

LEGISLATIVE DIGEST

[Administrative Code - Establishing Mission Bay Transportation Improvement Fund, and Advisory Committee]

Ordinance amending the Administrative Code to establish a fund to pay for City services and capital improvements addressing transportation and other needs of the community in connection with events at the Golden Gate Warriors Event Center and Mixed Use Project, and to create an advisory committee to make recommendations about the use of monies from the Fund; and adopting findings under the California Environmental Quality Act.

Existing Law

GSW Arena LLC, an affiliate of Golden State Warriors, LLC, which owns and operates the Golden State Warriors National Basketball Association team, proposes to construct a multi-purpose event center and a variety of mixed uses (the “Event Center”) on Blocks 29-32 within the Mission Bay area of San Francisco (the “Project Site”). The proposed project for the Event Center includes a transportation services plan, a local/hospital access plan, and designated overlapping event strategies, and other measures, including measures by the Event Center’s project sponsor to address transportation conditions relating to the Event Center. The City currently does not have a special fund for City costs associated with City services and capital improvements for the proposed Event Center project.

Amendments to Current Law

The proposal is an ordinance that would amend the Administrative Code to create a Mission Bay Transportation Improvement Fund (the “Fund”). The City would use monies placed in the Fund to pay for City services and capital improvements needed to address transportation and other needs of the community in connection with Warriors basketball games and other events (collectively, “Events”) at the Event Center.

These “Required Uses” of the Fund could include, among other things: (1) costs of providing services to the Project Site and surrounding neighborhood, such as public transit services, special event shuttles, parking and traffic engineering and control services, local access programs (including access to hospitals in Mission Bay South), police services, and street and sidewalk cleanup; and, (2) costs of transit improvement measures, such as purchasing additional light rail vehicles, Municipal Railway infrastructure improvements, bicycle and pedestrian access improvements, and studying the feasibility of a ferry landing and service for Mission Bay South and other surrounding areas.

Part of the Fund, in the amount of \$1 million, would be set aside as a “Designated Overlapping Event Reserve” (the “Reserve”). The Municipal Transportation Agency (“MTA”) would use the Reserve to pay for additional operational and capital improvements to multi-modal transportation serving Mission Bay South and surrounding areas, including improvements to handle pre-event peak periods on weekday evenings when a large event other than a Warriors basketball game is held at the Event Center and the Giants play a baseball game at AT&T Park.

Subject to the budgetary and fiscal provisions of the Charter, the City would deposit monies into the Fund each year. For the first five years that the Event Center is in operation, the City would deposit no less than the following amounts into the Fund:

- \$8.1 million in the first year;
- \$8.3 million in the second year;
- \$8.5 million in the third year;
- \$8.8 million in the fourth year; and,
- \$9.1 million in the fifth year.

In other years, the City would deposit an amount into the Fund based on budgeted expenditures included in the MTA transportation plan for the Event Center and related transportation improvement measures, and following the opening of the Event Center, budgeted expenditures of the Department of Public Works and the Police Department addressing community needs related to the operation of the Event Center.

The City’s deposits to the Fund, including money to be placed in the Reserve, would be subject to a cap. Once the Event Center opens, and every five years after that, the Controller would conduct a financial assessment of the economic impact of the Project and estimate the amount of discretionary, unrestricted General Fund revenues that the City expected to receive from the Project Site and from events at the Event Center. The Controller would then reduce that estimate by 10%, and that adjusted amount would be the “Maximum Annual Funding Amount” for the Fund—for any fiscal year, the sum of the City’s annual deposit to the Fund, plus any money needed to maintain the Reserve at \$1 million, would be capped at the Maximum Annual Funding Amount.

The Controller would reduce amounts in the Fund on a prorata basis if the discretionary, unrestricted General Fund revenues from the Event Center project turn out to be less than anticipated and the deposits plus the Reserve would exceed the Maximum Annual Funding Amount. If the City spends more than the Maximum Annual Funding Amount on Required Uses during one year, the Controller would offset the amount of that additional spending against its funding obligations for the following year, unless the Board of Supervisors and the Mayor waive the offset as part of the budgetary process.

