

FILE NO. 071228

ORDINANCE NO.

1 [~~Park, Recreation and Open Space~~ Clean and Safe Neighborhood Parks General Obligation
2 Bond Election.]

3 **Ordinance calling and providing for a special election to be held in the City and County**
4 **of San Francisco on Tuesday, February 5th 2008, for the purpose of submitting to the**
5 **voters of the City and County of San Francisco a proposition to incur the following**
6 **bonded debt of the City and County: One Hundred and Eighty-Five Million Dollars**
7 **(\$185,000,000) for the acquisition, construction, reconstruction, purchase, and/or**
8 **improvement of park, and recreation and open space facilities within the City and**
9 **County of San Francisco and all other structures, and improvements, and related costs**
10 **necessary or convenient for the foregoing purposes and paying all other costs**
11 **necessary and convenient for effectuating those purposes; authorizing landlords to**
12 **pass-through fifty percent (50%) of the resulting property tax increase to residential**
13 **tenants in accordance with Chapter 37 of the San Francisco Administrative Code;**
14 **finding that the estimated cost of such proposed project is and will be too great to be**
15 **paid out of the ordinary annual income and revenue of the City and County and will**
16 **require expenditures greater than the amount allowed therefore by the annual tax levy;**
17 **reciting the estimated cost of such proposed project; fixing the date of election and the**
18 **manner of holding such election and the procedure for voting for or against the**
19 **proposition; fixing the maximum rate of interest on such bonds and providing for the**
20 **levy and collection of taxes to pay both principal and interest thereof; prescribing**
21 **notice to be given of such election; finding that a portion of the proposed project is**
22 **categorically exempt from the California Environmental Quality Act, and a portion of the**
23 **remainder of the proposed project is excluded from the California Environmental Quality**
24 **Act; finding that the proposed project is in conformity with the priority policies of**
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1 **Planning Code Section 101.1(b) and with the General Plan consistency requirement of**
2 **Administrative Code Section 2A.53; consolidating the special election with the general**
3 **election; establishing the election precincts, voting places and officers for the election;**
4 **waiving the word limitation on ballot propositions imposed by San Francisco Municipal**
5 **Elections Code Section 510; complying with Section 53410 of the California**
6 **Government Code; incorporating the provisions of Article V of Chapter V of the San**
7 **Francisco Administrative Code, Sections 5.30 – 5.36; and waiving the time requirements**
8 **specified in Section 2.34 of the San Francisco Administrative Code.**

9 Note: Additions are *single-underline italics Times New Roman*;
10 deletions are ~~*strikethrough italics Times New Roman*~~.
11 Board amendment additions are double underlined.
12 Board amendment deletions are ~~strikethrough normal~~.

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

14 Section 1. Findings.

15 A. City and County of San Francisco ("City") staff has identified several park,
16 recreation and open space improvement projects within the City to address public safety
17 hazards, the condition of neighborhood park facilities and lands, equity of park access for City
18 residents and neighborhoods, maintenance costs and other issues facing the City's current
19 recreation system.

20 B. This Board of Supervisors (this "Board") now wishes to describe the terms of a
21 ballot measure seeking approval for the issuance of general obligation bonds (the "Bonds") to
22 finance all or a portion of the projects described above.

23 Section 2. A special election is hereby called and ordered to be held in the City on
24 Tuesday, the 5th day of February, 2008, for the purpose of submitting to the electors of the
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1 City a proposition to incur bonded indebtedness of the City for the project hereinafter
2 described in the amount and for the purposes stated:

3 "PARK, RECREATION AND OPEN SPACE CLEAN AND SAFE
4 NEIGHBORHOOD PARKS BONDS, 2008. \$185,000,000 of bonded indebtedness to fund
5 certain costs associated with the acquisition, construction, reconstruction, purchase, and/or
6 improvement of park, and recreation and open space facilities under the jurisdiction of the
7 Recreation and Park Commission or under the jurisdiction of the Port Commission located
8 within the City and City County of San Francisco and all other structures, improvements and
9 related costs necessary or convenient for the foregoing purpose, as further described in
10 Section 3 of the ordinance placing this measure onto the ballot, and paying other costs
11 necessary and convenient for effectuating those purposes, including costs connected with or
12 incidental to the authorization, issuance and sale of the bonds; and authorizing landlords to
13 pass-through to residential tenants in units subject to Chapter 37 of the San Francisco
14 Administrative Code (the "Residential Stabilization and Arbitration Ordinance") 50% of the
15 increase in the real property taxes attributable to the cost of the repayment of the bonds.

