

BOARD of SUPERVISORS



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## MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Stephen Sherrill, Chair  
Government Audit and Oversight Committee

FROM: Monique Crayton, Assistant Clerk

DATE: June 5, 2026

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**  
Tuesday, June 9

The following file should be presented as COMMITTEE REPORT at the regular Board meeting on Tuesday, June 9, 2026. This resolution was acted upon at the Regular Government Audit and Oversight Committee meeting on Thursday, June 4, 2026, at 10:00 a.m., by the votes indicated.

**Item No. 37                      File No. 260549**

**Resolution of Intention to Add Territory to the City and County of Sa Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)**

**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; ordering and setting a time and place for a public hearing of the Board of Supervisors, sitting as a Committee of the Whole, on the proposed annexation, on September 15, 2026, at 3:00 p.m., and to provide public notice thereof; and determining other matters in connection therewith.**

RECOMMENDED AS AMENDED AS A COMMITTEE REPORT

Vote: Supervisor Stephen Sherrill - Aye  
Supervisor Bilal Mahmood - Aye

Cc: Board of Supervisors  
Angela Calvillo, Clerk of the Board  
Alisa Somera, Legislative Deputy  
Brad Russi, Deputy City Attorney

File No. 260549

Committee Item No. 9

Board Item No. 37

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: June 4, 2026

Board of Supervisors Meeting:

Date: June 9, 2026

#### Cmte Board

- Motion
- Resolution – **Version 2**
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU - FY2022-2024 - Clean
- MOU - FY2022-2024 - Redline
- Grant Information Form
- Grant Budget
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- Contract / DRAFT Mills Act Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

#### OTHER

- Proposed Boundaries
- CON OPF Memo 051926
- MYR Memo 051926
- Comm Rpt Rqst Memo 052826
- ADM Presentation 060426
- \_\_\_\_\_
- \_\_\_\_\_

Prepared by: Monique Crayton

Date: June 5, 2026

Prepared by: Monique Crayton

Date: May 29, 2026

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

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

2

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, on**  
7 **September 15, 2026, at 3:00 p.m., and to provide public notice thereof; and determining**  
8 **other matters in connection therewith.**

9

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

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

23

24

25

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

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

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

22           WHEREAS, On June 7, 2011, in Motion No. M11-0092, the Board of Supervisors  
23 unanimously affirmed certification of the FEIR; on that same date, the Board of Supervisors, in  
24 Resolution No. 246-11, adopted CEQA findings and the MMRP, and made certain  
25 environmental findings under CEQA; on June 14, 2011, the Board of Supervisors, in

1 Ordinance No. 95-11, approved the Original DDA and other transaction documents, including  
2 the Transportation Plan and Infrastructure Plan; and

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

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

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

24 WHEREAS, On January 24, 2012, pursuant to Resolution No. 11-12, the Board of  
25 Supervisors rescinded designation of TIDA as the redevelopment agency for Treasure Island

1 under California Community Redevelopment Law but such rescission does not affect TIDA's  
2 status as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of  
3 NSTI subject to the Tidelands Trust, or any of the other powers or authority; and

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

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

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

20 WHEREAS, Pursuant to the Original Financing Plan and the IRFD Law, the Board of  
21 Supervisors passed Ordinance No. 21-17 on January 31, 2017, which the Mayor signed on  
22 February 9, 2017 ("IRFD Formation Ordinance"), pursuant to which the Board of Supervisors  
23 declared the IRFD and certain initial project areas within the IRFD (collectively, "Initial Project  
24 Areas," and together with any future project areas that may be established in the IRFD, the  
25 "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)”; 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. 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, September 15, 2026, at 3:00p.m., or as soon  
17 as 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

