

File No. 260549

Committee Item No. 9

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Government Audit and Oversight

Date: June 4, 2026

Board of Supervisors Meeting:

Date: _____

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Prepared by: Monique Crayton

Date: May 29, 2026

Prepared by: _____

Date: _____

Prepared by: _____

Date: _____

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

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)”;

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. 260549; 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

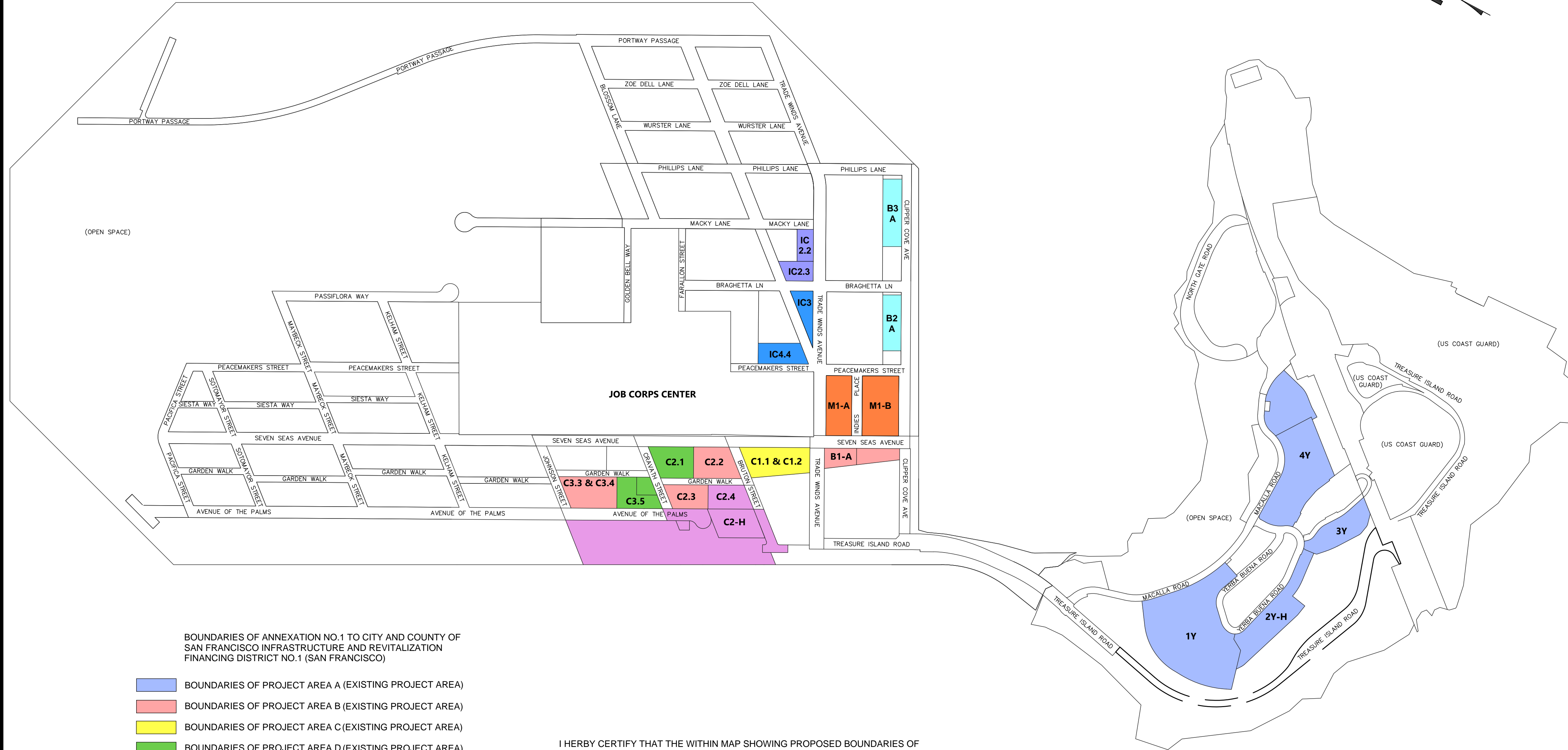
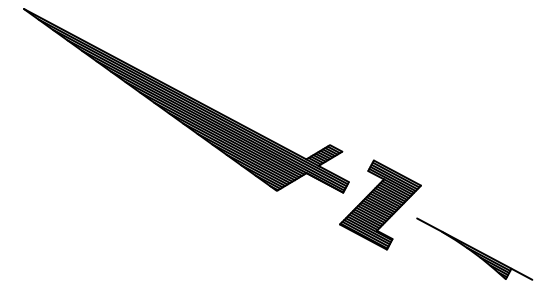
17 FURTHER RESOLVED, That this resolution shall take effect upon its adoption.