16 The special election hereby called and ordered shall be referred to herein as the "Bond
17 Special Election."

18 Section 3. PROPOSED PROJECTS.

19 The specific capital projects and related activities eligible for financing under this Bond
20 (the "Project") include the acquisition, construction, reconstruction, purchase, and/or
21 improvement of park, and recreation and open space facilities and properties, and all works,
22 property and structures necessary or convenient for the foregoing purposes, as summarized
23 and further described in the subsections below.

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1 All expenditures of bond funds shall be made in accordance with applicable Federal,
2 State, and Local laws governing the management and expenditure of bond proceeds,
3 including those governing the expenditure of bond proceeds on capital projects and related
4 limitations on payment of staff salaries. The use of Bond proceeds to finance any such
5 project will be subject to approval of the City's Board of Supervisors upon completion of
6 planning and required environmental review under the California Environmental Quality Act
7 ("CEQA").

8 The eligible expenditures of bond funds can be summarized as follows:

10	<u>A. Neighborhood Park Repairs and Renovations =</u>	<u>\$117,415,000</u>
11	<u>B. Waterfront Park Repairs, Renovations, and Development =</u>	<u>\$33,500,000</u>
12	<u>C. Park Restroom Repairs and Reconstruction =</u>	<u>\$11,400,000</u>
13	<u>D. Park Playfields Repairs and Reconstruction =</u>	<u>\$8,500,000</u>
14	<u>E. Neighborhood Park Trail Reconstruction =</u>	<u>\$5,000,000</u>
15	<u>F. Community Opportunity Grant Fund =</u>	<u>\$5,000,000</u>
16	<u>G. Park Forestry =</u>	<u>\$4,000,000</u>
17	<u>H. Citizens' Oversight Committee Audits</u>	<u>\$185,000</u>
18	<u>Total Bond Funding =</u>	<u>\$185,000,000</u>

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20 A. NEIGHBORHOOD PARK REPAIRS AND RENOVATIONS (\$117.415 million).

21 The City plans to pursue neighborhood park projects to be financed by the Bonds with the
22 goal of improving the access of residents of the City to safe and high quality parks and
23 recreation facilities. The City has identified the following projects (the "Identified Projects") for
24 funding from the proceeds of the proposed Bonds:

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- 1 1. Chinese Recreation Center
- 2 2. Mission Playground
- 3 3. Palega Recreation Center
- 4 4. Cayuga Playground
- 5 5. McCoppin Square
- 6 6. Sunset Playground
- 7 7. Fulton Playground
- 8 8. Mission Dolores Park
- 9 9. Cabrillo Playground
- 10 10. Glen Canyon Park
- 11 11. Lafayette Park
- 12 12. Raymond Kimbell Playground

13 B. WATERFRONT PARK REPAIRS, RENOVATIONS, and DEVELOPMENT

14 (\$33.5 million). The City plans to repair and seismically upgrade areas along City's waterfront
15 to create new waterfront parks in various neighborhoods on property under the jurisdiction of
16 the Port Commission, with the goal of providing safe and high quality parks and recreation
17 facilities. The use of Bond proceeds to finance any such project will be subject to approval of
18 the City's Board of Supervisors upon completion of planning and required environmental
19 review under the California Environmental Quality Act ("CEQA"). Examples of waterfront park
20 projects which may be financed under this section include:

- 21 1. Pier 43 Bay Trail Link
- 22 2. Brannan Street Wharf Park
- 23 3. Bayfront Park at Mission Bay
- 24 4. Pier 70 Crane Cove Park

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1 5. The Blue Greenway Trail and Parks

2 C. NEIGHBORHOOD PARK RESTROOM REPAIRS AND RECONSTRUCTION

3 (\$11.4 million). A portion of the proceeds of the proposed bond shall be used to construct,
4 reconstruct and rehabilitate freestanding restroom facilities in the City's neighborhood parks
5 on property under the jurisdiction of the Recreation and Park Commission. The expenditure of
6 bond proceeds for this purpose is subject to the review process identified in the 2008 Clean &
7 Safe Neighborhood Parks Bond Report ("Bond Report") and approval of the Recreation and
8 Park Commission.

