Ordinance creating City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70); affirming the Planning Department’s determination and making findings under the California Environmental Quality Act; and approving other matters in connection therewith.

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

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

Section 1. The Board of Supervisors of the City and County of San Francisco hereby finds, determines and declares based on the record before it that:

A. FC Pier 70, LLC (Forest City) and the City and County of San Francisco (“City”), acting by and through the San Francisco Port Commission (“Port”), anticipate entering into a Disposition and Development Agreement (“DDA”), which will govern the disposition and development of approximately 28 acres of land in the waterfront area of the City known as Pier 70 (“Project Site”).

B. In the general election held on November 4, 2014, an initiative entitled, the “Union Iron Works Historic District Housing, Waterfront Parks, Jobs and Preservation Initiative” (Proposition F), was approved by the voters in the City.

C. Pursuant to Proposition F, the voters in the City approved a policy of the City, that the City encourage the timely development of the Project Site with a development project
that includes certain major uses, including without limitation, new below market-rate homes
affordable to middle- and low-income families and individuals, representing 30 percent of all
new housing units (Affordable Housing).

D. To meet a part of this requirement, Forest City and the City anticipate that the
Mayor’s Office of Housing and Community Development will undertake pursuant to the DDA
an obligation to construct three 100% affordable housing projects within the Project Site and
an area of land in the vicinity of the Project Site and within Pier 70 commonly known as Parcel
K South (“Parcel K South”), to satisfy the requirements for Affordable Housing under
Proposition F.

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

F. The IRFD Law provides that the legislative body of an infrastructure and
revitalization financing district may, at any time, add territory to a district or amend the
infrastructure financing plan for the district by conducting the same procedures for the
formation of a district or approval of bonds as provided in the IRFD Law, and the Board of
Supervisors wishes to establish the procedure for future annexation of property into the
proposed infrastructure district.

G. IRFD Section 53369.14(d)(5) provides that the legislative body of a proposed
infrastructure and revitalization financing district may specify, by ordinance, the date on which
the allocation of tax increment will begin, and the Board of Supervisors accordingly wishes to
specify the date on which the allocation of tax increment will begin for the proposed
infrastructure and revitalization financing district.
H. Pursuant to the IRFD Law, the Board of Supervisors adopted its “Resolution of
Intention to establish City and County of San Francisco Infrastructure and Revitalization
Financing District No. 2 (Hoedown Yard, Pier 70) on land within the City and County of San
Francisco commonly known as the Hoedown Yard to finance the construction of affordable
housing within Pier 70 and Parcel K South; to provide for future annexation; to call a public
hearing on September 11, 2018, on the formation of the district and to provide public notice
thereof; determining other matters in connection therewith; and affirming the Planning
Department’s determination, and making findings under the California Environmental Quality
Act” (the Resolution of Intention to Establish IRFD), stating its intention to form the “City and
County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown
Yard)” (“IRFD”), pursuant to the IRFD Law.

I. In the Resolution of Intention to Establish IRFD, this Board of Supervisors
declared its intent to provide for future annexations of property into the IRFD any time after
formation of the IRFD, but only if the Board of Supervisors has completed the procedures set
forth in the Infrastructure Financing Plan, which shall be based on the following: i) the Board
of Supervisors adopts a resolution of intention to annex property (“annexation territory”) into
the IRFD and describes the annexation territory to be included in the IRFD, (ii) the resolution
of intention is mailed to each owner of land in the annexation territory and each affected
taxing entity in the annexation territory, if any, in substantial compliance with IRFD Law
Sections 53369.11 and 53369.12, (iii) the Board of Supervisors directs the Port to prepare an
amendment to the Infrastructure Financing Plan, if necessary, and the designated official
prepares any such amendment, in substantial compliance with IRFD Law Sections 53369.13
and 53369.14 Law, (iv) any amendment to the Infrastructure Financing Plan is sent to each
owner of land and each affected taxing entity (if any) within the annexation territory, in
substantial compliance with IRFD Law Sections 53369.15 and 53369.16, (v) the Board of
Supervisors notices and holds a public hearing on the proposed annexation, in substantial
compliance with IRFD Law Sections 53369.17 and 53369.18, (vi) the Board of Supervisors
adopts a resolution proposing the adoption of any amendment to the Infrastructure Financing
Plan and annexation of the annexation territory to the IRFD, and submits the proposed
annexation to the qualified electors in the annexation territory, in substantial compliance with
IRFD Law Sections 53369.20-53369.22, with the ballot measure to include the question of the
proposed annexation of the annexation territory into the IRFD, approval of the appropriations
limit for the annexation territory and approval of the issuance of bonds for the annexation
territory, and (vii) after canvass of returns of any election, and if two-thirds of the votes cast
upon the question are in favor of the ballot measure, the Board of Supervisors may, by
ordinance, adopt the amendment to the Infrastructure Financing Plan, if any, and approve the
annexation of the annexation territory to the IRFD, in substantial compliance with IRFD Law
Section 53369.23.

J. The Board of Supervisors also adopted its “Resolution authorizing and directing
the Executive Director of the Port of San Francisco, or designee thereof, to prepare an
infrastructure financing plan for City and County of San Francisco Infrastructure and
Revitalization Financing District No. 2 (Hoedown Yard, Pier 70); determining other matters in
connection therewith; and affirming the Planning Department’s determination, and making
findings under the California Environmental Quality Act,” ordering preparation of an
infrastructure financing plan for the IRFD (Infrastructure Financing Plan) consistent with the
requirements of the IRFD Law.