The proposal would also amend the Administrative Code to establish a Mission Bay Transportation Improvement Fund Advisory Committee (the “Advisory Committee”). The Advisory Committee would consist of five members:

- An employee, officer, or other representative of the Event Center, appointed by the Event Center's owner;
- An employee, officer, or other representative of the University of California at San Francisco, appointed by the Chancellor of the University or the Chancellor's designee;
- A person who lives within a half-mile of the Event Center, appointed by the Mayor;
- A representative of a business that operates within a half-mile of the Event Center, appointed by the Mayor; and,
- A person appointed by the Supervisor representing the district in which the Event Center is located.

Each member would serve at the pleasure of the appointing authority, and would serve until the member resigned or was removed by the appointing authority. Members would receive no compensation for serving on the Advisory Committee.

The Advisory Committee would advise the Board of Supervisors, the MTA, the Department of Public Works ("DPW"), the Police Department ("SFPD"), and other decision-makers on the use of monies in the Fund. The Advisory Committee would, among other things, work with the MTA, DPW, and SFPD to set priorities for community improvement measures for Required Uses under the Fund, recommend to the MTA uses of the Reserve, and review travel time data collected by the MTA for routes to the Event Center to determine if traffic conditions associated with the Event Center, especially when there are weekday evening dual events with large attendance at the Event Center and AT&T Park, require additional City actions and expenditures from the Fund or the Reserve.

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1 [Administrative Code - Establishing Mission Bay Transportation Improvement Fund, and
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3 **Ordinance amending the Administrative Code to establish a fund to pay for City**
4 **services and capital improvements addressing transportation and other needs of the**
5 **community in connection with events at the Golden Gate Warriors Event Center and**
6 **Mixed Use Project, and to create an advisory committee to make recommendations**
7 **about the use of monies from the Fund; and adopting findings under the California**
8 **Environmental Quality Act.**

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

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

17 Section 1. Environmental Findings.

18 In accordance with the actions that this ordinance contemplates, the Board of
19 Supervisors adopted a resolution concerning findings under the California Environmental
20 Quality Act (California Public Resources Code sections 21000 et seq.). A copy of such
21 resolution is on file with the Clerk of the Board of Supervisors in File No. _____ and is
22 incorporated herein by reference.

23 Section 2. The Administrative Code is hereby amended by adding Section 10.100-364,
24 to read as follows:

25 / / /

1 **SEC. 10.100-364. MISSION BAY TRANSPORTATION IMPROVEMENT FUND.**

2 (a) Establishment and Purpose of the Fund. The Mission Bay Transportation Improvement
3 Fund (the "Fund") is established as a category four fund, for the purpose of safeguarding monies in
4 the General Fund to pay for: City services and capital improvements to address transportation and
5 other needs of the community in connection with Warriors basketball games and other events
6 (collectively, "Events") at the Golden State Warriors Event Center and Mixed Use Project (the "Event
7 Center") on Blocks 29-32 in Mission Bay South (the "Project Site"), including, but not limited to,
8 measures included in the City's transportation services plan for the Event Center; and enhancements to
9 multi-modal transportation serving Mission Bay South and surrounding areas beyond what is
10 necessary to address the community's needs with regard to Events at the Event Center.

11 (b) Use of the Fund. In furtherance of the Fund's purpose under subsection (a) above, money
12 received in the Fund as described in subsection (c) below shall be used exclusively to pay for the City's
13 costs relating to Events at the Event Center (collectively, "Required Uses"):

14 (1) Costs of providing services to the Project Site and surrounding neighborhood,
15 including, but not limited to, public transit services, special event shuttles, parking and traffic
16 engineering and control services, pedestrian and bicycle access programs, parking enforcement
17 programs, local access programs (including, without limitation, access to the University of California
18 at San Francisco hospitals in Mission Bay South), police services, litter pick-up, street and sidewalk
19 cleanup, and any other measures to improve services consistent with the purpose of this ordinance; and

20 (2) Costs of procuring transit equipment and making transportation infrastructure
21 improvements, including, without limitation, Municipal Transportation Agency (MTA) costs to
22 purchase additional Municipal Railway light rail vehicles, construct crossover tracks and loading
23 platform improvements in the T-Third right of way, and make parking and traffic improvements (such
24 as, without limitation, cameras, vehicle messaging signs, traffic signals, Municipal Railway and other
25 transportation network upgrades, and power augmentation for light rail vehicles and related

1 transportation services), bicycle and pedestrian access improvements, and other related street
2 improvements, costs to study the feasibility of a ferry landing and service for Mission Bay South and
3 other surrounding areas, and any financing and soft costs related to such equipment purchases or
4 infrastructure improvements.

