• Central SoMa Plan Overview
• Central SoMa Public Benefits Program
• Central SoMa Special Tax District
• Legislative Process
• Recommend Approval of Ordinance to amend the Special Tax Financing Law

• Recommend Approval of Resolution of Intent to establish Central SoMa Special Tax District

• Recommend Approval of Resolution of Intent to incur Bonded Indebtedness in an Amount Not to Exceed $5.3bn
PLAN OVERVIEW
Vision
A sustainable neighborhood

Philosophy
Keep what’s great, fix what’s not

Strategy
– Accommodate demand
– Provide public benefits
– Respect and enhance neighborhood character
PROCESS – OUTREACH
3-D Model of Potential Development

Central SoMa Development Potential

Anticipated Projects Outside of Central SoMa
VISUALIZATION - POTENTIAL DEVELOPMENT

- 33,000 jobs
- 8,300 housing units

3-D Model of Potential Development
PUBLIC BENEFITS PROGRAM
No Plan = $500 million in Public Benefits

Central SoMa Plan = $2.16 Billion in Public Benefits

400% increase due to the Plan

Plus ~$1 billion in increased General Fund tax revenues
• Public benefits package: $2.16 billion ($354mn in CFD funding)
  • Based on 25 years of funding, using 2017 dollars
  • Assumes 75% development capacity build out

• Not-to-Exceed Bond amount: $5.3 billion
  • Total bonding capacity over 99-year term
  • Assumes 100% development capacity build out
### Public Benefits: Funding Sources (25 Years; 2017 Dollars)

**Funding Source** | **Amount**
--- | ---
Central SoMa Special Tax District *(NEW)* | $354 million
Eastern Neighborhoods Infrastructure Fee | $240 million
Transportation Sustainability Fee | $220 million
Jobs-Housing Linkage Fee | $210 million
Affordable Housing Fee | $180 million
Central SoMa Infrastructure Fee *(NEW)* | $40 million
School Impact Fee | $26 million
Child Care Fee | $32 million
Central SoMa Community Facilities Fee *(NEW)* | $20 million
Direct provision of benefits (e.g. on-site BMR units) | $836 million
**Total** | **$2.16 billion**

Note: Public benefits package represents 25 years of revenues (the estimated time to Plan build out).
### PUBLIC BENEFITS (25 YEARS; 2017 DOLLARS)

<table>
<thead>
<tr>
<th>PUBLIC BENEFIT</th>
<th>TOTAL</th>
<th>CFD-FUNDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Housing</td>
<td>$940 million</td>
<td>$0</td>
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<tr>
<td>Transit</td>
<td>$500 million</td>
<td>$160 million</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>$185 million</td>
<td>$45 million</td>
</tr>
<tr>
<td>Production, Distribution, &amp; Repair (including Arts)</td>
<td>$180 million</td>
<td>$0</td>
</tr>
<tr>
<td>Complete Streets</td>
<td>$110 million</td>
<td>$10 million</td>
</tr>
<tr>
<td>Cultural Preservation &amp; Community Services</td>
<td>$109 million</td>
<td>$69 million</td>
</tr>
<tr>
<td>Environmental Sustainability</td>
<td>$70 million</td>
<td>$64 million</td>
</tr>
<tr>
<td>Schools &amp; Childcare</td>
<td>$64 million</td>
<td>$6 million</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$2.16 billion</strong></td>
<td><strong>$354 million</strong></td>
</tr>
</tbody>
</table>

NOTE: Public benefits package represents 25 years of revenues (the estimated time to Plan build out).
CENTRAL SOMA SPECIAL TAX DISTRICT
TAX APPLICABILITY

• Applies to large Condo and Non-Residential projects
  • Annexation required before 1st Certificate of Occupancy (COO)
  • Tax levy commences at 1st COO
  • City can prosecute foreclosure in event of non-payment, ahead of private loans

• Exemptions:
  • Affordable housing & BMR units; Rental housing; Production, Distribution & Repair (PDR) uses; Community Facilities
### BEFORE TRANSITION EVENT

<table>
<thead>
<tr>
<th></th>
<th>TIER A (15-45’ height increase)</th>
<th>TIER B (50-85’ height increase)</th>
<th>TIER C (90’+ height increase)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-RESIDENTIAL</td>
<td>$0</td>
<td>$0</td>
<td>$2.75</td>
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<tr>
<td>FOR-SALE RESIDENTIAL</td>
<td>$0</td>
<td>$3.30</td>
<td>$5.50</td>
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</table>

### AFTER TRANSITION EVENT

<table>
<thead>
<tr>
<th></th>
<th>TIER A</th>
<th>TIER B</th>
<th>TIER C</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-RESIDENTIAL</td>
<td>$0</td>
<td>$0</td>
<td>$0.69</td>
</tr>
<tr>
<td>FOR-SALE RESIDENTIAL</td>
<td>$0</td>
<td>$0.82</td>
<td>$1.37</td>
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</table>
CENTRAL SOMA FEE TIERS

NON-RESIDENTIAL DEVELOPMENT TIERS
CENTRAL SOMA

Tier A & B (15’-85’ increased development capacity)
Tier C (Over 90’ increased development capacity)

