

1 **Resolution approving the Downtown Revitalization Financing Plan, ratifying the**
2 **establishment of the San Francisco Downtown Revitalization and Economic Recovery**
3 **Financing District, and determining other matters in connection therewith.**

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5 WHEREAS, The Board of Supervisors of the City and County of San Francisco ("City")
6 is authorized to initiate the process to establish a downtown revitalization and economic
7 recovery financing district pursuant to Division 8 of Title 6 of the California Government Code,
8 commencing with Section 62450 ("Downtown Revitalization Law"); and

9 WHEREAS, A downtown revitalization and economic recovery financing district is a
10 legally constituted governmental entity separate and distinct from the City established for the
11 sole purpose of financing commercial-to-residential conversion projects or other projects of
12 communitywide significance in downtown San Francisco (as defined in Government Code
13 Section 62450(h)) that support downtown revitalization and economic recovery; and

14 WHEREAS, The California Legislature has determined that a downtown revitalization
15 and economic recovery district is a district within the meaning of Section 1 of Article XIII A of
16 the California Constitution (see Government Code Section 62450(f)(2)); and

17 WHEREAS, On June 3, 2025, the Board of Supervisors adopted Resolution No. 279-
18 25, signed by the Mayor on June 12, 2025, declaring its intention to establish the San
19 Francisco Downtown Revitalization and Economic Recovery Financing District ("Downtown
20 Revitalization District") to finance commercial-to-residential conversion projects of
21 communitywide significance that provide significant benefits to the Downtown Revitalization
22 District or the City with incremental tax revenues generated by commercial-to-residential
23 conversion projects within the Downtown Revitalization District; and

1 WHEREAS, The Board of Supervisors established the Board of Directors of the San
2 Francisco Downtown Revitalization and Economic Recovery Financing District ("Board of
3 Directors") to act as the governing board for the Downtown Revitalization District pursuant to
4 Ordinance No. 82-25, adopted on June 10, 2025, and signed by the Mayor on June 12, 2025;
5 and

6 WHEREAS, The members of the Board of Directors were appointed in accordance with
7 Government Code Section 62452; and

8 WHEREAS, The Board of Directors is responsible for causing preparation of the
9 downtown revitalization financing plan for the Downtown Revitalization District ("Downtown
10 Revitalization Plan"); and

11 WHEREAS, On September 25, 2025, pursuant to Resolution No. 2025-01, the Board of
12 Directors directed the Executive Director to work with the necessary City staff and
13 professionals to prepare a draft of the Downtown Revitalization Plan; and

14 WHEREAS, On October 30, 2025, the Board of Directors held a public hearing, at
15 which the draft Downtown Revitalization Plan, including a fiscal impact analysis of the
16 Downtown Revitalization District, was presented, which public hearing was properly noticed
17 and held in accordance with all applicable law; and

18 WHEREAS, On December 11, 2025, the Board of Directors (i) held its second public
19 hearing on the draft Downtown Revitalization Plan, which public hearing was properly noticed
20 and held in accordance with all applicable law, (ii) adopted a resolution approving the draft
21 Downtown Revitalization Plan in the form on file with the Secretary of the Board of Directors
22 and posted on the Board of Directors' internet website, and (iii) directed that such draft
23 Downtown Revitalization Plan shall be the subject of (A) a public hearing to be held by the
24 Board of Supervisors, after which the Board of Supervisors may approve or reject the
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1 Downtown Revitalization Plan and (B) a third public hearing to be held by the Board of
2 Directors, after which final hearing the Board of Directors shall be free to enact an ordinance
3 or adopt a resolution approving the Downtown Revitalization Plan; and

4 WHEREAS, On January 28, 2026, the Budget and Finance Committee of the Board of
5 Supervisors held a noticed public hearing relative to the Downtown Revitalization Plan; and

6 WHEREAS, On February 3, 2026, in accordance with Government Code Section
7 62451(d), the Board of Supervisors adopted Resolution No. 38-26, which was signed by the
8 Mayor on February 11, 2026, pursuant to which it approved the Downtown Revitalization Plan,
9 including the division of taxes specified therein, in the form on file with the Clerk of the Board
10 of Supervisors, and established the Downtown Revitalization District for the purposes set forth
11 in the Downtown Revitalization Law and the Downtown Revitalization Plan; and

12 WHEREAS, On the date hereof, in accordance with Government Code Section 62458,
13 the Board of Directors held its third public hearing on the draft Downtown Revitalization Plan,
14 which public hearing was properly noticed and held in accordance with all applicable law; and

15 WHEREAS, The Board of Directors wishes to approve the Downtown Revitalization
16 Plan and ratify the establishment of the Downtown Revitalization District; and

