section 53398.51, on such terms and conditions as the Board~~  
10 ~~of Supervisors shall determine by ordinance and as otherwise set forth in the proceedings establishing~~  
11 ~~such infrastructure financing districts.~~

12  
13 **SEC. 5.48-5. ORGANIZATION AND TERMS OF OFFICE.**

14 (a) The EIFD Public Financing Authority No. 1 shall come into existence on the date  
15 that appointments have been made to three of the five seats on the body.

16 (b) The Board of Supervisors shall make initial appointments to all five seats on the  
17 EIFD Public Financing Authority No. 1 by no later than 60 days following the effective date of  
18 this Article XLVIII.

19 (c) The terms of all five seats shall commence on the date the EIFD Public Financing  
20 Authority No. 1 comes into existence, as stated in subsection (a).

21 (d) Members of the EIFD Public Financing Authority No. 1 shall serve four-year terms,  
22 with the exception that the initial appointments to seats 3 and 4 shall be for two-year terms.  
23 Subsequent appointments to seats 3 and 4 shall be for four-year terms. Regardless of when a  
24 specific member is actually appointed to a seat, the beginning date of the initial terms is as  
25 stated in subsection (c).

1 (e) Members of the EIFD Public Financing Authority No. 1 shall serve at the pleasure  
2 of the Board of Supervisors and may be removed from serving on the body by the Board of  
3 Supervisors at any time.

4 (f) When a vacancy occurs on the EIFD Public Financing Authority No. 1, the Board of  
5 Supervisors shall fill the vacancy in accordance with Section 5.48-4. The replacement  
6 appointee shall complete the term of the seat that was vacated, but is not precluded from  
7 being appointed to the EIFD Public Financing Authority No. 1~~Power Station~~ for an additional term  
8 or terms.

9 (g) If a member of the EIFD Public Financing Authority No. 1 from the Board of  
10 Supervisors in seats 1-3 or serving as an alternate member leaves the Board of Supervisors,  
11 then that Supervisor's membership on the EIFD Public Financing Authority No. 1, or status as  
12 an alternate member, as the case may be, expires by operation of law, creating a vacancy in  
13 the seat or the alternate membership.

14 (h) Members of the EIFD Public Financing Authority No. 1 shall receive no  
15 compensation, but they may receive reimbursement for actual and necessary expenses  
16 incurred in the performance of official duties pursuant to Article 2.3 (commencing with Section  
17 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the California Government Code.

18 (i) Members of the EIFD Public Financing Authority No. 1 are subject to Article 2.4  
19 (commencing with Section 53234) of Chapter 2 of Part 1 of Division 2 of Title 5 of the  
20 California Government Code.

21 (j) The EIFD Public Financing Authority No. 1 shall establish such rules and  
22 procedures as are necessary or appropriate to ensure compliance with California Government  
23 Code Sections 53398.50 et seq., to further the purposes of the enhanced infrastructure financing  
24 districts for which it acts as the governing board~~Power Station EIFD~~, and to satisfy the  
25 requirements of Section 5.48.7 below.

1 (k) The Office of the Controller shall provide administrative and clerical support to the  
2 EIFD Public Financing Authority No. 1, unless and until that function is re-assigned to another  
3 Department as part of the annual budget process.

4  
5 **SEC. 5.48-7. MEETINGS AND PROCEDURES.**

6 (a) The EIFD Public Financing Authority No. 1 shall hold its inaugural meeting no later  
7 than 90 days after the effective date of the ordinance establishing this Article XLVIII. There  
8 shall be at least ten days' notice of the inaugural meeting.

9 (b) Following the inaugural meeting, and not counting the inaugural meeting, the EIFD  
10 Public Financing Authority No. 1 shall hold a regular meeting not less than one time per year.

11 (c) The EIFD Public Financing Authority No. 1 shall elect a Chair, and in its discretion  
12 may establish such other offices, if any, as it deems appropriate, to be filled by election.

13 (d) The EIFD Public Financing Authority No. 1 may establish rules for its organization  
14 and procedures, as the ~~Potrero~~ EIFD Public Financing Authority No. 1 deems necessary or  
15 appropriate.

16 (e) Three members of the EIFD Public Financing Authority No. 1 shall constitute a  
17 quorum.

