

1 [Administrative Code - Establishing the Enhanced Infrastructure Financing District Public
2 Financing Authority No. 1 (Power Station)]

3 **Ordinance amending the Administrative Code to establish and define the membership**
4 **and duties of the Enhanced Infrastructure Financing District Public Financing Authority**
5 **No. 1 (Power Station).**

6
7 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
8 **Additions to Codes** are in *single-underline italics Times New Roman font*.
9 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
10 **Board amendment additions** are in double-underlined Arial font.
11 **Board amendment deletions** are in ~~strikethrough Arial font~~.
12 **Asterisks (* * * *)** indicate the omission of unchanged Code
13 subsections or parts of tables.

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

15 Section 1. Findings.

16 (a) The Board of Supervisors is authorized to initiate the process to establish an
17 enhanced infrastructure financing district pursuant to California Government Code Sections
18 53398.50 et seq. An enhanced infrastructure financing district ("EIFD") is a legally constituted
19 governmental entity that may be established for the sole purpose of financing select public
20 facilities or projects.

21 (b) The proposed development project known as the Potrero Power Station ("Potrero
22 Power Station Project"), which was approved by the Board of Supervisors pursuant to
23 Ordinance No. 62-20, which was adopted by the Board of Supervisors on April 21, 2020, and
24 signed by the Mayor on April 24, 2020, and a copy of which is in File No. 200040, would
25 redevelop approximately 3.5 million square-feet of mixed-use waterfront property, including
about 1,815 residential units, commercial uses (e.g., office, retail, research and development

1 facilities, and hospitality), and community facilities. The Potrero Power Station Project would
2 provide seven acres of greenspace, with approximately 1,200 square feet of waterfront
3 frontage. It is expected that the Potrero Power Station Project will provide 30% affordable
4 housing through a combination of inclusionary housing, stand-alone housing projects, and
5 affordable housing fees.

6 (c) On _____, the Board of Supervisors adopted a resolution declaring
7 its intention to establish the San Francisco Enhanced Infrastructure Financing District No. 1
8 (Power Station) to finance public capital facilities and projects related to the Potrero Power
9 Station Project. A copy of said resolution is on file with the Clerk of the Board of Supervisors
10 in Board File No. _____.

11 (d) State law requires the Board of Supervisors to establish a public financing authority
12 to serve as the governing body of an EIFD at the same time that it adopts the resolution of
13 intention to create an EIFD.

14
15 Section 2. Chapter 5 of the Administrative Code is hereby amended by adding Article
16 XLVIII, consisting of Sections 5.48-1 through 5.48-8, to read as follows:

17
18 **ARTICLE XLVIII:**
19 **ENHANCED INFRASTRUCTURE FINANCING DISTRICT PUBLIC FINANCING AUTHORITY**
20 **NO. 1**

21
22 **SEC. 5.48-1. DEFINITIONS.**
23 *For purposes of this Article XLVIII, the following words or phrases shall have the following*
24 *meanings:*
25 *“City” shall mean the City and County of San Francisco.*

1 “EIFD Public Financing Authority No. 1” shall mean the public financing authority established
2 to act as the governing board for the Power Station EIFD and such other EIFDs identified by the
3 Board of Supervisors from time to time.

4 “Potrero Power Station Project” shall mean that certain mixed-use waterfront property,
5 including about 1,815 residential units, commercial uses (e.g., office, retail, research and development
6 facilities, and hospitality), and community facilities, including seven acres of greenspace, with
7 approximately 1,200 square feet of waterfront frontage, and including 30% affordable housing through
8 a combination of inclusionary housing, stand-alone housing projects, and affordable housing fees.

9 “Power Station EIFD” shall mean the enhanced infrastructure financing district that will be
10 formed under California Government Code Sections 53398.50 et seq. for the purpose of providing
11 funds to pay certain public facilities and projects of community-wide significance associated with the
12 Potrero Power Station Project.

13 “Power Station IFP” shall have the meaning given that term in Section 5.48-3.