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

**PROPOSED BOUNDARIES OF ANNEXATION NO.1 TO
CITY AND COUNTY OF SAN FRANCISCO
INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1
(TREASURE ISLAND)**



BOUNDARIES OF ANNEXATION NO.1 TO CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1 (SAN FRANCISCO)

- BOUNDARIES OF PROJECT AREA A (EXISTING PROJECT AREA)
- BOUNDARIES OF PROJECT AREA B (EXISTING PROJECT AREA)
- BOUNDARIES OF PROJECT AREA C (EXISTING PROJECT AREA)
- BOUNDARIES OF PROJECT AREA D (EXISTING PROJECT AREA)
- BOUNDARIES OF PROJECT AREA E (EXISTING PROJECT AREA)
- BOUNDARIES OF PROJECT AREA F (ANNEXATION NO.1)
- BOUNDARIES OF PROJECT AREA G (ANNEXATION NO.1)
- BOUNDARIES OF PROJECT AREA H (ANNEXATION NO.1)
- BOUNDARIES OF PROJECT AREA I (ANNEXATION NO.1)

I HERBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO.1 TO CITY AND COUNTY OF SAN FRANCISCO INFRASTRUCTURE AND REVITALIZATION FINANCING DISTRICT NO.1 (TREAUSRE ISLAND) WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO, AT A REGULAR MEETING THERFOF, HELD ON THE _____ DAY OF _____, 20____, BY ITS RESOLUTION NO. _____

(CLERK OF THE BOARD OF SUPERVISORS)



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller

ChiaYu Ma
Deputy Controller

Anna Van Degna
Director of Public Finance

MEMORANDUM

TO: Honorable Members, Board of Supervisors with respect to City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) (the "Treasure Island IRFD" or the "IRFD")

FROM: Anna Van Degna, Director of the Controller's Office of Public Finance
Bridget Katz, Deputy Director, Controller's Office of Public Finance
Min Guo, Public Finance Specialist, Controller's Office of Public Finance
Jamie Querubin, Acting Director, Treasure Island Development Authority

DATE: **May 19, 2026**

SUBJECT: Resolution of Intention to add Territory to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)

Resolution Authorizing and Directing the Executive Director of the Treasure Island Development Authority (or designee) to Prepare an Appendix to the Infrastructure Financing Plan Related to an Annexation of Property to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)

Recommended Actions

We respectfully request that the Board of Supervisors ("Board") consider for review and approval (i) the Resolution of Intention ("ROI") to add property to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) ("IRFD") as described further herein and (ii) the Resolution authorizing and directing the Executive Director of the Treasure Island Development Authority (or designee) to prepare an appendix to the Infrastructure Financing Plan related to the annexation of property to the IRFD, (together, the "Resolutions").

Background

Since 1997, the City and TIDA have worked together on the Treasure Island/ Yerba Buena Island Development Project ("Project") to redevelop the former Treasure Island Naval Station ("NSTI") in connection with the conveyance of the Navy-owned lands to TIDA. In early 2003, TIDA and the Treasure Island Community Development, LLC ("TICD" or the "Developer") entered into an Exclusive Negotiating Agreement and began work on a Development Plan for the Project.