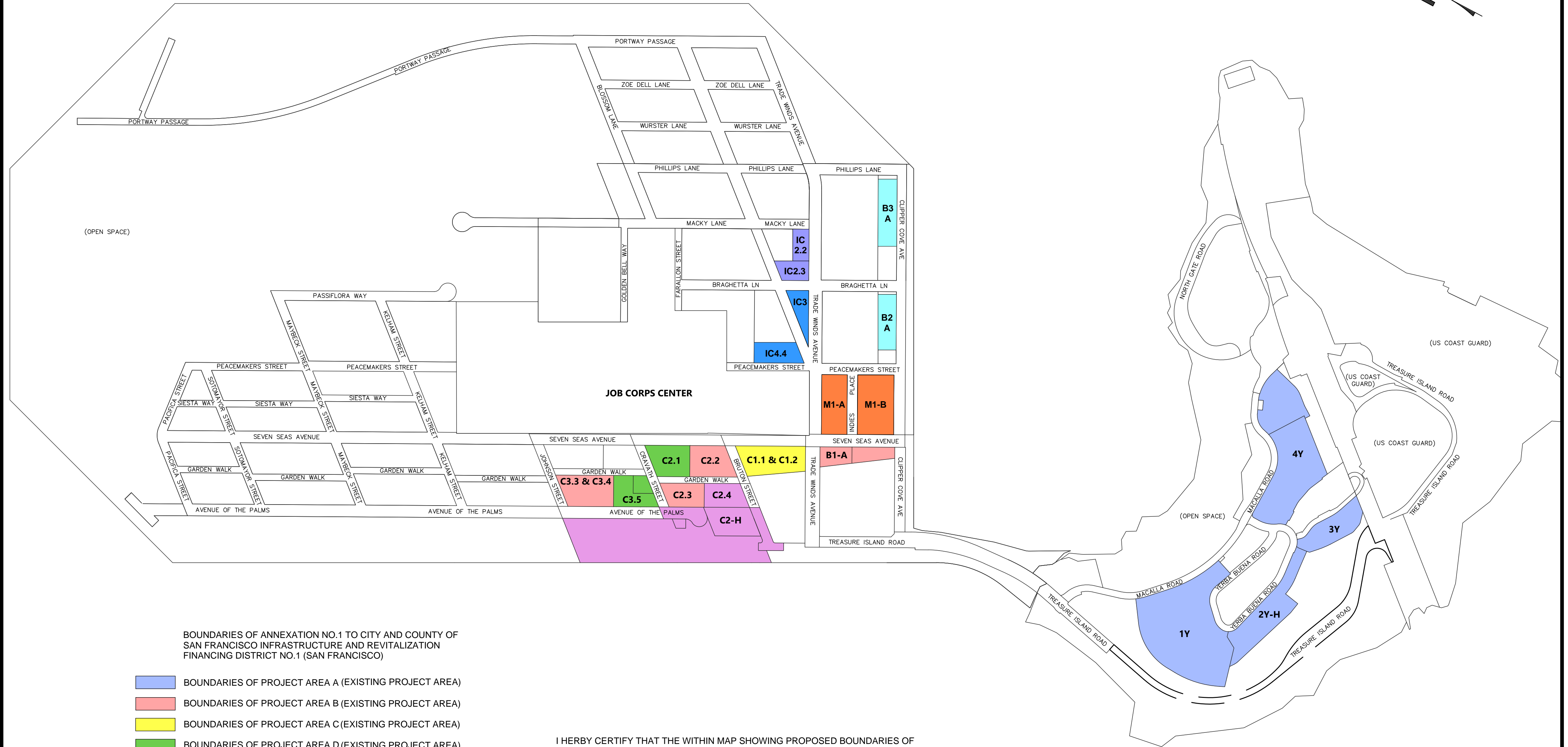
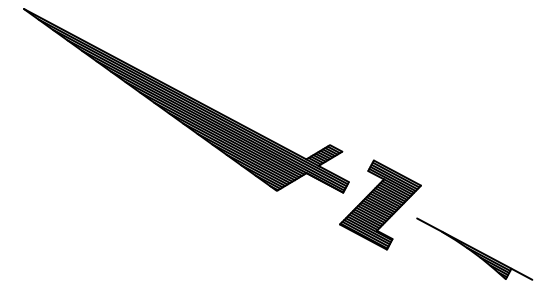
17 FURTHER RESOLVED, That this resolution shall take effect upon its adoption.

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)

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### 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**

<b>IRFD Portion</b>		
Net Available Increment	To IRFD for Facilities & Housing	56.588206%
Conditional City Increment	To IRFD available for debt service coverage	8.000000%
<b>Total IRFD Portion of 1.00%</b>		<b>64.588206%</b>
<b>Other Taxing Entities Portion: State ERAF, Local Education Agencies &amp; Special Districts</b>		
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%
<b>Total Other Taxing Entity's Portion of 1.00%</b>		<b>35.411794%</b>
<b>Total 1.00% Ad Valorem Property</b>		<b>100.000000%</b>

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.

