

1 [Establishing Sub-Project Areas G-2, G-3 and G-4 and Adopting Appendix G-2 to
2 Infrastructure Financing Plan (Port of San Francisco, Pier 70)]

3 **Ordinance establishing Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project**
4 **Area G-4 of City and County of San Francisco Infrastructure Financing District No. 2**
5 **(Port of San Francisco, Pier 70); affirming the Planning Department’s determination and**
6 **making findings under the California Environmental Quality Act; and approving other**
7 **matters in connection therewith.**

8 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
9 **Additions to Codes** are in *single-underline italics Times New Roman font*.
10 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
11 **Board amendment additions** are in double-underlined Arial font.
12 **Board amendment deletions** are in ~~strikethrough Arial font~~.
13 **Asterisks (* * * *)** indicate the omission of unchanged Code
14 subsections or parts of tables.

15 Be it ordained by the People of the City and County of San Francisco:

16 (a) Findings. The Board of Supervisors of the City and County of San Francisco
17 hereby finds, determines, and declares based on the record before it that:

18 (1) California Statutes of 1968, Chapter 1333 (Burton Act) and San Francisco
19 Charter Section 4.114 and Appendix B, beginning at Section B3.581, empower the City and
20 County of San Francisco (“City”), acting through the Port Commission (“Port”), with the power
21 and duty to use, conduct, operate, maintain, manage, regulate, and control the lands within
22 Port jurisdiction.

23 (2) Under California Government Code Sections 53395 et seq. (“IFD Law”),
24 the Board of Supervisors is authorized to establish an infrastructure financing district and to
25 act as the legislative body for such an infrastructure financing district. More specifically, the
Board of Supervisors is authorized to establish “waterfront districts” under IRFD Law
Section 53395.8, including a waterfront district for approximately 65 acres of waterfront land in

1 the area known as Pier 70 ("Pier 70 District"), and approve "Pier 70 enhanced financing plans"
2 pursuant to IFD Law Section 53395.81.

3 (3) Pursuant to IRFD Law Section 53395.8, a waterfront district may be
4 divided into project areas, each with distinct limitations under IFD Law.

5 (4) By Resolution No. 123-13, which the Board of Supervisors adopted on
6 April 23, 2013, signed by the Mayor approved on April 30, 2013, the City adopted "Guidelines
7 for the Establishment and Use of Infrastructure Financing Districts on Project Areas on Land
8 under Jurisdiction of the San Francisco Port Commission" ("Port IFD Guidelines") relating to
9 the formation of infrastructure financing districts by the City on waterfront property in San
10 Francisco under the jurisdiction of the Port.

11 (5) By Resolution No. 110-12, which the Board of Supervisors adopted on
12 March 27, 2012, and signed by the Mayor on April 5, 2012 ("Original Resolution of Intention to
13 Establish IFD"), the City declared its intention to establish a waterfront district to be known as
14 "City and County of San Francisco Infrastructure Financing District No. 2 (Port of San
15 Francisco)" (IFD), and designated initial proposed project areas within the IFD ("Project
16 Areas").

17 (6) By Resolution No. 227-12, which the Board of Supervisors adopted on
18 June 12, 2012 and signed by the Mayor on June 20, 2012 ("First Amending Resolution"), the
19 City amended the Original Resolution of Intention to Establish IFD to propose, among other
20 things, an amended list of Project Areas.

21 (7) By Resolution No. 421-15, which the Board of Supervisors adopted on
22 November 17, 2015, and signed by the Mayor on November 25, 2015 ("Second Amending
23 Resolution", and together with the Original Resolution of Intention to Establish IFD and the
24 First Amending Resolution, the "Resolution of Intention to Establish IFD"), the Board of
25 Supervisors amended the Original Resolution of Intention, as amended by the First Amended

1 Resolution, to propose, among other things, a further amended list of project areas, including
2 Project Area G (Pier 70), as a Pier 70 District, and Sub-Project Area G-1 (Pier 70 – Historic
3 Core), as a Pier 70 District within Project Area G (Pier 70).

4 (8) In the Resolution of Intention to Establish IFD, the Board of Supervisors
5 directed the Executive Director of the Port of San Francisco (“Executive Director”) to prepare
6 an infrastructure financing plan for the IFD (“Infrastructure Financing Plan”) that would comply
7 with the IFD Law, and reserved the right to establish infrastructure financing plans in the
8 future specific to other project areas and sub-project areas within the IFD.

9 (9) In accordance with the IFD Law, at the direction of the Board of
10 Supervisors, the Executive Director prepared the Infrastructure Financing Plan.