18 (f) In accordance with California Government Code Section 53398.51.1(e), the EIFD  
19 Public Financing Authority No. 1 shall be deemed a local public agency subject to the Ralph  
20 M. Brown Act (Title 5, Division 2, Part 1, Chapter 9 (commencing with Section 54950) of the  
21 California Government Code); the California Public Records Act (Title 1, Division 10  
22 (commencing with Section 7920.000) of the California Government Code); and the Political  
23 Reform Act of 1974 (Title 9 (commencing with Section 81000) of the California Government  
24 Code).

1     **SEC. 5.48-8. SUNSET.**

2             Unless the Board of Supervisors by ordinance extends the term of the EIFD Public  
3     Financing Authority No. 1, it shall terminate on (a) the date on which ~~the Power Station EIFD~~  
4     enhanced infrastructure financing districts for which it acts as governing board no longer receives  
5     property tax revenues under the ~~Power Station IFP~~applicable infrastructure financing plans, or (b)  
6     the date on which no bonds or other forms of indebtedness of the EIFD Public Financing  
7     Authority No. 1 are outstanding, whichever date is later. After that date, the City Attorney is  
8     authorized to cause this Article XLVIII to be removed from the Administrative Code.

9  
10            Section 3. Effective Date. This ordinance shall become effective 30 days after  
11    enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
12    ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
13    of Supervisors overrides the Mayor's veto of the ordinance.

14  
15            Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
16    intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
17    numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
18    Code that are explicitly shown in this ordinance as additions, deletions, Board amendment

19    ///

20    ///

21    ///

22    additions, and Board amendment deletions in accordance with the "Note" that appears under  
23    the official title of the ordinance.

1 APPROVED AS TO FORM:  
2 DAVID CHIU, City Attorney

3 By: /s/ MARK D. BLAKE  
4 MARK D. BLAKE  
5 Deputy City Attorney

6 n:\legana\as2024\2400399\01763142.docx

7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

## **LEGISLATIVE DIGEST**

[Administrative Code – Enhanced Infrastructure Financing District Public Financing Authority No. 1]

**Ordinance amending the Administrative Code to provide for Enhanced Infrastructure Financing District Public Financing Authority No. 1 to act as the governing body of multiple enhanced infrastructure financing districts.**

### **Existing Law**

Existing law (Article XLVIII of Chapter 5 of the Administrative Code) requires the formation of a public financing authority to act as the governing body for each enhanced infrastructure district formed by the City in accordance with the Enhanced Infrastructure Financing District Law (California Government Code Sections 53398.50 et seq., the “EIFD Law”).

### **Amendments to Current Law**

The proposed Ordinance amends existing law to authorize Enhanced Infrastructure Financing District Public Financing Authority No. 1 (“PFA”) to act as the governing body for multiple districts formed by the City as the Board determines in the resolution of intention to establish an enhanced infrastructure financing district.

### **Background Information**

An enhanced infrastructure financing district is a legal constituted district formed under the EIFD law for the sole purpose of financing select public facilities or project. Under the EIFD Law, a public financing authority is required to be established to serve as the governing body of the EIFD at the same time the City adopts a resolution of intention to establish an EIFD.

In connection with the formation of the San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station) (“Power Station EIFD”) to finance public capital facilities and projects for the proposed Potrero Power Station Project, the Board of Supervisors established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 to act as the legislative body of the Power Station EIFD. Under the City’s Administrative Code, to the extent permitted under applicable law, the EIFD Public Financing Authority No. 1 also may act as the legislative body of other EIFDs formed in the City pursuant to the EIFD Law, on such terms and conditions as the Board of Supervisors shall determine by ordinance and as otherwise set forth in the proceedings establishing such infrastructure financing districts.

**Introduction Form**

(by a Member of the Board of Supervisors or the Mayor)

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
2024 JUL -4 PM 1:18

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment) *BY [Signature]*
- 2. Request for next printed agenda (For Adoption Without Committee Reference)  
*(Routine, non-controversial and/or commendatory matters only)*
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor [ ] inquires..."
- 5. City Attorney Request
- 6. Call File No. [ ] from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Topic submitted for Mayoral Appearance before the Board on [ ]

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission     Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes                       No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Supervisors Melgar and Peskin

Subject:

Administrative Code – Enhanced Infrastructure Financing District Public Financing Authority No. 1

Long Title or text listed:

Ordinance amending the Administrative Code to provide for Enhanced Infrastructure Financing District Public Financing Authority No. 1 to act as the governing body of multiple enhanced infrastructure financing districts.

Signature of Sponsoring Supervisor:

*[Handwritten Signature]*