5 (c) Deposits to the Fund. Deposits to the Fund shall be determined through the process set out
6 below, and appropriated under the Charter's budgetary and fiscal provisions:

7 (1) Beginning in fiscal year 2016-2017, and subject to approval from its Board of
8 Directors in accordance with the public hearing process described in subsection (d)(3) below, the MTA
9 will prepare and submit to the Mayor budgets to pay for all measures that are part of MTA's
10 transportation services plan for the Event Center and all transportation improvement measures,
11 consistent with its two-year budget process under the Charter and MTA Board Resolution
12 No. _____ (the "MTA Resolution"). The budget proposal will include two components. In
13 one component, the MTA will provide for expenditure for Required Uses of City revenues and
14 development impact fees from the Project Site or Events at the Event Center that are dedicated under
15 the City Charter or otherwise by operation of law to the MTA's Municipal Transportation Fund
16 (collectively, "MTA Dedicated Funds"). In the other component of its budget proposal, the MTA will
17 propose how the remaining costs (net of those to be paid from MTA Dedicated Funds) for the Required
18 Uses for the upcoming budget cycle will be paid for from the Fund. In any fiscal year before the fiscal
19 year in which the Controller anticipates that the Event Center will open, the MTA budget will include
20 any funds then required to finance capital expenditures, including hard and soft costs, not to exceed the
21 sum of discretionary, unrestricted General Fund revenues and MTA Dedicated Funds that the
22 Controller determines that the Event Center has generated or will likely generate for that fiscal year.
23 Also, beginning with the fiscal year in which the Controller anticipates that the Event Center will open,
24 the Department of Public Works and the Police Department, shall prepare budget proposals to pay for
25 those expenditures for City services and capital improvements related to the Event Center that qualify

1 as Required Uses under subsection (b), and, no later than March 1 of each year, submit those budgets
2 to the Mayor and Board of Supervisors. The budgets that such departments prepare shall be sufficient
3 to cover all the costs of the department's respective services to address community needs relating to the
4 use and operation of the Event Center and pay for Required Uses consistent with the purpose of the
5 Fund.

6 (2) The Mayor and Board of Supervisors shall include in the City's annual budget
7 monies for deposit into the Fund sufficient to meet the budgeted expenditures in the proposals, provided
8 that for the first five years of operation of the Event Center, the annual deposit shall be at least the
9 amount specified in subsection (c)(3) below and further provided that, for any fiscal year, the total
10 annual deposit in the Fund, plus the Overlapping Event Reserve (described in subsection (c)(4) below),
11 shall not exceed 90% of the total amount that the Controller estimates to be the annual General Fund
12 revenues from the Project site and events at the Event Center as determined through the financial
13 assessment described in subsection (d)(1) below. That 90% shall be the "Maximum Annual Funding
14 Amount" for the Fund.

15 (3) Subject to the Maximum Annual Funding Amount, the required City deposit the first
16 five fiscal years of operation of the Event Center, beginning in the fiscal year in which the Event Center
17 opens to the public, shall be as follows:

18 (A) First fiscal year: the deposit into the Fund shall be no less than \$8,100,000.

19 (B) Second fiscal year: the deposit into the Fund shall be no less than
20 \$8,300,000.

21 (C) Third fiscal year: the deposit into the Fund shall be no less than
22 \$8,500,000.

23 (D) Fourth fiscal year: the deposit into the Fund shall be no less than
24 \$8,800,000.

25 (E) Fifth fiscal year: the deposit into the Fund shall be no less than \$9,100,000.

