

**PORT COMMISSION  
CITY AND COUNTY OF SAN FRANCISCO**

**RESOLUTION NO. 18-09**

- WHEREAS, California Statutes of 1968, Chapter 1333 (“Burton Act”) and the San Francisco Charter Sections 4.114 and B3.581 empower the Port Commission with the authority and duty to use, conduct, operate, maintain, manage, regulate and control the lands within Port Commission jurisdiction; and
- WHEREAS, As the Port’s selected master developer for Seawall Lot 337 and Pier 48, Seawall Lot 337 Associates, LLC (“Developer”) has initiated rezoning and design standards and controls for a multi-phased, mixed-use development for a proposed Special Use District (“Mission Rock SUD”) encompassing Seawall Lot 337 and Pier 48 (collectively, “Site”); and
- WHEREAS, As envisioned, the proposed Seawall Lot 337 and Pier 48 Mixed Use Project (“Project”) on the Site would include market-rate and affordable residential uses, commercial-office, retail, exhibition, parking, infrastructure development, including street improvements, and public open space; and
- WHEREAS, On June 30, 2014, the voters of the City and County of San Francisco approved an initiative requiring voter approval for any future construction projects on the San Francisco waterfront that required an increase in existing height limits (“Proposition B”). On November 3, 2015, in satisfaction of the requirements of Proposition B, the voters of the City and County of San Francisco approved the “Mission Rock Affordable Housing, Parks, Jobs and Historic Conservation Initiative” (“Proposition D”), which established policies for the Site; and
- WHEREAS, Concurrently, the Port Commission is considering approval a Disposition and Development Agreement (“DDA”), including a Financing Plan, with Developer that will govern the disposition and development of the Site and provide for the financing of certain capital facilities and public services related to the Project; and
- WHEREAS, On April 23, 2013, by Resolution No. 123-13, the City adopted *Guidelines for the Establishment and Use of Infrastructure Financing Districts on Project Areas on Land under Jurisdiction of the San Francisco Port Commission* relating to the formation of infrastructure financing districts by the City on waterfront property in San Francisco under the jurisdiction of the Port Commission; and

- WHEREAS, Under 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 an infrastructure financing district; and
- WHEREAS, By Resolution No. 110-12, the Board of Supervisors declared its intention to establish a waterfront district to be known as *City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco)* (“IFD”), which has been amended by Resolution No. 227-12 and by Resolution 421-15; and
- WHEREAS, As directed by the Board of Supervisors, the Executive Director of the Port of San Francisco (“Executive Director”) has prepared an infrastructure financing plan for the IFD (“Infrastructure Financing Plan”) in compliance with the IFD Law; and
- WHEREAS, On February 23, 2016, by Ordinance No. 27-16, the Board of Supervisors, among other things, declared the IFD to be fully formed and established with full force and effect of law and adopted the Infrastructure Financing Plan; and
- WHEREAS, In connection with the Project, the Port Commission intends to recommend that the Board of Supervisors establish a Project Area I (Mission Rock) (“Project Area I”) over the Site and establish 13 sub-project areas within Project Area I (collectively, “Sub-Project Areas”) that generally correspond to planned phases of the Project; and
- WHEREAS, Under Chapter 43, Article X of the San Francisco Administrative Code (“Special Tax Law”), which incorporates by reference the Mello-Roos Community Facilities Act of 1982, as amended, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with California Government Code Section 53311, the Board of Supervisors is authorized to establish a special tax district and to act as the legislative body for a special tax district; and
- WHEREAS, In connection with the Project, the Port Commission anticipates recommending that the Board of Supervisors establish one or more special tax districts over the Site in accordance with the Special Tax Law (“Special Tax Districts”); and
- WHEREAS, San Francisco Charter Section B7.320 authorizes the Mayor to submit to the Board of Supervisors for approval a memorandum of understanding between the Port Commission and another department or departments of the City, approved by the Port Commission by resolution, that requires the departments to expend funds or to transfer funds to the Port Commission; and

