Resolution approving addition of territory to and adoption of amendments to the Infrastructure Financing Plan for the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein; and determining other matters in connection therewith, as defined herein.

WHEREAS, Naval Station Treasure Island ("NSTI") is a former United States Navy base located in the City and County of San Francisco (the "City") that consists of two islands connected by a causeway: (1) Treasure Island, and (2) an approximately 90-acre portion of Yerba Buena Island; and

WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended California Health and Safety Code Section 33492.5 and added Section 2.1 to Chapter 1333 of the Statutes of 1968, the California Legislature: (i) designated the Treasure Island Development Authority, a California non-profit public benefit corporation ("TIDA") as a redevelopment agency under California redevelopment law with authority over NSTI upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of NSTI which are subject to Tidelands Trust, vested in TIDA the authority to administer the public trust for commerce, navigation and fisheries as to such property; and

WHEREAS, The Board of Supervisors approved the designation of TIDA as a redevelopment agency for NSTI in 1997; and

WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of TIDA as the redevelopment agency for Treasure Island under California Community Redevelopment Law in Resolution No. 11-12; and such rescission does not affect TIDA's
status as the Local Reuse Authority for NSTI or the Tidelands Trust trustee for the portions of
NSTI subject to the Tidelands Trust, or any of the other powers or authority; and

WHEREAS, The United States of America, acting by and through the Department of
the Navy ("Navy"), and TIDA entered into an Economic Conveyance Memorandum of
Agreement (as amended and supplemented from time to time, the "Conveyance Agreement")
that governs the terms and conditions for the transfer of NSTI from the Navy to TIDA; and
under the Conveyance Agreement, the Navy has and will convey NSTI to TIDA in phases
after the Navy has completed environmental remediation and issued a Finding of Suitability to
Transfer (as defined in the Conveyance Agreement) for specified parcels of NSTI or portions
thereof; and

WHEREAS, Treasure Island Community Development, LLC ("Developer") and TIDA
have previously entered into a Disposition and Development Agreement (Treasure
Island/Yerba Buena Island) dated June 28, 2011 (the "DDA"), including a Financing Plan
(Treasure Island/Yerba Buena Island) (the "Financing Plan"), which governs the disposition
and development of a portion of NSTI (the "Project Site") after the Navy’s transfer of NSTI to
TIDA in accordance with the Conveyance Agreement; and

WHEREAS, The DDA contemplates a project (the "Project") under which TIDA
acquires the Project Site from the Navy and conveys portions of the Project Site to Developer
for the purposes of: (i) alleviating blight in the Project Site through development of certain
improvements, (ii) geotechnically stabilizing the Project Site, (iii) constructing public
infrastructure to support the Project and other proposed uses on NSTI, (iv) constructing and
improving certain public parks and open spaces, (v) remediating certain existing hazardous
substances, and (vi) selling and ground leasing lots to vertical developers who will construct
residential units and commercial and public facilities; and

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WHEREAS, On April 21, 2011, the Planning Commission by Motion No. 18325 and the Board of Directors of TIDA, by Resolution No. 11-14-04/21, as co-lead agencies, certified the completion of the Final Environmental Impact Report for the Project, and unanimously approved a series of entitlement and transaction documents relating to the Project, including certain environmental findings under the California Environmental Quality Act ("CEQA"), a mitigation and monitoring and reporting program (the "MMRP"), and the DDA and other transaction documents; and

WHEREAS, On June 7, 2011, in Motion No. M11-0092, the Board of Supervisors unanimously affirmed certification of the Final Environmental Impact Report. On that same date, the Board of Supervisors, in Resolution No. 246-11, adopted CEQA findings and the MMRP, and made certain environmental findings under CEQA (collectively, the "FEIR"). Also on that date, the Board of Supervisors, in Ordinance No. 95-11, approved the DDA and other transaction documents, including the Transportation Plan and Infrastructure Plan; and

WHEREAS, TIDA and the Developer had been working diligently since then to implement the Project consistent with the DDA, the MMRP and other documents; and

WHEREAS, No additional environmental review was required because there were no substantial changes to the project analyzed in the FEIR, no change in circumstances under which the project was being undertaken, and no new information of substantial importance indicating that new significant impacts would occur, that the impacts identified in the FEIR as significant impacts would be substantially more severe, or that mitigation or alternatives previously found infeasible were now feasible; and

