

1 [Establishing the San Francisco Downtown Revitalization and Economic Recovery Financing  
2 District - Approving the Downtown Revitalization Financing Plan and Related Documents and  
3 Actions]

4 **Resolution establishing the San Francisco Downtown Revitalization and Economic**  
5 **Recovery Financing District, approving the Downtown Revitalization Financing Plan,**  
6 **including the division of taxes set forth therein, and documents and actions related**  
7 **thereto, and authorizing the filing of a judicial validation action.**

8  
9 WHEREAS, The Board of Supervisors of the City and County of San Francisco (“City”)  
10 is authorized to initiate the process to establish a downtown revitalization and economic  
11 recovery financing district pursuant to Division 8 of Title 6 of the California Government Code,  
12 commencing with Section 62450 (“Downtown Revitalization Law”); and

13 WHEREAS, A downtown revitalization and economic recovery financing district is a  
14 legally constituted governmental entity separate and distinct from the City established for the  
15 sole purpose of financing commercial-to-residential conversion projects or other projects of  
16 communitywide significance in downtown San Francisco (as defined in Government Code,  
17 Section 62450(h)) that support downtown revitalization and economic recovery; and

18 WHEREAS, The California Legislature has determined that a downtown revitalization  
19 and economic recovery financing district is a district within the meaning of Section 1 of Article  
20 XIII A of the California Constitution (Government Code, Section 62450(f)(2)); and

21 WHEREAS, On June 3, 2025, the Board of Supervisors adopted Resolution  
22 No. 279-25, signed by the Mayor on June 12, 2025 (“Resolution of Intention”), declaring its  
23 intention to establish the San Francisco Downtown Revitalization and Economic Recovery  
24 Financing District (“Downtown Revitalization District”) to finance commercial-to-residential  
25 conversion projects of communitywide significance that provide significant benefits to the

1 Downtown Revitalization District or the City with incremental tax revenues generated by  
2 commercial-to-residential conversion projects within the Downtown Revitalization District; and

3 WHEREAS, The Board of Supervisors established the Board of Directors of the San  
4 Francisco Downtown Revitalization and Economic Recovery Financing District ("Board of  
5 Directors") to act as the governing board for the Downtown Revitalization District pursuant to  
6 Ordinance No. 82-25, adopted on June 10, 2025, and signed by the Mayor on June 12, 2025;  
7 and

8 WHEREAS, The members of the Board of Directors were appointed in accordance with  
9 Government Code, Section 62452; and

10 WHEREAS, The Board of Directors is responsible for causing preparation of the  
11 downtown revitalization financing plan for the Downtown Revitalization District ("Downtown  
12 Revitalization Plan"); and

13 WHEREAS, On September 25, 2025, pursuant to its Resolution No. 2025-01, the  
14 Board of Directors directed the Executive Director of the Board of Directors ("Executive  
15 Director") to work with the necessary City staff and professionals to prepare a draft of the  
16 Downtown Revitalization Plan; and

17 WHEREAS, On October 30, 2025, the Board of Directors held its first public hearing, at  
18 which the draft Downtown Revitalization Plan, including a fiscal impact analysis of the  
19 Downtown Revitalization District, was presented, which public hearing was properly noticed  
20 and held in accordance with all applicable law; and

21 WHEREAS, On December 11, 2025, the Board of Directors held its second public  
22 hearing on the draft Downtown Revitalization Plan, which public hearing was properly noticed  
23 and held in accordance with all applicable law; and

24 WHEREAS, The Downtown Revitalization Plan, a copy of which is on file with the Clerk  
25 of the Board of Supervisors as Exhibit A in File No. 251268 and is incorporated herein in its

1 entirety by this reference, has been presented to the Board of Supervisors for its review and  
2 approval, following a duly noticed public hearing; and

3 WHEREAS, In accordance with the Resolution of Intention, the Clerk of the Board of  
4 Supervisors (i) caused a notice of public hearing to be posted on the Downtown Revitalization  
5 District's internet website and (ii) published a notice of public hearing at least 10 days before  
6 the public hearing in the San Francisco Examiner; and

7 WHEREAS, The Budget and Finance Committee of the Board of Supervisors held a  
8 noticed public hearing relative to the Downtown Revitalization Plan on the date hereof; and

9 WHEREAS, At the hearing all interested persons desiring to be heard on all matters  
10 pertaining to the Downtown Revitalization Plan were heard and a full and fair hearing was  
11 held; and

12 WHEREAS, In accordance with Section 62451(d) of the Downtown Revitalization Law,  
13 the Board of Supervisors desires to approve the Downtown Revitalization Plan, including the  
14 division of taxes specified therein, pursuant to which incremental property tax revenue  
15 generated by commercial-to-residential conversion projects within the Downtown  
16 Revitalization District will be used to finance the activities of the Downtown Revitalization  
17 District, subject to, and in accordance with, the terms and conditions of the Downtown  
18 Revitalization Plan; and

19 WHEREAS, In accordance with Section 62451 of the Downtown Revitalization Law, the  
20 Board of Supervisors further desires to establish the Downtown Revitalization District; and

21 WHEREAS, Section 62459 of the Downtown Revitalization Law provides that, after the  
22 adoption of the Downtown Revitalization Plan, the Downtown Revitalization District shall  
23 establish a process for eligible commercial-to-residential conversion projects to opt into  
24 receiving incremental tax revenue generated by that same commercial-to-residential  
25 conversion project pursuant to the Downtown Revitalization Law; and

1           WHEREAS, In accordance with Section 62463 of the Downtown Revitalization Law, the  
2 Downtown Revitalization District and/or the City may file an action in the Superior Court of the  
3 City and County of San Francisco to determine the validity of the creation of the Downtown  
4 Revitalization District, the adoption of the Downtown Revitalization Plan, including the division  
5 of taxes thereunder, and related matters; now, therefore, be it