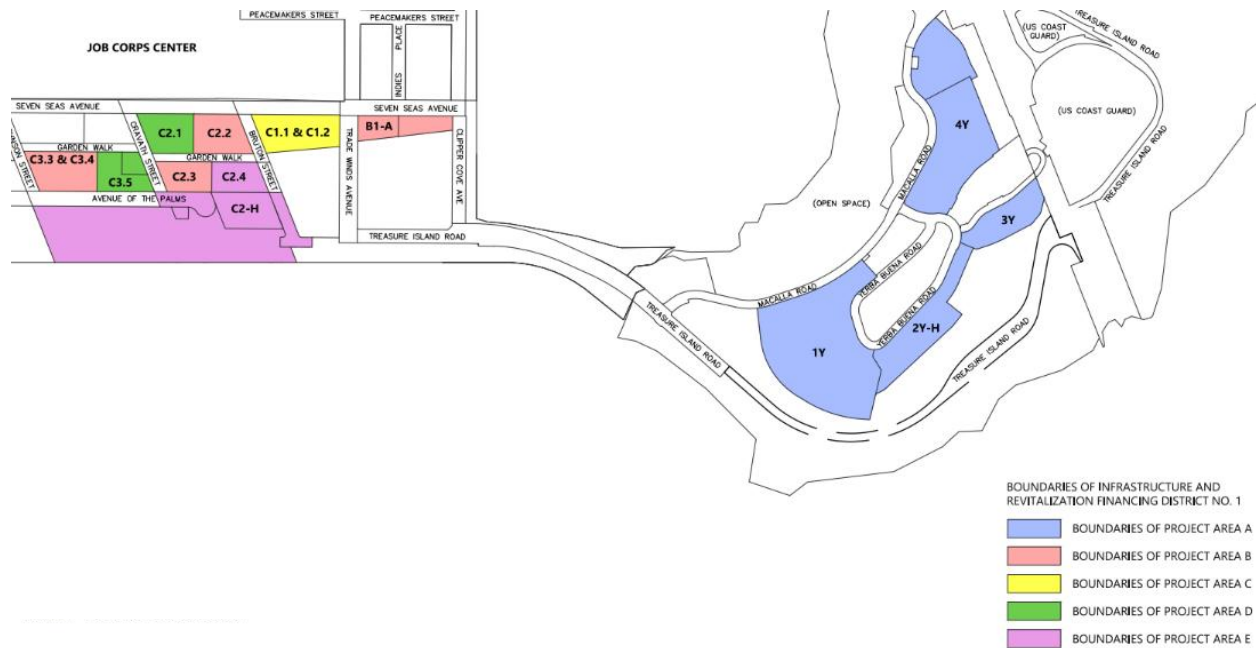
The Original Adopted IFP established the initial Project Areas (A, B, C, D and E) including (i) legal boundaries (amended by the IFP); (ii) the fiscal year to be used as the base year for calculating incremental assessed value and tax increment available to the Project; (iii) the trigger amount of tax 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):