9 D. PARK PLAYFIELDS REPAIRS AND RECONSTRUCTION (\$8.5 million). A

10 portion of the proceeds of the proposed bond shall be used to construct and/or reconstruct
11 playing fields throughout the City on property under the jurisdiction of the Recreation and Park
12 Commission. The proposed expenditures for this purpose are intended to leverage additional
13 state, federal, or private contributions. The expenditure of bond proceeds for this purpose is
14 subject to the review process identified in the Bond Report and approval of the Recreation
15 and Park Commission.

16 E. PARK TRAIL RECONSTRUCTION (\$5.0 million). A portion of the proceeds of

17 the proposed bond shall be used to repair and reconstruct park nature trails on property under
18 the jurisdiction of the Recreation and Park Commission, their natural surroundings, and
19 related other costs. The expenditure of bond proceeds for this purpose is subject to the
20 review process identified in the Bond Report and approval of the Recreation and Park
21 Commission.

22 F. COMMUNITY OPPORTUNITY GRANT FUND (\$5.0 million). A portion of the

23 proceeds of the proposed bond shall be used to create a program using such proceeds for the
24 purpose of completing community-nominated projects, whereby resources, including, but not
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1 limited to, in-kind contributions, sweat equity, and non-City funds, applied to a park, recreation
2 or open space improvement project on property under the jurisdiction of the Recreation and
3 Park Commission from non-City sources can be matched by Bond proceeds to the extent that
4 such project costs are legally payable from Bond proceeds. No expenditures of bond
5 proceeds from this fund shall be authorized until policies, procedures, and criteria governing
6 the program have been adopted by the Recreation and Park Commission.

7 G. PARK FORESTRY (\$4.0 million). A portion of the proceeds of the proposed
8 bond shall be used to plan for, and perform, park reforestation on property under the
9 jurisdiction of the Recreation and Park Commission. The expenditure of bond proceeds for
10 this purpose is subject to the review process identified in the Bond Report and approval of the
11 Recreation and Park Commission.

12 H. CITIZENS' OVERSIGHT COMMITTEE AUDITS (\$0.185 million). A portion of
13 the proceeds of the proposed bond shall be used to perform audits of the bond program, as
14 further described below in Section 14.

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16 SECTION 4. BOND PROGRAM ACCOUNTABILITY.

17 The proposed bond program shall operate under the following administrative rules and
18 shall be governed according to the following principles:

19 A. OVERSIGHT. No expenditure of bond funds shall be permitted without the prior
20 review and approval of the Recreation and Park Commission or the Port Commission (as
21 applicable), the Capital Planning Committee, the Board of Supervisors and the Mayor, subject
22 to the approval processes and rules described in the San Francisco Charter and
23 Administrative Code. Pursuant to S.F. Administrative Code §5.31, the Citizens' General
24 Obligation Bond Oversight Committee shall conduct an annual review of bond spending, and
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1 shall provide an annual report on the management of the program to the Mayor, Board of
2 Supervisors, the Recreation and Park Commission and the Port Commission. To the extent
3 permitted by law, one-tenth of one percent (0.1%) of the gross proceeds of the Bonds shall be
4 deposited in a fund established by the Controller's Office and appropriated by the Board of
5 Supervisors at the direction of the Citizens' General Obligation Bond Oversight Committee to
6 cover the costs of this committee and this review process.

7 B. COMMITMENT TO PROJECTS. The proposed Bond proceeds shall be used
8 towards completion of the projects described in Section 3 above. Twenty percent (20%) of
9 the funds specified in Section 3, Subsections E, F and G, above, shall be set aside as a
10 reserve (the "Reserve") and shall not be spent until all of the Identified Projects in Section 3,
11 Subsection A, are complete. In the event that any of the Identified Projects cannot be
12 completed due to lack of funds, funds from the Reserve shall be used to complete any such
13 Identified Project. Should all projects described in a given project category be completed
14 under budget, additional bond proceeds shall be applied to other priority projects within that
15 project category and as described in the Bond Report.

