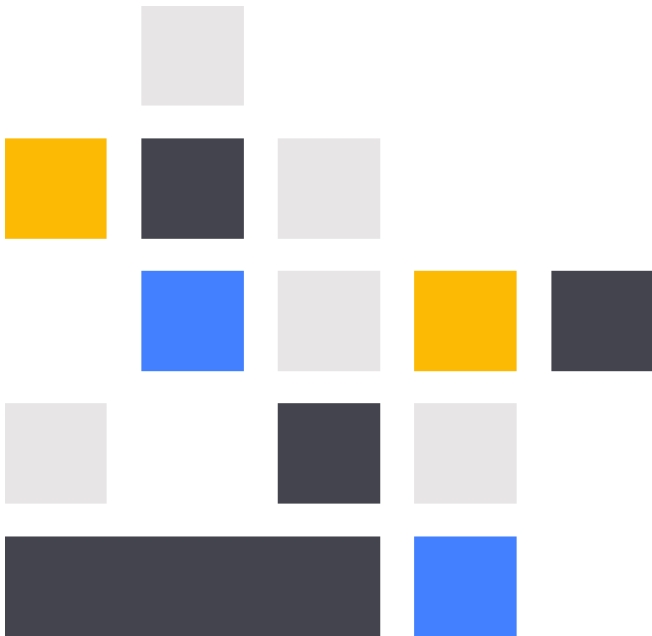


Infrastructure & Revitalization District No. 1 (Treasure Island)

GOVERNMENT AND AUDIT OVERSIGHT COMMITTEE

Resolution of Intention to add territory to & amend the Infrastructure Financing Plan (“IFP”) of the Treasure Island IRFD and the project areas therein, to call a public hearing on the proposed amendments and to provide public notice thereof.

Resolution Authorizing & Directing the Director of the Office of Public Finance to prepare an amended infrastructure financing plan for the Treasure Island IRFD & the project areas therein.



October 7, 2021

City & County of San Francisco
Treasure Island Development Authority &
Controller's Office of Public Finance

Infrastructure & Revitalization Financing Districts (IRFDs)