6           RESOLVED, That the Board of Supervisors hereby finds that the recitals are true and  
7 correct; and, be it

8           FURTHER RESOLVED, That the Board of Supervisors further finds and determines  
9 that all prior proceedings taken by the Board of Directors and the City with respect to the  
10 proposed establishment of the Downtown Revitalization District and adoption of the  
11 Downtown Revitalization Plan are valid and in conformity with applicable law; and, be it

12           FURTHER RESOLVED, That the Board of Supervisors hereby approves the  
13 Downtown Revitalization Plan, including the division of taxes set forth therein, in the form on  
14 file with the Clerk of the Board of Supervisors in File No. 251268 as Exhibit A and  
15 incorporated herein; and, be it

16           FURTHER RESOLVED, That pursuant to the Downtown Revitalization Plan,  
17 incremental property tax revenue from the City within the boundary of the Downtown  
18 Revitalization District will be used to finance the activities of the Downtown Revitalization  
19 District, subject to, and in accordance with, the terms and conditions of the Downtown  
20 Revitalization Plan; and, be it

21           FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the  
22 Controller, in consultation with the Executive Director (“Authorized Officers”), to make such  
23 changes to the Downtown Revitalization Plan in the form on file with the Clerk of the Board of  
24 Supervisors in File No. 251268 as Exhibit A, as such Authorized Officers determines are  
25 consistent with and furthers the purposes of the Downtown Revitalization District and the

1 Downtown Revitalization Plan, provided such changes do not change the core purposes of  
2 the Downtown Revitalization District, and under no circumstances shall the Controller change  
3 the allocation of incremental property tax revenue generated by commercial-to-residential  
4 conversion projects from the City within the boundary of the Downtown Revitalization District  
5 as described in the Downtown Revitalization Plan; and, be it

6 FURTHER RESOLVED, That, in accordance with Section 62451 of the Downtown  
7 Revitalization Law, the Board of Supervisors hereby establishes the Downtown Revitalization  
8 District for the purposes set forth in the Downtown Revitalization Law and the Downtown  
9 Revitalization Plan; and, be it

10 FURTHER RESOLVED, That in connection with the process established by the  
11 Downtown Revitalization District for eligible commercial-to-residential conversion projects to  
12 opt into receiving incremental tax revenue, the Board of Supervisors hereby authorizes and  
13 approves the execution and delivery of one or more agreements between the City, the  
14 Downtown Revitalization District or an owner of a commercial-to-residential conversion project  
15 (“Project Owner”), including agreements providing for deposits to be made by the Project  
16 Owner to pay for costs related to the Downtown Revitalization District and agreements  
17 specifying the conditions to be satisfied by a Project Owner in order to receive incremental tax  
18 revenue, in such forms acceptable to an Authorized Officer, after consultation with the City  
19 Attorney, and an Authorized Officer is hereby authorized and directed to execute each such  
20 agreement; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors hereby delegates to the  
22 Downtown Revitalization District the responsibility for complying with the Downtown  
23 Revitalization Law’s requirements for annual reports and related actions; and, be it

24 FURTHER RESOLVED, That, pursuant to Section 62463 of the Downtown  
25 Revitalization Law and Section 860 et seq. of the California Code of Civil Procedure, an

1 Authorized Officer and the City Attorney, in consultation with Jones Hall LLP, as special  
2 counsel, are hereby authorized to initiate a judicial validation action with respect to the  
3 creation of the Downtown Revitalization District, the adoption of the Downtown Revitalization  
4 Plan, the allocation of incremental property tax revenue generated by commercial-to-  
5 residential conversion projects from the City within the boundary of the Downtown  
6 Revitalization District to the Downtown Revitalization District for the purpose of financing the  
7 activities of the Downtown Revitalization District, and such other matters as the City Attorney  
8 and special counsel deem appropriate in order to carry out the purposes of the Downtown  
9 Revitalization Plan; and, be it

10 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or  
11 word of this Resolution, or any application thereof to any person or circumstance, is held to be  
12 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
13 shall not affect the validity of the remaining portions or applications of this Resolution, this  
14 Board of Supervisors hereby declaring that it would have passed this Resolution and each  
15 and every section, subsection, sentence, clause, phrase, and word not declared invalid or  
16 unconstitutional without regard to whether any other portion of this Resolution or application  
17 thereof would be subsequently declared invalid or unconstitutional; and, be it

18 FURTHER RESOLVED, That the Mayor, the Controller, the Executive Director, the  
19 Clerk of the Board of Supervisors and any and all other officers of the City are hereby  
20 authorized, for and in the name of and on behalf of the City, to do any and all things and take  
21 any and all actions, including execution and delivery of any and all documents, assignments,  
22 certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants  
23 and documents, which they, or any of them, may deem necessary or advisable in order to  
24 effectuate the purposes of this Resolution; provided however that any such actions be solely  
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1 intended to further the purposes of this Resolution, and are subject in all respects to the terms  
2 of the Resolution; and, be it

3 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,  
4 consistent with any documents presented herein, and heretofore taken are hereby ratified,  
5 approved and confirmed by this Board of Supervisors; and, be it

6 FURTHER RESOLVED, That this Resolution shall take effect upon its enactment.  
7 Enactment occurs when the Mayor signs the Resolution, the Mayor returns the Resolution  
8 unsigned or does not sign the Resolution within ten days of receiving it, or the Board of  
9 Supervisors overrides the Mayor's veto of the Resolution.

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11 APPROVED AS TO FORM:  
12 DAVID CHIU, City Attorney

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14 By: /s/ Mark D. Blake  
15 Mark D. Blake  
Deputy City Attorney

16 4937-4745-9713, v. 1

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