

[General Obligation Bond Election - Public Health and Safety - \$350,000,000]

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Ordinance amending Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, June 7, 2016, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded debt of the City and County: \$350,000,000 to finance the construction, acquisition, improvement, seismic strengthening and betterment of critical community and mental health, emergency response and safety, and homeless shelter and service facilities ~~animal care facilities for earthquake safety and public health~~ and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants in accordance with Administrative Code, Chapter 37; finding that the estimated cost of such proposed project is and will be too great to be paid out of the ordinary annual income and revenue of the City and County and will require expenditures greater than the amount allowed therefor by the annual tax levy; reciting the estimated cost of such proposed project; fixing the date of election and the manner of holding such election and the procedure for voting for or against the proposition; fixing the maximum rate of interest on such bonds and providing for the levy and collection of taxes to pay both principal and interest; prescribing notice to be given of such election; adopting findings under the California Environmental Quality Act ("CEQA"), CEQA Guidelines, and Administrative Code, Chapter 31; finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and with the General Plan, consistency requirement of Charter, Section 4.105, and Administrative Code, Section 2A.53; consolidating the special election with the general election; establishing the election precincts, voting places and officers for the election; waiving the word

1 limitation on ballot propositions imposed by Municipal Elections Code, Section 510;
2 complying with the restrictions on the use of bond proceeds specified in California
3 Government Code, Section 53410; incorporating the provisions regarding the Citizens'
4 Bond Oversight Committee in Administrative Code, Sections 5.30-5.36; and waiving the
5 time requirements specified in Administrative Code, Section 2.34.

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

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

15 Section 1. Findings.

16 a. This Board of Supervisors (this "Board") recognizes the need to safeguard and
17 enhance the public health and safety in the event of an earthquake by constructing and
18 improving facilities that provide such services to City residents.

19 b. The Public Health and Safety Bond (the "Bond") will provide funding to acquire,
20 construct, and improve critical public health and safety facilities (as described below in
21 Section 3).

22 c. This Board now wishes to describe the terms of a ballot measure seeking
23 approval for the issuance of general obligation bonds to finance all or a portion of the City's
24 public health and safety services ~~needs~~ as described below.

25 Section 2. A special election is called and ordered to be held on Tuesday, June 7,
2016, for the purpose of submitting to the electors of the City a proposition to incur bonded
indebtedness of the City for the project described in the amount and for the purposes stated:

1 "SAN FRANCISCO PUBLIC HEALTH AND SAFETY BOND, 2016. \$350,000,000 of
2 bonded indebtedness to finance the cost of critical public health and safety facilities including
3 essential seismic retrofits and fire response system improvements at the Priscilla Chan and
4 Mark Zuckerberg San Francisco General Hospital and Trauma Center campus, ~~the~~
5 ~~modernization of fire response systems~~ and the renovation and expansion of ~~addition to the~~
6 Southeast Health Center, the improvement of high-demand community health centers with the
7 expansion of access to mental health, urgent care, substance abuse, dental, and social
8 services; the construction of a seismically safe San Francisco Fire Department Ambulance
9 Deployment Facility, ~~and the~~ repair and modernization of neighborhood fire stations Citywide;
10 and the improvement of facilities to better serve homeless individuals and families at
11 homeless shelters and homeless service sites, and the acquisition and construction of related
12 facilities ~~Care and Control Shelter~~; and to pay related costs, subject to independent citizen
13 oversight and regular audits; and authorizing landlords to pass-through to residential tenants
14 in units subject to Chapter 37 of the Administrative Code (the "Residential Rent Stabilization
15 and Arbitration Ordinance") 50% of the increase in the real property taxes attributable to the
16 cost of the repayment of the bonds."

17 The special election called and ordered shall be referred to in this ordinance as the
18 "Public Health and Safety Bond Special Election."