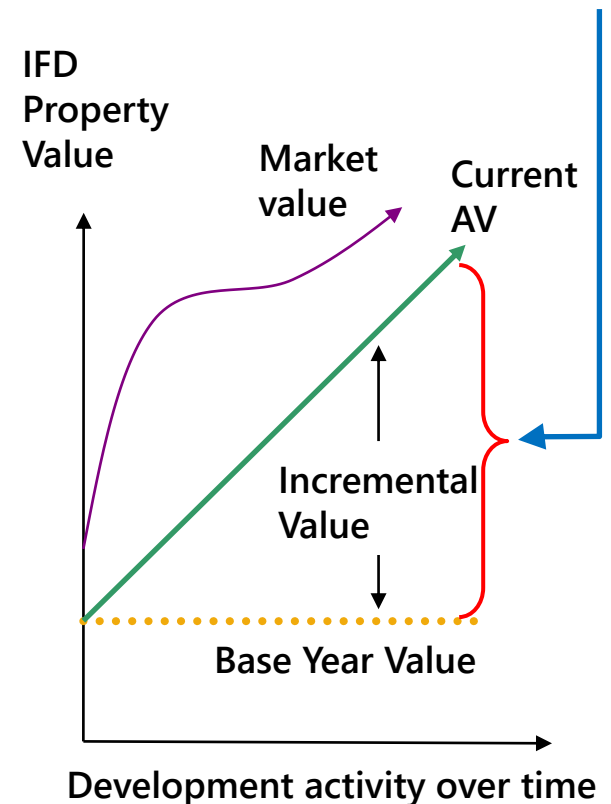
REDEVELOPMENT 2.0

- Pledge of incremental property taxes (“Tax Increment”) within a specific and limited geographic area & sub-areas (the “District” & “Project Areas”) to finance specific infrastructure and affordable housing costs related to the development in the District (“Project Costs”), similar to OCII
 - Affordable Housing as an eligible cost is specific to IRFDs, and not IFDs
- IRFD Tax Increment can be used for the repayment of bonds which finance Project Costs and/or direct funding of Project Costs on a “pay-as-you-go” basis (“Pay-go”)
- Share of 1% property tax revenues of city, county or special district **that opts in**, schools are explicitly excluded
- No tax increment revenue until growth occurs; assessed values lag development activity
- Tax increment revenues decline if assessed values decline
- Typically, a very concentrated tax base at IRFD formation (limited landownership, allows for a landowner special election to legally form)