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15 **SEC. 5.48-2. CREATION OF ENHANCED INFRASTRUCTURE FINANCING DISTRICT**
16 **PUBLIC FINANCING AUTHORITY NO. 1.**

17 The Board of Supervisors hereby establishes the Enhanced Infrastructure Financing District
18 Public Financing Authority No. 1 (“EIFD Public Financing Authority No. 1”) in accordance with
19 California Government Code Sec. 53398.51.1.

20
21 **SEC. 5.48-3. PURPOSE.**

22 (a) The EIFD Public Financing Authority No. 1 shall serve as the governing body for the
23 Power Station EIFD and, in that capacity, shall be responsible for the duties as are imposed by
24 California Government Code Sections 53398.50 et seq., including, but not limited to, (i) causing the
25 preparation of, adopting, and implementing the Infrastructure Financing Plan (“Power Station IFP”)

1 for the Power Station EIFD, which will describe, among other things, the allocation by the City to the
2 Power Station EIFD of certain incremental property tax revenue for the purpose of funding public
3 capital facilities and other specified projects of communitywide significance that provide significant
4 benefits to the Power Station EIFD or the surrounding community, (ii) the issuance by the Power
5 Station EIFD of bonds and other forms of indebtedness in furtherance of the purposes of the Power
6 Station EIFD, (iii) causing the timely preparation and delivery of the annual report required by
7 Government Code Section 53398.66(j), and (iv) causing the timely preparation and delivery of the
8 independent audit required by Government Code Section 53398.88.

9 (b) To the extent permitted under applicable law, the EIFD Public Financing Authority No. 1
10 shall act as the legislative body of other enhanced infrastructure financing districts formed in the City
11 pursuant to California Government Code Section 53398.51, on such terms and conditions as the Board
12 of Supervisors shall determine by ordinance and as otherwise set forth in the proceedings establishing
13 such infrastructure financing districts.

14
15 **SEC. 5.48-4. MEMBERSHIP.**

16 The EIFD Public Financing Authority No. 1 shall consist of five members, appointed as follows:

17 (a) Seats 1-3 shall be held by members of the Board of Supervisors, appointed by the Board of
18 Supervisors.

19 (b) The Board of Supervisors may appoint a fourth member from the Board of Supervisors to
20 serve as an alternate member of the EIFD Public Financing Authority No. 1. The alternate member
21 may serve and vote in place of any one of the three members from the Board of Supervisors who is
22 absent from a meeting of the EIFD Public Financing Authority No. 1, or with respect to any meeting
23 agenda item for which one of the three members from the Board of Supervisors is recused, or may serve
24 and vote if there is a vacancy in Seat 1, 2, or 3.

1 (c) Seats 4 and 5 shall be held by members of the public, appointed by the Board of
2 Supervisors. Appointment of members of the public to seats 4 and 5 shall comply with California
3 Government Code Sections 54970 and 54972. Such appointees are not precluded from being appointed
4 as members of the legislative body of other enhanced financing districts established by City ordinance.

5
6 **SEC. 5.48-5. ORGANIZATION AND TERMS OF OFFICE.**

7 (a) The EIFD Public Financing Authority No. 1 shall come into existence on the date that
8 appointments have been made to three of the five seats on the body.

9 (b) The Board of Supervisors shall make initial appointments to all five seats on the EIFD
10 Public Financing Authority No. 1 by no later than 60 days following the effective date of this Article
11 XLVIII.

12 (c) The terms of all five seats shall commence on the date the EIFD Public Financing Authority
13 No. 1 comes into existence, as stated in subsection (a).

14 (d) Members of the EIFD Public Financing Authority No. 1 shall serve four-year terms, with
15 the exception that the initial appointments to seats 3 and 4 shall be for two-year terms. Subsequent
16 appointments to seats 3 and 4 shall be for four-year terms. Regardless of when a specific member is
17 actually appointed to a seat, the beginning date of the initial terms is as stated in subsection (c).

18 (e) Members of the EIFD Public Financing Authority No. 1 shall serve at the pleasure of the
19 Board of Supervisors and may be removed from serving on the body by the Board of Supervisors at any
20 time.