2 | Resolution of Intention to add Territory to the Treasure Island IRFD, Resolution Authorizing Executive Director of the Treasure Island Development Authority (or designee) to Prepare an Appendix to the Infrastructure Financing Plan Related to the Treasure Island IRFD

In 2011, TICD and TIDA entered into a Disposition and Development Agreement (“DDA”), and TICD and the City entered into a Development Agreement (“DA”) to deliver the Project. The Financing Plan attached to the DDA and DA (“DDA Financing Plan”) contemplates reimbursement to the Developer for costs incurred to construct public infrastructure through the issuance of special tax bonds issued for one or more community facilities districts (“CFDs”) formed under the Mello-Roos Community Facilities Act of 1982 (“Mello-Roos Act”) and tax increment revenue bonds issued by the IRFD. The DA, the DDA and the DDA Financing Plan were amended in 2024 to resolve disputes among TICD, TIDA and the City, and to accelerate the development of housing in the Project. The amendments included the City agreeing to advance up to \$115 million in City-supported capital funds through the issuance of certificates of participation to fund Stage 2 infrastructure.

Under the Mello-Roos Act, the Board of Supervisors has the authority to levy special taxes on taxable property in a CFD. Under the IRFD Law, the City allocates a portion of the general 1.00% ad valorem incremental tax revenues to the IRFD; no new taxes are levied by the City in connection with the IRFD.

The Development Plan anticipates a new San Francisco neighborhood consisting of up to 8,000 residential units, including homes at below-market rates and approximately 27% affordable housing in total. The Development Plan also includes new commercial and retail space, up to 500 hotel rooms, and 290 plus acres of parks and public open space, including shoreline access and cultural uses. Transportation amenities being built for the project will enhance mobility on Yerba Buena Island and Treasure Island as well as link the islands to mainland San Francisco. The Project’s master plan also includes public facilities serving the Project, utility improvements, new and upgraded streets, public byways, bicycle, transit, pedestrian facilities, and a new ferry terminal.

The Treasure Island IRFD

On January 31, 2017, following a public hearing and landowner vote, the Board adopted Ordinance No. 21-17 forming the IRFD and adopting the Infrastructure Financing Plan (“Original Adopted IFP”). The IRFD consists of five Project Areas on Yerba Buena Island (Project Area A) and Treasure Island (Project Areas B, C, D & E), which represent the initial phases of development of the Project. The IRFD formation proceedings also established a process for the annexation of property to the IRFD.

On February 15, 2022, following a public hearing and landowner vote, the Board adopted Ordinance No. 029-22 adding territory to and adopting amendments to the Original Adopted IFP (as amended the “IFP” or “IRFD Financing Plan”) to facilitate the administration and distribution of the tax increment in accordance with IRFD Law and the IRFD Financing Plan over the life of the IRFD.

Under the terms set forth in the IRFD Financing Plan, the City has committed a portion of the 1.00% incremental property tax revenues derived in the project areas to the IRFD (“IRFD Portion”) for the reimbursement of eligible project costs and the financing of affordable housing consistent with the terms and limitations of IRFD Law, as detailed in the IFP, shown below:

3 | Resolution of Intention to add Territory to the Treasure Island IRFD, Resolution Authorizing Executive Director of the Treasure Island Development Authority (or designee) to Prepare an Appendix to the Infrastructure Financing Plan Related to the Treasure Island IRFD

Table 1: Apportionment of 1.00% Ad Valorem property tax from the IRFD Financing Plan

IRFD Portion		
Net Available Increment	To IRFD for Facilities & Housing	56.588206%
Conditional City Increment	To IRFD available for debt service coverage	8.000000%
Total IRFD Portion of 1.00%		64.588206%
Other Taxing Entities Portion: State ERAF, Local Education Agencies & Special Districts		
Education Revenue Augmentation Fund ("ERAF")		25.330113%
San Francisco Unified School District		7.698857%
San Francisco Community College Fund		1.444422%
San Francisco County Office of Education		0.097335%
Bay Area Rapid Transit District		0.632528%
Bay Area Air Quality Management District		0.208539%
Total Other Taxing Entity's Portion of 1.00%		35.411794%
Total 1.00% Ad Valorem Property		100.000000%

Pursuant to the IRFD Financing Plan, the City has committed its 56.588206% portion of the 64.588206% IRFD Portion of the 1.00% Tax Increment to the public financing for the Project ("Net Available Increment"), with 82.5% of those committed revenues being available to finance infrastructure constructed by the Developer ("Facilities" and "Net Available Facilities Increment") and 17.5% of the revenues reserved for the use of TIDA and the City, through MOHCD, to finance affordable housing ("Housing" and "Net Available Housing Increment").