19 Section 3. PROPOSED PROGRAM. All contracts that are funded with the proceeds of
20 bonds authorized hereby shall be subject to the provisions of Chapter 83 of the Administrative
21 Code (the "First Source Hiring Program"), which fosters construction and permanent
22 employment opportunities for qualified economically disadvantaged individuals. In addition,
23 all contracts that are funded with the proceeds of bonds authorized hereby shall be subject to
24 the provisions of Chapter 14B of the Administrative Code (the "Local Business Enterprise and
25 Non-Discrimination in Contracting Ordinance"), which assists small and micro local

1 businesses to increase their ability to compete effectively for the award of City contracts. The
2 proposed program, including Bond proceeds expected to be allocated to each project, can be
3 summarized as follows:

4 a. PUBLIC HEALTH PROJECT. \$272 million ~~A portion~~ of the Bond shall be
5 allocated to make essential seismic retrofits and improvements at the Priscilla Chan and Mark
6 Zuckerberg San Francisco General campus and neighborhood clinic, including but not limited
7 to the modernization of fire response systems and the renovation and addition to the
8 Southeast Health Center, and the improvement of high-demand community health centers
9 with the expansion of access to mental health, urgent care, substance abuse, dental, and
10 social services.

11 b. SAFETY PROJECT. \$58 million ~~A portion~~ of the Bond shall be allocated to the
12 construction, acquisition, improvement, retrofitting, and upgrade of the San Francisco Fire
13 Department Ambulance Deployment Facility, which includes the construction of a modern,
14 seismically safe ambulance and paramedic deployment facility and for urgently needed
15 repairs and modernizations of neighborhood fire stations Citywide.

16 c. ~~ANIMAL RESCUE PROJECT.~~ HOMELESS HEALTH AND SAFETY PROJECT.
17 \$20 million ~~A portion~~ of the Bond shall be allocated to the construction, acquisition,
18 improvement, retrofitting, and upgrading of City-owned homeless shelters and homeless
19 service sites. In addition, a portion of the Bond may be used to acquire and construct facilities
20 to expand homeless services in the City. ~~San Francisco Animal Shelter, which includes the~~
21 ~~construction of a modern, seismically safe building to care for displaced animals and to~~
22 ~~prevent the spread of communicable diseases in the event of an earthquake.~~

23 d. CITIZENS' OVERSIGHT COMMITTEE. A portion of the Bond shall be used to
24 perform audits of the Bond, as further described in Section 15.

25 Section 4. BOND ACCOUNTABILITY MEASURES.

1 The Bond shall include the following administrative rules and principles:

2 a. OVERSIGHT. The proposed bond funds shall be subjected to approval
3 processes and rules described in the Charter and Administrative Code. Pursuant to
4 Administrative Code 5.31, the Citizens' General Obligation Bond Oversight Committee shall
5 conduct an annual review of bond spending, and shall provide an annual report of the bond
6 program to the Mayor and the Board of Supervisors.

7 b. TRANSPARENCY. The City shall create and maintain a Web page outlining and
8 describing the bond program, progress, and activity updates. The City shall also hold an
9 annual public hearing and reviews on the bond program and its implementation before the
10 Board of Supervisors, the Capital Planning Committee, the relevant City commissions, and
11 the Citizens' General Obligation Bond Oversight Committee.

12 Section 5. The estimated cost of the bond financed portion of the project described in
13 Section 2 above was fixed by the Board by Resolution No. _____, in the amount of
14 \$350,000,000. Said resolution was passed by two-thirds or more of the Board and approved
15 by the Mayor. In such resolution it was recited and found by the Board that the sum of money
16 specified is too great to be paid out of the ordinary annual income and revenue of the City in
17 addition to the other annual expenses or other funds derived from taxes levied for those
18 purposes and will require expenditures greater than the amount allowed by the annual tax
19 levy.

20 The method and manner of payment of the estimated costs described in this ordinance
21 are by the issuance of bonds of the City not exceeding the principal amount specified.

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

24 Section 6. The Bond Special Election shall be held and conducted and the votes
25 received and canvassed, and the returns made and the results ascertained, determined, and

1 declared as provided in this ordinance and in all particulars not recited in this ordinance such
2 election shall be held according to State law and the Charter and any regulations adopted
3 under State law or the Charter, providing for and governing elections in the City, and the polls
4 for such election shall be and remain open during the time required by such laws and
5 regulations.

