

LEGISLATIVE DIGEST

[Administrative Code - Special Tax Financing Law]

Ordinance to amend the Administrative Code Special Tax Financing Law, constituting Article 43.10, to authorize financing by special tax districts of work deemed necessary to bring buildings or real property, including privately owned buildings or real property, into compliance with seismic safety standards or regulations, and related technical amendments and to establish certain procedures by which the City can make changes to a special tax district.

Existing Law

The Board of Supervisors previously established its “City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing)” (the “Special Tax District”) for the purpose of financing and refinancing the acquisition, installation and improvement of energy efficiency, water conservation and renewable energy improvements to or on real property and in buildings, whether such real property or buildings are privately or publicly owned. The Special Tax District was formed under the Special Tax Financing Law, constituting Article 43.10 of the Administrative Code.

The Special Tax District is currently not authorized to allow the financing of earthquake retrofit work for wood-framed structures as required under Section 34B of the Administrative Code, which requires the mandatory earthquake retrofit of certain wood-framed buildings.

Amendments to Current Law

The proposed Ordinance would amend Article 43.10 of the Administrative Code to allow financing by special tax districts of work deemed necessary to bring buildings or real property, including privately owned buildings or real property, into compliance with City seismic safety standards or regulations (Article 34B of the Administrative Code). The new regulations impose seismic retrofit requirements on certain residential buildings with critically vulnerable lower stories to significantly reduce the risk of collapse and increase the likelihood that these buildings will be structurally safe to occupy shortly after an earthquake.

The Ordinance would allow the San Francisco Sustainable Financing District, originally formed to finance and refinance the acquisition, installation and improvement of energy efficiency, water conservation and renewable energy improvements to or on privately owned buildings, to finance the costs of seismic retrofit improvements imposed by Article 34B of the Administrative Code. The Ordinance requires the financed seismic work to be certified by local building officials, and provides that no project involving the dismantling of an existing building or the construction of a new building may be financed under the Ordinance. Historic structures must be done in accordance with State Historic Building Code.

The Ordinance also sets forth alternative procedures by which the Board may adopt changes to special tax districts.