RESIDENTIAL DEVELOPMENT TIERS
CENTRAL SOMA

Tier A (15’-45’ increased development capacity)
Tier B (50’-85’ increased development capacity)
Tier C (90’ or more increased development capacity)
• **Years 1-99: Before Transition Event (Facilities Tax)**
  • Base Rate escalation: 2% annually before annexation
  • Annual escalation (beginning at COO):
    » Nonresidential: 4% for 25 yrs after 1st levy; 2% thereafter
    » Residential: 2%

• **Years 100+: After Transition Event (Services Tax only)**
  • Facilities tax sunsets, services tax kicks in (rate = ~25% of facilities tax)
  • Escalation is indexed by lesser of CPI or 5%

---

1 Could include facilities or services expenditures.
FUTURE ANNEXATION MAP

PROPOSED BOUNDARIES OF
CITY AND COUNTY OF SAN FRANCISCO
SPECIAL TAX DISTRICT NO. 2018-1
(CENTRAL SOMA)
STATE OF CALIFORNIA


__________________________
ANGELA CALVILLO
CLERK OF THE BOARD OF SUPERVISORS

2. HEREBY CERTIFY THAT THE MAP SHOWN PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO SPECIAL TAX DISTRICT NO. 2018-1 (CENTRAL SOMA), STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO AT A MEETING THEREOF HELD ON THE ___ DAY OF ___, 2018, BY RESOLUTION NO. ____________

__________________________
ANGELA CALVILLO
CLERK OF THE BOARD OF SUPERVISORS

FUTURE ANNEXATION AREA
CITY AND COUNTY OF SAN FRANCISCO SPECIAL TAX DISTRICT NO. 2018-1 (CENTRAL SOMA) THE "SPECIAL TAX DISTRICT" INITIALLY CONSISTS SOLELY OF TERRITORY PROPOSED FOR ANNEXATION TO THE SPECIAL TAX DISTRICT IN THE FUTURE. UPON RECEIPT OF A NOTICE OF SPECIAL TAX LEIN PURSUANT TO SECTION 5145 OF THE STREETS AND HIGHWAYS CODE OF THE STATE OF CALIFORNIA, A CONTINUING LIEN TO SECURE THE LEVY OF A SPECIAL TAX WILL ATTACH TO ALL NONEXEMPT REAL PROPERTY IN THE SPECIAL TAX DISTRICT.

GRAPHIC SCALE

LEGEND

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>3740</td>
<td>FUTURE ANNEXATION AREA</td>
</tr>
<tr>
<td>34</td>
<td>ASSESSORS BLOCK NUMBER</td>
</tr>
<tr>
<td>34</td>
<td>ASSESSORS LOT NUMBER</td>
</tr>
</tbody>
</table>

34

1 inch = 150 ft.
### 25-YEAR EXPENDITURE PLAN (2017 DOLLARS)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit</td>
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<td><strong>TOTAL</strong></td>
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</tr>
</tbody>
</table>

- Longer term needs could include, but are not limited to Sea Level Rise adaptation and maintenance of capital facilities.
• **Capital Planning Committee**
  - Approve 5-year expenditure plan
  - Recommend changes in revenue allocation

• **Director of Public Finance**
  - Develop 5-year revenue forecast
  - Authorize tax commencement
  - Authorize bond issuance (subject to Board approval)

• **Interagency Plan Implementation Committee (IPIC)**
  - Develop 5-year Expenditure Plan
  - Advisor to CPC & Director of Public Finance
• Community Advisory Committees (CACs)
  • Provide public oversight
  • Proposed new SoMa CAC (Supervisor Kim)

• Joint Community Facilities Agreements (JCFAs)
  • Will be required for non-City agencies receiving tax revenues
  • Regional transit providers (1/3 of transportation funding) will collaborate with City through IPIC and Mayor/Board
LEGISLATIVE PROCESS
• Ordinance to Amend Special Tax Financing Law so that the ROIs may include the following eligible facilities and services:
  • Grants to nonprofit/public social service organizations
  • Environmental sustainability, including sea level rise adaptation and air quality mitigation
  • Park programming and activation

• Resolution of Intention to Establish Central SoMa Special Tax District

• Resolution of Intention to Incur Bonded Indebtedness Not To Exceed $5.3 billion
• Central SoMa Plan Adoption
  • 5/10/18: Plan was unanimously adopted at Planning Commission & EIR was certified
  • 6/26/18: Land Use Committee
  • 6/28/18: Rules Committee
  • July 2018: Full Board hearing (Plan Adoption & potential CEQA Appeal Hearing)
TIMELINE (SUBJECT TO CHANGE)

- Central SoMa Special Tax District (dates TBA)
  - 6/4/18: Hearing at Capital Planning Committee
  - June 2018: Introduction at Board of Supervisors (Special Tax Financing Law Amendments & ROIs)
  - July 2018: Adoption of Special Tax Financing Law Amendments
  - September/October 2018: Adoption of ROIs
• Recommend Approval of Ordinance to amend the Special Tax Financing Law

• Recommend Approval of Resolution of Intent to establish Central SoMa Special Tax District

• Recommend Approval of Resolution of Intent to incur Bonded Indebtedness in an Amount Not to Exceed $5.3bn
THANKS

LISA CHEN
415.575.9124
LISA.CHEN@SFGOV.ORG
Photo by SF Planning, David Leong.
COMPLETE STREETS
ENVIRONMENTAL SUSTAINABILITY AND RESILIENCY