K. The Infrastructure Financing Plan includes a list of Facilities (as defined below)
to be financed by the IRFD.

L. As required by the IRFD Law, the Clerk of the Board of Supervisors caused to
be mailed a copy of the Resolution of Intention to Establish IRFD to each owner of land within
the proposed IRFD and each affected taxing entity (as defined in the IRFD Law).

M. As further required by the IRFD Law, the Executive Director of the Port prepared
and sent the Infrastructure Financing Plan, along with any report required by the California
Environmental Quality Act (CEQA) (California Public Resources Code Sections 21000 et seq.)
that pertains to the proposed Facilities or the proposed development project for which the
Facilities are needed ("CEQA Report"), to (i) each owner of land within the proposed IRFD
and (ii) each affected taxing entity; and the Executive Director of the Port of San Francisco
also sent the Infrastructure Financing Plan and the CEQA Report to the City’s Planning
Commission and the Board of Supervisors.

N. The Clerk of the Board of Supervisors made the Infrastructure Financing Plan
available for public inspection.

O. As required by the IRFD Law, the Board of Supervisors, as the legislative body
of the City, which is the only affected taxing entity which is proposed to be subject to the
division of taxes pursuant the IRFD Law, considered and adopted its resolution “Resolution
approving infrastructure financing plan for City and County of San Francisco Infrastructure
and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70); determining other
matters in connection therewith; and affirming the Planning Department’s determination, and
making findings under the California Environmental Quality Act," pursuant to which the Board
of Supervisors approved the Infrastructure Financing Plan.

P. Following publication of a notice consistent with the requirements of the IRFD
Law, this Board of Supervisors held a public hearing relating to the proposed IRFD and the
proposed Infrastructure Financing Plan.

Q. Subsequent to the hearing, the Board of Supervisors adopted resolutions
entitled (i) “Resolution proposing adoption of infrastructure financing plan and formation of
City and County of San Francisco Infrastructure and Revitalization Financing District No. 2
(Hoedown Yard, Pier 70); providing for future annexation; determining other matters in connection therewith; and affirming the Planning Department’s determination, and making findings under the California Environmental Quality Act” (the Resolution Proposing Formation), and (ii) “Resolution calling special election for City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, Pier 70); determining other matters in connection therewith; and affirming the Planning Department’s determination, and making findings under the California Environmental Quality Act,” which resolutions proposed formation of the IRFD, proposed approval of the Infrastructure Financing Plan, proposed the process for future annexations of territory to the IRFD, proposed an annual appropriations limit for the IRFD, proposed issuance of bonds and other debt (Bonds) for the IRFD to finance certain facilities (the Facilities) and called a special election within the IRFD.

R. A special election was held within the IRFD pursuant to which the eligible landowner-electors approved the propositions presented at the election by the two-thirds vote required by the IRFD Law.

Section 2. By the passage of this Ordinance, the Board of Supervisors hereby declares the IRFD to be fully formed with full force and effect of law, approves the Infrastructure Financing Plan, declares the IRFD to have an annual appropriations limit of $91.9 million, and declares that the Board of Supervisors has the authority to issue from time to time Bonds in one or more series for the IRFD in the maximum aggregate principal amount of (i) $91.9 million (in 2017 dollars) plus (ii) the principal amount of Bonds approved by this Board of Supervisors and the qualified electors of the annexation territory in connection with the annexation of the annexation territory to the IRFD, so long as the Board makes the finding specified in IRFD Law Section 53369.41(f), all as provided in the proceedings for the IRFD and in the IRFD Law.
Territory may be annexed into the IRFD in the future, as described in the Resolution of Intention to Establish IRFD and the Resolution Proposing Formation. It is hereby found that all prior proceedings and actions taken by this Board of Supervisors with respect to the IRFD were valid and in conformity with the IRFD Law.

Section 3. In accordance with IRFD Law Sections 53369.5(b) and 53369.14(d)(5), the Board of Supervisors hereby establishes the date on which the allocation of tax increment shall begin for the IRFD (the Commencement Date), with the Commencement Date being the first day of the fiscal year following the fiscal year in which the IRFD has generated and the City has received at least $100,000 of tax increment.

Section 4. In the Resolution of Intention to Establish IRFD, the Board of Supervisors made certain findings under the CEQA about the Final Environmental Impact Report for the Pier 70 Mixed-Use District Project, and those findings are incorporated in this Ordinance as if set forth in their entirety herein.

Section 5. If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this ordinance, this Board of Supervisors hereby declaring that it would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

Section 6. The Clerk of the Board of Supervisors shall cause this Ordinance to be published within 5 days of its passage and again within 15 days after its passage, in each case at least once in a newspaper of general circulation published and circulated in the City.
Section 7. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within 10 days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

By:
MARK D. BLAKE
Deputy City Attorney

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File Number: 180772  Date Passed: October 23, 2018

Ordinance creating City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard, 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 - CONTINUED
   Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

October 16, 2018 Board of Supervisors - PASSED ON FIRST READING
   Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

October 23, 2018 Board of Supervisors - FINALLY PASSED
   Ayes: 11 - Brown, Cohen, Fewer, Kim, Mandelman, Peskin, Ronen, Safai, Stefani, Tang and Yee

File No. 180772

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 10/23/2018 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

11/2/2018
Date Approved