

1 [General Obligation Bond Election - Earthquake Safety and Emergency Response]

2

3 **Ordinance calling and providing for a special election to be held in the City and County**

4 **of San Francisco on Tuesday, June 3, 2014, for the purpose of submitting to**

5 **San Francisco voters a proposition to incur the following bonded debt of the City and**

6 **County: \$400,000,000 to finance the construction, acquisition, improvement, and**

7 **seismic retrofitting of Neighborhood Fire and Police Stations, the Emergency**

8 **Firefighting Water System, seismically secure facilities for the Medical Examiner, the**

9 **Police Department's Traffic Company, and the Police Department's Forensic Services**

10 **Division, and other critical infrastructure and facilities for earthquake safety and related**

11 **costs necessary or convenient for the foregoing purposes; authorizing landlords to**

12 **pass-through 50% of the resulting property tax increase to residential tenants in**

13 **accordance with Chapter 37 of the Administrative Code; finding that the estimated cost**

14 **of such proposed project is and will be too great to be paid out of the ordinary annual**

15 **income and revenue of the City and County and will require expenditures greater than**

16 **the amount allowed therefor by the annual tax levy; reciting the estimated cost of such**

17 **proposed project; fixing the date of election and the manner of holding such election**

18 **and the procedure for voting for or against the proposition; fixing the maximum rate of**

19 **interest on such bonds and providing for the levy and collection of taxes to pay both**

20 **principal and interest; prescribing notice to be given of such election; finding that a**

21 **portion of the proposed bond is not a project under the California Environmental**

22 **Quality Act (CEQA) and adopting findings under CEQA for the remaining portion of the**

23 **proposed bond; finding that the proposed bond is in conformity with the eight priority**

24 **policies of Planning Code, Section 101.1(b), and is consistent with the General Plan;**

25

1 consolidating the special election with the general election; establishing the election
2 precincts, voting places and officers for the election; waiving the word limitation on
3 ballot propositions imposed by Municipal Elections Code, Section 510; complying with
4 the restrictions on the use of bond proceeds specified in Section 53410 of the
5 California Government Code; incorporating the provisions of the Administrative Code,
6 Section 5.30-5.36; and waiving the time requirements specified in Administrative Code,
7 Section 2.34.

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

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

12 Section 1. Findings.

13 A. This Board of Supervisors (this "Board") recognizes the need to safeguard and
14 enhance the City's earthquake and emergency response and recovery by rehabilitating critical
15 facilities that support the City's first responders.

16 B. The Earthquake Safety and Emergency Response Bond (the "Bond") will
17 provide funding to construct, improve and rehabilitate earthquake safety and emergency
18 responsiveness facilities and infrastructure (as described below in Section 3).

19 C. This Board now wishes to describe the terms of a ballot measure seeking
20 approval for the issuance of general obligation bonds to finance all or a portion of the City's
21 earthquake safety and response needs as described below.

22 Section 2. A special election is called and ordered to be held in the City on Tuesday,
23 the 3rd day of June, 2014, for the purpose of submitting to the electors of the City a
24 proposition to incur bonded indebtedness of the City for the project described in the amount
25 and for the purposes stated:

1 "SAN FRANCISCO EARTHQUAKE SAFETY AND EMERGENCY RESPONSE BOND,
2 2014. \$400,000,000 of bonded indebtedness to improve fire, earthquake and emergency
3 response by: improving and/or replacing deteriorating cisterns, pipes, and tunnels, and related
4 facilities to ensure firefighters a reliable water supply for fires and disasters; improving and/or
5 replacing neighborhood fire and police stations; replacing certain seismically-unsafe police
6 and medical examiner facilities with earthquake-safe buildings; and to pay related costs,
7 subject to independent citizen oversight and regular audits; and authorizing landlords to pass-
8 through to residential tenants in units subject to Chapter 37 of the Administrative Code (the
9 "Residential Stabilization and Arbitration Ordinance") 50% of the increase in the real property
10 taxes attributable to the cost of the repayment of the bonds."

11 The special election called and ordered shall be referred to in this ordinance as the
12 "Bond Special Election."

13 Section 3. PROPOSED PROGRAM. All contracts that are funded with the proceeds of
14 bonds authorized hereby shall be subject to the provisions of Chapter 83 of the Administrative
15 Code (the "First Source Hiring Program"), which fosters construction and permanent
16 employment opportunities for qualified economically disadvantaged individuals. In addition,
17 all contracts that are funded with the proceeds of bonds authorized hereby also shall be
18 subject to the provisions of Chapter 14B of the Administrative Code (the "Local Business
19 Enterprise and Non-Discrimination in Contracting Ordinance"), which assists small and micro
20 local businesses to increase their ability to compete effectively for the award of City contracts.
21 The proposed program can be summarized as follows:

22 A. EMERGENCY FIREFIGHTING WATER SYSTEM. A portion of the Bond shall
23 be allocated to the renovation and seismic upgrading of the emergency firefighting water
24 system (the "EFWS") and related facilities, including but not limited to cisterns, pipes and
25 tunnels, and related facilities (collectively, the "EFWS Project").