WHEREAS, Developer and the City previously entered into a Development Agreement related to the Project Site to eliminate uncertainty in the City's land use planning for the Project Site and secure orderly development of the Project consistent with the DDA and other

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applicable requirements, and the Financing Plan was also an exhibit to the Development
Agreement; and

WHEREAS, The Financing Plan identified certain financial goals for the Project and the
contractual framework for cooperation between TIDA, the City, and Developer in achieving
those goals and implementing the Project; and

WHEREAS, The Financing Plan, among other things, obligates TIDA and the City to
take all actions reasonably necessary for, and obligates Developer to cooperate reasonably
with the efforts of, (i) the City to form requested community facilities districts (each, a “CFD”;
together, the “CFDs”) and take related actions under the Mello-Roos Community Facilities Act
of 1982 (the “Mello-Roos Act”) to pay for Qualified Project Costs, Ongoing Park Maintenance
and Additional Community Facilities (as those terms are defined in the Financing Plan), (ii) the
City to form requested infrastructure financing districts and take related actions under
applicable provisions of the Government Code of the State of California to pay for Qualified
Project Costs and (iii) the City to issue bonds and other debt for the CFDs and the
infrastructure financing districts and other public financing instruments described in the
Financing Plan (defined in the Financing Plan as “Public Financing”); and

WHEREAS, 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; and

WHEREAS, Pursuant to IRFD Law, Section 53369.5, an infrastructure and
revitalization financing district may be divided into project areas; and

WHEREAS, Pursuant to the Financing Plan and the IRFD Law, the Board of
Supervisors adopted Ordinance No. 21-17 on January 31, 2017, which the Mayor signed on
February 9, 2017 (“IRFD Formation Ordinance”), pursuant to which the Board of Supervisors
declared City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) ("IRFD") and the following project areas within the IRFD (collectively, "Initial Project Areas," and together with any future project areas that may be established in the IRFD, the "Project Areas") to be fully formed with full force and effect of law:

(i) Project Area A of the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) ("Project Area A");

(ii) Project Area B of the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) ("Project Area B");

(iii) Project Area C of the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) ("Project Area C");

(iv) Project Area D of the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) ("Project Area D"); and

(v) Project Area E of the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) ("Project Area E"); and,

WHEREAS, The City formed the IRFD and the Project Areas for the purpose of financing the cost of certain facilities (the "Facilities") as further provided in the IRFD Formation Ordinance; and

WHEREAS, Pursuant to the IRFD Formation Ordinance, the Board of Supervisors also approved an Infrastructure Financing Plan for the IRFD ("IFP"); and

WHEREAS, 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

WHEREAS, The Board of Supervisors has been notified by the California State Board of Equalization that the boundaries of the IRFD and the Project Areas must conform to the
boundaries of assessor parcel numbers established by the San Francisco Assessor-Recorder
in order for the Board of Equalization to assign tax rate areas to the Project Areas; and

WHEREAS, The Board of Supervisors wishes to amend the boundaries of the IRFD
and certain Initial Project Areas to reflect the final development parcels for certain portions of
Treasure Island and Yerba Buena Island, including the addition of territory to the IRFD, and to
approve an amended map for the IRFD; and

WHEREAS, Because the Board of Supervisors anticipates the need to make future
changes to the boundaries of the IRFD and the Project Areas in order to conform to final
development parcels approved by the Board of Supervisors so that the California State Board
of Equalization can assign tax rate areas to the Project Areas, the Board of Supervisors
wishes to amend the IFP to establish a procedure by which certain future amendments of the
boundaries of the IRFD may be approved by the Board of Supervisors as the legislative body
of the IRFD without further hearings or approvals, as long as the amendments will not
adversely affect the owners of bonds issued by or for the IRFD; and

WHEREAS, The Board of Supervisors wishes to further amend the IFP to reduce the
tax increment allocated to the IRFD in order to conform to existing law; and

WHEREAS, The Board of Supervisors wishes to further amend the IFP to provide that
actions related to the IRFD, the Project Areas and the IFP shall not require the approval of the
qualified electors in the IRFD if the IRFD Law is amended to eliminate any such requirement;
and

