

## **LEGISLATIVE DIGEST**

[Establishing an Infrastructure Financing District and Adopting an Infrastructure Financing Plan (Port of San Francisco)]

**Ordinance establishing an Infrastructure Financing District (IFD) (including Sub-Project Area G-1 (Pier 70 - Historic Core) and adopting an Infrastructure Financing Plan (IFP) (including Appendix G-1) for City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco); approving a Tax Administration Agreement; affirming the Planning Department's determination under the California Environmental Quality Act; and approving other matters in connection with the IFD and IFP, as defined herein.**

### Existing Law

This is new legislation.

### Background Information

Under California Government Code Sections 53395 et seq. ("IFD Law"), the Board of Supervisors is authorized to establish an infrastructure financing district and to act as the legislative body for such an IFD.

By passage of this Ordinance, the City will establish an infrastructure financing district that encompasses only lands owned by the Port of San Francisco ("Port IFD") and adopt an infrastructure financing plan for the Port IFD ("Port IFP"). Generally, creation of the Port IFD and adoption of a Port IFP are not "projects" under the California Environmental Quality Act because they do not result in a physical change in the environment.

The Ordinance will also establish a sub-project area within the Port IFD for the "Historic Core" of Pier 70 ("Sub-Project Area G-1"). The "Historic Core" is located generally along 20<sup>th</sup> Street, east of Illinois Street, and is within approximately 65 acres of waterfront land owned by the Port in the area known as Pier 70. Most of the buildings within the "Historic Core" will be rehabilitated by Port's development partner, Historic Pier 70, LLC pursuant to the terms of a Lease Disposition and Development Agreement and Lease.

The Ordinance will also adopt Appendix G-1 to the Port IFP. Appendix G-1 proposes how property tax increment from Sub-Project Area G-1 will be allocated to finance the public facilities described therein which include Crane Cove Park-Phase 2, Building 102 electrical work, and various street, sidewalk and traffic signal improvements. A community plan exemption was approved, and applicable mitigation measure adopted, for the public facilities described in Appendix G-1.

The Ordinance will also establish the base year for Sub-Project Area G-1 to calculate the tax increment available from Sub-Project Area G-1 to finance the public facilities described in Appendix G-1.

Under the Ordinance, the Board of Supervisors will appoint the Port Commission to act as the agent of the Port IFD with respect to Sub-Project Area G-1 and authorize the Port Commission to enter into a Tax Administration Agreement with respect to Sub-Project Area G-1. The Tax Administration Agreement will select a vendor to perform certain tax administration services for the Port Commission relative to the Port IFD.

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