1 (4) In addition to the annual deposit described in subsections (c)(2) and (c)(3) above,
2 beginning in the fiscal year in which the Event Center is open, there shall be a reserve in the Fund of
3 \$1,000,000, for the term of the Fund (the “Designated Overlapping Event Reserve”). The sum of the
4 annual deposit plus the Designated Overlapping Event Reserve shall not exceed the Controller’s
5 determination of the Maximum Annual Funding Amount. Monies in the Designated Overlapping Event
6 Reserve shall be immediately available to the MTA to pay for enhancements to multi-modal
7 transportation serving Mission Bay South and surrounding areas beyond what is needed to address
8 effects from operation of the Event Center, including, but not limited to, operational measures and
9 capital improvements, relating to pre-event peak periods on weekday evenings when an Event, other
10 than a Warriors basketball game, with attendance anticipated by the MTA (based on information
11 provided by the Event Center’s operator) of more than 12,500 people occurs at the Event Center and a
12 San Francisco Giants baseball game also occurs at AT&T Park. The Advisory Committee referenced
13 in subsection (d)(2) below shall make recommendations to the MTA about expenditure of such funds
14 before the MTA determines how to expend the funds. If the MTA, at either the MTA Board of Directors
15 or MTA Director level, determines not to follow any such recommendations, the MTA will articulate its
16 reasons for its decision. To the extent the MTA draws on monies in the Designated Overlapping Event
17 Reserve during the first five fiscal years of the Event Center’s operation, the annual deposit to the Fund
18 for the following year shall include funds to bring the Designated Overlapping Event Reserve to its full
19 funding level, again provided that the annual deposit, plus the Designated Overlapping Event Reserve,
20 do not exceed the Maximum Annual Funding Amount. In addition, if the Advisory Committee
21 determines, based on review of travel time data collected by the MTA for routes to the Event Center,
22 that any considerable additional traffic congestion affecting access by hospital employees to the
23 University of California at San Francisco hospitals at Mission Bay occurs in the pre-event peak period
24 during weekday evenings when there is an event—other than a Warriors game—with more than
25 12,500 people at the Event Center and a Giants game at AT&T Park, and the Advisory Committee

1 recommends using, in addition to the Designated Overlapping Event Reserve, any balance in the Fund
2 that is not budgeted for other purposes under this ordinance, for services or capital projects to address
3 such occurrence, then the Director of Transportation will consider approving such recommendations,
4 which approval the Director will not unreasonably withhold or delay, and the Director will take such
5 actions as are necessary to seek any required approvals and implement such recommendations, all as
6 provided in the MTA Resolution.

7 (5) After the first five fiscal years of operation of the Event Center, if at the end of any
8 fiscal year during the remaining term of the Fund as described in subsection (e) below, the balance in
9 the Fund exceeds expenditures, then, in addition to the Designated Overlapping Event Reserve, such
10 excess monies shall carry forward as a reserve for Required Uses consistent with the Fund's purpose to
11 the extent such excess monies do not exceed 25% of the total expenditures from the Fund for the
12 previous fiscal year. Before the end of the first five fiscal years, 100% of any such Fund balance shall
13 carry forward.

14 (6) The Fund may receive and use for the Required Uses any grants, gifts, or other
15 contributions of money or property that the owner of the Event Center or any other person or entity
16 may offer the City to support the City in furthering the purpose of the Fund. Subject to any applicable
17 legal restrictions, the City may use such grants, gifts, or other contributions of money or property to
18 make its annual deposit to the Fund or to fund the Designated Overlapping Event Reserve.

19 (d) Reports, Public Review, and Accountability.

20 (1) For the fiscal year in which the Controller anticipates that the Event Center will
21 open to the public, and for every five years after the Event Center opens, the Controller shall conduct a
22 financial assessment of the economic impact of the Project. This assessment shall include an estimate
23 of discretionary, unrestricted General Fund revenues that the City and County of San Francisco
24 expects to receive from the Project site and from events at the Event Center. These revenue estimates
25 shall be net of City revenues and development impact fees dedicated for specific purposes under the

1 Charter, Municipal Code, or state law, including, but not limited to, MTA Dedicated Funds. The
2 Controller may conduct such assessment more frequently if the Controller considers it appropriate to
3 do so to monitor the Maximum Annual Funding Amount.

4 If at any time during the term of the Fund the Controller determines that the sum of the
5 annual deposit for the year and the Designated Overlapping Event Reserve exceeds the adjusted
6 Maximum Annual Funding Amount, then the Controller shall make prorata reductions to the deposit
7 and the Reserve to reflect the amount of the reduction in the Maximum Annual Funding Amount;
8 provided that nothing in this ordinance shall limit the authority of the Board of Supervisors and Mayor
9 to appropriate other monies from the General Fund to make up any such reductions.

