

1 [Resolution of Intention to Add Territory to the City and County of San Francisco Infrastructure  
2 and Revitalization Financing District No. 1 (Treasure Island)]

3 **Resolution of intention to add territory to the City and County of San Francisco**  
4 **Infrastructure and Revitalization Financing District No. 1 (Treasure Island) as new**  
5 **project areas; ordering and setting a time and place for a public hearing of the Board of**  
6 **Supervisors, sitting as a Committee of the Whole ,on the proposed annexation, and to**  
7 **provide public notice thereof; and determining other matters in connection therewith.**

8  
9 WHEREAS, Naval Station Treasure Island (“NSTI”) is a former United States Navy  
10 base located in the City and County of San Francisco (“City”) that consists of two islands  
11 connected by a causeway: 1) Treasure Island, and 2) an approximately 90-acre portion of  
12 Yerba Buena Island; and

13 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended  
14 California Health and Safety Code, Section 33492.5, and added Section 2.1 to Chapter 1333  
15 of the Statutes of 1968, the California Legislature: (i) designated the Treasure Island  
16 Development Authority, a California non-profit public benefit corporation (“TIDA”), as a  
17 redevelopment agency under California redevelopment law with authority over NSTI upon  
18 approval of the City’s Board of Supervisors, which approval was granted in 1997, and (ii) with  
19 respect to those portions of NSTI which are subject to Tidelands Trust, vested in TIDA the  
20 authority to administer the public trust for commerce, navigation and fisheries as to such  
21 property; and

22 WHEREAS, In 2003, after a competitive bid process, the TIDA Board of Directors  
23 selected Treasure Island Community Development, LLC (Developer”) as the master  
24 developer for portions of Treasure Island and Yerba Buena Island; and

1           WHEREAS, The Developer proposed developing the Treasure Island/Yerba Buena  
2 Island Project ("Project"), which anticipated 1) up to 8,000 new residential units, at least 25%  
3 of which (2,000 units) would be made affordable to a broad range of very-low to moderate  
4 income households; 2) adaptive reuse of approximately 311,000 square feet of historic  
5 structures; 3) up to approximately 140,000 square feet of new retail uses and 100,000 square  
6 feet of commercial office space; 4) approximately 300 acres of parks and open space; 5) new  
7 and/or upgraded public facilities, including a joint police/fire station, a school, facilities for the  
8 Treasure Island Sailing Center, and other community facilities; 6) up to 500 hotel rooms  
9 across 2-3 sites; 7) landside improvements for a new 400 slip marina; and 8) transportation  
10 infrastructure, including a ferry/quay intermodal transit center; and

11           WHEREAS, On April 21, 2011, the Planning Commission by Motion No. 18325 and the  
12 Board of Directors of TIDA, by Resolution No. 11-14-04/21, as co-lead agencies, certified the  
13 completion of the Final Environmental Impact Report for the Project ("FEIR"), and  
14 unanimously approved a series of entitlement and transaction documents relating to the  
15 Project, including certain environmental findings under the California Environmental Quality  
16 Act ("CEQA"), a mitigation and monitoring and reporting program ("MMRP"), and the Original  
17 DDA (defined below), the Original Development Agreement (defined below) and other  
18 transaction documents; and

19           WHEREAS, On June 7, 2011, in Motion No. M11-0092, the Board of Supervisors  
20 unanimously affirmed certification of the FEIR; on that same date, the Board of Supervisors, in  
21 Resolution No. 246-11, adopted CEQA findings and the MMRP, and made certain  
22 environmental findings under CEQA; on June 14, 2011, the Board of Supervisors, in  
23 Ordinance No. 95-11, approved the Original DDA and other transaction documents, including  
24 the Transportation Plan and Infrastructure Plan; and

25

1           WHEREAS, Pursuant to Resolution No. 242-11, adopted by the Board of Supervisors  
2 on June 7, 2011, the United States of America, acting by and through the Department of the  
3 Navy (“Navy”), and TIDA entered into that certain Economic Conveyance Memorandum of  
4 Agreement (as amended and supplemented from time to time, the “Conveyance Agreement”)  
5 that governs the terms and conditions for the transfer of NSTI from the Navy to TIDA; and

6           WHEREAS, Pursuant to Resolution No. 241-11, adopted by the Board of Supervisors  
7 on June 7, 2011, TIDA and the Developer entered into that certain the Disposition and  
8 Development Agreement (Treasure Island/Yerba Buena Island) dated June 28, 2011 (the  
9 “Original DDA”) that governs the disposition and development of a portion of NSTI (the  
10 “Project Site”) after the Navy’s transfer of NSTI to TIDA in accordance with the Conveyance  
11 Agreement; the Original DDA included a Financing Plan (Treasure Island/Yerba Buena Island)  
12 (“Original Financing Plan”), that governs the establishment of one or more infrastructure  
13 financing districts to finance the construction and acquisition of certain real and tangible  
14 property; and