17 WHEREAS, The California Legislature has determined in the Downtown Revitalization
18 Law that the creation of the Downtown Revitalization District and the adoption of the
19 Downtown Revitalization Plan shall not be deemed a "project" for purposes of the California
20 Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public
21 Resources Code; now, therefore, be it

22 RESOLVED, That the Board of Directors hereby finds that the recitals are true and
23 correct; and, be it

1 FURTHER RESOLVED, That the Board of Directors further finds and determines that
2 all prior proceedings taken by the Board of Directors with respect to the establishment of the
3 Downtown Revitalization District and approval of the Downtown Revitalization Plan are valid
4 and in conformity with applicable law; and, be it

5 FURTHER RESOLVED, That the Board of Directors hereby approves the Downtown
6 Revitalization Plan in the form attached hereto as Exhibit A and incorporated herein; and, be it

7 FURTHER RESOLVED, That the Board of Directors hereby authorizes the Executive
8 Director, in consultation with the Controller of the City, to make such changes to the
9 Downtown Revitalization Plan in the form attached hereto as Exhibit A as the Executive
10 Director determines are consistent with and further the purposes of the Downtown
11 Revitalization District and the Downtown Revitalization Plan; and, be it

12 FURTHER RESOLVED, That the Board of Directors hereby ratifies the establishment
13 of the Downtown Revitalization District for the purposes set forth in the Downtown
14 Revitalization Law and the Downtown Revitalization Plan; and, be it

15 FURTHER RESOLVED, That the Board of Directors hereby authorizes and directs the
16 Executive Director (or designee) to comply with the Downtown Revitalization Law's
17 requirements for preparing annual reports and taking related actions, including those required
18 to be performed by the City under the Downtown Revitalization Law; and, be it

19 FURTHER RESOLVED, That the Board of Directors hereby determines that future
20 amendments of the Downtown Revitalization Plan, if any, shall be considered and adopted in
21 accordance with the provisions of the Downtown Revitalization Law providing for
22 consideration and adoption of the original Downtown Revitalization Plan; and, be it

23 FURTHER RESOLVED, That, pursuant to Government Code Section 62463 and
24 California Code of Civil Procedure Section 860 et seq., the Executive Director and the
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1 General Counsel, in consultation with Jones Hall LLP, as special counsel, are hereby
2 authorized to initiate a judicial validation action with respect to the creation of the Downtown
3 Revitalization District, the adoption of the Downtown Revitalization Plan, the allocation of
4 incremental property tax revenue generated by commercial-to-residential conversion projects
5 from the City within the boundary of the Downtown Revitalization District to the Downtown
6 Revitalization District for the purpose of financing the activities of the Downtown Revitalization
7 District, and such other matters as the Executive Director, General Counsel and special
8 counsel deem appropriate to carry out the purposes of the Downtown Revitalization Plan if
9 they determine that a judicial validation action is in the best interests of the Downtown
10 Revitalization District; and, be it

11 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
12 word of this Resolution, or any application thereof to any person or circumstance, is held to be
13 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
14 shall not affect the validity of the remaining portions or applications of this Resolution, the
15 Board of Directors hereby declaring that it would have passed this Resolution and each and
16 every section, subsection, sentence, clause, phrase, and word not declared invalid or
17 unconstitutional without regard to whether any other portion of this Resolution or application
18 thereof would be subsequently declared invalid or unconstitutional; and, be it

19 FURTHER RESOLVED, That the Chair, the Vice Chair, the Executive Director, the
20 Treasurer and the Secretary, or designees of each of the foregoing, are hereby authorized, for
21 and in the name of and on behalf of the Downtown Revitalization District, to do any and all
22 things and take any and all actions which they, or any of them, may deem necessary or
23 advisable in order to effectuate the purposes of this Resolution; provided however that any
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1 such actions be solely intended to further the purposes of this Resolution, and are subject in
2 all respects to the terms of the Resolution; and, be it

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

6 FURTHER RESOLVED, That this Resolution shall take effect upon its adoption.

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8 Director Sherrill, seconded by Director Tolentino, moved to APPROVE the Downtown
9 Revitalization Financing Plan, ratifying the establishment of the San Francisco Downtown
10 Revitalization and Economic Recovery Financing District, and determining other matters in
11 connection therewith.

12 Ayes: 4 - Sauter, Sherrill, Tolentino, Wang

13 Excused: 2 - Dorsey, Mahmood

14

15 I hereby certify that the forgoing Resolution was adopted on February 12, 2026, by the Board
16 of Directors of the San Francisco Downtown Revitalization and Economic Recovery Financing
17 District.

18

19 _____
20 Danny Sauter, Chairperson
21 San Francisco Downtown Revitalization and
22 Economic Recovery Financing District

23 _____
24 Erica Major, Clerk
25 San Francisco Downtown Revitalization and
Economic Recovery Financing District

EXHIBIT A

DOWNTOWN REVITALIZATION PLAN

(attached)

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