10 If in any year City expenditures for Required Uses exceed the Maximum Annual Funding
11 Amount for the year, regardless of the source of the funds for those expenditures, the City shall be
12 entitled to a credit, distributed on a prorata basis between the annual deposit and the Overlapping
13 Event Designated Reserve, against its funding obligations under this Section 10.100-364 for the
14 following year, in the same total amount that those expenditures exceeded the Maximum Annual
15 Funding Amount, unless the Board of Supervisors and the Mayor waive that credit as part of the
16 budgetary process.

17 (2) In developing the proposed annual budgets for uses of the Fund, the MTA, in
18 coordination with the Department of Public Works and the Police Department, will seek the input and
19 recommendations from the Warriors Event Center Community Improvement Measures Fund Advisory
20 Committee established in Administrative Code Chapter 5, Article XXIII.

21 (3) As provided in the MTA Resolution, before submitting to the Mayor the MTA's
22 proposed budget for expenditures from the Fund, the MTA Board of Directors will hold a public
23 hearing on the proposed budget. In the hearing the MTA Board of Directors will consider the
24 recommendations of the Advisory Committee.

1 (4) In any fiscal year after the fiscal year in which the Event Center opens, before the
2 Mayor or Board of Supervisors make any reduction in the annual budgeted expenditures from the
3 Fund, there shall be a public hearing before the Board of Supervisors or one of its committees
4 regarding such proposed reduction.

5 (e) Term of the Fund. The Fund shall remain in effect for as long as Events are held at the
6 Event Center.

7
8 Section 3. Chapter 5 of the Administrative Code is hereby amended by adding Article
9 XXIII, Sections 5.23-1 through 5.23-6, to read as follows:

10
11 **ARTICLE XXIII:**

12 **MISSION BAY TRANSPORTATION IMPROVEMENT FUND ADVISORY COMMITTEE**

13 **SEC. 5.23-1. ESTABLISHMENT OF COMMITTEE.**

14 The Board of Supervisors hereby establishes the Mission Bay Transportation Improvement
15 Fund Advisory Committee (the "Advisory Committee").

16
17 **SEC. 5.23-2. MEMBERSHIP OF COMMITTEE.**

18 The Advisory Committee shall consist of five members, appointed as follows:

19 (a) Seat 1 shall be held by an employee, officer, or other representative of the Golden State
20 Warriors Event Center and Mixed Use Project (the "Event Center"), appointed by the Event Center's
21 owner.

22 (b) Seat 2 shall be held by an employee, officer, or other representative of the University of
23 California at San Francisco, appointed by the Chancellor of the University of California San Francisco
24 or the Chancellor's designee.

1 (c) Seat 3 shall be held by a person who resides within a half mile of the Event Center,
2 appointed by the Mayor.

3 (d) Seat 4 shall be held by a representative of a business that operates within a half-mile of the
4 Event Center, appointed by the Mayor.

5 (e) Seat 5 shall be held by a person appointed by the Supervisor representing the district in
6 which the Event Center is located.

7 In addition, there shall be five alternate members of the Advisory Committee, one designated for
8 each of the five seats. Each alternate member shall meet the qualifications set forth above for the seat
9 as to which the person is designated to serve as an alternate, and shall be appointed by the appointing
10 authority for that seat.

11
12 **SEC. 5.23-3. ORGANIZATION AND TERMS OF OFFICE.**

13 (a) Each member and each alternate member shall serve at the pleasure of the member's
14 appointing authority, and shall serve for the life of the Advisory Committee unless removed by the
15 appointing authority.

16 (b) If a vacancy occurs in any seat on the Advisory Committee, the appointing authority for the
17 vacated seat shall appoint a successor to that seat. During the pendency of a vacancy, the alternate
18 member for that seat shall serve as, and have the full powers of, a member of the Advisory Committee.
19 In addition, if a member of the Advisory Committee is not in attendance at a meeting, the alternate
20 member designated to serve as an alternate for the absent member's seat shall attend that meeting and
21 for purposes of that meeting have the full powers of the absent member.

22 (c) Members of the Advisory Committee shall receive no compensation.