15           WHEREAS, Pursuant to Ordinance No. 95-11, passed by the Board of Supervisors on  
16 June 14, 2011, the City and the Developer entered into that certain Development Agreement  
17 dated for reference purposes only as of June 28, 2011 (“Original Development Agreement”)  
18 related to the Project Site to eliminate uncertainty in the City’s land use planning for the  
19 Project Site and secure orderly development of the Project consistent with the Original DDA  
20 and other applicable requirements, and the Original Financing Plan was also an exhibit to the  
21 Original Development Agreement; and

22           WHEREAS, On January 24, 2012, pursuant to Resolution No. 11-12, the Board of  
23 Supervisors rescinded designation of TIDA as the redevelopment agency for Treasure Island  
24 under California Community Redevelopment Law but such rescission does not affect TIDA’s  
25

1 status as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of  
2 NSTI subject to the Tidelands Trust, or any of the other powers or authority; and

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

7 WHEREAS, Pursuant to IRFD Law Section 53369.5, an infrastructure and revitalization  
8 financing district may be divided into project areas, and the legislative body of an  
9 infrastructure and revitalization financing district may, at any time, add territory to a district or  
10 amend the infrastructure financing plan for the district by conducting the same procedures for  
11 the formation of a district or approval of bonds as provided in the IRFD Law; and

12 WHEREAS, Pursuant to Resolution No. 503-16, adopted by the Board of Supervisors  
13 on December 6, 2016, and signed by the Mayor on December 16, 2016, the Board of  
14 Supervisors resolved, among other things, to establish the City and County of San Francisco  
15 Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (“IRFD”), and that  
16 future annexations of property on Yerba Buena Island and Treasure Island into the IRFD may  
17 occur at any time after formation of the IRFD, but only if the Board of Supervisors has  
18 completed the procedures set forth in an infrastructure financing plan; and

19 WHEREAS, Pursuant to the Original Financing Plan and the IRFD Law, the Board of  
20 Supervisors passed Ordinance No. 21-17 on January 31, 2017, which the Mayor signed on  
21 February 9, 2017 (“IRFD Formation Ordinance”), pursuant to which the Board of Supervisors  
22 declared the IRFD and certain initial project areas within the IRFD (collectively, “Initial Project  
23 Areas,” and together with any future project areas that may be established in the IRFD, the  
24 “Project Areas”) to be fully formed with full force and effect of law; and

25

1           WHEREAS, Pursuant to the IRFD Formation Ordinance, the Board of Supervisors also  
2 approved an infrastructure financing plan for the IRFD, which infrastructure financing plan was  
3 subsequently amended and restated by the Board of Supervisors pursuant to Ordinance No.  
4 29-22, which was passed by the Board of Supervisors on February 15, 2022, and signed by  
5 the Mayor on February 25, 2022 (“IFP”); and

6           WHEREAS, the IFP lists the following procedures for annexation of property to the  
7 IRFD:

- 8           (i)     this Board of Supervisors adopts a resolution of intention to annex property  
9                   (“annexation territory”) into the IRFD and describes whether the annexation  
10                  territory will be included in one of the then-existing Project Areas or in a new  
11                  Project Area,
- 12           (ii)    this Board of Supervisors adopts a resolution of intention to issue bonds secured  
13                   by the Net Available Increment (as defined in the IFP) for the IRFD as a whole  
14                   as a result of the additional bonding capacity generated by the addition of the  
15                   annexation territory to the IRFD,
- 16           (iii)   the resolution of intention to annex the annexation territory is mailed to each  
17                   owner of land in the annexation territory and each affected taxing entity in the  
18                   annexation territory,
- 19           (iv)    this Board of Supervisors designates TIDA to prepare an appendix to the IFP for  
20                   the annexation territory,
- 21           (v)     the appendix to the IFP is sent to each owner of land and each affected taxing  
22                   entity within the annexation territory,
- 23           (vi)    this Board of Supervisors notices and holds a public hearing on the proposed  
24                   annexation,