16 C. PROGRAM TRANSPARENCY. The City shall maintain a website describing the
17 bond program, progress achieved to date, and projections of future program activities. The
18 annual report of the Citizens' General Obligation Bond Oversight Committee shall be made
19 available on this website. Additionally, the Recreation and Park Commission shall hold
20 regular public hearings, not less than once a month, to review the implementation of the bond
21 program. The Port Commission shall hold public hearings, not less than once a quarter, to
22 review the implementation of the Port's portion of the bond program. Additionally, the Capital
23 Planning Committee shall hold a public review of the program not less than once a year.

1 Section 4-5. The estimated cost of the bond financed portion of the project described
2 in Section 2 hereof was fixed by the Board of Supervisors of the City (the “Board of
3 Supervisors”) by the following resolution and in the amount specified below:

4 Resolution No. _____, \$185,000,000.

5 Such resolution was passed by two-thirds or more of the Board of Supervisors and
6 approved by the Mayor of the City (the “Mayor”). In such resolution it was recited and found
7 that the sum of money specified is too great to be paid out of the ordinary annual income and
8 revenue of the City in addition to the other annual expenses thereof or other funds derived
9 from taxes levied for those purposes and will require expenditures greater than the amount
10 allowed therefor by the annual tax levy.

11 The method and manner of payment of the estimated costs described herein are by the
12 issuance of bonds of the City not exceeding the principal amount specified.

13 Such estimate of costs as set forth in such resolution is hereby adopted and
14 determined to be the estimated cost of such bond financed improvements and financing, as
15 designed to date.

16 Section-5-6. The Bond Special Election shall be held and conducted and the votes
17 thereafter received and canvassed, and the returns thereof made and the results thereof
18 ascertained, determined and declared as herein provided and in all particulars not herein
19 recited such election shall be held according to the laws of the State of California and the
20 Charter of the City (the “Charter”) and any regulations adopted pursuant thereto, providing for
21 and governing elections in the City, and the polls for such election shall be and remain open
22 during the time required by such laws and regulations.

23 Section 6-7. The Bond Special Election is hereby consolidated with the Presidential
24 Primary Election scheduled to be held in the City on Tuesday, February 5, 2008. The voting
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1 precincts, polling places and officers of election for the February 5, 2008 Presidential Primary
2 Election are hereby adopted, established, designated and named, respectively, as the voting
3 precincts, polling places and officers of election for the Bond Special Election hereby called,
4 and reference is hereby made to the notice of election setting forth the voting precincts,
5 polling places and officers of election for the February 5, 2008, Presidential Primary Election
6 by the Director of Elections to be published in the official newspaper of the City on the date
7 required under the laws of the State of California.

8 Section ~~7~~8. The ballots to be used at the Bond Special Election shall be the ballots to
9 be used at the February 5, 2008 Presidential Primary Election. The word limit for ballot
10 propositions imposed by San Francisco Municipal Elections Code Section 510 is hereby
11 waived. On the ballots to be used at the Bond Special Election, in addition to any other matter
12 required by law to be printed thereon, shall appear the following as a separate proposition:

13 "~~PARK, RECREATION AND OPEN SPACE~~ CLEAN AND SAFE NEIGHBORHOOD
14 PARKS BONDS, 2008. Shall the City incur \$185,000,000 of bonded indebtedness to fund
15 certain costs associated with the ~~acquisition~~, construction, reconstruction, purchase and/or
16 improvement of park, and recreation ~~and open space~~ facilities located within the City, under
17 the jurisdiction of the Recreation Park Commission or under the jurisdiction of the Port
18 Commission as further described in Section 3 of the ordinance placing this measure onto the
19 ballot, and paying other costs necessary and convenient for effectuating those purposes,
20 including costs connected with or incidental to the authorization, issuance and sale of the
21 bonds; and authorizing landlords to pass-through to residential tenants in units subject to
22 Chapter 37 of the San Francisco Administrative Code (the "Residential Stabilization and
23 Arbitration Ordinance") 50% of the increase in the real property taxes attributable to the cost
24 of the repayment of the bonds?"

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1 Each voter to vote in favor of the issuance of the foregoing bond proposition shall mark
2 the ballot in the location corresponding to a “YES” vote for the proposition, and to vote against
3 the proposition shall mark the ballot in the location corresponding to a “NO” vote for the
4 proposition.