21 (f) When a vacancy occurs on the EIFD Public Financing Authority No. 1, the Board of
22 Supervisors shall fill the vacancy in accordance with Section 5.48-4. The replacement appointee shall
23 complete the term of the seat that was vacated, but is not precluded from being appointed to the Power
24 Station for an additional term or terms.

1 (g) If a member of the EIFD Public Financing Authority No. 1 from the Board of Supervisors in
2 seats 1-3 or serving as an alternate member leaves the Board of Supervisors, then that Supervisor's
3 membership on the EIFD Public Financing Authority No. 1, or status as an alternate member, as the
4 case may be, expires by operation of law, creating a vacancy in the seat or the alternate membership.

5 (h) Members of the EIFD Public Financing Authority No. 1 shall receive no compensation, but
6 they may receive reimbursement for actual and necessary expenses incurred in the performance of
7 official duties pursuant to Article 2.3 (commencing with Section 53232) of Chapter 2 of Part 1 of
8 Division 2 of Title 5 of the California Government Code.

9 (i) Members of the EIFD Public Financing Authority No. 1 are subject to Article 2.4
10 (commencing with Section 53234) of Chapter 2 of Part 1 of Division 2 of Title 5 of the California
11 Government Code.

12 (j) The EIFD Public Financing Authority No. 1 shall establish such rules and procedures as
13 are necessary or appropriate to ensure compliance with California Government Code Sections
14 53398.50 et seq., to further the purposes of the Power Station EIFD, and to satisfy the requirements of
15 Section 5.48.7 below.

16
17 **SEC. 5.48-6. POWERS AND DUTIES.**

18 (a) The EIFD Public Financing Authority No. 1 shall have the powers and duties set forth in
19 California Government Code Sections 53398.50 et seq., as may be amended from time to time.

20 (b) The EIFD Public Financing Authority No. 1 shall have no authority to exercise the
21 sovereign powers of the City. The Power Station EIFD, once formed, shall be a governmental entity
22 separate and distinct from the City and its sole purpose shall be to finance public capital facilities and
23 projects of community-wide significance and other costs in accordance with California Government
24 Code Sections 53398.50 et seq.

1 **SEC. 5.48-7. MEETINGS AND PROCEDURES.**

2 (a) The EIFD Public Financing Authority No. 1 shall hold its inaugural meeting no later than
3 90 days after the effective date of the ordinance establishing this Article XLVIII. There shall be at least
4 ten days' notice of the inaugural meeting.

5 (b) Following the inaugural meeting, and not counting the inaugural meeting, the EIFD Public
6 Financing Authority No. 1 shall hold a regular meeting not less than one time per year.

7 (c) The EIFD Public Financing Authority No. 1 shall elect a Chair, and in its discretion may
8 establish such other offices, if any, as it deems appropriate, to be filled by election.

9 (d) The EIFD Public Financing Authority No. 1 may establish rules for its organization and
10 procedures, as the Potrero EIFD Public Financing Authority No. 1 deems necessary or appropriate.

11 (e) Three members of the EIFD Public Financing Authority No. 1 shall constitute a quorum.

12 (f) In accordance with Government Code Section 53398.51.1(e), the EIFD Public Financing
13 Authority No. 1 shall be deemed a local public agency subject to the Ralph M. Brown Act (Title 5,
14 Division 2, Part 1, Chapter 9 (commencing with Section 54950) of the California Government Code);
15 the California Public Records Act (Title 1, Division 10 (commencing with Section 7920.000) of the
16 California Government Code); and the Political Reform Act of 1974 (Title 9 (commencing with Section
17 81000) of the California Government Code).

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19 **SEC. 5.48-8 SUNSET.**

20 Unless the Board of Supervisors by ordinance extends the term of the EIFD Public Financing
21 Authority No. 1, it shall terminate on (a) the date on which the Power Station EIFD no longer receives
22 property tax revenues under the Power Station IFP, or (b) the date on which no bonds or other forms of
23 indebtedness of the EIFD Public Financing Authority No. 1 are outstanding, whichever date is later.
24 After that date, the City Attorney is authorized to cause this Article XLVIII to be removed from the
25 Administrative Code.

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Section 2. Effective Date. 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 ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/Mark D. Blake
MARK D. BLAKE
Deputy City Attorney

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