- 1 (vii) this Board of Supervisors adopts a resolution proposing the adoption of the  
2 appendix to the IFP and annexation of the annexation territory to the IRFD, and  
3 submits the proposed annexation to the qualified electors in the annexation  
4 territory, with the ballot measure to include the question of the proposed  
5 annexation of the annexation territory into the IRFD, approval of the  
6 appropriations limit for the IRFD and approval of the issuance of bonds for the  
7 IRFD, and
- 8 (viii) after the canvass of returns of any election, and if two-thirds of the votes cast  
9 upon the question are in favor of the ballot measure, this Board of Supervisors  
10 may, by ordinance, adopt the appendix to the IFP, if any, and approve the  
11 annexation of the annexation territory to the IRFD; and

12 WHEREAS, Pursuant to Resolution No. 196-24, adopted by the Board of Supervisors  
13 on April 23, 2024, Developer and TIDA entered into an Amended and Restated Disposition  
14 and Development Agreement (Treasure Island/Yerba Buena Island) dated August 1, 2024  
15 (“Amended and Restated DDA”), including an Amended and Restated Financing Plan  
16 (Treasure Island/Yerba Buena Island) (“Amended and Restated Financing Plan”) which  
17 replaced, respectively, the Original DDA and Original Financing Plan; and

18 WHEREAS, Pursuant to Ordinance No. 93-24, passed by the Board of Supervisors on  
19 April 30, 2024, Developer and the City entered into a First Amendment to Development  
20 Agreement dated as of August 1, 2024 (the Original Agreement, as amended by the First  
21 Amendment to Development Agreement, “Amended Development Agreement”), which  
22 amendment replaced, among other things, the Original Financing Plan with the Amended and  
23 Restated Financing Plan; and

24 WHEREAS, Treasure Island Series 2, LLC and Treasure Island Series 2, LLC have  
25 submitted petitions to this Board of Supervisors to initiate the annexation of certain property

1 owned by them on Treasure Island (“Annexation Territory”) into the IRFD, and requested that  
2 the Annexation Territory be designated as four new Project Areas (“Project Areas F, G, H and  
3 I”): “Project Area F of the City and County of San Francisco Infrastructure and Revitalization  
4 Financing District No. 1 (Treasure Island),” “Project Area G of the City and County of San  
5 Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island),” “Project  
6 Area H of the City and County of San Francisco Infrastructure and Revitalization Financing  
7 District No. 1 (Treasure Island),” and “Project Area I of the City and County of San Francisco  
8 Infrastructure and Revitalization Financing District No. 1 (Treasure Island)”; and

9 WHEREAS, CEQA mandates that "when an environmental impact report has been  
10 prepared for a project, no subsequent or supplemental environmental impact report shall be  
11 required by the lead agency," unless the lead agency determines, on the basis of substantial  
12 evidence that the project or its circumstances have changed, or there is new information, and  
13 that those changes or new information would cause new significant impacts, or a substantial  
14 increase in the severity of previously identified impacts (CEQA Section 21166; CEQA  
15 Guidelines Section 15162); and

16 WHEREAS, The Planning Department has determined that no additional environmental  
17 review is required, beyond what was already studied in the certified FEIR, because the  
18 proposed annexation of the Annexation Territory to the IRFD does not trigger any of those  
19 circumstances listed in CEQA and the CEQA Guidelines for additional environmental review;  
20 and

21 WHEREAS, The Board of Supervisors wishes to declare its intention to annex the  
22 Annexation Territory to the IRFD in the manner required by the IRFD Law and the IFP; now,  
23 therefore, be it

1 RESOLVED, That the Board of Supervisors is adopting this Resolution in its capacity  
2 as the legislative body of the City and as the “legislative body” as defined in the IRFD Law;  
3 and, be it

4 FURTHER RESOLVED, That this Board of Supervisors proposes to conduct  
5 proceedings to annex the Annexation Territory to the IRFD as Project Areas F, G, H and I  
6 pursuant to the IRFD Law; and, be it

7 FURTHER RESOLVED, That the Board of Supervisors hereby determines that the  
8 proposed boundaries of the Annexation Territory and the new Project Areas are as shown on  
9 the map of said Annexation Territory and Project Areas F, G, H and I on file with the Clerk of  
10 the Board of Supervisors in File No. \_\_\_\_\_; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds  
12 that the Base Year (as defined in the IFP) for determining the Net Available Increment to be  
13 derived from the Annexation Territory and Project Areas F, G, H and I shall be Fiscal Year  
14 2016-17, as provided in the IFP; and, be it