11 (10) By Ordinance No. 27-16, which the Board of Supervisors adopted on
12 February 23, 2016, and signed by the Mayor on March 11, 2016 (“Ordinance Establishing
13 IFD”), the Board of Supervisors, among other things, declared the IFD to be fully formed and
14 established with full force and effect of law and adopted the Infrastructure Financing Plan.

15 (11) By Resolution No. 232-18, which the Board of Supervisors adopted on
16 July 24, 2018, and signed by the Mayor on July 26, 2018) (“Resolution of Intention to
17 Establish Sub-Project Areas G-2, G-3 and G-4”), the Board of Supervisors declared its
18 intention to establish three additional sub-project areas within Project Area G (Pier 70) of the
19 IFD designated Sub-Project Area G-2 (Pier 70 - 28-Acre Site), Sub-Project Area G-3 (Pier 70 -
20 28-Acre Site) and Sub-Project Area G-4 (Pier 70 - 28-Acre Site) collectively, the (“Sub-Project
21 Areas”).

22 (12) The Sub-Project Areas are within the Pier 70 District and are anticipated
23 to be rehabilitated pursuant to a Disposition and Development Agreement (the DDA), by and
24 between the City, acting by and through the Port, and FC Pier 70, LLC (Forest City).

25 (13) The Sub-Project Areas are within the Pier 70 Mixed-Use District Project

1 (Project), for which the Planning Commission certified a Final Environmental Impact Report
2 (FEIR) for the Pier 70 Mixed-Use District Project pursuant to the California Environmental
3 Quality Act (CEQA) (California Public Resources Code Sections 21000 et seq.), the CEQA
4 Guidelines (14 Cal. Code Reg. Sections 15000 et seq.), and Chapter 31 of the Administrative
5 Code.

6 (14) In the Resolution of Intention to Establish Sub-Project Areas G-2, G-3
7 and G-4, the Board of Supervisors concurred with the FEIR conclusions, affirmed the
8 Planning Commission's certification of the FEIR, and found that the actions contemplated in
9 the Resolution of Intention to Establish Sub-Project Areas G-2, G-3 and G-4 are within the
10 scope of the Project described and analyzed in the FEIR.

11 (15) In recommending the proposed Planning Code Amendments for approval
12 by the Board of Supervisors at its hearing on August 24, 2017, by Motion No. 19977, the
13 Planning Commission also adopted findings under CEQA, including a statement of overriding
14 consideration, and a Mitigation Monitoring and Reporting Program (MMRP).

15 (16) In the Resolution of Intention to Establish Sub-Project Areas G-2, G-3
16 and G-4, the Board of Supervisors also adopted the Planning Commission's CEQA approval
17 findings and adopted the Project's MMRP.

18 (17) The Resolution of Intention to Establish Sub-Project Area G-2, G-3 and
19 G-4 directed the Executive Director to prepare Appendix G-2 to the Infrastructure Financing
20 Plan relating to the Sub-Project Areas that complies with the requirements of the IFD Law.

21 (18) As required by the IFD Law, the Executive Director:

22 (A) Prepared Appendix G-2 to the Infrastructure Financing Plan,
23 proposing an allocation of property tax increment from the Sub-Project Areas to finance the
24 public facilities described in Appendix G-2 to the Infrastructure Financing Plan, which
25 development and public facilities have been analyzed under CEQA in the FEIR; and,

1 (B) Sent the Infrastructure Financing Plan, including Appendix G-2,
2 along with the FEIR, to the City's Planning Department and the Board of Supervisors.

3 (19) The Clerk of the Board of Supervisors made the Infrastructure Financing
4 Plan, including Appendix G-2, available for public inspection.

5 (20) Following publication of notice consistent with the requirements of the IFD
6 Law, the Board of Supervisors held a public hearing on September 11, 2018, relating to the
7 proposed Appendix G-2 to the Infrastructure Financing Plan.

8 (21) At the hearing any persons having any objections to the proposed
9 Appendix G-2 to the Infrastructure Financing Plan, or the regularity of any of the prior
10 proceedings, and all written and oral objections, and all evidence and testimony for and
11 against the adoption of Appendix G-2 to the Infrastructure Financing Plan, were heard and
12 considered, and a full and fair hearing was held.

13 (22) Pursuant to the DDA, Forest City and the City anticipate forming one or
14 more special tax districts ("Special Tax Districts") under the San Francisco Special Tax
15 Financing Law (Admin. Code ch. 43, art. X) to finance (i) certain public infrastructure within
16 the Sub-Project Areas, including facilities for shoreline protection, and (ii) the operation and
17 maintenance of such infrastructure.