WHEREAS, On October 5, 2017, the Planning Commission (1) reviewed and considered the Final Environmental Impact Report for the Seawall Lot 337 and Pier 48 Mixed-Use Project (“FEIR”) (Case No. 2013-0208E); (2) found the FEIR to be adequate, accurate and objective, thus reflecting the independent analysis and judgment of the Planning Department and the Planning Commission; and (3) by Motion No. 20017, certified the FEIR as accurate, complete and in compliance with the California Environmental Quality Act (“CEQA”), the CEQA Guidelines, and Chapter 31 of the San Francisco Administrative Code; and

WHEREAS, At the same hearing, the Planning Commission approved the Project and in so doing, adopted findings under CEQA by Motion No. 20018, including a Statement of Overriding Considerations ( the “Mission Rock CEQA Findings”), and adopted a Mitigation Monitoring and Reporting Program (“MMRP”). A copy of the Planning Commission Motions, the Mission Rock CEQA Findings, and the MMRP are on file with the Port Commission Secretary and may be found in the records of the Planning Department at 1650 Mission Street, San Francisco, CA, and are incorporated in this resolution by reference as if fully set forth herein; and

WHEREAS, The Port Commission has reviewed the FEIR, the MMRP and the CEQA Findings, and finds that the approvals before the Port Commission are within the scope of the FEIR and that no substantial changes in the Project or the circumstances surrounding the Project have occurred and no new information that could not have been known previously showing new significant impacts or an increase in severity in impacts has been discovered since the FEIR was certified; and

WHEREAS, The Port Commission wishes to approve a Memorandum of Understanding by and among the Port Commission and the City’s Controller (“Controller”) and Treasurer and Tax Collector (“Tax Collector”), pursuant to which those City departments and the Port Commission would agree to implement the DDA, Project Area I, the Sub-Project Areas, and the Special Tax Districts, and to recommend that the Board of Supervisors approve the Memorandum of Understanding; and

WHEREAS, The Port Commission wishes to recommend that the Board of Supervisors appoint the Port Commission to act as the agent of the IFD with respect to Project Area I and the Sub-Project Areas and the agent of the Special Tax Districts, as set forth in the Memorandum of Understanding; now, therefore, be it

RESOLVED, That all of the recitals herein are true and correct; and be it further

- RESOLVED, That the Port Commission adopts the Mission Rock CEQA Findings as its own and adopts the MMRP. Where applicable, the Port Commission has imposed the measures in the MMRP as conditions in its approval documents for the Project; and be it further
- RESOLVED, That the Memorandum of Understanding among the Port Commission and the Controller and Tax Collector, in the form on file with the Commission Secretary, is hereby approved. The Executive Director (or her designee) is hereby authorized to execute the Memorandum of Understanding; and be it further
- RESOLVED, That the Executive Director, upon consultation with the City Attorney, is hereby authorized to make such modifications, changes, and additions to the Memorandum of Understanding as may be necessary or desirable and in the interests of the Port Commission, and which changes do not materially increase the obligations of the Port Commission or reduce its rights thereunder. The approval by the Executive Director (or her designee) of such modifications, changes, and additions shall be conclusively evidenced by the execution and delivery of the Memorandum of Understanding by the Executive Director; and be it further
- RESOLVED, That the Port Commission hereby recommends that the Board of Supervisors approve the Memorandum of Understanding and authorize the Controller and Tax Collector to execute the Memorandum of Understanding; and be it further
- RESOLVED, That the Port Commission hereby recommends that the Board of Supervisors appoint the Port Commission to act as the agent of the IFD with respect to Project Area I, the Sub-Project Areas, and the Special Tax Districts when formed, as set forth in the Memorandum of Understanding.

***I hereby certify that the foregoing resolution was adopted by the San Francisco Port Commission at its meeting of January 30, 2018.***

---

Secretary