23 (d) Any member who misses three regular meetings of the Advisory Committee within a period
24 of 12 months without the express approval of the Advisory Committee at or before each missed meeting
25 shall be deemed by operation of law to have resigned from the Advisory Committee ten days after the

1 third unapproved absence. The Advisory Committee shall inform the appointing authority of the
2 resignation.

3 (e) As provided in Municipal Transportation Agency (MTA) Board of Directors Resolution
4 No. _____, the MTA will provide administrative support for the Advisory Committee.

5
6 **SEC. 5.23-4. DUTIES OF COMMITTEE.**

7 The Advisory Committee shall be the central City-sponsored community advisory body charged
8 with providing input to the MTA, the Department of Public Works, and the Police Department (“Other
9 City Departments”) and decision-makers regarding allocation of monies in the Mission Bay
10 Transportation Improvement Fund (the “Fund”), established in Administrative Code Section 10.100-
11 364, for Required Uses, as defined in that section. The Advisory Committee shall be advisory, as
12 appropriate, to the MTA and the Board of Supervisors. The Advisory Committee shall perform the
13 following functions as needed:

14 (a) Collaborate with the MTA and Other City Departments on prioritizing the community
15 improvement measures for Required Uses and identifying implementation details as part of the annual
16 budget process;

17 (b) Recommend to the MTA uses of the Designated Overlapping Event Reserve, as defined in
18 Administrative Code Section 10.100-364;

19 (c) Collaborate with the MTA and the Other City Departments and decision-makers in the
20 monitoring of the uses of the Fund for the purpose specified in Administrative Code Section 10.100-
21 364; and.

22 (d) Review travel time data collected by the MTA for routes to the Event Center to determine if
23 traffic conditions associated with the Event Center, especially when there are weekday evening
24 overlapping events with large attendance at the Event Center and AT&T Park, should entail additional

1 City actions and expenditures from the Fund or the Designated Overlapping Event Reserve, and make
2 recommendations to the MTA on additional actions and expenditures.

3
4 **SEC. 5.23-5. MEETINGS AND PROCEDURES.**

5 Not less than six months before the date on which the Event Center is anticipated to open as
6 determined by the Controller, the Advisory Committee shall hold its inaugural meeting. There shall be
7 at least ten days' notice of the inaugural meeting. Following the inaugural meeting, the Advisory
8 Committee shall hold a regular meeting not less than once every six months until the sunset date set
9 forth in Section 5.23-6. The Advisory Committee shall elect its own officers and may establish rules for
10 its own organization and procedures.

11
12 **SEC. 5.23-6. SUNSET DATE.**

13 Unless extended by an ordinance adopted by the Board of Supervisors, this Article XXIII shall
14 expire by operation of law, and the Advisory Committee shall terminate, on the date on which the Fund
15 expires. Notwithstanding Rule 2.21 of the Board of Supervisors Rule of Order, which provides that
16 advisory bodies created by the Board should sunset within three years, the Board intends the Advisory
17 Committee to exist for longer than three years. After the expiration of the Advisory Committee, the
18 City Attorney shall cause this Article XXIII to be removed from the Administrative Code.

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1 Section 4. Effective Date. This ordinance shall become effective 30 days after
2 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
3 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
4 of Supervisors overrides the Mayor's veto of the ordinance.

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6
7 APPROVED AS TO FORM:
8 DENNIS J. HERRERA, City Attorney

9
10 By: _____
11 THOMAS J. OWEN
12 Deputy City Attorney

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Existing Law

GSW Arena LLC, an affiliate of Golden State Warriors, LLC, which owns and operates the Golden State Warriors National Basketball Association team, proposes to construct a multi-purpose event center and a variety of mixed uses (the "Event Center") on Blocks 29-32 within the Mission Bay area of San Francisco (the "Project Site"). The proposed project for the Event Center includes a transportation services plan, a local/hospital access plan, and designated overlapping event strategies, and other measures, including measures by the Event Center's project sponsor to address transportation conditions relating to the Event Center. The City currently does not have a special fund for City costs associated with City services and capital improvements for the proposed Event Center project.

Amendments to Current Law

The proposal is an ordinance that would amend the Administrative Code to create a Mission Bay Transportation Improvement Fund (the "Fund"). The City would use monies placed in the Fund to pay for City services and capital improvements needed to address transportation and other needs of the community in connection with Warriors basketball games and other events (collectively, "Events") at the Event Center.

These "Required Uses" of the Fund could include, among other things: (1) costs of providing services to the Project Site and surrounding neighborhood, such as public transit services, special event shuttles, parking and traffic engineering and control services, local access programs (including access to hospitals in Mission Bay South), police services, and street and sidewalk cleanup; and, (2) costs of transit improvement measures, such as purchasing additional light rail vehicles, Municipal Railway infrastructure improvements, bicycle and pedestrian access improvements, and studying the feasibility of a ferry landing and service for Mission Bay South and other surrounding areas.

Part of the Fund, in the amount of \$1 million, would be set aside as a “Designated Overlapping Event Reserve” (the “Reserve”). The Municipal Transportation Agency (“MTA”) would use the Reserve to pay for additional operational and capital improvements to multi-modal transportation serving Mission Bay South and surrounding areas, including improvements to handle pre-event peak periods on weekday evenings when a large event other than a Warriors basketball game is held at the Event Center and the Giants play a baseball game at AT&T Park.

Subject to the budgetary and fiscal provisions of the Charter, the City would deposit monies into the Fund each year. For the first five years that the Event Center is in operation, the City would deposit no less than the following amounts into the Fund:

- \$8.1 million in the first year;
- \$8.3 million in the second year;
- \$8.5 million in the third year;
- \$8.8 million in the fourth year; and,
- \$9.1 million in the fifth year.

In other years, the City would deposit an amount into the Fund based on budgeted expenditures included in the MTA transportation plan for the Event Center and related transportation improvement measures, and following the opening of the Event Center, budgeted expenditures of the Department of Public Works and the Police Department addressing community needs related to the operation of the Event Center.

The City’s deposits to the Fund, including money to be placed in the Reserve, would be subject to a cap. Once the Event Center opens, and every five years after that, the Controller would conduct a financial assessment of the economic impact of the Project and estimate the amount of discretionary, unrestricted General Fund revenues that the City expected to receive from the Project Site and from events at the Event Center. The Controller would then reduce that estimate by 10%, and that adjusted amount would be the “Maximum Annual Funding Amount” for the Fund—for any fiscal year, the sum of the City’s annual deposit to the Fund, plus any money needed to maintain the Reserve at \$1 million, would be capped at the Maximum Annual Funding Amount.

The Controller would reduce amounts in the Fund on a prorata basis if the discretionary, unrestricted General Fund revenues from the Event Center project turn out to be less than anticipated and the deposits plus the Reserve would exceed the Maximum Annual Funding Amount. If the City spends more than the Maximum Annual Funding Amount on Required Uses during one year, the Controller would offset the amount of that additional spending against its funding obligations for the following year, unless the Board of Supervisors and the Mayor waive the offset as part of the budgetary process.

The proposal would also amend the Administrative Code to establish a Mission Bay Transportation Improvement Fund Advisory Committee (the “Advisory Committee”). The Advisory Committee would consist of five members:

- An employee, officer, or other representative of the Event Center, appointed by the Event Center's owner;
- An employee, officer, or other representative of the University of California at San Francisco, appointed by the Chancellor of the University or the Chancellor's designee;
- A person who lives within a half-mile of the Event Center, appointed by the Mayor;
- A representative of a business that operates within a half-mile of the Event Center, appointed by the Mayor; and,
- A person appointed by the Supervisor representing the district in which the Event Center is located.

Each member would serve at the pleasure of the appointing authority, and would serve until the member resigned or was removed by the appointing authority. Members would receive no compensation for serving on the Advisory Committee.

The Advisory Committee would advise the Board of Supervisors, the MTA, the Department of Public Works ("DPW"), the Police Department ("SFPD"), and other decision-makers on the use of monies in the Fund. The Advisory Committee would, among other things, work with the MTA, DPW, and SFPD to set priorities for community improvement measures for Required Uses under the Fund, recommend to the MTA uses of the Reserve, and review travel time data collected by the MTA for routes to the Event Center to determine if traffic conditions associated with the Event Center, especially when there are weekday evening dual events with large attendance at the Event Center and AT&T Park, require additional City actions and expenditures from the Fund or the Reserve.

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