15 FURTHER RESOLVED, That the Board of Supervisors hereby declares that, upon the  
16 annexation of the Annexation Territory to the IRFD in accordance with the IFP and the IRFD  
17 Law, the IRFD Improvements described in the IFP may be financed with the Net Available  
18 Increment derived from the Annexation Territory, including any additional Bond proceeds that  
19 may be generated as the result of the increased allocation of Net Available Increment derived  
20 from the Annexation Territory; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors hereby determines and  
22 establishes that (i) for each new Project Area, the Net Available Increment from the Project  
23 Area will commence to be allocated by the City (but no other affected taxing entities, as  
24 defined in the IRFD Law) to the IRFD in the fiscal year that follows the fiscal year in which at  
25 least \$150,000 of tax increment is generated by the Project Area and received by the City

1 (“Commencement Year”), unless otherwise agreed to in writing by TIDA, and (ii) for each new  
2 Project Area, the termination date shall be the final day of the fiscal year that is 40 years after  
3 the Commencement Year (or such longer period permitted by the IRFD Law and approved by  
4 this Board of Supervisors); and, be it

5 FURTHER RESOLVED, That the Board of Supervisors hereby declares that a  
6 resolution authorizing the annexation of the Annexation Territory to the IRFD will include an  
7 authorization to issue a maximum additional principal amount of Bonds (as defined in the IFP)  
8 above the \$780 million previously authorized for the Initial Project Areas as a result of the  
9 additional bonding capacity generated by the addition of the annexation territory to the IRFD,  
10 upon the same terms, and subject to the same limitations, as the Bonds set forth in the  
11 proceedings establish the IRFD; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby declares that, upon the  
13 annexation of the annexation territory to the IRFD as Project Areas F, G, H and I, the  
14 Annexation Territory will be subject to the appropriations limit established for the IRFD; and,  
15 be it

16 FURTHER RESOLVED, That Tuesday, \_\_\_\_\_ at \_\_\_\_\_. or as soon as  
17 possible thereafter, in the Board of Supervisors Chamber, 1 Dr. Carlton B. Goodlett Place,  
18 City Hall, San Francisco, California, be, and the same are hereby appointed and fixed as the  
19 time and place when and where this Board of Supervisors, as legislative body for the IRFD,  
20 will conduct a public hearing on the proposed annexation of the Annexation Territory to the  
21 IRFD as Project Areas F, G, H and I; and, be it

22 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed  
23 to mail a copy of this Resolution to each owner of land (as defined in the IRFD Law) within the  
24 Annexation Territory and to any affected taxing entities, and in addition, in accordance with  
25 IRFD Law Section 53369.17, the Clerk of the Board of Supervisors is hereby directed to

1 cause notice of the public hearing to be published not less than once a week for four  
2 successive weeks in a newspaper of general circulation published in the City, and the notice  
3 shall describe the proposed annexation of the Annexation Territory to the IRFD as Project  
4 Areas F, G, H and I, and state the day, hour, and place when and where any persons having  
5 any objections to the proposed annexation of the Annexation Territory to the IRFD as Project  
6 Areas F, G, H and I, or the regularity of any of the prior proceedings, may appear before this  
7 Board of Supervisors and object to the approval of the annexation of the Annexation Territory  
8 to the IRFD as Project Areas F, G, H and I by the Board of Supervisors; and, be it

9 FURTHER RESOLVED, That this resolution in no way obligates the Board of  
10 Supervisors or the IRFD to annex the Annexation Territory; the annexation of the Annexation  
11 Territory is subject to all requirements of IRFD Law, including the Board of Supervisors'  
12 approval of (i) the Annexation Territory and (ii) the appendix to the IFP for the Annexation  
13 Territory, following a public hearing conducted pursuant to the IRFD Law; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered  
15 the FEIR and finds that the FEIR is adequate for its use for the actions taken by this resolution  
16 and that no further environmental review is required, and incorporates the FEIR and the  
17 CEQA findings contained in Board of Supervisors Resolution No. 196-24 by this reference;  
18 and, be it

19 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or  
20 word of this resolution, or any application thereof to any person or circumstance, is held to be  
21 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
22 shall not affect the validity of the remaining portions or applications of this resolution, this  
23 Board of Supervisors hereby declaring that it would have passed this resolution and each and  
24 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
25

1 unconstitutional without regard to whether any other portion of this resolution or application  
2 thereof would be subsequently declared invalid or unconstitutional; and, be it

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

14 FURTHER RESOLVED, That all actions authorized and directed by this resolution,  
15 consistent with any documents presented herein, and heretofore taken are hereby ratified,  
16 approved and confirmed by this Board of Supervisors; and, be it

17 FURTHER RESOLVED, That this resolution shall take effect upon its adoption.

18 APPROVED AS TO FORM:  
19 DAVID CHIU, City Attorney

20 By: /s/ Grace H. Park  
21 GRACE H. PARK  
22 Deputy City Attorney

23  
24 4911-4059-2300, v. 1  
25