18 (23) Appendix G-2 (i) contemplates the potential issuance of bonds by the
19 Special Tax Districts that are secured by tax increment from the Sub-Project Areas to help
20 finance the public facilities described in Appendix G-2, and (ii) expects that 100% of the cost
21 of maintaining and operating spaces/facilities within and around the Sub-Project Areas will be
22 funded by special taxes levied within the Special Tax Districts, not the City's general fund.

23 (b) CEQA. The Board of Supervisors has reviewed and considered the FEIR and
24 finds that the FEIR is adequate for its use for the actions taken by this Ordinance and
25 incorporates the FEIR and the CEQA findings contained in the Resolution of Intention to

1 Establish Sub-Project Areas G-2, G-3 and G-4 herein by this reference.

2 (c) Formation of IFD and Approval of Appendix G-2. By the passage of this
3 Ordinance, the Board of Supervisors hereby (i) declares the Sub-Project Areas to be fully
4 formed and established with full force and effect of law, (ii) approves Appendix G-2 to the
5 Infrastructure Financing Plan, subject to amendment as permitted by IFD Law, and
6 (iii) establishes the respective base years for the Sub-Project Areas as set forth in Appendix
7 G-2 to the Infrastructure Financing Plan, all as provided in the proceedings for the formation of
8 Sub-Project Area G-2 within the IFD and in the IFD Law. It is hereby found that all prior
9 proceedings and actions taken by the Board of Supervisors with respect to the IFD, including
10 the Sub-Project Areas, were valid and in conformity with the IFD Law and the Port IFD
11 Guidelines.

12 (d) Port as Agent with respect to the Sub-Project Areas. The Board of Supervisors
13 hereby appoints the Port Commission to act as the agent of the IFD with respect to the Sub-
14 Project Areas, which agency shall include the authority to: (1) disburse tax increment from the
15 Sub-Project Areas as provided in Appendix G-2; (2) enter into one or more acquisition
16 agreements that would establish the terms and conditions under which the Port and other City
17 agencies would acquire the public facilities described in Appendix G-2; (3) determine in
18 collaboration with the Office of Public Finance whether and in what amounts the IFD will issue
19 or incur indebtedness for the purposes specified in Appendix G-2 and enter into agreements
20 related to such indebtedness; (4) if the IFD issues or incurs indebtedness, direct the
21 disbursement of the debt proceeds in conformance with Appendix G-2; and (5) prepare the
22 annual statement of indebtedness required by the IFD Law for each of the Sub-Project Areas.

23 (e) Special Tax Districts. Consistent with the provisions of the DDA, the Board of
24 Supervisors hereby directs the Executive Director to bring, when the Executive Director
25 determines the time is appropriate, a request to the Board of Supervisors to form the Special

1 Tax Districts to help finance the construction, operation and maintenance of the public
2 facilities described in Appendix G-2.

3 (f) Severability. If any section, subsection, sentence, clause, phrase, or word of
4 this Ordinance, or any application thereof to any person or circumstance, is held to be invalid
5 or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
6 affect the validity of the remaining portions or applications of the ordinance. The Board of
7 Supervisors hereby declares that it would have passed this Ordinance and each and every
8 section, subsection, sentence, clause, phrase, and word not declared invalid or
9 unconstitutional without regard to whether any other portion of this Ordinance or application
10 thereof would be subsequently declared invalid or unconstitutional.

11 (g) Publication. The Clerk of the Board of Supervisors shall cause this Ordinance to
12 be published within 5 days of its passage and again within 15 days after its passage, in each
13 case at least once in a newspaper of general circulation published and circulated in the City.

14 (h) Effective Date. This Ordinance shall become effective 30 days after enactment.
15 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance
16 unsigned or does not sign the ordinance within 10 days of receiving it, or the Board of
17 Supervisors overrides the Mayor's veto of the ordinance.

18
19 APPROVED AS TO FORM:
20 DENNIS J. HERRERA, City Attorney

21
22 By:


23 MARK D. BLAKE
24 Deputy City Attorney

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City and County of San Francisco

Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 180773

Date Passed: September 18, 2018

Ordinance establishing Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4 of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco, Pier 70); affirming the Planning Department's determination and making findings under the California Environmental Quality Act; and approving other matters in connection therewith.

September 11, 2018 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

September 18, 2018 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

File No. 180773

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 9/18/2018 by the Board of Supervisors of the City and County of San Francisco.

f Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved