

AMENDED IN SENATE MARCH 8, 2012  
AMENDED IN SENATE SEPTEMBER 2, 2011  
AMENDED IN SENATE JUNE 13, 2011  
AMENDED IN SENATE MAY 23, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 472**

---

---

**Introduced by Assembly Member Ammiano**

February 15, 2011

---

---

~~An act to amend Section 53395.8 of, and to add Sections 53395.81 and 53397.71 to, the Government Code, and to amend Sections 3 and 5 of Chapter 898 of the Statutes of 1997, relating to infrastructure financing districts. An act to add Section 11376.5 to the Health and Safety Code, relating to controlled substances.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 472, as amended, Ammiano. ~~Infrastructure financing districts: America's Cup venues and Treasure Island. Controlled substances: overdose: punishment.~~

*Existing law, the California Uniform Controlled Substances Act, classifies controlled substances into 5 designated schedules, with the most restrictive limitations generally placed on controlled substances classified in Schedule I, and the least restrictive limitations generally placed on controlled substances classified in Schedule V. Existing law generally provides punishment for the unauthorized use, possession, and sale of controlled substances.*

*This bill would provide that it shall not be a crime for any person who experiences a drug-related overdose, as defined, who, in good*

*faith, seeks medical assistance, or any other person who, in good faith, seeks medical assistance for the person experiencing a drug-related overdose, to be under the influence of, or to possess for personal use, a controlled substance, controlled substance analog, or drug paraphernalia, under certain circumstances related to a drug-related overdose that prompted seeking medical assistance if that person does not obstruct medical or law enforcement personnel. The bill would provide that its provisions shall not affect laws prohibiting the selling, providing, giving, or exchanging of drugs, or laws prohibiting the forcible administration of drugs against a person's will. The bill would provide that it shall not affect liability for any offense that involves activities made dangerous by the consumption of controlled substances, including, but not limited to, driving under the influence.*

Existing law authorizes the City and County of San Francisco to create infrastructure financing districts, including districts that include specified waterfront property, adopt infrastructure financing plans for those districts, and issue bonds financed by projected increases in ad valorem property taxes to fund certain public facilities, pursuant to a specified procedure. Existing property tax law establishes various procedures and requirements with respect to the annual apportionment and allocation of ad valorem property tax revenues, including increased revenues from these infrastructure financing districts.

This bill would authorize the adoption under these provisions of financing plans for special waterfront districts that include the waterfront area in the City and County of San Francisco designated as the America's Cup venues and certain lands on Treasure Island, and the use of specified tax revenues produced in the districts for the construction of the Port of San Francisco's maritime facilities at Pier 27, improvement of publicly held waterfront lands used as viewing sites, affordable housing, and other matters, subject to specified allocation procedures. It would require the county board of supervisors to submit a fiscal analysis to the California Infrastructure and Economic Development Bank for review and approval before adopting the resolution authorizing the issuance of debt pursuant to these provisions. The bill would exempt the issuance of tax increment bonds in a waterfront district from local voter approval requirements and would authorize those bonds to be sold at a negotiated sale. The bill would enact other related provisions.

This bill would make legislative findings and declarations as to the necessity of a special statute for the City and County of San Francisco.

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. *The Legislature finds and declares all of the*  
2 *following:*

3     (a) *Drug overdose is the second leading cause of injury and*  
4 *death in the United States, behind only motor vehicle accidents*  
5 *and ahead of firearms. California has the greatest number of*  
6 *overdose deaths in the country per year. Moreover, drug and*  
7 *alcohol overdose morbidity and mortality are not confined to adults*  
8 *but also devastate California's youth.*

9     (b) *The State Department of Alcohol and Drug Programs*  
10 *reported that there were 3,102 overdose deaths in 2002, the first*  
11 *year the department began tracking overdose deaths in California.*  
12 *By 2006, the number of overdose deaths had grown to 3,646.*

13     (c) *Many overdose fatalities occur because peers delay or forgo*  
14 *calling 911 or seeking emergency assistance for fear of arrest or*  
15 *police involvement, which researchers continually identify as the*  
16 *most significant barrier to the ideal first response of calling*  
17 *emergency services. Furthermore, if criminal punishment is*  
18 *intended to deter drug abuse, it is clearly too late to deter such*  
19 *abuse when a person is already suffering from an overdose.*

20     (d) *The state's network of drug treatment providers, syringe*  
21 *exchange programs, county public health departments, and others*  
22 *who work with communities at high risk of drug overdose are well*  
23 *positioned to disseminate educational messages on the importance*  
24 *of seeking emergency medical assistance to prevent overdose*  
25 *deaths. In implementing this act, the Legislature intends to address*  
26 *the drug user's reasonable fear that they, or the victim, might be*  
27 *arrested if they seek medical assistance.*

28     (e) *It is the intent of the Legislature to encourage a witness of*  
29 *a drug-related overdose to call 911 or seek other emergency*  
30 *assistance in a timely manner in order to save the life of an*  
31 *overdose victim by establishing a state policy exempting minor*  
32 *drug possession or drug paraphernalia possession from criminal*  
33 *prosecution in situations involving medical emergencies.*

34     (f) *It is not the intent of the Legislature to protect individuals*  
35 *from prosecution for any offense not specifically described in*

1 subdivision (a) or (b) of Section 11376.5 of the Health and Safety  
2 Code, or to interfere with law enforcement protocols to secure the  
3 scene of an overdose.

4 SEC. 2. Section 11376.5 is added to the Health and Safety  
5 Code, to read:

6 11376.5. (a) Notwithstanding any other law, it shall not be a  
7 crime for a person to be under the influence of, or to possess for  
8 personal use, a controlled substance, controlled substance analog,  
9 or drug paraphernalia, if that person, in good faith, seeks medical  
10 assistance for another person experiencing a drug-related overdose  
11 that is related to the possession of a controlled substance,  
12 controlled substance analog, or drug paraphernalia of the person  
13 seeking medical assistance, and that person does not obstruct  
14 medical or law enforcement personnel. No other immunities or  
15 protections from arrest or prosecution for violations of the law  
16 are intended or may be inferred.

17 (b) Notwithstanding any other law, it shall not be a crime for  
18 a person who experiences a drug-related overdose and who is in  
19 need of medical assistance to be under the influence of, or to  
20 possess for personal use, a controlled substance, controlled  
21 substance analog, or drug paraphernalia, if the person or one or  
22 more other persons at the scene of the overdose, in good faith,  
23 seek medical assistance for the person experiencing the overdose.  
24 No other immunities or protections from arrest or prosecution for  
25 violations of the law are intended or may be inferred.

26 (c) This section shall not affect laws prohibiting the selling,  
27 providing, giving, or exchanging of drugs, or laws prohibiting the  
28 forcible administration of drugs against a person's will.

29 (d) Nothing in this section shall affect liability for any offense  
30 that involves activities made dangerous by the consumption of a  
31 controlled substance or controlled substance analog, including,  
32 but not limited to, violations of Section 23103 of the Vehicle Code  
33 as specified in Section 23103.5 of the Vehicle Code, or violations  
34 of Section 23152 or 23153 of the Vehicle Code.

35 (e) For the purposes of this section, "drug-related overdose"  
36 means an acute medical condition that is the result of the ingestion  
37 or use by an individual of one or more controlled substances or  
38 one or more controlled substances in combination with alcohol,  
39 in quantities that are excessive for that individual that may result  
40 in death, disability, or serious injury. An individual's condition

1 *shall be deemed to be a “drug-related overdose” if a reasonable*  
2 *person of ordinary knowledge would believe the condition to be*  
3 *a drug-related overdose that may result in death, disability, or*  
4 *serious injury.*

5 SECTION 1. ~~The Legislature finds and declares all of the~~  
6 ~~following:~~

7 ~~(a) Areas of San Francisco, including portions of the San~~  
8 ~~Francisco waterfront, are characterized by deteriorating conditions~~  
9 ~~that cannot be remedied by private investment alone, and require~~  
10 ~~the use of public financing mechanisms to finance the rectification~~  
11 ~~of deteriorating conditions.~~

12 ~~(b) In February 2010, the BMW ORACLE Racing Team (and~~  
13 ~~its successors, the “team”), sailing under the burgee of the Golden~~  
14 ~~Gate Yacht Club, won the 33rd America’s Cup, off the coast of~~  
15 ~~Valencia, Spain. The America’s Cup, which was first awarded in~~  
16 ~~1851, is the oldest sporting trophy in sailing history. On December~~  
17 ~~31, 2010, the team designated the City and County of San Francisco~~  
18 ~~to host the 34th America’s Cup sailing regatta. The team has~~  
19 ~~designated as the potential venue for the 34th America’s Cup the~~  
20 ~~San Francisco waterfront area generally between the Golden Gate~~  
21 ~~Bridge to the north and Pier 80 to the south. The team anticipates~~  
22 ~~holding the 34th America’s Cup match in San Francisco Bay in~~  
23 ~~2013, with preliminary races worldwide beginning in 2011 and in~~  
24 ~~San Francisco Bay in 2012. The City and County of San Francisco~~  
25 ~~is conducting environmental review of the 34th America’s Cup~~  
26 ~~match and prerogattas.~~

27 ~~(c) An economic impact study by the Bay Area Council’s~~  
28 ~~Economic Institute and Beacon Economics released in July 2010~~  
29 ~~concludes that hosting the America’s Cup on the San Francisco~~  
30 ~~Bay would generate nearly 9,000 jobs and \$1.4 billion in direct~~  
31 ~~spending in the San Francisco Bay area and California, and nearly~~  
32 ~~\$1.9 billion nationwide. The study reports that the America’s Cup~~  
33 ~~is the world’s third largest sporting competition after the Olympics~~  
34 ~~and soccer’s World Cup.~~

35 ~~(d) The San Francisco waterfront is a valuable public trust asset~~  
36 ~~of the state that provides special maritime, navigational,~~  
37 ~~recreational, cultural, and historical benefits to the people of the~~  
38 ~~region and the state. Realizing the goals of the port waterfront land~~  
39 ~~use plan, the San Francisco Bay Conservation and Development~~  
40 ~~Commission special area plan, and the port capital plan is a matter~~

1 of statewide significance, and rectifying the deteriorating conditions  
2 along the San Francisco waterfront caused by deferred maintenance  
3 since 1969 by providing a financing mechanism, through the use  
4 of incremental property tax revenues, is a matter of statewide  
5 importance that will further the purposes of both the public trust  
6 and the Burton Act trust. Public facilities along the San Francisco  
7 waterfront to be financed pursuant to the infrastructure financing  
8 district law will increase public access to, and use or enjoyment  
9 of, public trust lands and are, therefore, facilities of statewide and  
10 communitywide significance.

11 (e) ~~The City and County of San Francisco has agreed to provide~~  
12 ~~the team with venues for regattas, team and competitor facilities,~~  
13 ~~sponsorship activities, spectator viewing, and ancillary activities,~~  
14 ~~subject to completion of environmental review and review and~~  
15 ~~approval of the planned facilities for the event. The venues are~~  
16 ~~likely to be located on water areas, piers and wharves, and~~  
17 ~~waterfront and landside property under Port of San Francisco~~  
18 ~~jurisdiction, generally from the Golden Gate Bridge to Pier 80,~~  
19 ~~and will include shared use of the city's new cruise terminal facility~~  
20 ~~to be built on Pier 27; all of the venues, as determined from time~~  
21 ~~to time, are collectively referred to as the "America's Cup venues."~~

22 (f) ~~Portions of Naval Station Treasure Island, a former military~~  
23 ~~base located on Treasure Island and Yerba Buena Island in San~~  
24 ~~Francisco Bay, are potential America's Cup venues. Naval Station~~  
25 ~~Treasure Island was selected for closure and disposition by the~~  
26 ~~Base Closure and Realignment Commission in 1993, acting under~~  
27 ~~Public Law 101-510 and its subsequent amendments, and was~~  
28 ~~closed in 1997.~~

29 (g) ~~In order to mitigate the serious economic effects of the~~  
30 ~~closure of Naval Station Treasure Island on the City and County~~  
31 ~~of San Francisco, its surrounding communities, and the state, the~~  
32 ~~Legislature enacted the Treasure Island Conversion Act of 1997~~  
33 ~~(Chapter 898 of the Statutes of 1997), which grants in trust to the~~  
34 ~~Treasure Island Development Authority the state's sovereign~~  
35 ~~interest in former and existing tidelands within Naval Station~~  
36 ~~Treasure Island, and establishes the authority as the trust~~  
37 ~~administrator for those lands for the benefit of the people of the~~  
38 ~~state in conformance with the public trust for commerce,~~  
39 ~~navigation, and fisheries.~~

1 ~~(h) The Navy and the authority have negotiated an agreement~~  
2 ~~for the transfer of the Navy-owned portion of the Treasure Island~~  
3 ~~(TI) property, as defined in paragraph (13) of subdivision (l) of~~  
4 ~~Section 53395.81. Portions of the TI property will be subject to~~  
5 ~~the public trust upon their transfer from federal ownership.~~

6 ~~(i) The proposed reuse and development of the TI property~~  
7 ~~includes an innovative and comprehensive land use and~~  
8 ~~transportation program designed to discourage motor vehicle usage,~~  
9 ~~reduce vehicle miles traveled, encourage public transit, and serve~~  
10 ~~as a model of sustainable neighborhood development in furtherance~~  
11 ~~of the California Global Warming Solutions Act of 2006 (Division~~  
12 ~~25.2 (commencing with Section 38500) of the Health and Safety~~  
13 ~~Code). The proposed reuse and development of the TI property~~  
14 ~~will meet or exceed the requirements of the California Green~~  
15 ~~Building Standards Code.~~

16 ~~(j) The proposed reuse and development of the TI property will~~  
17 ~~provide significant benefits to the region and the state, including,~~  
18 ~~but not limited to, converting the TI property to productive reuse;~~  
19 ~~leveraging significant federal funding for the Navy's environmental~~  
20 ~~remediation of the TI property; providing public facilities that are~~  
21 ~~of benefit to the region and the state by increasing public access~~  
22 ~~to, and use and enjoyment of, public trust lands, such as~~  
23 ~~transportation facilities, public parks, open space, and recreational~~  
24 ~~facilities; increasing the region's supply of affordable housing;~~  
25 ~~and rehabilitating, restoring, and preserving historical structures~~  
26 ~~listed on the National Register of Historic Places.~~

27 ~~(k) The City of San Francisco intends to establish infrastructure~~  
28 ~~financing districts to finance public facilities along the San~~  
29 ~~Francisco waterfront through its port and the authority or another~~  
30 ~~related entity, including one or more districts covering any~~  
31 ~~approved America's Cup venues. Due to the extraordinary capital~~  
32 ~~needs of the port, and in order to mitigate the serious economic~~  
33 ~~effects of the closure of Naval Station Treasure Island on the City~~  
34 ~~and County of San Francisco, the region, and the state, it is the~~  
35 ~~intent of the Legislature in enacting this act to provide the City of~~  
36 ~~San Francisco, its port, and the authority the widest latitude, within~~  
37 ~~the framework of the infrastructure financing district law, to create~~  
38 ~~and operate infrastructure financing districts to construct needed~~  
39 ~~public facilities on waterfront lands in order to meet the stated~~  
40 ~~goals of statewide and communitywide significance.~~

1     ~~(l) The plan for the development of the TI property, including~~  
2     ~~the use of one or more waterfront districts under this act, will be~~  
3     ~~fiscally sustainable, will create significant numbers of new~~  
4     ~~construction and permanent jobs, will address the problems of~~  
5     ~~greenhouse gas emissions and transportation, and will promote~~  
6     ~~infill development. Development of the TI property presents a~~  
7     ~~particularly advantageous opportunity to benefit the City and~~  
8     ~~County of San Francisco, the region, and the state due to special~~  
9     ~~and unique circumstances, including, without limitation, the~~  
10    ~~benefits described above, the extraordinary location of the TI~~  
11    ~~property, and the ability to leverage significant federal and other~~  
12    ~~external funding. In addition, this act would provide a method for~~  
13    ~~increasing, improving, and preserving low- and moderate-income~~  
14    ~~housing on the TI property.~~

15    ~~(m) The TI property is substantially undeveloped and, in a~~  
16    ~~waterfront district containing the TI property, all improvements~~  
17    ~~authorized by this act would have communitywide significance.~~

18    ~~SEC. 2. Section 53395.8 of the Government Code is amended~~  
19    ~~to read:~~

20    ~~53395.8. (a) This section applies only to the City and County~~  
21    ~~of San Francisco, and to any waterfront district.~~

22    ~~(b) In addition to the findings and declarations in Section 53395,~~  
23    ~~the Legislature further finds and declares that providing the ability~~  
24    ~~to capture property tax increment revenues to finance needed public~~  
25    ~~facilities in waterfront lands in San Francisco that are subject to~~  
26    ~~the public trust to the public agencies with the responsibility to~~  
27    ~~administer those areas will further the objectives of the public trust~~  
28    ~~and enjoyment of those trust lands by the people of the state.~~

29    ~~(c) For purposes of this section, the following terms have the~~  
30    ~~following meanings except as otherwise provided:~~

31    ~~(1) “Affected taxing entity” means any governmental taxing~~  
32    ~~agency, except San Francisco and its local educational agencies,~~  
33    ~~that levied or had levied on its behalf a property tax on all or a~~  
34    ~~portion of the land located in the proposed district in the fiscal~~  
35    ~~year prior to the designation of the district, all or a portion of which~~  
36    ~~the district proposes to collect in the future under its infrastructure~~  
37    ~~financing plan.~~

38    ~~(2) “Base year” means the fiscal year during which any~~  
39    ~~infrastructure financing plan adopted under this chapter becomes~~  
40    ~~effective.~~



- 1     ~~(3) “Board” means the Board of Supervisors of the City and~~  
2 ~~County of San Francisco, which shall be the legislative body for~~  
3 ~~any district formed under this section.~~  
4     ~~(4) “Burton Act” means Chapter 1333 of the Statutes of 1968,~~  
5 ~~as amended.~~  
6     ~~(5) “Burton Act trust” means the statutory trust imposed by the~~  
7 ~~Burton Act.~~  
8     ~~(6) “Debt” means loans, advances, or other forms of~~  
9 ~~indebtedness and financial obligations, including, but not limited~~  
10 ~~to, commercial paper, variable rate demand notes, all moneys~~  
11 ~~payable in relation to the debt, and all debt service coverage~~  
12 ~~requirements in any debt instrument, in addition to the obligations~~  
13 ~~specified in the definition of “debt” in Section 53395.1.~~  
14     ~~(7) “District” means any district created under this chapter,~~  
15 ~~including any project area within a district.~~  
16     ~~(8) “ERAF” means the Educational Revenue Augmentation~~  
17 ~~Fund.~~  
18     ~~(9) “ERAF-secured debt” means debt incurred to finance a Pier~~  
19 ~~70 district subject to a Pier 70 enhanced financing plan that is~~  
20 ~~secured by and will be repaid from the ERAF share.~~  
21     ~~(10) “ERAF share” means the county ERAF portion of~~  
22 ~~incremental tax revenue committed to a Pier 70 district under a~~  
23 ~~Pier 70 enhanced financing plan.~~  
24     ~~(11) “Local educational agencies” means, collectively, the San~~  
25 ~~Francisco Unified School District, the San Francisco Community~~  
26 ~~College District, and the San Francisco County Office of~~  
27 ~~Education.~~  
28     ~~(12) “Mirant site” means the San Francisco waterfront land~~  
29 ~~owned by Mirant Corporation, on which it or its affiliate formerly~~  
30 ~~operated a coal gasification powerplant.~~  
31     ~~(13) “Pier 70 district” means a waterfront district that includes~~  
32 ~~65 acres of waterfront land in the area near Pier 70.~~  
33     ~~(14) “Pier 70 enhanced financing plan” means an infrastructure~~  
34 ~~district financing plan for a Pier 70 district that contains a provision~~  
35 ~~authorized under subparagraph (D) of paragraph (3) of subdivision~~  
36 ~~(g).~~  
37     ~~(15) “Port” means the Port of San Francisco.~~  
38     ~~(16) “Project area” means a defined area designated for~~  
39 ~~development within a waterfront district formed under this chapter~~  
40 ~~in accordance with subdivision (g).~~

- 1     ~~(17) “Public facilities” means facilities and, where the context~~  
2 ~~requires, related services, authorized to be financed in any part by~~  
3 ~~a district formed under this chapter in accordance with subdivision~~  
4 ~~(g):~~
- 5     ~~(18) “San Francisco” means the City and County of San~~  
6 ~~Francisco. For purposes of applying this chapter, San Francisco~~  
7 ~~is a city.~~
- 8     ~~(19) “Waterfront district” means a district formed under this~~  
9 ~~chapter on land under port jurisdiction along the San Francisco~~  
10 ~~waterfront and any special waterfront district as defined in Section~~  
11 ~~53395.81.~~
- 12     ~~(20) “Waterfront set aside” means the restricted funds required~~  
13 ~~to be set aside under clause (ii) of subparagraph (C) of paragraph~~  
14 ~~(3) of subdivision (g):~~
- 15     ~~(d) In addition to the facilities and services authorized by Section~~  
16 ~~53395.3, a waterfront district may finance any of the following:~~
- 17         ~~(1) Remediation of hazardous materials in, on, under, or around~~  
18 ~~any real or tangible property.~~
- 19         ~~(2) Seismic and life-safety improvements to existing buildings.~~
- 20         ~~(3) Rehabilitation, restoration, and preservation of structures,~~  
21 ~~buildings, or other facilities having special historical, architectural,~~  
22 ~~or aesthetic interest or value and that are listed on the National~~  
23 ~~Register of Historic Places, are eligible for listing on the National~~  
24 ~~Register of Historic Places individually or because of their location~~  
25 ~~within an eligible registered historic district, or are listed on a state~~  
26 ~~or local register of historic landmarks.~~
- 27         ~~(4) Structural repairs and improvements to piers, seawalls, and~~  
28 ~~wharves.~~
- 29         ~~(5) Removal of bay fill.~~
- 30         ~~(6) Stormwater management facilities, other utility~~  
31 ~~infrastructure, or public open-space improvements.~~
- 32         ~~(7) Shoreline restoration.~~
- 33         ~~(8) Other repairs and improvements to maritime facilities.~~
- 34         ~~(9) Planning and design work that is directly related to any~~  
35 ~~public facilities authorized to be financed by a waterfront district.~~
- 36         ~~(10) Reimbursement payments made to the California~~  
37 ~~Infrastructure and Economic Development Bank in accordance~~  
38 ~~with paragraph (5) of subdivision (f) of Section 53395.81, and~~  
39 ~~paragraph (5) of subdivision (g) of Section 53395.81.~~

1 ~~(e) A waterfront district may include, and finance public~~  
2 ~~facilities on, tidelands and submerged lands, including filled or~~  
3 ~~unfilled lands, subject to the public trust for commerce, navigation,~~  
4 ~~and fisheries, and the applicable statutory trust grant or grants.~~  
5 ~~Public facilities located on tidelands and submerged lands shall~~  
6 ~~serve and promote uses and purposes consistent with the public~~  
7 ~~trust and applicable statutory trust grants. Public facilities that~~  
8 ~~increase access to, or the use or enjoyment of, public trust lands~~  
9 ~~will be deemed to be facilities of communitywide significance that~~  
10 ~~provide significant benefits to an area larger than the area of the~~  
11 ~~district.~~

12 ~~(f) Public facilities financed by a waterfront district shall be~~  
13 ~~public trust assets subject to the administration and control of the~~  
14 ~~district, except for the following:~~

15 ~~(1) Utility infrastructure and public transportation facilities,~~  
16 ~~except maritime transportation facilities that are administered and~~  
17 ~~controlled by another entity under an agreement with the port.~~

18 ~~(2) Public facilities on land located in a previously formed~~  
19 ~~waterfront district that the port subsequently leases, sells, or~~  
20 ~~otherwise transfers to any person free of the public trust, the Burton~~  
21 ~~Act trust, and any additional restrictions on use or alienability~~  
22 ~~created by the Burton Act transfer agreement, provided that the~~  
23 ~~State Lands Commission has concurred in the lifting of trust~~  
24 ~~restrictions on the transferred land and that the transferred land~~  
25 ~~will remain in and subject to the district.~~

26 ~~(3) Any improvement or facility financed by a TI district as~~  
27 ~~defined in Section 53395.81.~~

28 ~~(g) For a waterfront district, the requirements of this subdivision~~  
29 ~~supplant and replace the provisions of Sections 53395.10 to~~  
30 ~~53395.25, inclusive. The board may adopt or amend one or more~~  
31 ~~infrastructure financing plans for districts along the San Francisco~~  
32 ~~waterfront according to the procedures in this section. Except as~~  
33 ~~provided otherwise in this subdivision or in Section 53395.81, the~~  
34 ~~provisions of subdivisions (a) and (b) of Section 53395.4 shall not~~  
35 ~~apply to a waterfront district. A waterfront district may be formed~~  
36 ~~and become effective at any time. A district may be divided into~~  
37 ~~project areas, each of which may be subject to distinct time~~  
38 ~~limitations established under this subdivision.~~

1     ~~(1) The board shall initiate proceedings for the establishment~~  
2     ~~of a district by adopting a resolution of intention to establish the~~  
3     ~~proposed district that does all of the following:~~

4     ~~(A) States an infrastructure financing district is proposed to be~~  
5     ~~established and describes the boundaries of the proposed district.~~  
6     ~~The boundaries may be described by reference to a map on file in~~  
7     ~~the office of the clerk of the board.~~

8     ~~(B) States the type of public facilities proposed to be financed~~  
9     ~~by the district.~~

10    ~~(C) States that incremental property tax revenue from San~~  
11    ~~Francisco and some or all affected taxing entities within the district,~~  
12    ~~but none of the local educational agencies, may be used to finance~~  
13    ~~these public facilities.~~

14    ~~(D) Directs the executive director of the port, or an appropriate~~  
15    ~~official designated by the executive director, to prepare a proposed~~  
16    ~~infrastructure financing plan.~~

17    ~~(2) The board shall direct the city clerk to mail a copy of the~~  
18    ~~resolution of intention to any affected taxing entities.~~

19    ~~(3) The proposed infrastructure financing plan shall be consistent~~  
20    ~~with the general plan of San Francisco, as amended from time to~~  
21    ~~time, and shall include all of the following:~~

22    ~~(A) A map and legal description of the proposed district, which~~  
23    ~~may include all or a portion of the district designated by the board~~  
24    ~~in its resolution of intention.~~

25    ~~(B) A description of the public improvements and facilities~~  
26    ~~required to serve the development proposed in the district,~~  
27    ~~including those to be provided by the private sector, those to be~~  
28    ~~provided by governmental entities without assistance under this~~  
29    ~~chapter, those public facilities to be financed with assistance from~~  
30    ~~the proposed district, and those to be provided jointly. The~~  
31    ~~description shall include the proposed location, timing, and~~  
32    ~~projected costs of the public improvements and facilities.~~

33    ~~(C) A financing section that shall contain all of the following:~~

34    ~~(i) A provision that specifies the maximum portion of the~~  
35    ~~incremental tax revenue of San Francisco and of any affected~~  
36    ~~taxing entity proposed to be committed to the district, and affirms~~  
37    ~~that the plan will not allocate any portion of the incremental tax~~  
38    ~~revenue of the local educational agencies to the district.~~

39    ~~(ii) Limitations on the use of levied taxes allocated to and~~  
40    ~~collected by the district that provide that incremental tax revenues~~

1 allocated to a district must be used within the district for purposes  
2 authorized under this section, and that not less than 20 percent of  
3 the amount allocated to a district shall be set aside to be expended  
4 solely on shoreline restoration, removal of bay fill, or waterfront  
5 public access to or environmental remediation of the San Francisco  
6 waterfront.

7 (iii) A projection of the amount of incremental tax revenues  
8 expected to be received by the district, assuming a period of 45  
9 years beginning on the date on which San Francisco projects that  
10 the district will have received one hundred thousand dollars  
11 (\$100,000) in incremental tax revenues under this chapter.

12 (iv) Projected sources of financing for the public facilities to be  
13 assisted by the district, including debt to be repaid with incremental  
14 tax revenues, projected revenues from future leases, sales, or other  
15 transfers of any interest in land within the district, and any other  
16 legally available sources of funds.

17 (v) A limitation on the number of dollars of levied taxes that  
18 may be divided and allocated to the district. Taxes shall not be  
19 divided or be allocated to the district beyond this limitation, except  
20 by amendment of the infrastructure financing plan pursuant to the  
21 procedures in this subdivision.

22 (vi) A date on which the effectiveness of the infrastructure  
23 financing plan and all tax allocations to the district will end and a  
24 time limit on the district's authority to repay indebtedness with  
25 incremental tax revenues received under this chapter, not to exceed  
26 45 years from the date the district has actually received one hundred  
27 thousand dollars (\$100,000) in incremental tax revenues under  
28 this chapter. After the time limits established under this  
29 subparagraph, a district shall not receive incremental tax revenues  
30 under this chapter.

31 (vii) An analysis of the costs to San Francisco for providing  
32 facilities and services to the district while the district is being  
33 developed and after the district is developed, and of the taxes, fees,  
34 charges, and other revenues expected to be received by San  
35 Francisco as a result of expected development in the district.

36 (viii) An analysis of the projected fiscal impact of the district  
37 and the associated development upon any affected taxing entity.  
38 If no affected taxing entities exist within the district because the  
39 plan does not provide for collection by the district of any portion  
40 of property tax revenues allocated to any taxing entity other than

1 San Francisco, the district has no obligation to any other taxing  
2 entity under this subdivision.

3 (ix) A statement that the district will maintain accounting  
4 procedures in accordance, and otherwise comply, with Section  
5 6306 of the Public Resources Code for the term of the plan.

6 (D) For a Pier 70 district only, the Pier 70 enhanced financing  
7 plan may contain a provision meeting the requirements of Section  
8 53396 that allocates a portion of the incremental tax revenue of  
9 San Francisco and of other designated affected taxing entities to  
10 the Pier 70 district.

11 The portion of incremental tax revenue of San Francisco to be  
12 allocated to the Pier 70 district must be equal to the portion of the  
13 incremental tax revenue of the county ERAF proposed to be  
14 committed to the Pier 70 district. In addition to all other  
15 requirements under this section, a Pier 70 district shall also be  
16 subject to the following additional limitations:

17 (i) A Pier 70 district subject to a Pier 70 enhanced financing  
18 plan shall not be formed and become effective prior to January 1,  
19 2014.

20 (ii) Any Pier 70 enhanced financing plan shall contain all of the  
21 following:

22 (I) A time limit on new ERAF-secured debt to finance the  
23 district, which may not exceed 20 fiscal years from the fiscal year  
24 in which any Pier 70 district subject to a Pier 70 enhanced financing  
25 plan first issues debt. The ERAF-secured debt may be repaid over  
26 the period of time ending on the time limit established under clause  
27 (vi) of subparagraph (C). This time limit on new ERAF-secured  
28 debt shall not prevent a Pier 70 district from subsequently  
29 refinancing, refunding, or restructuring ERAF-secured debt if the  
30 debt is not increased and the time during which the debt is to be  
31 repaid is not extended beyond the time limit established under  
32 clause (vi) of subparagraph (C).

33 (II) A statement that the Pier 70 district shall be subject to a  
34 limitation on the number of dollars of the ERAF share that may  
35 be divided and allocated to the Pier 70 district pursuant to the Pier  
36 70 enhanced financing plan, including any amendments to the  
37 plan, which shall be established in consultation with the county  
38 auditor. This limitation and a schedule specifying the amount of  
39 the ERAF share that must be divided and allocated to the district  
40 in each succeeding fiscal year until all ERAF-secured debt has

1 been paid shall be included in the statement of indebtedness that  
2 the Pier 70 district files for the 19th fiscal year after the fiscal year  
3 in which any ERAF-secured debt is first issued. The ERAF share  
4 shall not be divided and shall not be allocated to the Pier 70 district  
5 beyond that limitation.

6 ~~(III) The limitations established by subclauses (I) and (II) may~~  
7 ~~be amended only by amendment of this section. When the~~  
8 ~~ERAF-secured debt, if any, has been paid, all moneys thereafter~~  
9 ~~allocated to the ERAF share shall be paid into ERAF as taxes on~~  
10 ~~all other property are paid. In addition, beginning in the 21st fiscal~~  
11 ~~year after the fiscal year in which ERAF-secured debt is first~~  
12 ~~issued, any portion of the ERAF share in excess of the amount~~  
13 ~~required to meet the Pier 70 district's ERAF-secured debt service~~  
14 ~~obligations shall be paid into ERAF.~~

15 ~~(4) The proposed infrastructure financing plan shall be mailed~~  
16 ~~to each affected taxing entity for review, together with any report~~  
17 ~~required by the California Environmental Quality Act (Division~~  
18 ~~13 (commencing with Section 21000) of the Public Resources~~  
19 ~~Code) that pertains to the proposed public facilities and any~~  
20 ~~proposed development project for which the public facilities are~~  
21 ~~needed, and shall be made available for public inspection. The~~  
22 ~~report also shall be sent to the San Francisco Planning Department~~  
23 ~~and the board.~~

24 ~~(5) Except as provided in subdivision (i), the board shall not~~  
25 ~~enact a resolution proposing formation of a district and providing~~  
26 ~~for the division of taxes of any affected taxing entities for use in~~  
27 ~~the Pier 70 district as set forth in the proposed infrastructure~~  
28 ~~financing plan unless a resolution approving the plan has been~~  
29 ~~adopted by the governing body of each affected taxing entity that~~  
30 ~~is proposed to be subject to division of taxes as set forth in the~~  
31 ~~proposed infrastructure financing plan, and that resolution has~~  
32 ~~been filed with the board at or prior to the time of the hearing. A~~  
33 ~~resolution approving the plan adopted by the governing body of~~  
34 ~~an affected taxing entity shall be deemed the affected taxing~~  
35 ~~entity's agreement to participate in the plan for the purposes of~~  
36 ~~Section 53395.19.~~

37 ~~(6) If the governing body of an affected taxing entity has not~~  
38 ~~approved the infrastructure financing plan before the board~~  
39 ~~considers the plan, the board may amend the infrastructure~~  
40 ~~financing plan to remove the allocation of the tax revenues of the~~

1 nonconsenting affected taxing entity. If a plan is so amended, the  
2 plan also shall be amended to provide that San Francisco will  
3 allocate to the Pier 70 district funds equal on a dollar-for-dollar  
4 basis to the tax revenues that the Pier 70 district would have  
5 received from the allocation of tax revenues of the affected taxing  
6 entity that is removed from the plan.

7 (7) The board shall hold a public hearing regarding the  
8 infrastructure financing plan that shall be scheduled on a date no  
9 earlier than 60 days after the plan has been sent to each affected  
10 taxing entity, or in the absence of any affected taxing entities, no  
11 earlier than 30 days after the plan has been lodged with the clerk  
12 of the board. Notice of the public hearing must be published not  
13 less than once a week for four successive weeks in a newspaper  
14 designated by the board for the publication of official notices in  
15 San Francisco, or if the board no longer designates a newspaper  
16 for the publication of official notices, a newspaper of general  
17 circulation serving primarily San Francisco residents. The notice  
18 shall state that the district will be established to finance public  
19 facilities, briefly describe the public facilities and the proposed  
20 financial arrangements, including the proposed commitment of  
21 incremental tax revenue, describe the boundaries of the proposed  
22 district, and state the day, hour, and place when and where any  
23 persons having any objections to the proposed infrastructure  
24 financing plan, or the regularity of any of the previous proceedings,  
25 may appear before the board and object to the adoption of the  
26 proposed infrastructure financing plan by the board.

27 (8) At the hour set in the required notices, the board shall  
28 proceed to hear and pass upon all written and oral objections. The  
29 hearing may be continued from time to time. The board shall  
30 consider any recommendations of affected taxing entities, and all  
31 evidence and testimony for and against the adoption of the  
32 infrastructure financing plan.

33 (9) No election will be required to form the district, and at the  
34 conclusion of the hearing, the board may adopt an ordinance  
35 adopting the infrastructure financing plan, as drafted or as modified  
36 by the board, or it may abandon the proceedings.

37 (10) Any public or private owner of land that is not within an  
38 existing district, but that has any boundary line contiguous to a  
39 boundary of the waterfront district, may petition the board for  
40 inclusion of the land in the waterfront district without an election.



1 As a condition to inclusion of its land in the waterfront district,  
2 the petitioning landowner shall acknowledge and agree that any  
3 portion of the land within 100 feet of the San Francisco Bay  
4 Conservation and Development Commission shoreline (shoreline  
5 band) will include contiguous public access along the length of  
6 the shoreline band, improved and maintained to standards equal  
7 to adjacent waterfront public access ways on public land, as  
8 certified by the San Francisco Bay Conservation and Development  
9 Commission. Nothing in this section is intended to affect or limit  
10 the authority of the San Francisco Bay Conservation and  
11 Development Commission pursuant to Chapter 1 (commencing  
12 with Section 66600) of Title 7.2, or any other law. This procedure  
13 will apply to any petition to include the Mirant site in the Pier 70  
14 district, but the board may amend the Pier 70 financing plan to  
15 include the Mirant site in the Pier 70 district only after the Director  
16 of Finance's approval.

17 (11) The ordinance creating a district and adopting or amending  
18 an infrastructure financing plan shall establish the base year for  
19 the district. The board may amend an infrastructure financing plan  
20 by ordinance to divide an established district into one or more  
21 project areas, to reduce the district area, or, to expand a waterfront  
22 district to include the petitioning landowner's land in the district  
23 in accordance with the board's established procedures. Any  
24 ordinance adopting or amending an infrastructure financing plan  
25 will be deemed an ordinance adopted for the purposes of Section  
26 53395.23.

27 (12) With respect to a waterfront district, San Francisco may  
28 enter into an agreement for the construction of discrete portions  
29 or phases of facilities. The agreement may include any provisions  
30 that San Francisco determines are necessary or convenient, but  
31 shall do all of the following:

32 (A) Identify the specific facilities or discrete portions or phases  
33 of facilities to be constructed and purchased. San Francisco may  
34 agree to purchase discrete portions or phases of facilities if the  
35 portions or phases are capable of serviceable use as determined  
36 by San Francisco.

37 (B) Notwithstanding subparagraph (A), when the purchase value  
38 of a facility exceeds one million dollars (\$1,000,000), San  
39 Francisco may agree to purchase discrete portions or phases of the  
40 partially completed facility.

1     ~~(C) Identify procedures to ensure that the facilities are~~  
2     ~~constructed pursuant to plans, standards, specifications, and other~~  
3     ~~requirements as determined by San Francisco.~~

4     ~~(D) Specify a price or a method to determine a price for each~~  
5     ~~facility or discrete portion or phase of a facility. The price may~~  
6     ~~include an amount reflecting the interim cost of financing cash~~  
7     ~~payments that must be made during construction of the project, at~~  
8     ~~the discretion of San Francisco.~~

9     ~~(E) Specify procedures for final inspection and approval of~~  
10    ~~facilities or discrete portions or phases of facilities, for approval~~  
11    ~~of payment and for acceptance and conveyance.~~

12    ~~(h) (1) All the amounts calculated under this subdivision shall~~  
13    ~~be calculated after deducting the waterfront set-aside required~~  
14    ~~under clause (ii) of subparagraph (C) of paragraph (3) of~~  
15    ~~subdivision (g), or paragraph (3) or (4) of subdivision (e) of Section~~  
16    ~~53395.81, as applicable, from the total amount of tax increment~~  
17    ~~funds allocated to a district in the applicable fiscal year. The~~  
18    ~~payments made under this subdivision to the affected taxing entities~~  
19    ~~shall be allocated among the affected taxing entities in proportion~~  
20    ~~to the percentage share of property taxes each affected taxing entity~~  
21    ~~receives during the fiscal year the funds are allocated. The~~  
22    ~~percentage share shall be determined without regard to any amounts~~  
23    ~~allocated to a city, county, or city and county under Sections 97.68~~  
24    ~~and 97.70 of the Revenue and Taxation Code.~~

25    ~~(2) (A) Prior to incurring any debt, except loans or advances~~  
26    ~~from San Francisco, a district may subordinate to the debt the~~  
27    ~~amount required to be paid to an affected taxing entity under this~~  
28    ~~subdivision, if any, provided the affected taxing entity has approved~~  
29    ~~these subordinations as provided in this paragraph.~~

30    ~~(B) At the time the district requests an affected taxing entity to~~  
31    ~~subordinate the amount to be paid to it, the district shall provide~~  
32    ~~the affected taxing entity with substantial evidence that sufficient~~  
33    ~~funds will be available to pay when due both the debt service on~~  
34    ~~the debt and the payments to the affected taxing entity required~~  
35    ~~under this subdivision.~~

36    ~~(C) Within 45 days after receipt of the district's request, the~~  
37    ~~affected taxing entity shall approve or disapprove the request for~~  
38    ~~subordination. An affected taxing entity may disapprove a request~~  
39    ~~for subordination only if it finds, based upon substantial evidence,~~  
40    ~~that the district will not be able to pay when due the debt payments~~

1 and the amount required to be paid to the affected taxing entity.  
2 If the affected taxing entity does not act within 45 days after receipt  
3 of the district's request, the request to subordinate shall be deemed  
4 approved and its deemed approval shall be final and conclusive.

5 (D) For the purpose of this paragraph only, "affected taxing  
6 entity" shall mean any governmental agency that levied, or had  
7 levied on its behalf, a property tax on all or a portion of the land  
8 located in the proposed district in the fiscal year prior to the  
9 designation of the special waterfront district.

10 (3) The Legislature finds and declares all of the following:

11 (A) The payments to be made under this subdivision are  
12 necessary in order to alleviate the financial burden and detriment  
13 that affected taxing entities may incur as a result of the adoption  
14 of an infrastructure financing plan, and payments made under this  
15 subdivision will benefit the district.

16 (B) The payments to be made under this subdivision are the  
17 exclusive payments that are required to be made by a district to  
18 affected taxing entities during the term of an infrastructure  
19 financing plan.

20 (4) Nothing in this section requires a district, either directly or  
21 indirectly, as a measure to mitigate a significant environmental  
22 effect or as part of any settlement agreement or judgment brought  
23 in any action to contest the validity of a district under Section  
24 53395.6, to make any other payments to affected taxing entities,  
25 or to pay for public facilities that will be owned or leased to an  
26 affected taxing entity.

27 (i) The portion of taxes required to be allocated to the Pier 70  
28 district under a duly adopted infrastructure financing plan shall be  
29 allocated and paid to the district by the county auditor or officer  
30 responsible for the payment of taxes into the funds of the respective  
31 taxing entities under the procedure contained in this subdivision.  
32 If the approved plan allocates to the Pier 70 district 100 percent  
33 of the incremental tax revenue of San Francisco that is available  
34 under applicable law to be allocated to the Pier 70 district, then  
35 the district shall not make a payment to ERAF, but if the plan  
36 allocates less than 100 percent of the incremental tax revenue of  
37 San Francisco that is available under applicable law to be allocated  
38 to the Pier 70 district, then the district shall pay a proportionate  
39 share of incremental tax revenue into ERAF.

- 1     ~~(1) No later than October 1 of each year, for each district for~~  
2 ~~which the infrastructure financing plan provides for the division~~  
3 ~~of taxes, the district shall file with the county auditor or officer a~~  
4 ~~statement of indebtedness and a reconciliation statement for the~~  
5 ~~previous fiscal year certified by the chief financial officer of the~~  
6 ~~district.~~
- 7     ~~(2) Each statement of indebtedness shall contain all of the~~  
8 ~~following:~~
- 9     ~~(A) For each debt the district has incurred or entered into, all~~  
10 ~~of the following:~~
- 11     ~~(i) The date the district incurred or entered into the debt.~~  
12     ~~(ii) The principal amount, term, purpose, interest rate, and total~~  
13 ~~interest payable over the term of the debt.~~
- 14     ~~(iii) The principal amount and interest due in the fiscal year in~~  
15 ~~which the statement is filed.~~
- 16     ~~(iv) The total amount of principal and interest remaining to be~~  
17 ~~paid over the term of the debt.~~
- 18     ~~(B) The sum of the principal and interest due on all debts in the~~  
19 ~~fiscal year in which the statement is filed.~~
- 20     ~~(C) The sum of principal and interest remaining to be paid on~~  
21 ~~all debts.~~
- 22     ~~(D) The available revenues as of the end of the previous fiscal~~  
23 ~~year.~~
- 24     ~~(3) The district may estimate the amount of principal or interest,~~  
25 ~~the interest rate, or term of any debt if the nature of the debt is~~  
26 ~~such that the amount of principal or interest, the interest rate, or~~  
27 ~~term cannot be precisely determined. The district may list on a~~  
28 ~~statement of indebtedness any debt incurred or entered into on or~~  
29 ~~before the date the statement is filed.~~
- 30     ~~(4) Each reconciliation statement shall include all of the~~  
31 ~~following:~~
- 32     ~~(A) A list of all debts listed on the previous year's statement of~~  
33 ~~indebtedness, if any.~~
- 34     ~~(B) A list of all debts not listed on the previous year's statement~~  
35 ~~of indebtedness, but incurred or entered into in the previous year~~  
36 ~~and paid in whole or in part from incremental tax revenue received~~  
37 ~~by the district. This listing may aggregate into a single item debts~~  
38 ~~incurred or entered into in the previous year for a particular~~  
39 ~~purpose, such as relocation expenses, administrative expenses,~~  
40 ~~consultant expenses, or remediation of hazardous materials.~~

1 ~~(C) For each debt described in subparagraph (A) or (B), all of~~  
2 ~~the following shall be included:~~  
3 ~~(i) The total amount of principal and interest remaining to be~~  
4 ~~paid as of the later of the beginning of the previous year or the~~  
5 ~~date the debt was incurred or entered into.~~  
6 ~~(ii) Any increases or additions to the debt occurring during the~~  
7 ~~previous year.~~  
8 ~~(iii) The amount paid on the debt in the previous year from~~  
9 ~~incremental tax revenue received by the district.~~  
10 ~~(iv) The amount paid on the debt in the previous year from~~  
11 ~~revenue other than incremental tax revenue received by the district.~~  
12 ~~(v) The total amount of principal and interest remaining to be~~  
13 ~~paid as of the end of the previous fiscal year.~~  
14 ~~(D) The available revenues of the district as of the beginning~~  
15 ~~of the previous fiscal year.~~  
16 ~~(E) The amount of incremental tax revenue received by the~~  
17 ~~district in the previous fiscal year.~~  
18 ~~(F) The amount of available revenue received by the district in~~  
19 ~~the previous fiscal year other than incremental tax revenue.~~  
20 ~~(G) The sum of the amounts paid on all debts from sources other~~  
21 ~~than incremental tax revenue, to the extent that the amounts are~~  
22 ~~not included as available revenues under subparagraph (F).~~  
23 ~~(H) The sum of the amounts specified in subparagraphs (D) to~~  
24 ~~(G), inclusive.~~  
25 ~~(I) The sum of the amounts specified in clauses (iii) and (iv) of~~  
26 ~~subparagraph (C) of paragraph (4).~~  
27 ~~(J) The amount determined by subtracting the amount~~  
28 ~~determined under subparagraph (I) from the amount determined~~  
29 ~~under subparagraph (H). The amount determined under this~~  
30 ~~paragraph shall be the available revenues as of the end of the~~  
31 ~~previous fiscal year to be reported in the statement of indebtedness.~~  
32 ~~(5) For the purposes of this paragraph, available revenues shall~~  
33 ~~include all cash or cash equivalents held by the district that were~~  
34 ~~received by the district under subparagraph (D) of paragraph (3)~~  
35 ~~of subdivision (g) and all cash or cash equivalents held by the~~  
36 ~~district that are irrevocably pledged or restricted to payment of a~~  
37 ~~debt that the district has listed on a statement of indebtedness. In~~  
38 ~~no event shall available revenues include funds allocated to the~~  
39 ~~waterfront set aside.~~

1     ~~(6) For the purposes of this subdivision: (A) the amount a district~~  
2 ~~is required to deposit into the waterfront set aside shall constitute~~  
3 ~~an indebtedness of the district, (B) no debt that a district intends~~  
4 ~~to pay from the waterfront set aside shall be listed on a statement~~  
5 ~~of indebtedness or reconciliation statement as a debt of the district,~~  
6 ~~and (C) any statutorily authorized deficit in or borrowing from~~  
7 ~~funds in the waterfront set aside shall constitute an indebtedness~~  
8 ~~of the district.~~

9     ~~(7) The county auditor or officer shall allocate and pay, at the~~  
10 ~~same time or times as the payment of taxes into the funds of the~~  
11 ~~respective taxing agencies of the county, the portion of incremental~~  
12 ~~tax revenues allocated to each district under the infrastructure~~  
13 ~~financing plan. The amount allocated and paid shall not exceed~~  
14 ~~the amount of the district's remaining debt obligations, as~~  
15 ~~determined under subparagraph (C) of paragraph (2), minus the~~  
16 ~~amount of available revenues as of the end of the previous fiscal~~  
17 ~~year, as determined under subparagraph (D) of paragraph (2).~~

18     ~~(8) The statement of indebtedness constitutes prima facie~~  
19 ~~evidence of the debts of the district.~~

20     ~~(A) If the county auditor or other officer disputes the amount~~  
21 ~~of the district's debts as shown on the statement of indebtedness,~~  
22 ~~the county auditor or other officer, within 30 days after receipt of~~  
23 ~~the statement, shall give written notice to the district thereof.~~

24     ~~(B) The district, within 30 days after receipt of notice under~~  
25 ~~subparagraph (A), shall submit any further information it deems~~  
26 ~~appropriate to substantiate the amount of any debt that has been~~  
27 ~~disputed. If the county auditor or other officer still disputes the~~  
28 ~~amount of debt, final written notice of that dispute shall be given~~  
29 ~~to the district, and the amount disputed may be withheld from~~  
30 ~~allocation and payment to the district as otherwise required by~~  
31 ~~paragraph (7). In that event, the auditor or other officer shall bring~~  
32 ~~an action in the superior court for declaratory relief to determine~~  
33 ~~the matter no later than 90 days after the date of the final notice.~~

34     ~~(C) In any court action brought under this paragraph, the issue~~  
35 ~~shall involve only the amount of debt, and not the validity of any~~  
36 ~~contract or debt instrument or any expenditures pursuant thereto.~~  
37 ~~Payments to a trustee under a bond resolution or indenture of any~~  
38 ~~kind or payments to a public agency in connection with payments~~  
39 ~~by that public agency under a lease or bond issue shall not be~~  
40 ~~disputed in any action under this paragraph. The matter shall be~~

1 set for trial at the earliest possible date and shall take precedence  
2 over all other cases except older matters of the same character.  
3 Unless an action is brought within the time provided for herein,  
4 the auditor or other officer shall allocate and pay the amount shown  
5 on the statement of indebtedness as provided in paragraph (7):

6 ~~(D) Nothing in this subdivision shall be construed to permit a~~  
7 ~~challenge to or attack on matters precluded from challenge or~~  
8 ~~attack by reason of Sections 53395.6 and 53395.7. However,~~  
9 ~~nothing in this subdivision shall be construed to deny a remedy~~  
10 ~~against the district otherwise provided by law.~~

11 ~~(E) The Controller shall prescribe uniform forms consistent~~  
12 ~~with this subdivision for a district's statement of indebtedness and~~  
13 ~~reconciliation statement. In preparing these forms, the Controller~~  
14 ~~shall obtain the input of the San Francisco City Controller, the San~~  
15 ~~Francisco Tax Collector, and the district.~~

16 ~~(F) For the purposes of this subdivision, a fiscal year shall be a~~  
17 ~~year that begins on July 1 and ends the following June 30.~~

18 ~~(j) (1) Prior to the adoption by the board of an infrastructure~~  
19 ~~financing plan providing for tax increment financing under~~  
20 ~~subparagraph (D) of paragraph (3) of subdivision (g), any affected~~  
21 ~~taxing entity may elect to be allocated, and every local educational~~  
22 ~~agency shall be allocated, all or any portion of the tax revenues~~  
23 ~~allocated to the district under subparagraph (D) of paragraph (3)~~  
24 ~~of subdivision (g) attributable to increases in the rate of tax~~  
25 ~~imposed for the benefit of the taxing entity which levy occurs after~~  
26 ~~the tax year in which the ordinance adopting the infrastructure~~  
27 ~~financing plan becomes effective.~~

28 ~~(2) The governing body of any affected taxing entity electing~~  
29 ~~to receive allocation of taxes under this subdivision shall adopt a~~  
30 ~~resolution to that effect and transmit the same, prior to the adoption~~  
31 ~~of the infrastructure financing plan, to (A) the board, (B) the~~  
32 ~~district, and (C) the official or officials performing the functions~~  
33 ~~of levying and collecting taxes for the affected taxing entity. Upon~~  
34 ~~receipt by the official or officials of the resolution, allocation of~~  
35 ~~taxes under this section to the affected taxing entity shall be made~~  
36 ~~at the time or times allocations are made under subdivision (a) of~~  
37 ~~Section 33670 of the Health and Safety Code.~~

38 ~~(3) An affected taxing entity, at any time after the adoption of~~  
39 ~~the resolution, may elect not to receive all or any portion of the~~  
40 ~~additional allocation of taxes under this section by rescinding the~~

1 resolution or by amending the same, as the case may be, and giving  
2 notice thereof to the board, the district, and the official or officials  
3 performing the functions of levying and collecting taxes for the  
4 affected taxing entity. After receipt of a notice by the official or  
5 officials that an affected taxing entity has elected not to receive  
6 all or a portion of the additional allocation of taxes by rescission  
7 or amendment of the resolution, any allocation of taxes to the  
8 affected taxing entity required to be made under this section shall  
9 not thereafter be made but shall be allocated to the district. After  
10 receipt of a notice by the official or officials that an affected taxing  
11 entity has elected to receive additional tax revenues attributable  
12 to only a portion of the increases in the rate of tax, only that portion  
13 of the tax revenues shall thereafter be allocated to the affected  
14 taxing entity, and the remaining portion thereof shall be allocated  
15 to the district.

16 (k) ~~This section implements and fulfills the intent of Article 2  
17 (commencing with Section 53395.10) and of Article XIII B and  
18 is consistent with the conclusion of California courts that tax  
19 increment revenues are not “proceeds of taxes” for purposes of  
20 the latter. The allocation and payment to a district of the portion  
21 of taxes specified in this section for the purpose of paying principal  
22 of, or interest on, loans, advances, or indebtedness incurred for  
23 facilities or the cost of acquisition and construction of facilities  
24 under this section shall not be deemed the receipt by a district of  
25 proceeds of taxes levied by or on behalf of the district within the  
26 meaning or for the purposes of Article XIII B of the California  
27 Constitution, nor shall this portion of taxes be deemed receipt of  
28 proceeds of taxes by, or an appropriation subject to limitation of,  
29 any other public body within the meaning or for purposes of Article  
30 XIII B of the California Constitution or any statutory provision  
31 enacted in implementation of Article XIII B. The allocation and  
32 payment to a district of this portion of taxes shall not be deemed  
33 the appropriation by a district of proceeds of taxes levied by or on  
34 behalf of a district within the meaning or for purposes of Article  
35 XIII B of the California Constitution.~~

36 ~~SEC. 3. Section 53395.81 is added to the Government Code,  
37 to read:~~

38 ~~53395.81. (a) This section shall apply only to a special  
39 waterfront district.~~



1 ~~(b) A special waterfront district may be created as a waterfront~~  
2 ~~district pursuant to, and shall be subject to, all applicable~~  
3 ~~requirements of Sections 53395.3 and 53395.8, except as provided~~  
4 ~~in this section.~~

5 ~~(c) The TI property is substantially undeveloped and, in a TI~~  
6 ~~district, all improvements authorized by this chapter would have~~  
7 ~~communitywide significance. The provisions of subdivision (c)~~  
8 ~~of Section 53395.3 shall not apply to a TI district. A TI district~~  
9 ~~may finance (1) the costs authorized by Sections 53395.3 and~~  
10 ~~53395.8, (2) the costs required to increase, improve, and preserve~~  
11 ~~the supply of affordable housing on TI property, including the~~  
12 ~~costs described in Section 53395.5, provided financed dwelling~~  
13 ~~units may be located anywhere on TI property, and (3) the costs~~  
14 ~~of work deemed necessary by the City and County of San Francisco~~  
15 ~~to bring the TI property, whether that TI property is publicly or~~  
16 ~~privately owned, into compliance with seismic safety standards or~~  
17 ~~regulations. A TI district may not finance services or use the harbor~~  
18 ~~fund to finance any costs of a TI district or to provide credit~~  
19 ~~enhancement for debt issued by a TI district. No portion of a TI~~  
20 ~~district may be included in a redevelopment project area later~~  
21 ~~formed under Section 33000 of the Health and Safety Code, or~~  
22 ~~any successor laws.~~

23 ~~(d) The Board of Supervisors of the City and County of San~~  
24 ~~Francisco may, by resolution, vest in the authority the power under~~  
25 ~~this chapter to form one or more TI districts. The City and County~~  
26 ~~of San Francisco and the authority may take any actions relating~~  
27 ~~to TI property that would otherwise be vested in the Port of San~~  
28 ~~Francisco under this chapter.~~

29 ~~(e) (1) The special waterfront district ERAF share produced in~~  
30 ~~a special waterfront district with a special waterfront district~~  
31 ~~enhanced financing plan shall be used only to finance the~~  
32 ~~following:~~

- 33 ~~(A) With respect to a Port America's Cup district:~~  
34 ~~(i) Construction of the port's maritime facilities at Pier 27.~~  
35 ~~(ii) Planning and design work that is directly related to the port's~~  
36 ~~maritime facilities at Pier 27.~~  
37 ~~(iii) Planning, design, and construction of improvements to~~  
38 ~~publicly owned waterfront lands held by trustee agencies, such as~~  
39 ~~the National Park Service and the California State Parks, and used~~

1 as public spectator viewing sites for America's Cup-related events,  
2 including the San Francisco Bay Trail along the Marina Green.

3 (iv) ~~Future installations of shoreside power facilities on port~~  
4 ~~maritime facilities.~~

5 (B) ~~With respect to a TI district, any purpose authorized by~~  
6 ~~subdivision (c).~~

7 (2) ~~A special waterfront district enhanced financing plan for a~~  
8 ~~Port America's Cup district shall provide that the proceeds of~~  
9 ~~special waterfront district ERAF-secured debt are restricted for~~  
10 ~~use to finance directly, reimburse the port for its costs related to,~~  
11 ~~or refinance other debt incurred in, the construction of the port's~~  
12 ~~maritime facilities at Pier 27, including public access and public~~  
13 ~~open-space improvements. A special waterfront district enhanced~~  
14 ~~financing plan for a TI district shall provide that the proceeds of~~  
15 ~~the special waterfront district ERAF share and special waterfront~~  
16 ~~district ERAF-secured debt are restricted to finance authorized~~  
17 ~~improvements required for the development of TI property.~~

18 (3) ~~Twenty percent in the aggregate of the special waterfront~~  
19 ~~district ERAF share allocated to a Port America's Cup district~~  
20 ~~under this section shall be set aside to finance costs of~~  
21 ~~improvements to federally or state-owned waterfront lands~~  
22 ~~approved by trustee agencies such as the National Park Service or~~  
23 ~~the California State Parks as provided in clause (iii) of~~  
24 ~~subparagraph (A) of paragraph (1). The foregoing 20 percent set~~  
25 ~~aside shall not apply to the special waterfront district ERAF share~~  
26 ~~allocated to a TI district.~~

27 (4) ~~A special waterfront district enhanced financing plan for a~~  
28 ~~TI district shall comply with both of the following:~~

29 (A) ~~San Francisco shall use at least 20 percent of the incremental~~  
30 ~~tax revenue allocated to the TI district for the purposes of~~  
31 ~~increasing, improving, and preserving the supply of affordable~~  
32 ~~housing on TI property. That incremental tax revenue may be used~~  
33 ~~to finance the costs described in Section 53395.5, provided~~  
34 ~~financed dwelling units may be located anywhere on TI property.~~

35 (B) (i) ~~San Francisco shall require that affordable housing~~  
36 ~~described in subparagraph (A) remain affordable housing for the~~  
37 ~~useful life of the dwellings, which may not be less than 55 years~~  
38 ~~for rental units and 45 years for owner-occupied units.~~

39 (ii) ~~Notwithstanding clause (i), the authority may permit sales~~  
40 ~~of owner-occupied units prior to the expiration of the 45-year~~

1 period for a price in excess of the affordable housing price as  
2 determined pursuant to Section 50052.5 of the Health and Safety  
3 Code under a program adopted by the authority that protects the  
4 authority's investment of funds in the unit, including, but not  
5 limited to, a program that establishes a schedule of equity sharing  
6 that permits retention by the seller of a portion of those excess  
7 sales proceeds. The remainder of the excess sales proceeds shall  
8 be used solely for affordable housing.

9 (iii) The City of San Francisco shall establish and record  
10 covenants or restrictions implementing these requirements.

11 (5) The 20 percent set-aside requirements applicable to a special  
12 waterfront district set forth in paragraphs (3) and (4), as applicable,  
13 are in lieu of the set-aside requirement set forth in clause (ii) of  
14 subparagraph (C) of paragraph (3) of subdivision (g) of Section  
15 53395.8.

16 (f) (1) Before adopting the resolution authorizing the first debt  
17 issuance by a Port America's Cup district with a special waterfront  
18 district enhanced financing plan authorized by this section, the  
19 board of supervisors shall submit a fiscal analysis to the California  
20 Infrastructure and Economic Development Bank for review and  
21 approval.

22 (2) The bank may circulate the fiscal analysis to other state  
23 agencies, including, but not limited to, the Department of Finance,  
24 the Department of Housing and Community Development, and  
25 the Office of Planning and Research, and solicit their comments  
26 and recommendations. After considering the comments and  
27 recommendations of other state agencies, if any, the bank shall  
28 take one of the following actions:

29 (A) Approve the fiscal analysis if the bank makes the finding  
30 required pursuant to paragraph (4).

31 (B) Return the fiscal analysis to the board of supervisors with  
32 specific recommendations for changes that would allow the bank  
33 to approve the fiscal analysis.

34 (3) The bank shall have 90 days from the receipt of the fiscal  
35 analysis to act pursuant to this subdivision. If the bank does not  
36 act within 90 days, the fiscal analysis shall be deemed approved.

37 (4) For bank approval, the fiscal analysis shall demonstrate to  
38 the bank's reasonable satisfaction a reasonable probability that the  
39 economic activity proposed to occur as a result of hosting the  
40 America's Cup event in California would result in an amount of

1 revenue to the General Fund with a net present value that is greater  
2 than the net present value of the amount of property tax increment  
3 revenues that would be diverted from ERAF over the term of the  
4 Port America's Cup district, taking into consideration all pertinent  
5 data. In reviewing the board's fiscal analysis, the bank shall  
6 consider only those General Fund revenues that would occur  
7 because of economic activity proposed to occur as a result of  
8 hosting the America's Cup event in California. The bank shall not  
9 consider those General Fund revenues that would have occurred  
10 if the America's Cup event were not held in California.

11 (5) The legislative body shall reimburse the bank for the  
12 reasonable cost of the review and approval of the fiscal analysis.

13 (g) (1) Before adopting the resolution authorizing the first debt  
14 issuance by a TI district authorized by this section with a special  
15 waterfront district enhanced financing plan, the legislative body  
16 of the TI district shall submit a fiscal analysis to the California  
17 Infrastructure and Economic Development Bank for review and  
18 approval.

19 (2) The bank may circulate the fiscal analysis to other state  
20 agencies, including, but not limited to, the Department of Finance,  
21 the Department of Housing and Community Development, and  
22 the Office of Planning and Research, and solicit their comments  
23 and recommendations. After considering the comments and  
24 recommendations of other state agencies, if any, the bank shall  
25 take one of the following actions:

26 (A) Approve the fiscal analysis if the bank makes the finding  
27 required pursuant to paragraph (4).

28 (B) Return the fiscal analysis to the legislative body of the TI  
29 district with specific recommendations for changes that would  
30 allow the bank to approve the fiscal analysis.

31 (3) The bank shall have 90 days from the receipt of the fiscal  
32 analysis to act pursuant to this subdivision. If the bank does not  
33 act within 90 days, the fiscal analysis shall be deemed approved.

34 (4) For bank approval, the fiscal analysis shall demonstrate to  
35 the bank's reasonable satisfaction a reasonable probability that the  
36 economic activity proposed to occur as a result of development of  
37 the TI property would result in an amount of revenue to the General  
38 Fund with a net present value that is greater than the net present  
39 value of the amount of property tax increment revenues that would  
40 be diverted from ERAF over the term of the TI district, taking into

1 consideration all pertinent data. In reviewing the board's fiscal  
2 analysis, the bank shall consider only those General Fund revenues  
3 that would occur because of economic activity proposed to occur  
4 as a result of developing the TI property. The bank shall not  
5 consider those General Fund revenues that would have occurred  
6 if the TI property is not developed.

7 (5) The legislative body shall reimburse the bank for the  
8 reasonable cost of the review and approval of the fiscal analysis.

9 (h) The county auditor or officer responsible for the payment  
10 of taxes into the funds of the respective taxing entities shall allocate  
11 and pay to a special waterfront district the portion of taxes required  
12 to be allocated pursuant to an approved special waterfront district  
13 enhanced financing plan. If the plan allocates 100 percent of the  
14 incremental tax revenue of San Francisco that is available under  
15 applicable law to be allocated to the special waterfront district,  
16 then the special waterfront district shall not make a payment to  
17 ERAF, but if the plan allocates less than 100 percent of the  
18 incremental tax revenue of San Francisco that is available under  
19 applicable law to be allocated to a special waterfront district then  
20 the special waterfront district shall pay a proportionate share of  
21 incremental tax revenue into ERAF. The special waterfront district  
22 shall file a statement of indebtedness and a reconciliation statement  
23 annually in the same manner as described in subdivision (i) of  
24 Section 53395.8. It is the intent of this subdivision that any special  
25 waterfront district shall be deemed to be a district formed pursuant  
26 to subparagraph (D) of paragraph (3) of subdivision (g) of Section  
27 53395.8 for purposes of allocation and payment of taxes by the  
28 county auditor as set forth in subdivision (i) of Section 53395.8.

29 (i) With respect to a TI district, the reference in subparagraph  
30 (D) of paragraph (1) of subdivision (g) of Section 53395.8 to the  
31 executive director of the port shall be deemed to be a reference to  
32 the controller of the City and County of San Francisco, or an  
33 appropriate official designated by the controller.

34 (j) This section implements and fulfills the intent of Article 2  
35 (commencing with Section 53395.10) and of Article XIII B and is  
36 consistent with the conclusion of California courts that tax  
37 increment revenues are not "proceeds of taxes" for purposes of  
38 the latter. The allocation and payment to a special waterfront  
39 district of the special waterfront district ERAF share for the purpose  
40 of paying principal of, or interest on, loans, advances, or

1 indebtedness incurred for facilities or the cost of acquisition and  
2 construction of facilities under this section shall not be deemed  
3 the receipt by the special waterfront district of proceeds of taxes  
4 levied by or on behalf of the special waterfront district within the  
5 meaning or for the purposes of Article XIII B of the California  
6 Constitution, nor shall this portion of taxes be deemed the receipt  
7 of proceeds of taxes by, or an appropriation subject to limitation  
8 of, any other public body within the meaning or for purposes of  
9 Article XIII B of the California Constitution or any statutory  
10 provision enacted in implementation of Article XIII B. The  
11 allocation and payment to a special waterfront district of this  
12 portion of taxes shall not be deemed the appropriation by a special  
13 waterfront district of proceeds of taxes levied by or on behalf of  
14 a district within the meaning or for purposes of Article XIII B of  
15 the California Constitution.

16 (k) Notwithstanding any provision to the contrary in Chapter  
17 898 of the Statutes of 1997, as amended, or Chapter 543 of the  
18 Statutes of 2004, as amended, in the event the port succeeds the  
19 authority as trustee of some or all of the public trust lands within  
20 the TI property, the port shall hold the lands subject to the public  
21 trust for commerce, navigation, and fisheries and the requirements  
22 applicable to the authority under Chapter 898 of the Statutes of  
23 1997, as amended, and the lands shall not be subject to the Burton  
24 Act trust. The port shall deposit all revenues from those lands into  
25 the Treasure Island trust fund, which shall be maintained separately  
26 from the harbor fund.

27 (l) For purposes of this section, the meanings set forth in  
28 subdivision (e) of Section 53395.8 shall apply as appropriate, and  
29 the following terms have the following meanings, except as  
30 otherwise provided:

31 (1) “Affordable housing” means housing, whether publicly or  
32 privately owned, available at affordable housing cost, as defined  
33 in Section 50052.5 of the Health and Safety Code, or affordable  
34 rent, as defined in Section 50053 of the Health and Safety Code,  
35 to persons and families of low or moderate income, as defined in  
36 Section 50093 of the Health and Safety Code, lower income  
37 households, as defined in Section 50079.5 of the Health and Safety  
38 Code, very low income households, as defined in Section 50105  
39 of the Health and Safety Code, and extremely low income

1 households, as defined in Section 50106 of the Health and Safety  
2 Code, that is occupied by those persons and families.

3 (2) ~~“Authority” means the Treasure Island Development~~  
4 ~~Authority or any other local agency, public agency, city~~  
5 ~~commission, or city department that the board of supervisors, by~~  
6 ~~resolution, designates as having jurisdiction over TI property or~~  
7 ~~authority under this chapter to form one or more TI districts.~~

8 (3) ~~“Burton Act” means Chapter 1333 of the Statutes of 1968,~~  
9 ~~as amended.~~

10 (4) ~~“Harbor fund” means the separate fund in the treasury of~~  
11 ~~the City and County of San Francisco established and maintained~~  
12 ~~in accordance with Section B6.406 of Appendix B of the charter~~  
13 ~~of the City and County of San Francisco and Section 4 of the~~  
14 ~~Burton Act.~~

15 (5) ~~“Job Corps parcel” means that property lying within the City~~  
16 ~~and County of San Francisco comprising that portion of the~~  
17 ~~Tidelands and Submerged Lands in San Francisco Bay known as~~  
18 ~~Treasure Island (Case 22164-G), commonly referred to as the Job~~  
19 ~~Corps Center, Treasure Island, which was transferred to the United~~  
20 ~~States Department of Labor by that certain document entitled~~  
21 ~~“Transfer and Acceptance of Military Real Property,” dated March~~  
22 ~~3, 1998.~~

23 (6) ~~“Port America’s Cup district” means a special waterfront~~  
24 ~~district that is not a TI district.~~

25 (7) ~~“Special waterfront district” means a waterfront district in~~  
26 ~~San Francisco that may comprise some or all of the America’s~~  
27 ~~Cup venues or potential venues, including TI property.~~

28 (8) ~~“Special waterfront district enhanced financing plan” means~~  
29 ~~an infrastructure financing plan for a special waterfront district~~  
30 ~~that contains a provision substantially similar to that authorized~~  
31 ~~for a Pier 70 district under subparagraph (D) of paragraph (3) of~~  
32 ~~subdivision (g) of Section 55395.8, with only those changes~~  
33 ~~deemed necessary by the legislative body of the special waterfront~~  
34 ~~district to implement the financing of the improvements described~~  
35 ~~in paragraph (1) of subdivision (e).~~

36 (9) ~~“Special waterfront district ERAF-secured debt” means debt~~  
37 ~~incurred in accordance with a special waterfront district enhanced~~  
38 ~~financing plan that is secured by and will be repaid from the special~~  
39 ~~waterfront district ERAF share. For a Port America’s Cup district,~~  
40 ~~special waterfront district ERAF-secured debt includes the portion~~

1 of any debt that is payable from the special waterfront district  
2 ERAF share as long as the same percentage of debt proceeds will  
3 be used for the purposes authorized by paragraph (2) of subdivision  
4 (e). For a TI district, special waterfront district ERAF-secured debt  
5 may be combined with any other debt of the TI district.

6 (10) “Special waterfront ERAF share” means the county ERAF  
7 portion of incremental tax revenue committed, as applicable, to a  
8 special waterfront district under a special waterfront district  
9 enhanced financing plan.

10 (11) “TI district” means a special waterfront district formed on  
11 land constituting all or a portion of the TI property.

12 (12) “TI property” means all those lands comprised of portions  
13 of the lands commonly known as Treasure Island and Yerba Buena  
14 Island lying within the City and County of San Francisco, State  
15 of California, described as follows, and the Job Corps Parcel if  
16 and to the extent it is transferred to the authority from the United  
17 States of America:

18 All those lands comprised of portions of the lands commonly  
19 known as Treasure Island and Yerba Buena Island lying within  
20 the City and County of San Francisco, State of California, described  
21 as follows: That portion of the lands described in that certain  
22 Presidential Reservation of Goat Island (now Yerba Buena Island),  
23 dated November 6, 1850, lying northwesterly of Parcel 57935-1  
24 as described in that certain Quitclaim Deed, recorded October 26,  
25 2000, as Document Number 2000G855531, in the office of the  
26 Recorder of the said City and County of San Francisco (hereinafter  
27 referred to as Doc. 2000G855531); together with all of the  
28 underlying fee to Parcel 57935-5 as described in said Quitclaim  
29 Deed (Doc. 2000G855531) and all of the underlying fee to Parcel  
30 57935-6 as described in said Quitclaim Deed (Doc. 2000G855531),  
31 also together with that portion of the tide and submerged lands in  
32 San Francisco Bay, relinquished to the United States of America  
33 by that certain act of the Legislature of the State of California by  
34 Statutes of the State of California of 1897, Chapter 81 (hereinafter  
35 referred to as Stat. 1897, Ch. 81); also together with all of the  
36 Tidelands and Submerged Lands in San Francisco Bay known as  
37 Treasure Island as described in that certain Final Judgment of  
38 Condemnation, filed April 3, 1944, in the District Court of the  
39 United States in and for the Northern District of California,  
40 Southern Division, Case Number 22164-G (hereinafter referred



1 to as Case 22164-G), also together with all of that portion of the  
2 lands described in that certain Presidential Reservation of Goat  
3 Island (now Yerba Buena Island), dated November 6, 1850, lying  
4 southeasterly of Parcel 57935-1 as described in that certain  
5 Quitclaim Deed, recorded October 26, 2000, as Document Number  
6 2000G855531, in the office of the Recorder of the said City and  
7 County of San Francisco (hereinafter referred to as Doc.  
8 2000G855531); excepting therefrom those lands shown as the  
9 Lands of the United States Coast Guard on that certain Record of  
10 Survey, entitled “Record of Survey #5923” recorded in Book DD  
11 of Maps at Pages 24-28 on April 28, 2010; also excepting  
12 therefrom, that portion of the said Tide and Submerged Lands in  
13 San Francisco Bay, relinquished to the United States of America  
14 (Stat. 1897, Ch. 81), within the “Army Reservation, Occupied by  
15 U.S. Light House Service under Permit from Secretary of War  
16 dated May 27, 1872” as shown and described upon that certain  
17 map entitled “Plat of Army and Navy reservations on Yerba Buena  
18 (Goat) Island, San Francisco Bay, California”; and further  
19 excepting therefrom, that portion of the Tide and Submerged Lands  
20 in San Francisco Bay, relinquished to the United States of America  
21 (Stat. 1897, Ch. 81) which were transferred to the United States  
22 Coast Guard by that certain document entitled “Transfer and  
23 Acceptance of Military Real Property,” dated November 26, 2002.  
24 As portions of said land are shown on those certain Records of  
25 Survey filed for record: July 15, 2003, in Book M of maps at pages  
26 85 through 95, inclusive, and as shown on the map entitled “Map  
27 and Metes and Bounds Description of United States Military and  
28 Naval Reservations, Yerba Buena (Goat) Island, California”  
29 including land ceded by the State of California by Act of  
30 Legislature of the State of California, approved March 9, 1897,  
31 (Stat. Cal., 1897, p. 74) filed April 12, 1934, in Book N of Map at  
32 Page 14; and on April 28, 2010, in Book DD of Maps at Pages  
33 24-28, entitled “Record of Survey #5923”; recorded in the Office  
34 of the Recorder of the City and County of San Francisco:

35 (13) “Treasure Island trust fund” means the special fund  
36 established and maintained in accordance with Section 10 of  
37 Chapter 898 of the Statutes of 1997.

38 SEC. 4. Section 53397.71 is added to the Government Code,  
39 to read:

1     ~~53397.71.— Notwithstanding the provisions of this article, the~~  
2 ~~legislative body of a waterfront district established pursuant to~~  
3 ~~Section 53395.8 may, by resolution, authorize the issuance of~~  
4 ~~bonds without holding an election of the voters residing in the~~  
5 ~~waterfront district. The bonds of a waterfront district may be sold~~  
6 ~~at a negotiated sale subject to the notice requirements of Section~~  
7 ~~53397.10.~~

8     ~~SEC. 5.— Section 3 of Chapter 898 of the Statutes of 1997 is~~  
9 ~~amended to read:~~

10     ~~Sec. 3.— (a) The Legislature finds and declares all of the~~  
11 ~~following:~~

12     ~~(b) It is the intent of the Legislature with the enactment of this~~  
13 ~~act to provide a means for mitigating the serious economic effects~~  
14 ~~of the closure of Naval Station Treasure Island on the City and~~  
15 ~~County of San Francisco, its surrounding communities, and the~~  
16 ~~State of California by granting the state's right, title, and interest~~  
17 ~~in the former naval station to the entity with primary responsibility~~  
18 ~~for the development and reuse of the property, and vesting in that~~  
19 ~~entity the power to administer the public trust.~~

20     ~~(1) That property known as Naval Station Treasure Island, which~~  
21 ~~includes Treasure Island and Yerba Buena Island, was selected~~  
22 ~~for closure and disposition by the Base Realignment and Closure~~  
23 ~~Commission in 1993, acting under Public Law 101-510 and its~~  
24 ~~subsequent amendments, and is scheduled for operational closure~~  
25 ~~on October 1, 1997. The conversion of Naval Station Treasure~~  
26 ~~Island to productive civilian reuse presents unique development~~  
27 ~~issues which would be best addressed by a public agency created~~  
28 ~~specifically for that purpose.~~

29     ~~(2) All former and existing tide and submerged lands on the~~  
30 ~~Naval Station, including all of Treasure Island and portions of~~  
31 ~~Yerba Buena Island, will be subject to the public trust for~~  
32 ~~navigation, commerce, and fisheries upon their release from federal~~  
33 ~~ownership. In the absence of legislative action, this property would~~  
34 ~~automatically be brought under the jurisdiction of the Port of San~~  
35 ~~Francisco pursuant to, and subject to the terms and requirements~~  
36 ~~of, the Burton Act (Chapter 1333 of the Statutes of 1968).~~

37     ~~(3) Certain buildings and other structures constructed on~~  
38 ~~Treasure Island during the period of federal ownership were built~~  
39 ~~for nontrust purposes and are not adaptable for trust-related uses.~~  
40 ~~These buildings and structures are in various stages of their useful~~

1 lives, some having been constructed only a few years prior to the  
2 scheduled closure. The conversion of the lands underlying these  
3 buildings and structures to trust uses in the future should proceed  
4 in a manner that will enable the people of this state to benefit from  
5 the substantial investments made in these structures without  
6 hindering the overall goal of preserving the public trust.

7 (4) ~~Treasure Island also contains hangars that were built for~~  
8 ~~maritime aviation purposes. These structures may be utilized for~~  
9 ~~trust uses in the future, but no trust related use has been identified~~  
10 ~~for them in the near term.~~

11 (5) ~~Vesting the power to administer the trust in the designated~~  
12 ~~local reuse authority will facilitate the conversion of Naval Station~~  
13 ~~Treasure Island to productive civilian reuse and is in the best~~  
14 ~~interests of the people of this state.~~

15 ~~SEC. 6. Section 5 of Chapter 898 of the Statutes of 1997, as~~  
16 ~~amended by Section 218 of Chapter 140 of the Statutes of 2009,~~  
17 ~~is amended to read:~~

18 ~~Sec. 5. (a) Notwithstanding any state or local law, the board~~  
19 ~~of directors of the authority may include individuals who are~~  
20 ~~officers or employees of the City and County of San Francisco or~~  
21 ~~of the San Francisco Redevelopment Agency and those individuals~~  
22 ~~are not precluded, solely by virtue of their status as officers or~~  
23 ~~employees of the City and County of San Francisco or the San~~  
24 ~~Francisco Redevelopment Agency, from participating in decisions~~  
25 ~~as members of the board of directors.~~

26 ~~(b) Notwithstanding Section 1090 of the Government Code and~~  
27 ~~Section C8.105 of Appendix C of the San Francisco Charter,~~  
28 ~~officers and employees of the City and County of San Francisco~~  
29 ~~or the San Francisco Redevelopment Agency are not precluded,~~  
30 ~~solely by virtue of their services as members of the board of~~  
31 ~~directors, from participating in any decisions in their capacities as~~  
32 ~~officers or employees of the City and County of San Francisco or~~  
33 ~~the San Francisco Redevelopment Agency.~~

34 ~~(c) Notwithstanding any other provision of law, the authority's~~  
35 ~~employees are subject to the same civil service provisions as the~~  
36 ~~employees of the City and County of San Francisco.~~

37 ~~(d) Amendments made to this section by the act adding this~~  
38 ~~subdivision shall take effect only after the Board of Supervisors~~  
39 ~~of the City and County of San Francisco adopts a resolution~~  
40 ~~authorizing the first debt issuance for a T1 district with a special~~

1 waterfront district enhanced financing plan authorized by Section  
2 53395.81 of the Government Code.

3 ~~SEC. 7. The Legislature finds and declares that a special law~~  
4 ~~is necessary and that a general law cannot be made applicable~~  
5 ~~within the meaning of Section 16 of Article IV of the California~~  
6 ~~Constitution because of the unique circumstances of the City and~~  
7 ~~County of San Francisco. The facts constituting the special~~  
8 ~~circumstances are:~~

9 ~~Areas of San Francisco, including the portions of the San~~  
10 ~~Francisco waterfront, are characterized by deteriorating conditions~~  
11 ~~that cannot be remedied by private investment alone, and require~~  
12 ~~the use of public financing mechanisms to finance the rectification~~  
13 ~~of the deteriorating conditions. In order to adapt the provisions of~~  
14 ~~law governing infrastructure financing districts to these unique~~  
15 ~~circumstances, this special act is necessary.~~