6 Section 7. The Bond Special Election is consolidated with the General Election
7 scheduled to be held in the City on Tuesday, June 7, 2016. The voting precincts, polling
8 places, and officers of election for the June 7, 2016 General Election are hereby adopted,
9 established, designated, and named, respectively, as the voting precincts, polling places, and
10 officers of election for the Bond Special Election called, and reference is made to the notice of
11 election setting forth the voting precincts, polling places, and officers of election for the June
12 7, 2016 General Election by the Director of Elections to be published in the official newspaper
13 of the City on the date required under State law.

14 Section 8. The ballots to be used at the Bond Special Election shall be the ballots used
15 at the June 7, 2016 General Election. The word limit for ballot propositions imposed by
16 Municipal Elections Code Section 510 is waived. On the ballots to be used at the Bond
17 Special Election, in addition to any other matter required by law to be printed thereon, shall
18 appear the following as a separate proposition:

19 "SAN FRANCISCO PUBLIC HEALTH AND SAFETY BOND, 2016. "To protect public
20 health and safety, improve community medical and mental health care services, earthquake
21 safety, and emergency medical response; to seismically improve, and modernize
22 neighborhood fire stations and vital public health and homeless service sites; to construct a
23 seismically safe and improved San Francisco Fire Department ambulance deployment facility;
24 ~~construct a seismically safe, modern animal shelter to care for displaced animals and control~~
25 ~~the spread of disease~~; and to pay related costs, shall the City and County of San Francisco

1 issue \$350,000,000 in general obligation bonds, subject to citizen oversight and regular
2 audits?"

3 Each voter to vote in favor of the issuance of the foregoing bond proposition shall mark
4 the ballot in the location corresponding to a "YES" vote for the proposition, and each voter to
5 vote against the proposition shall mark the ballot in the location corresponding to a "NO" vote
6 for the proposition.

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

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

21 Section 11. This ordinance shall be published in accordance with any State law
22 requirements, and such publication shall constitute notice of the Bond Special Election and no
23 other notice of the Bond Special Election hereby called need be given.

24 Section 12. The Board, having reviewed the proposed legislation, makes the following
25 findings in compliance with the California Environmental Quality Act ("CEQA"), California

1 Public Resources Code Sections 21000 et seq., the CEQA Guidelines, 15 California
2 Administrative Code Sections 15000 et seq., ("CEQA Guidelines"), and San Francisco
3 Administrative Code Chapter 31 ("Chapter 31"): Each of the facilities proposed to be funded
4 with this Bond have been reviewed as required by CEQA. Certain programmatic facilities to
5 be constructed or acquired with proceeds of the Bonds, including the neighborhood fire
6 stations, the homeless shelters and service facilities and the high demand community health
7 centers are statutorily exempt from environmental review under CEQA Guidelines, Section
8 15273(a)(4). The Environmental Review Officer has determined that the proposed facilities
9 are either exempt from CEQA as follows:

10 a. PUBLIC HEALTH PROJECTS.

11 1. San Francisco General Hospital Building 5. On April 6, 2015, the Planning
12 Department determined that interior alterations and seismic retrofit of San Francisco General
13 Hospital Building 5 is categorically exempt from environmental review under Class 1 of CEQA
14 Guidelines Section 15301.

15 2. Southeast Health Center. On June 16, 2015, the Planning Department
16 determined that renovation of and a two-story horizontal addition to the Southeast Health
17 Center (2401 Keith Street) was categorically exempt from environmental review under Class
18 32 of the CEQA Guidelines, Section 15332.

19 3. Community Health Centers. On January 26, 2016, the Planning Department
20 determined that the Bond funding program for the improvement of high demand community
21 health centers across the City and the expansion of access to mental health, urgent care,
22 substance abuse, dental, and social services was statutorily exempt from environmental
23 review under CEQA Guidelines, Section 15273(a)(4)—establishment of rates, tolls, fares, and
24 charges for the purpose of obtaining funds for capital projects necessary to maintain service
25 within existing service.