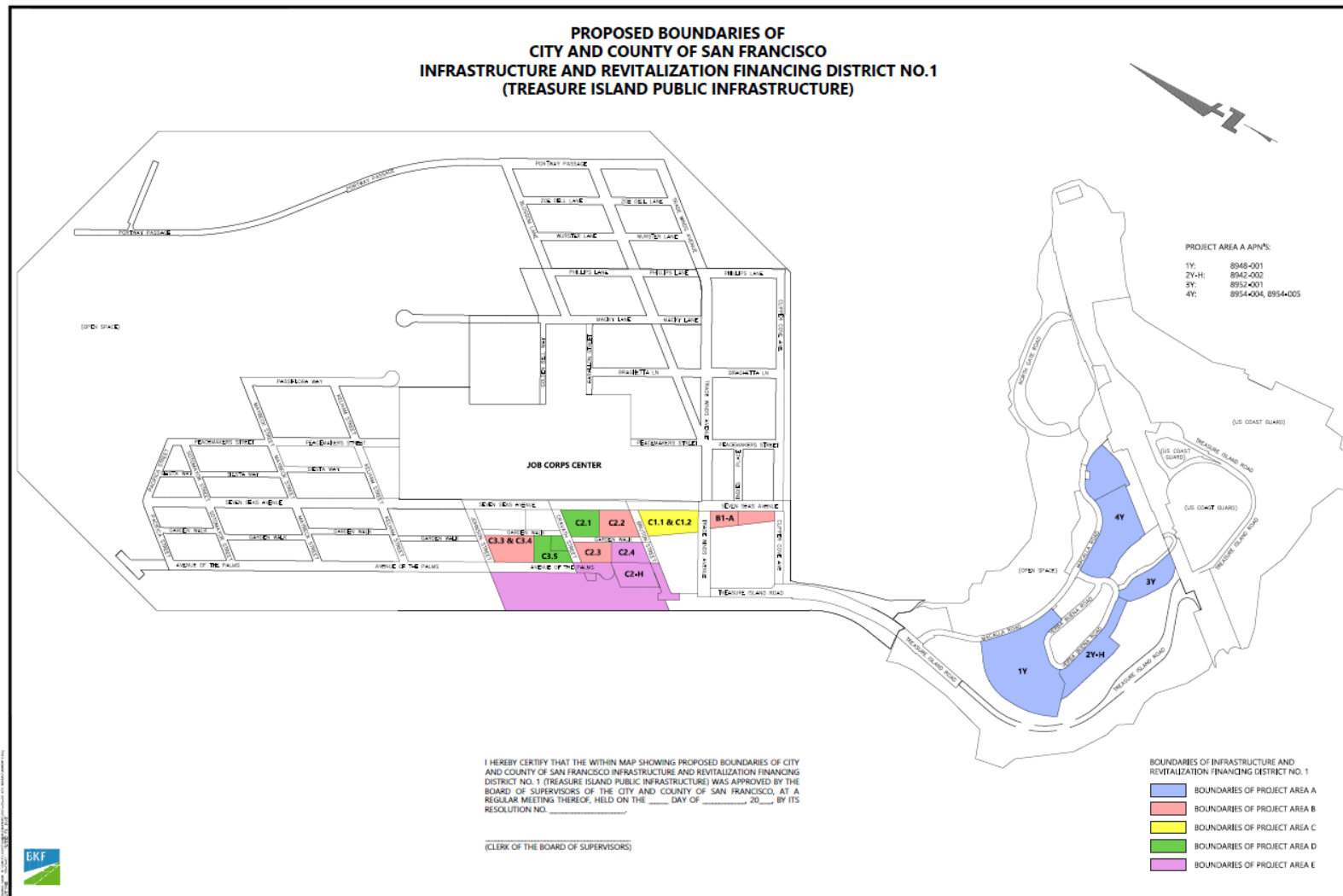
IRFDS ARE TYPICALLY USED

- In combination with other tools, like a CFD
- By municipalities with large share of 1% property tax roll
- In areas with significant growth potential, such as previously federally owned lands used as military bases, with limited initial landownership

Potential revenues = participating taxing entities' % share of 1% of incremental value



Map of the Treasure Island IRFD (Proposed Amended)



Milestones for Development & Public Financing for Treasure Island IRFD/CFD

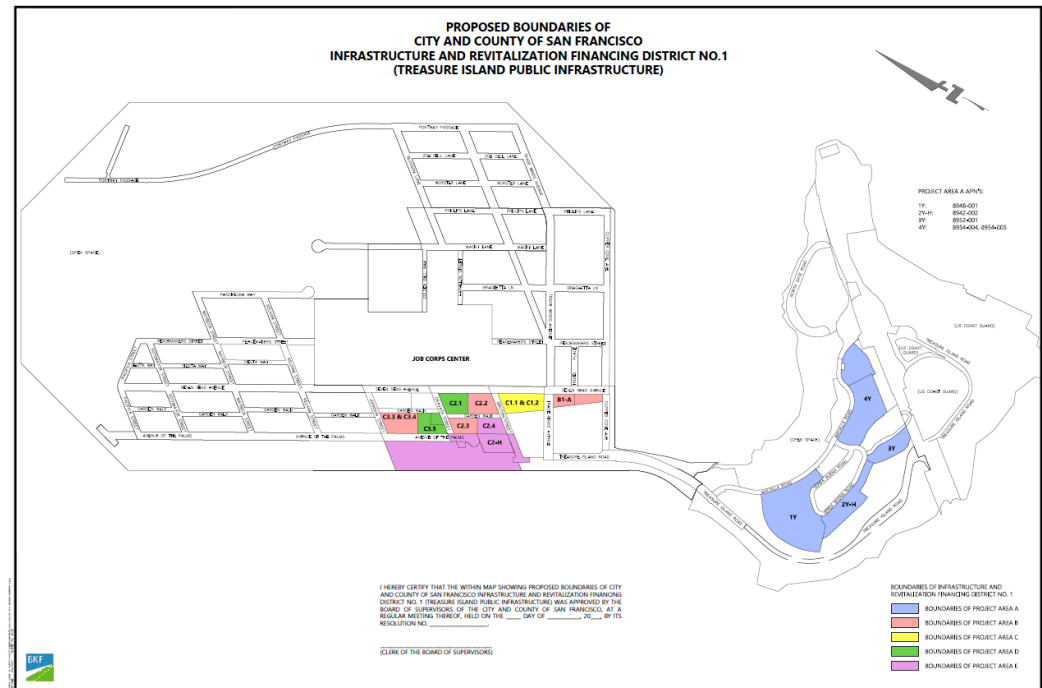
- **June 2011** – Disposition and Development Agreement signed
- **January 2017** – Treasure Island IRFD and Community Facilities District (CFD) formed
- **June 2019** – First building permits issued on Yerba Buena Island (YBI)
- **Dec. 2019/April 2020** – 1st year of tax increment collected in the IRFD (Project Area A – YBI)
- **October 2020** – First CFD bond issuance of \$17.135 million
- **July 2021** – Second CFD bond issuance of \$41.34 million
- **September 2021** – Resolutions to Amend the IFP of the IRFD Introduced
- ***October/November 2021*** – Third CFD bond issuance brought to BOS for approval & anticipated sale of bonds (not to exceed \$25.13 million)
- **January/February 2022 (Proposed)** – Public Hearing on Amendments to the IFP of the IRFD, Special Landowner Election Approving Amendments & other BOS Actions
- ***April/May 2022 (Anticipated)*** – 1st Bond Sale for the IRFD ~\$15 million
- ***Dec. 2022/April 2023 (Anticipated)*** – 1st year of tax increment collected in Project Area B