The remaining balance of 8.00% of the 64.588206% IRFD Portion of the 1.00% Tax Increment ("Conditional City Increment") is not dedicated directly to the funding of the Project, but it is pledged, if needed, to pay debt service on currently outstanding bonds of the IRFD and any future debt of the IRFD ("Parity Debt"). On an annual basis, Conditional City Increment will be returned to the City's General Fund if not needed for debt service on any outstanding bonds.

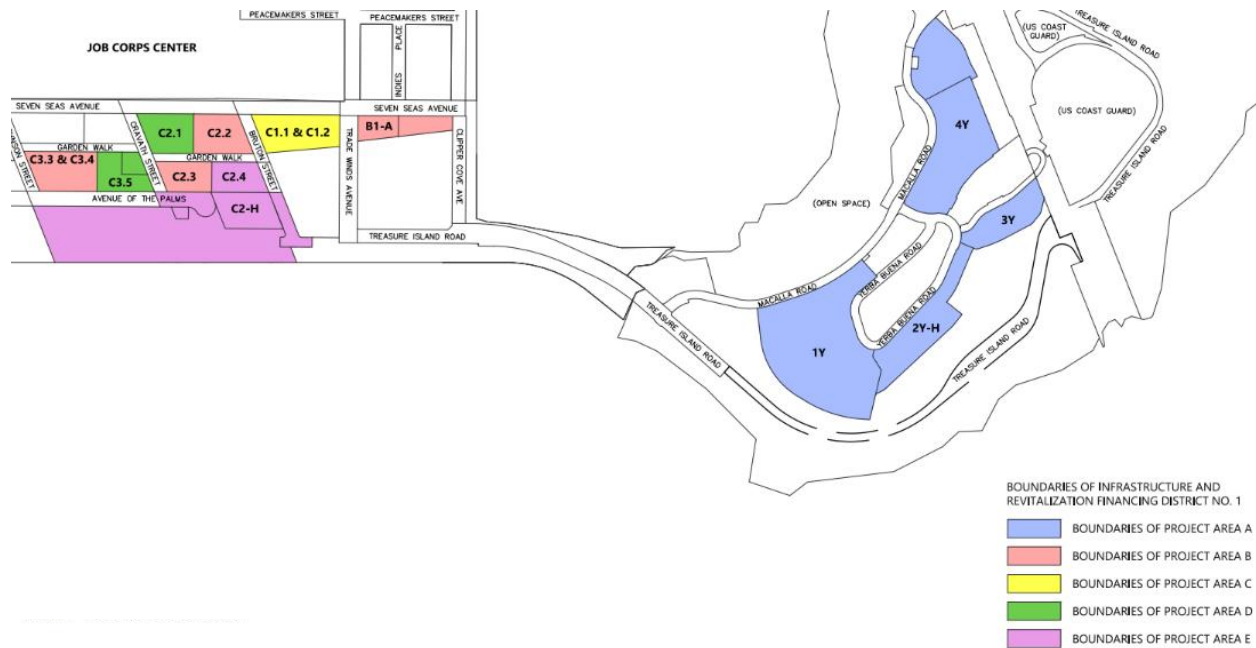
The Original Adopted IFP established the initial Project Areas (A, B, C, D and E) including (i) legal boundaries (amended by the IFP); (ii) the fiscal year to be used as the base year for calculating incremental assessed value and tax increment available to the Project; (iii) the trigger amount of tax increment to be collected by the City to commence the distribution of the tax increment to the IRFD from a given Project Area in the following fiscal year ("Commencement Year"), and to determine the final year of tax increment allocation to the IRFD from such Project Area, which is 40 years following the Commencement Year.