5 Section-~~8-9~~9. If at the Bond Special Election it shall appear that two-thirds of all the
6 voters voting on the proposition voted in favor of and authorized the incurring of bonded
7 indebtedness for the purposes set forth in such proposition, then such proposition shall have
8 been accepted by the electors, and bonds authorized thereby shall be issued upon the order
9 of the Board of Supervisors. Such bonds shall bear interest at a rate not exceeding applicable
10 legal limits.

11 The votes cast for and against the proposition shall be counted separately and when
12 two-thirds of the qualified electors, voting on the proposition, vote in favor thereof, the
13 proposition shall be deemed adopted.

14 Section-~~9-10~~10. For the purpose of paying the principal and interest on the bonds, the
15 Board of Supervisors shall, at the time of fixing the general tax levy and in the manner for
16 such general tax levy provided, levy and collect annually each year until such bonds are paid,
17 or until there is a sum in the Treasury of said City, or other account held on behalf of the
18 Treasurer of said City, set apart for that purpose to meet all sums coming due for the principal
19 and interest on the bonds, a tax sufficient to pay the annual interest on such bonds as the
20 same becomes due and also such part of the principal thereof as shall become due before the
21 proceeds of a tax levied at the time for making the next general tax levy can be made
22 available for the payment of such principal.

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1 Section ~~40-11~~11. This ordinance shall be published in accordance with any state law
2 requirements, and such publication shall constitute notice of the Bond Special Election and no
3 other notice of the Bond Special Election hereby called need be given.

4 Section ~~44-12~~12. The Board of Supervisors having reviewed the proposed legislation,
5 finds and declares (i) that the Identified Projects are categorically exempt from CEQA as
6 described in the letter dated _____, 2007 from the Planning Department, (ii) that the
7 remainder of the proposed Project is excluded from CEQA under CEQA Guidelines section
8 15378(b)(4) as the creation of a government funding mechanism that does not involve any
9 commitment to any specific project, ~~(ii)-(iii)~~ (iii) that the proposed Project is in conformity with the
10 priority policies of Section 101.1(b) of the City Planning Code and, ~~(iii)~~ (iv) in accordance with
11 Section 2A.53(f) of the City Administrative Code, that the proposed Project is consistent with
12 the City's General Plan, and hereby adopts the findings of the City Planning Department, as
13 set forth in the General Plan Referral Report, dated _____, 2007, and incorporates said
14 findings by reference.

15 Section ~~42-13~~13. Pursuant to Section 53410 of the California Government Code, the
16 bonds shall be for the specific purpose authorized herein and the proceeds of such bonds will
17 be applied only to the ~~project~~ Project described herein. The City will comply with the
18 requirements of Sections 53410(c) and 53410(d) of the California Government Code.

19 Section ~~43~~ 14. The Bonds are subject to, and incorporate by reference, the applicable
20 provisions of ~~Article V of Chapter V of the~~ San Francisco Administrative Code Sections 5.30 –
21 5.36 (the "Citizens' General Obligation Bond Oversight Committee"). Pursuant to Section
22 5.31 of the Citizens' General Obligation Bond Oversight Committee, to the extent permitted by
23 law, one-tenth of one percent (0.1%) of the gross proceeds of the Bonds shall be deposited in
24 a fund established by the Controller's Office and appropriated by the Board of Supervisors at
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1 the direction of the Citizens' General Obligation Bond Oversight Committee to cover the costs
2 of said committee.

3 Section ~~14~~15. The time requirements specified in Section 2.34 of the San Francisco
4 Administrative Code are hereby waived.

5 Section ~~15~~16. The appropriate officers, employees, representatives and agents of the
6 City are hereby authorized and directed to do everything necessary or desirable to accomplish
7 the calling and holding of the Bond Special Election, and to otherwise carry out the provisions
8 of this ordinance.

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1 Section ~~46~~17. Documents referenced herein are on file with the Clerk of the Board of
2 Supervisors in File No. , which is hereby declared to be a part of this ordinance as if set
3 forth fully herein.

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

7 By: _____
8 Virginia Dario Elizondo
9 Deputy City Attorney

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