

LEGISLATIVE DIGEST

[Administrative Code - San Francisco Special Tax Financing Law - Port of San Francisco]

Ordinance amending the Administrative Code Special Tax Financing Law, constituting Article 43.10, to authorize special tax financing of certain facilities and services related to property in the jurisdiction of the Port of San Francisco.

Existing Law

The Board of Supervisors has previously established various community facilities districts in the City under the Mello-Roos Act, and under the City's Special Tax Financing Law, constituting Article 43.10 of the Administrative Code ("Special Tax Financing Law"). The City's Special Tax Financing Law incorporates and supplements the Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act"). The Special Tax Financing Law provides supplemental authority to use special tax financing for purposes that are not codified under the Mello-Roos Act.

The Special Tax Financing Law was recently amended by Ordinance No. 283-18 (adopted by the Board of Supervisors on November 27, 2018 and signed by the Mayor on December 7, 2018) in connection with the approval of a special tax district for the Central SoMa planning area. Among other purposes, amendments approved by Ordinance No. 283-18 were adopted to allow the City to finance facilities and services that are not authorized under the Mello-Roos Act if the facilities and services are described by the Board of Supervisors in the resolution of formation and the ordinance for the special tax district.

Community facilities districts or special tax districts are formed for the purpose of financing and refinancing the acquisition, installation and improvement of certain capital improvements or to real property and in buildings, whether such real property or buildings are privately or publicly owned, and certain services.

Background Information

Under California Statutes of 1968, Chapter 1333 ("Burton Act") and the San Francisco Charter Sections 4.114 and B3.58, the City is empowered, acting through the Port Commission, to use, conduct, operate, maintain, manage, regulate and control the lands under the Port Commission jurisdiction.

In 1990, the City prepared a comprehensive waterfront land use plan. Following a 7-year public planning process, the Port Commission adopted in 1997 the Port of San Francisco Waterfront Land Use Plan ("Waterfront Plan") and has periodically made amendments to the Waterfront Plan to address specific issues arising from proposed capital development projects.

In 2015, Port staff presented a comprehensive review of land use changes and events that have occurred under the Waterfront Plan to the Port Commission.

In furtherance of the Burton Act and the Waterfront Plan, and with Board of Supervisors approval, the Port has entered into long-term leases and development and disposition agreements for the improvement and rehabilitation of Port land and assets, including

- the 20th Street Historic Buildings with Historic Pier 70, LLC (Board of Supervisors Resolution No. 273-14),
- approximately 28 acres of real property located in the southeast portion of the larger area known as Seawall Lot 349 or Pier 70 with FC Pier 70, LLC (Board of Supervisors Resolution No. 401-17); and
- Seawall Lot 337 Associates, LLC, for approximately 28 acres of real property that are proposed to be developed for a project known as the Mission Rock project (Board of Supervisors Resolution No. 42-18) (collectively, the “Port Projects”).

The Proposed Ordinance seeks to amend the Special Financing Tax Law to facilitate the development of the Port Projects. The Proposed Ordinance seeks to provide authority for, or clarifies through technical amendments, the Port’s ability to utilize special taxes to meet the specific needs of the Port Projects.

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