1 B. CRITICAL FIREFIGHTING FACILITIES AND INFRASTRUCTURE. A portion of
2 the Bond shall be allocated to the construction, acquisition, improvement, retrofitting and
3 completion of critical firefighting facilities and infrastructure for earthquake safety and
4 emergency response not otherwise specifically enumerated in this ordinance, including
5 without limitation, neighborhood fire stations and related facilities (collectively, the "Critical
6 Firefighting Facilities and Infrastructure").

7 C. POLICE FACILITIES AND INFRASTRUCTURE. A portion of the Bond shall be
8 allocated to the construction, acquisition, improvement, retrofitting and completion of police
9 facilities and infrastructure for earthquake safety and emergency response not otherwise
10 specifically enumerated in this ordinance, including without limitation, neighborhood police
11 stations and related facilities (collectively, the "Police Facilities and Infrastructure").

12 D. MEDICAL EXAMINER FACILITY. A portion of the Bond shall be allocated to
13 design and construct a seismically secure structure for the Medical Examiner to enhance the
14 chief medical examiner's Citywide earthquake safety and emergency response capabilities
15 (the "Medical Examiner Facility").

16 E. POLICE TRAFFIC COMPANY AND POLICE FORENSICS SERVICES
17 DIVISION FACILITIES. A portion of the Bond shall be allocated to design and construct a
18 seismically secure structure to house both the Police Department's Traffic Company and the
19 Police Department's Forensic Services Division to enhance the police department's Citywide
20 earthquake safety and emergency response capabilities (the "Traffic Company and Forensic
21 Services Division Facility").

22 F. CITIZEN'S OVERSIGHT COMMITTEE. A portion of the Bond shall be used to
23 perform audits of the Bond, as further described in Section 15.

24 The proposed uses and amounts described in this Section 3 are estimates only and,
25 with the exception of Section 3F above, are subject, without limitation, to review and revision

1 by the Mayor and the Board.

2 Section 4. BOND ACCOUNTABILITY MEASURES

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

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

9 B. TRANSPARENCY. The City shall create and maintain a Web page outlining and
10 describing the bond program, progress, and activity updates. The City shall also hold periodic
11 public hearings and reviews on the bond program and its implementation before the Capital
12 Planning Committee, the Police and Fire Commissions, and the Citizen's General Obligation
13 Bond Oversight Committee.

14 Section 5. The estimated cost of the bond financed portion of the project described in
15 Section 2 above was fixed by the Board by the following resolution and in the amount
16 specified below:

17 Resolution No. _____, \$400,000,000.

18 Such resolution was passed by two-thirds or more of the Board and approved by the
19 Mayor of the City (the "Mayor"). In such resolution it was recited and found by the Board that
20 the sum of money specified is too great to be paid out of the ordinary annual income and
21 revenue of the City in addition to the other annual expenses or other funds derived from taxes
22 levied for those purposes and will require expenditures greater than the amount allowed by
23 the annual tax levy.

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

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

3 Section 6. The Bond Special Election shall be held and conducted and the votes
4 received and canvassed, and the returns made and the results ascertained, determined and
5 declared as provided in this ordinance and in all particulars not recited in this ordinance such
6 election shall be held according to the laws of the State of California (the "State") and the
7 Charter of the City (the "Charter") and any regulations adopted under State law or the Charter,
8 providing for and governing elections in the City, and the polls for such election shall be and
9 remain open during the time required by such laws and regulations.

10 Section 7. The Bond Special Election is consolidated with the General Election
11 scheduled to be held in the City on Tuesday, June 3, 2014. The voting precincts, polling
12 places and officers of election for the June 3, 2014 General Election are hereby adopted,
13 established, designated and named, respectively, as the voting precincts, polling places and
14 officers of election for the Bond Special Election called, and reference is made to the notice of
15 election setting forth the voting precincts, polling places and officers of election for the June 3,
16 2014 General Election by the Director of Elections to be published in the official newspaper of
17 the City on the date required under the laws of the State of California.