1 b. SAFETY PROJECT. On December 11, 2015, the Planning Department determined
2 that the demolition of two small structures and construction of a 30,334 gross square foot San
3 Francisco Fire Department (“SFFD”) Emergency Medical Services Facility and 62,000 gross
4 square foot parking structure behind SFFD Fire Station No. 9 at 2245 Jerrold Avenue was
5 categorically exempt from environmental review under Class 32 of the CEQA Guidelines,
6 Section 15332.

7 ~~or have been analyzed in an environmental document and are consistent with such~~
8 ~~analysis. The Board affirms the determinations, for the reasons set forth in the analyses~~
9 ~~contained in Board of Supervisors File No. _____, incorporated herein by this reference~~
10 ~~thereto.~~

11 c. NEIGHBORHOOD FIRE STATIONS. On January 26, 2016, the Planning
12 Department determined that the Bond funding program for the modernization and upgrade of
13 San Francisco Fire Department neighborhood fire stations citywide was statutorily exempt
14 from environmental review under CEQA Guidelines, Section 15273(a)(4)—establishment of
15 rates, tolls, fares, and charges for the purpose of obtaining funds for capital projects
16 necessary to maintain service within existing service areas;

17 d. HOMELESS HEALTH AND SAFETY PROJECT. On January 26, 2016, the Planning
18 Department determined that the Bond funding program for the improvement of facilities to
19 better serve homeless individuals and families at shelters and homeless service sites, and
20 acquisition and construction of related facilities, was statutorily exempt from environmental
21 review under CEQA Guidelines, Section 15273(a)(4)—establishment of rates, tolls, fares, and
22 charges for the purpose of obtaining funds for capital projects necessary to maintain service
23 within existing service areas.

24 The Board affirms these exemption determinations of the Planning Department, for the
25 reasons set forth in the analyses in these exemptions contained in Board of Supervisors File

1 No. 151276. The Board finds that based on the whole record before it there are no
2 substantial project changes, no substantial changes in project circumstances, and no new
3 information of substantial importance that would change the conclusions set forth in these
4 exemption determinations by the Planning Department that these proposed projects are
5 exempt from environmental review.

6 Section 13. The Board finds and declares that the proposed Bond is (a) in conformity
7 with the priority policies of Section 101.1(b) of the Planning Code, (b) in accordance with
8 Section 4.105 of the Charter and Section 2A.53(f) of the Administrative Code, and (c)
9 consistent with the City’s General Plan, and adopts the findings of the Planning Department,
10 as set forth in the General Plan Referral Reports dated ~~December~~ January 26, 2016, for the
11 Public Health Projects-- SFGH Building 5; January 26, 2016, for the Public Health Project -
12 Southeast Health Center; January 26, 2016, for the Safety Project – SFFD Emergency
13 Medical Services Facility; and [Homeless Shelter] -copies of which is are on file with the Clerk
14 of the Board of Supervisors in File No. 151276_____ and incorporates such
15 findings by reference.

16 Section 14. Under Section 53410 of the California Government Code, the bonds shall
17 be for the specific purposes authorized in this ordinance and the proceeds of such bonds will
18 be applied only for such specific purposes. The City will comply with the requirements of
19 Sections 53410(c) and 53410(d) of the California Government Code.

20 Section 15. The Bonds are subject to, and incorporate by reference, the applicable
21 provisions of Administrative Code Sections 5.30 – 5.36 (the "Citizens’ General Obligation
22 Bond Oversight Committee"). Under Section 5.31, to the extent permitted by law, one-tenth of
23 one percent (0.1%) of the gross proceeds of the Bonds shall be deposited in a fund
24 established by the Controller’s Office and appropriated by the Board of Supervisors at the
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1 direction of the Citizens' General Obligation Bond Oversight Committee to cover the costs of
2 said committee.

3 Section 16. The time requirements specified in Section 2.34 of the Administrative
4 Code are waived.

5 Section 17. 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.

9 Section 18. Documents referenced in this ordinance are on file with the Clerk of the
10 Board of Supervisors in File No. 151276. ~~which is hereby declared to be a part of this~~
11 ~~ordinance as if set forth fully herein.~~

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13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA,
City Attorney

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16 By: _____
17 Mark D. Blake
Deputy City Attorney
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