Project Area A encompasses development parcels located on Yerba Buena Island. Project Areas B, C, D, and E encompass a portion of the development parcels located on Treasure Island within the first phase of development along the waterfront nearest to Downtown San Francisco and the causeway connection to Yerba Buena Island. (See Table 1. Existing Project Areas A, B, C, D and E)

To date, the City has issued \$65.8 million in Treasure Island IRFD tax increment bonds (repaid by IRFD taxes) that have reimbursed the developer for the construction of public infrastructure and directly funded the construction of affordable housing on Treasure Island.

4 | Resolution of Intention to add Territory to the Treasure Island IRFD, Resolution Authorizing Executive Director of the Treasure Island Development Authority (or designee) to Prepare an Appendix to the Infrastructure Financing Plan Related to the Treasure Island IRFD

Table 1. Existing Project Areas A, B, C, D and E



Proposed Annexations and Appendix to the IFP

The proposed Resolutions declare the City’s intention to add properties (as new Project Areas) into the IRFD and prepare an appendix to the Infrastructure Financing Plan (“IFP”) in anticipation of development in Stage 2. With the addition of properties to the IRFD, the Net Available Increment generated from the new Project Areas will be allocated to the IRFD to support the Treasure Island project. As part of the project’s DDA Financing Plan, TICD (or its affiliates) may request the issuance of debt from time to time from the future tax increment anticipated to be generated by new Project Areas to reimburse eligible public infrastructure costs and directly fund affordable housing on Treasure Island.

The Controller’s Office of Public Finance (“OPF”) in coordination with TIDA and with assistance from the Assessor’s Office has been administering the IRFD since its formation in 2017. The City, at the request of TICD, has determined that the progress on Stage 2 construction necessitates the need to add or annex certain properties into the IRFD. The proposed amendment to the IRFD, as further described below, will require approval by the qualified landowner electors in the IRFD (both of whom have executed a petition asking the Board of Supervisors to undertake the annexation proceedings):