WHEREAS, On October 19, 2021, pursuant to Resolution No. 481-21, which the Mayor
signed on October 22, 2021 ("Resolution of Intention to Amend IRFD"), the Board of
Supervisors declared its intention to conduct proceedings to make the above-described
amendments to the IRFD and the IFP ("Amendments"), pursuant to Section 53369.5(b) of the
IRFD Law; and
WHEREAS, On October 26, 2021, pursuant to Resolution No. 497-21, which the Mayor signed on November 5, 2021 ("Resolution Directing IFP Preparation"), the Board of Supervisors authorized and directed the Director of the Office of Public Finance, or designee, to prepare, or cause to be prepared, an amended IFP ("Amended IFP") that is consistent with the general plan of the City and includes all of the Amendments, pursuant to Section 53369.13 of the IRFD Law; and

WHEREAS, As required by the IRFD Law and the Resolution of Intention to Amend IRFD, the Clerk of the Board of Supervisors caused to be mailed a copy of the Resolution of Intention to Amend IRFD to each owner of land (as defined in the IRFD Law) within the IRFD and to any affected taxing entities, and in addition, in accordance with IRFD Law Section 53369.17, the Clerk of the Board of Supervisors caused notice of the public hearing to be published not less than once a week for four successive weeks in a newspaper of general circulation published in the City; and

WHEREAS, As further required by the IRFD Law and the Resolution Directing IFP Preparation, the Director of the Office of Public Finance caused to be prepared the Amended IFP, and the Treasure Island Director sent the Amended IFP to (i) the planning commission of the City, (ii) this Board of Supervisors, (iii) each owner of land within the proposed IRFD and (iv) each affected taxing entity (if any); and

WHEREAS, As further required by the IRFD Law, the Treasure Island Director sent to the owners of land within the proposed amended IRFD, the affected taxing entities (if any), the planning commission of the City and this Board of Supervisors any report required by CEQA that pertains to the Project; and

WHEREAS, The Clerk of the Board of Supervisors made the Amended IFP and the reports required by CEQA available for public inspection; and
WHEREAS, 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, wishes to consider and adopt a resolution approving the addition of territory to the IRFD and the other Amendments; now, therefore, be it

RESOLVED, That the foregoing recitals are true and correct. The Board of Supervisors has received all of the information it is required to have received under the IRFD Law prior to adoption of this Resolution; and, be it

FURTHER RESOLVED, That 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, as further described in the Amended Infrastructure Financing Plan, hereby approves the addition of territory to the IRFD and the other Amendments, including the Amended IFP; and, be it

FURTHER RESOLVED, That this Resolution shall be filed with the Clerk of the Board of Supervisors at or prior to the time of the public hearing for the proposed amended IRFD; and, be it

FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered the FEIR and finds that the FEIR is adequate for its use for the actions taken by this Resolution and incorporates the FEIR and the CEQA findings contained in Board of Supervisors Resolution No. 246-11 by this reference; and, be it

FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or word of this resolution, 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 resolution, this Board of Supervisors hereby declaring that it would have passed this resolution 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 resolution or application thereof would be subsequently declared invalid or unconstitutional; and, be it

FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City and TIDA are hereby authorized, for and in the name of and on behalf of the City and TIDA, to do any and all things and take any and all actions, including execution and delivery of any and all documents, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, which they, or any of them, may deem necessary or advisable in order to effectuate the purposes of this Resolution, including any conforming amendments to the Financing Plan; provided however that any such actions be solely intended to further the purposes of this Resolution, and are subject in all respects to the terms of the Resolution; and, be it

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

FURTHER RESOLVED, That this resolution shall take effect from and after its adoption. The provisions of any previous resolutions in any way inconsistent with the provisions hereof in and for the issuance of the Bonds as herein described are hereby repealed.

APPROVED AS TO FORM:
DAVID CHIU
City Attorney

By: /s/ MARK D. BLAKE
MARK D. BLAKE
Deputy City Attorney
Resolution approving addition of territory to and adoption of amendments to the Infrastructure Financing Plan for the City and County of San Francisco Infrastructure and Revitalization Financing District No. 1 (Treasure Island) and project areas therein; and determining other matters in connection therewith, as defined herein.

December 02, 2021 Government Audit and Oversight Committee - RECOMMENDED

December 14, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 211198

I hereby certify that the foregoing Resolution was ADOPTED on 12/14/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved: 12/22/21