

1 [Earthquake Safety Retrofit Deferred Loan and Grant Program General Obligation Bonds  
2 2010.]

3 **Resolution determining and declaring that the public interest and necessity demand**  
4 **the construction, improvement and seismic retrofitting of multi-story wood framed**  
5 **affordable housing soft-story buildings for earthquake safety funded by the City or**  
6 **other qualified governmental housing finance agency, or owned by private third-parties**  
7 **and the payment of related costs necessary or convenient for the foregoing purposes;**  
8 **finding that the estimated cost of \$46,150,000 for such improvements is and will be too**  
9 **great to be paid out of the ordinary annual income and revenue of the City and County**  
10 **and will require incurring bonded indebtedness; finding that a portion of the proposed**  
11 **bond is not a project under the California Environmental Quality Act ("CEQA") and**  
12 **adopting findings under CEQA, CEQA Guidelines, and San Francisco Administrative**  
13 **Code Chapter 31 for the remaining portion of the proposed bond; finding the proposed**  
14 **bond is in conformity with the priority policies of Planning Code Section 101.1(b) and**  
15 **with the General Plan consistency requirement of Charter Section 4.105 and**  
16 **Administrative Code Section 2A.53, and waiving the time limits set forth in**  
17 **Administrative Code Section 2.34.**

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20 WHEREAS, The Working Group on California Earthquake Probabilities (a collaborative  
21 effort of the United States Geological Survey (the "U.S.G.S."), the California Geological  
22 Society and the Southern California Earthquake Center) estimates a 63% chance that one or  
23 more earthquakes of a magnitude of 6.7 or larger will occur in the Bay Area before the year  
24 2038, and that a magnitude 7 earthquake occurring today on the Hayward Fault would likely  
25 cause hundreds of deaths and almost \$100 billion in damage; and,

1           WHEREAS, A large magnitude earthquake would damage buildings and structures in  
2 the City and County of San Francisco (the "City"), including certain buildings and structures  
3 consisting of multi-story wood frame buildings (referred to therein as soft-story buildings)  
4 thereby resulting in a significant displacement of San Francisco citizens; and,

5           WHEREAS, The San Francisco Department of Building Inspections caused to be  
6 prepared a report dated February 2009 entitled "Here Today---Here Tomorrow: Earthquake  
7 Safety for Soft Story Buildings" (the "Report"), which Report made several recommendations  
8 to mitigate the potential damage and destruction to multi-story wood-frame buildings  
9 constructed on or before 1974, including the initiation of a program to finance the costs of  
10 seismic retrofits to such soft story buildings that are at risk for major damage and collapse  
11 during an earthquake; and,

12           WHEREAS, The Report estimated that approximately one-third of soft story buildings  
13 would be expected to collapse after a major seismic event on the San Andreas fault; and,

14           WHEREAS, The Mayor Office of Housing, the San Francisco Redevelopment Agency,  
15 and the U.S. Department of Housing and Urban Development and other governmental  
16 housing financing agency funds 125 affordable housing multi-story structures (the "Public  
17 Buildings") that have large perimeter wall openings and which, therefore, are potentially at  
18 significant risk of substantial damage and destruction during an earthquake; and,

19           WHEREAS, In addition, there are up to 31 potential soft story buildings containing  
20 single room occupancy units owned by private parties (the "Private Buildings"), and such  
21 buildings are at significant risk for substantial damage and destruction during an earthquake  
22 the Public Buildings and the Private Buildings are referred to collectively herein as the "Soft  
23 Story Buildings"). Seismic retrofits to the Soft Story Buildings would mitigate the damage to  
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1 such structures during an earthquake and keep vulnerable San Franciscans in their houses  
2 thereby reducing the post-earthquake shelter needs; and,

3 WHEREAS, Mitigating the number of collapse structures after an earthquake could  
4 lead to a reduced demand on emergency services in the period immediately following a major  
5 seismic event; and,

6 WHEREAS, The Earthquake Safety Retrofit Deferred Loan and Grant Program  
7 General Obligation Bond (the "Bond") will be used to establish loan programs to pay the  
8 costs to seismically retrofit up to 125 affordable housing soft story buildings funded by the  
9 Mayor Office of Housing, the San Francisco Redevelopment Agency, the U.S. Department of  
10 Housing and Urban Development or other governmental housing finance agencies, and to  
11 provide loans for up to 31 buildings containing single room occupancy units owned by private  
12 parties; and,

13 WHEREAS, The Board recognizes the need to safeguard and enhance the City's  
14 earthquake and emergency response and recovery by retrofitting buildings and reducing the  
15 potential resident displacement, and that such efforts constitute a public purpose resulting in  
16 significant public benefits; now, therefore, be it

17 RESOLVED, By the Board as follows:

18 Section 1. The Board determines and declares that the public interest and necessity  
19 demand the retrofit and seismic upgrade of Soft-Story Buildings and the payment of related  
20 costs necessary or convenient for the foregoing purposes, and that such efforts constitute a  
21 public purpose resulting in significant public benefits.

22 Section 2. The estimated cost of \$46,150,000 of the Bond is and will be too great to be  
23 paid out of the ordinary annual income and revenue of the City, will require an expenditure  
24 greater than the amount allowed by the annual tax levy, and will require the incurrence of  
25 bonded indebtedness in an amount not to exceed \$46,150,000.

1           Section 3. The Board, having reviewed the proposed legislation, and that certain letter  
2 from the Planning Department, dated \_\_\_\_\_, a copy of which is on file with  
3 the Clerk of the Board in File No. \_\_\_\_\_ and incorporated by reference  
4 makes the following findings in compliance with the California Environmental Quality Act  
5 ("CEQA"), California Public Resources Code Sections 21000 et seq., the CEQA Guidelines,  
6 15 Cal. Administrative Code Sections 15000 et seq., ("CEQA Guidelines"), and San Francisco  
7 Administrative Code Chapter 31 ("Chapter 31"), finds that the bond proposal as it relates to  
8 funds for soft-story buildings is not subject to CEQA because as the establishment of a  
9 government financing mechanism that does not identify individual specific projects to be  
10 constructed with the funds, it is not a project as defined by CEQA and the CEQA Guidelines.  
11 The use of bond proceeds to finance any project or portion of any project with funds for the  
12 soft story buildings will be subject to approval of the Board upon completion of planning and  
13 any further required environmental review under CEQA for the individual soft story projects.

14           Section 4. The Board finds and declares that the proposed Bond is (i) in conformity  
15 with the priority policies of Section 101.1(b) of the San Francisco Planning Code, (ii) in  
16 accordance with Section 4.105 of the San Francisco Charter and Section 2A.53(f) of the  
17 San Francisco Administrative Code, and (iii) consistent with the City's General Plan, and  
18 adopts the findings of the Planning Department, as set forth in the General Plan Referral  
19 Report dated \_\_\_\_, 2010, a copy of which is on file with the Clerk of the Board in File  
20 No. \_\_\_\_\_ and incorporates such findings by reference.

21           Section 5. The time limit for approval of this resolution specified in Section 2.34 of the  
22 San Francisco Administrative Code is waived.

23           Section 6. Documents referenced in this resolution are on file with the Clerk of the  
24 Board of Supervisors in File No. \_\_\_\_\_, which is hereby declared to be a part of  
25 this resolution as if set forth fully herein.

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APPROVED AS TO FORM:  
DENNIS J. HERRERA  
City Attorney

By: \_\_\_\_\_  
MARK D. BLAKE  
Deputy City Attorney