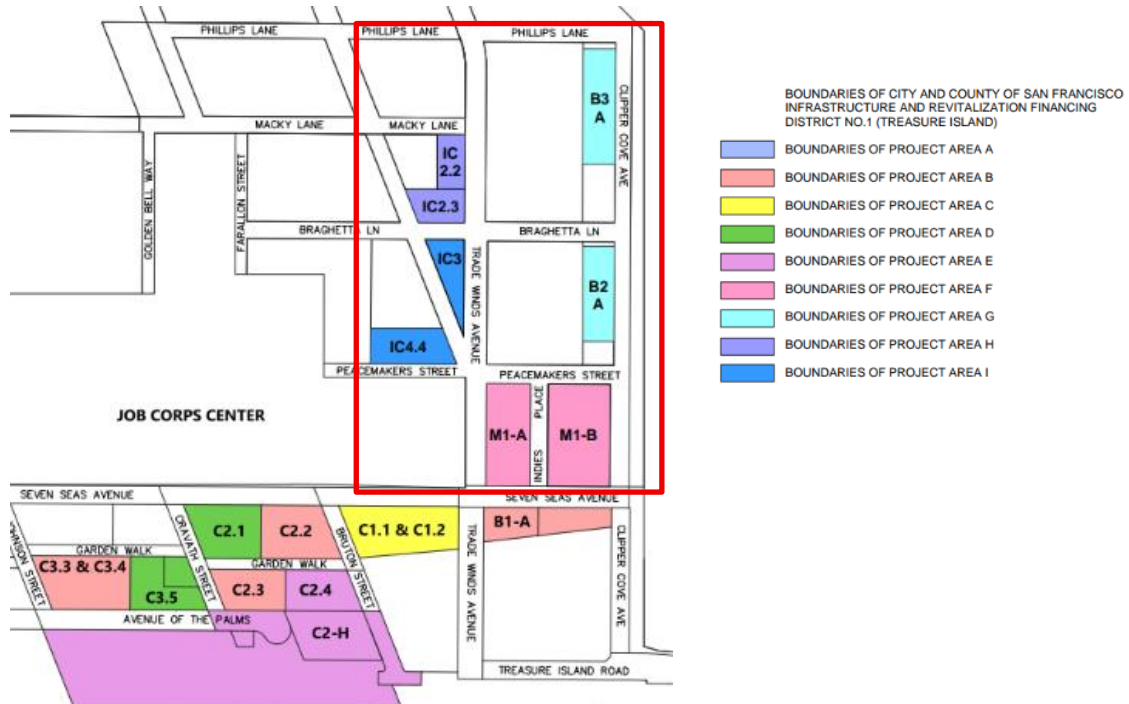
1. Additional Project Areas

By adopting the Resolutions, the Board would declare its intention to annex territory to the IRFD and direct preparation of an appendix to the IFP to add four new Project Areas F, G, H, and I (“Proposed Project Areas”), into the IRFD with parcel boundaries consistent with final maps that have been recorded since formation. The Proposed Project Areas conform to certain development parcels located in Stage 2 that are likely to be developed at approximately the same time, specifically development parcels IC 2.2, IC 2.3, IC 3, IC 4.4, B2-A, B3-A, M1-A, and M1-B. The Proposed Project Areas will ultimately be provided to the State Board of Equalization (“BOE”) to

5 | Resolution of Intention to add Territory to the Treasure Island IRFD, Resolution Authorizing Executive Director of the Treasure Island Development Authority (or designee) to Prepare an Appendix to the Infrastructure Financing Plan Related to the Treasure Island IRFD

create new Tax Rate Areas (“TRAs”) for clear tracking of the tax increment over the 40 years that a given Project Area will be taxed.

Table 2. Proposed Additional Project Areas F, G, H, and I



Additional Information and Anticipated Legislative Timeline

The Resolution of Intention is the first step in the process to describe the intention of the Board to add territory to the IRFD. The Resolution Authorizing and Directing the Executive Director of TIDA (or designee) to Prepare an appendix to the IFP is the second step in the annexation process, and the work is underway to prepare the appendix. The appendix must be approved by resolution of the Board, in its capacity as legislative body of the City, prior to the public hearing and special election, and will ultimately be adopted by ordinance following the special election.

Both Resolutions are expected to be introduced at the Board of Supervisors meeting on Tuesday, May 19, 2026. Additionally, there will be further related legislation and actions of the City, as laid out in the timeline below.

Legislative Action	Legislation	Date
Introduction	<ul style="list-style-type: none"> ROI to Annex Property Resolution Directing Preparation of Appendix to IFP 	Tuesday, May 19, 2026
Committee (GAO)	<ul style="list-style-type: none"> ROI to Annex Property, Resolution Directing Preparation of Appendix to IFP 	Thursday, June 4, 2026
BOS Approval	<ul style="list-style-type: none"> ROI to Annex Property 	Tuesday, June 9, 2026
BOS Approval	<ul style="list-style-type: none"> Resolution Directing Preparation of Appendix to IFP 	Tuesday, June 23, 2026

6 | Resolution of Intention to add Territory to the Treasure Island IRFD, Resolution Authorizing Executive Director of the Treasure Island Development Authority (or designee) to Prepare an Appendix to the Infrastructure Financing Plan Related to the Treasure Island IRFD