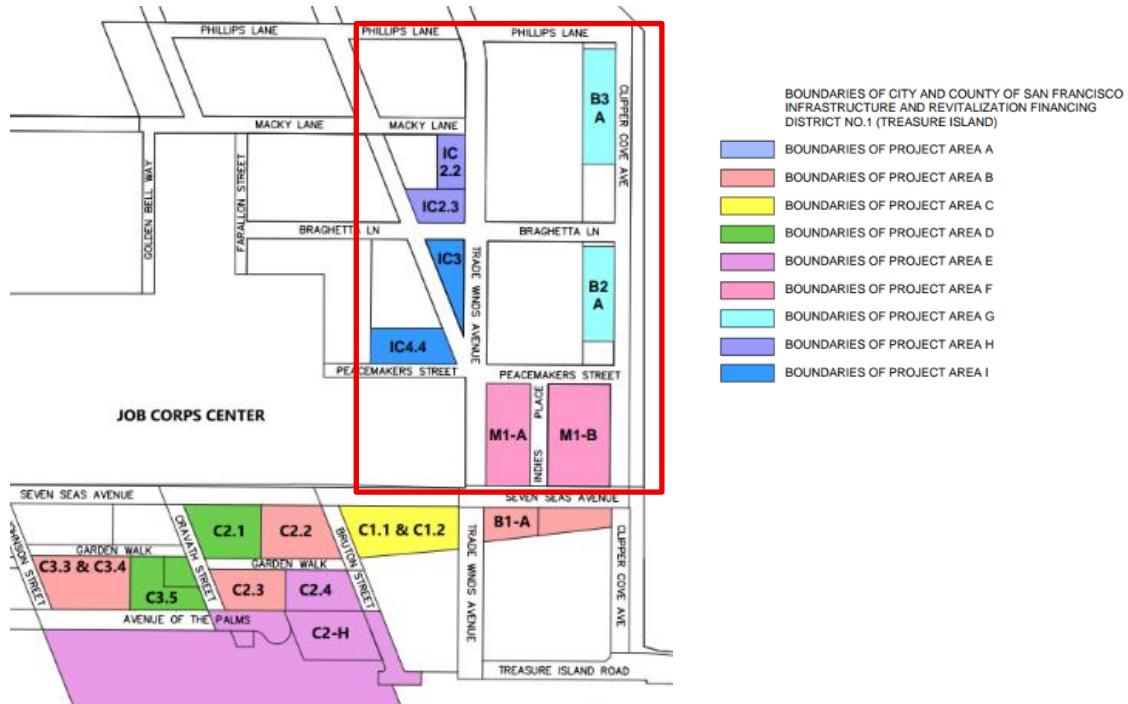
**1. Additional Project Areas**

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

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

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	<ul style="list-style-type: none"><li>• Resolution Approving Increased Principal Amount of Bonds</li></ul>	
BOS 1st Hearing	<ul style="list-style-type: none"><li>• Ordinance Adopting IFP Annexation Appendix and Confirming Annexation</li></ul>	Tuesday, September 29, 2026
BOS 2nd Hearing	<ul style="list-style-type: none"><li>• Ordinance Adopting IFP Annexation Appendix and Confirming Annexation</li></ul>	Tuesday, October 6, 2026
Mayor Signs	<ul style="list-style-type: none"><li>• Ordinance Adopting IFP Annexation Appendix and Confirming Annexation</li></ul>	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](mailto:anna.vandegna@sfgov.org)), Bridget Katz ([bridget.katz@sfgov.org](mailto:bridget.katz@sfgov.org)), Jamie Querubin ([jamie.querubin@sfgov.org](mailto:jamie.querubin@sfgov.org)), or Min Guo ([min.guo@sfgov.org](mailto: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

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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](mailto: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:

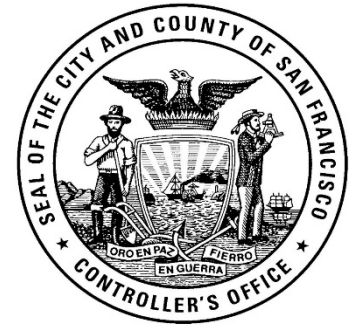
1. File No. 260549 - Resolution of Intention to Add Territory to the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)

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 read "Stephen Sherrill", written over a white background.

# Treasure Island Infrastructure Revitalization Financing District (IRFD) Annexation of New Property



June 4, 2026

City & County of San Francisco

Board of Supervisors, Government Audit and Oversight Committee

# Actions for Consideration by GAO Committee

- 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 Preparation of an Appendix – Infrastructure Financing Plan – City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island)

# Treasure Island IRFD: Overview

- City formed the Treasure Island IRFD in 2017 to finance the development of Treasure Island and Yerba Buena Island, per the development agreement
- The Treasure Island IRFD allows the City to dedicate a portion of property taxes on Treasure Island and issue IRFD bonds to support the development to finance:
  - Public infrastructure costs (reimbursed to the developer)
  - Affordable housing
- As new development parcels become available, the IRFD contemplates the addition of new property into the district to capture new property taxes and support continued progress on the island
- The original IRFD was formed including property in Stage 1 (now completed). With Stage 2 of the project underway, additional properties are ready to be added to the IRFD





# Map of the Proposed Annexation Area



Treasure Island Infrastructure Revitalization and Financing District (IRFD) Annexation

TREASURE ISLAND DEVELOPMENT AUTHORITY

# Summary of Actions for Consideration

- IRFD state law dictates a process to annex properties to an IRFD, which requires this legislative step to begin this annexation process
- **Resolution of Intention to Add Territory to IRFD** (referred to as the “ROI”) is to declare the City’s intention to add more property into the IRFD
- **Resolution Authorizing Preparation of an Appendix to the Infrastructure Financing Plan (IFP)** directs TIDA to prepare an update to the plan showing the net impact of the annexation to the IRFD
- Future Board of Supervisors actions will include approval of the annexation of property by the City and impacted property owners, the amended IFP, and an increase to issue more IRFD bonds
  - Committee of the Whole public hearing scheduled on September 15th



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# *Thank you*



Treasure Island Infrastructure Revitalization and Financing District (IRFD) Annexation

**TREASURE ISLAND DEVELOPMENT AUTHORITY**