Overview of the Treasure Island IRFD

- City has pledged a portion of the City's portion of ad valorem property taxes on properties within the IRFD (56.588206%)
- Tax Increment and tax increment bonds will:
 - **82.5%** will reimburse Treasure Island Community Development ("TICD") for eligible developer public infrastructure costs
 - **17.5%** will provide funding for affordable housing
 - Pay for administrative costs of the IRFD

MAP OF THE TREASURE ISLAND IRFD (Proposed Amended)

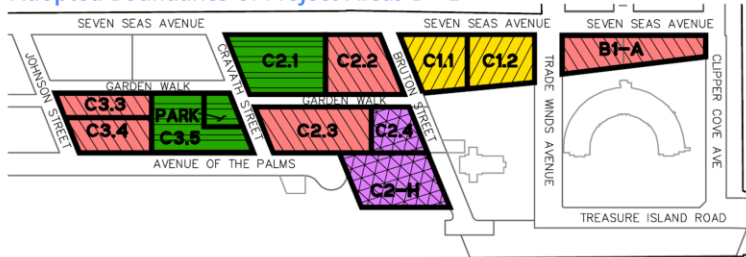


Proposed IFP Amendments for the Treasure Island IRFD

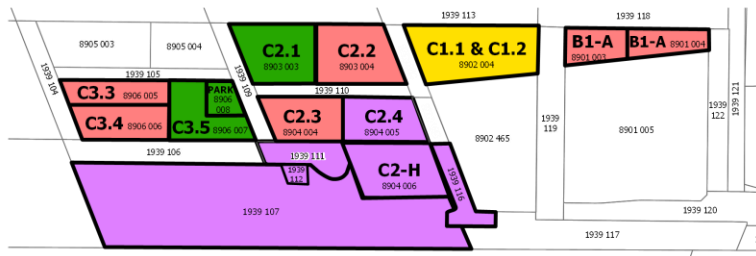
AMENDMENTS REQUIRED FOR THE IRFD'S 40+ YEARS OF ADMINISTRATION

1. Changes in Project Area Boundaries

Adopted Boundaries of Project Areas B - E



Proposed Amended Boundaries of Project Areas B - E



2. Allowances for Future Amendments to the IFP Regarding Project Area Boundaries

3. Restatement of the Distribution of 1% Property Tax Rate Among Tax Agencies

DISTRIBUTION OF 1% PROPERTY TAX RATE IN CITY AND COUNTY OF SAN FRANCISCO

		Adopted IFP	Proposed Amended IFP
City Portion			
City Pledged Portion	IRFD	56.69%	56.588206%
City Portion Not Dedicated to IRFD but Pledged as Conditional City Increment	General Fund (unless needed by the IRFD as set forth in the DDA Financing Plan)	8.00%	8.000000%
Total City Portion		64.69%	64.588206%
ERAF Portion			
	Education Revenue Augmentation Fund	25.33%	25.330113%
Other Taxing Agencies			
	San Francisco Unified School District	7.70%	7.698857%
	San Francisco Community College Fund	1.44%	1.444422%
	San Francisco County Office of Education		0.097335%
	Bay Area Rapid Transit District	0.63%	0.632528%
	Bay Area Air Quality Management District	0.21%	0.208539%
Total Other Taxing Agencies		9.98%	10.081681%
Total		100.00%	100.000000%