Introduction	<ul style="list-style-type: none"> • ROI to Issue Bonds • Resolution Approving IFP Annexation Supplement • Resolution Proposing Annexation • Resolution Calling Election re Annexation and Bonds • Resolution Declaring Election Results re Annexation and Bonds • Ordinance Adopting IFP Annexation Appendix and Confirming Annexation • Resolution Approving Increased Principal Amount of Bonds 	Tuesday, June 30, 2026
Director of Elections	<ul style="list-style-type: none"> • Letter as to registered voters in IRFD 	Monday, July 6, 2026
OPF/Elections	<ul style="list-style-type: none"> • IFP Annexation Supplement + CEQA Report mailed to landowners, affected taxing entity, Planning Commission, Board of Supervisors & made available for public inspection 	Wednesday, July 8, 2026
Committee (GAO)	<ul style="list-style-type: none"> • ROI to Issue Bonds as a Result of Annexation • Resolution Approving IFP Appendix 	Thursday, July 16, 2026
BOS Clerk	<ul style="list-style-type: none"> • Submit 9/15 Public Hearing Notice 	Wednesday, August 12, 2026
BOS Clerk	<ul style="list-style-type: none"> • Publish 9/15 Public Hearing Notice - weekly for 4 successive weeks 	8/17, 8/24, 8/31, 9/7
BOS Approval	<ul style="list-style-type: none"> • ROI to Issue Bonds as a Result of Annexation • Resolution Approving IFP Annexation Appendix 	Tuesday, July 28, 2026
BOS Public Hearing	<p>Public Hearing on IFP & Committee of the Whole to hear:</p> <ul style="list-style-type: none"> • Resolution Proposing Annexation • Resolution Calling Election re Annexation and Bonds • Resolution Confirming Election Results re Annexation and Bonds • Ordinance Adopting IFP Annexation Appendix and Confirming Annexation • Resolution Approving Increased Principal Amount of Bonds 	Tuesday, September 15, 2026
BOS Approval	<ul style="list-style-type: none"> • Resolution Proposing Annexation • Resolution Calling Election re Annexation and Bonds 	Tuesday, September 15, 2026
Elections	<ul style="list-style-type: none"> • Mail Ballot Election re Annexation and Bonds 	Monday, September 28, 2026
BOS Approval	<ul style="list-style-type: none"> • Resolution Declaring Election Results 	Tuesday, September 29, 2026

7 | Resolution of Intention to add Territory to the Treasure Island IRFD, Resolution Authorizing Executive Director of the Treasure Island Development Authority (or designee) to Prepare an Appendix to the Infrastructure Financing Plan Related to the Treasure Island IRFD

	<ul style="list-style-type: none">• Resolution Approving Increased Principal Amount of Bonds	
BOS 1st Hearing	<ul style="list-style-type: none">• Ordinance Adopting IFP Annexation Appendix and Confirming Annexation	Tuesday, September 29, 2026
BOS 2nd Hearing	<ul style="list-style-type: none">• Ordinance Adopting IFP Annexation Appendix and Confirming Annexation	Tuesday, October 6, 2026
Mayor Signs	<ul style="list-style-type: none">• Ordinance Adopting IFP Annexation Appendix and Confirming Annexation	Friday, October 16, 2026

**Please note that dates are estimated unless otherwise noted.*

Your consideration of this matter is greatly appreciated. Please contact Anna Van Degna (anna.vandegna@sfgov.org), Bridget Katz (bridget.katz@sfgov.org), Jamie Querubin (jamie.querubin@sfgov.org), or Min Guo (min.guo@sfgov.org) if you have any questions.

OFFICE OF THE MAYOR
SAN FRANCISCO



DANIEL LURIE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Dexter Darmali, Legislative & Ethics Secretary
RE: Resolution of Intention to add Territory to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)
DATE: May 19, 2026

Resolution of intention to add territory to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) as new project areas; to call a public hearing on the proposed annexation, and to provide public notice thereof; and determining other matters in connection therewith.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org

Member, Board of Supervisors
District 2



City and County of San Francisco

STEPHEN SHERRILL

DATE: Thursday, May 28, 2026
TO: Angela Calvillo
Clerk of the Board of Supervisors
FROM: Supervisor Stephen Sherrill, Chair, Government Audit and Oversight Committee
RE: Government Audit and Oversight Committee COMMITTEE REPORT

Pursuant to Board Rule 4.20, as Chair of Government Audit and Oversight Committee, I have deemed the following matter is of an urgent nature and request that it be considered by the full Board on Tuesday, June 9, 2026, as a Committee Report:

1. File No. 260549 - Resolution of Intention to Add Territory to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)

This matter will be heard in the Government Audit and Oversight Committee at a Regular Meeting on Thursday, June 4, 2026, at 10:00 a.m.

Sincerely,

A handwritten signature in black ink, appearing to be "S. Sherrill", written over a white background.