4. Elimination of Election Requirements if State IRFD Law is changed



Legislative Milestone	Legislation	Dates*
Introduction	<ul style="list-style-type: none"> ROI to Amend IFP Resolution Directing IFP Amendment 	September 14, 2021
Committee (GAO)	<ul style="list-style-type: none"> ROI to Amend IFP Resolution Directing IFP Amendment 	October 7, 2021
BOS Approval	<ul style="list-style-type: none"> ROI to Amend IFP 	October 19, 2021
Mayor Signs	<ul style="list-style-type: none"> ROI to Amend IFP 	October 22, 2021
BOS Clerk	<ul style="list-style-type: none"> ROI mailed to landowners et al. 	October 22, 2021
BOS Approval	<ul style="list-style-type: none"> Resolution Directing IFP Amendment 	October 26, 2021
Mayor Signs	<ul style="list-style-type: none"> Resolution Directing IFP Amendment 	October 29, 2021
Director of Elections	<ul style="list-style-type: none"> Letter as to registered voters in IRFD 	November 5, 2021
OPF	<ul style="list-style-type: none"> "Qualified Electors" return executed election waiver 	November 5, 2021
OPF / Elections	<ul style="list-style-type: none"> Amended IFP + CEQA Report made available for public inspection & mailed to landowners 	November 8, 2021
Introduction	<ul style="list-style-type: none"> Resolutions Proposing Amendment of IFP, Approving Amended IFP, Calling Election Ordinance Approving Amended IFP Resolutions Proposing Amendment of IFP, 	November 16, 2021
Committee (GAO)	<ul style="list-style-type: none"> Approving Amended IFP, Calling Election Ordinance Approving Amended IFP 	December 2, 2021
BOS Clerk	<ul style="list-style-type: none"> Publish Public Hearing Notice for January 11, 2022 Once weekly for 4 successive Weeks 	December 8, 2021 (12/12, 12/19, 12/26, 1/2/22)
BOS Approval	<ul style="list-style-type: none"> Resolution Approving Amended 	December 14, 2021
Mayor Signs	<ul style="list-style-type: none"> Resolution Approving Amended IFP 	December 24, 2021
-	<ul style="list-style-type: none"> 60 Days from Mailing Amended IFP 	January 7, 2022
BOS Public Hearing	<ul style="list-style-type: none"> Public Hearing on Amended IFP 	January 11, 2022
BOS Approval	<ul style="list-style-type: none"> Resolution Calling Special Election Resolution Proposing Amendment of IFP 	January 11, 2022
Elections	<ul style="list-style-type: none"> Mail Ballot Election 	January 17, 2021
BOS Approval	<ul style="list-style-type: none"> Resolution Declaring Special Election Results 	February 1, 2022
Intro	<ul style="list-style-type: none"> Ordinance Approving Amended IFP 	February 1, 2022
BOS 1 st Hearing	<ul style="list-style-type: none"> Ordinance Approving Amended IFP 	February 1, 2022
BOS 2 nd Hearing	<ul style="list-style-type: none"> Ordinance Approving Amended IFP 	February 8, 2022
Mayor Signs	<ul style="list-style-type: none"> Ordinance Approving Amended IFP 	February 18, 2022



Amendments to Resolution of Intention

Title of Resolution:

Resolution of intention to add territory to and amend the Infrastructure Financing Plan for City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein; ordering and setting a time and place for a public hearing of the Board of Supervisors, sitting as a Committee of the Whole, on January 11, 2022, at 3:00 p.m. to call a public hearing on the proposed amendments and to provide public notice thereof; and determining other matters in connection therewith, as defined herein.

Page 7, Line 6:

FURTHER RESOLVED, That _____, _____, 2021 January 11, 2022 at —3:00 p.m.