18 Section 8. The ballots to be used at the Bond Special Election shall be the ballots to be used at the June
19 3, 2014 General Election. The word limit for ballot propositions imposed by Municipal Elections Code Section
20 510 is waived. On the ballots to be used at the Bond Special Election, in addition to any other matter required by
21 law to be printed thereon, shall appear the following as a separate proposition:

22 "SAN FRANCISCO EARTHQUAKE SAFETY AND EMERGENCY RESPONSE BOND,
23 2014. To improve fire, earthquake and emergency response by: improving and/or replacing
24 deteriorating cisterns, pipes, and tunnels, and related facilities to ensure firefighters a reliable
25 water supply for fires and disasters; improving and/or replacing neighborhood fire and police

1 stations; replacing certain seismically-unsafe police and medical examiner facilities with
2 earthquake-safe buildings and to pay related costs, shall the City and County of San
3 Francisco issue \$400,000,000 in general obligation bonds, subject to citizen oversight and
4 regular audits?"

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

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

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

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

1 Section 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 12. The Board, having reviewed the proposed legislation, makes the following
5 findings in compliance with the California Environmental Quality Act ("CEQA"), California
6 Public Resources Code Sections 21000 et seq., the CEQA Guidelines, 14 California Code of
7 Regulations Sections 15000 et seq., ("CEQA Guidelines"), and Administrative Code Chapter
8 31 ("Chapter 31"):

9 (i) Emergency Firefighting Water System (EFWS) Project. For the reasons set
10 forth in the letter from the Environmental Review Officer of the Planning Department, dated
11 November 25, 2013, a copy of which is on file with the Clerk of the Board in File No. 131190
12 and incorporated by reference, the Board finds that the bond proposal as it relates to funds for
13 the EFWS Project is not subject to CEQA because as the establishment of a government
14 financing mechanism that does not involve any commitment to specific projects to be
15 constructed with the funds, it is not a project as defined by CEQA and the CEQA Guidelines.
16 The use of bond proceeds to finance any project or portion of any project with funds for the
17 EFWS Project portion of the Bond will be subject to approval of the Board upon completion of
18 planning and any further required environmental review under CEQA for the individual EFWS
19 projects.

20 (ii) Critical Firefighting Facilities and Infrastructure. For the reasons set forth in the
21 letter from the Environmental Review Officer of the Planning Department, dated November
22 25, 2013, a copy of which is on file with the Clerk of the Board in File No. 131190 and
23 incorporated by reference, the Board finds that the bond proposal as it relates to funds for
24 Critical Firefighting Facilities and Infrastructure is not subject to CEQA because as the
25 establishment of a government financing mechanism that does not involve any commitment to

1 specific projects to be constructed with the funds, it is not a project as defined by CEQA and
2 the CEQA Guidelines. The use of bond proceeds to finance any project or portion of any
3 project with funds for the Critical Firefighting Facilities and Infrastructure portion of the Bond
4 will be subject to approval of the Board upon completion of planning and any further required
5 environmental review under CEQA for the individual Critical Firefighting Facilities and
6 Infrastructure projects.

7 (iii) Police Facilities and Infrastructure. For the reasons set forth in the letter from
8 the Environmental Review Officer of the Planning Department, dated November 25, 2013, a
9 copy of which is on file with the Clerk of the Board in File No. 131190 and incorporated by
10 reference, the Board finds that the bond proposal as it relates to funds for Police Facilities and
11 Infrastructure is not subject to CEQA because as the establishment of a government financing
12 mechanism that does not involve any commitment to specific projects to be constructed with
13 the funds, it is not a project as defined by CEQA and the CEQA Guidelines. The use of bond
14 proceeds to finance any project or portion of any project with funds for the Police Facilities
15 and Infrastructure portion of the Bond will be subject to approval of the Board upon completion
16 of planning and any further required environmental review under CEQA for the individual
17 Police Facilities and Infrastructure projects.

18 (iv) Medical Examiner Facility. The Environmental Review Officer in the Planning
19 Department determined that the Medical Examiner Facility project is exempt from
20 environmental review as a Class 32 Categorical Exemption, infill development, in a written
21 determination dated May 30, 2013 and contained in Planning Department File No.
22 2012.1172E and this Board's File No. 131190.

23 (v) Traffic Company and Forensic Services Division Facility. On November 18,
24 2013, the Planning Department issued a Final Mitigated Negative Declaration ("FMND") for
25 the Traffic Company and Forensic Services Division Facility project, San Francisco Planning

1 Department Case No. 2013.0342E, which is on file with the Clerk of the Board in File No.
2 131190 and which is incorporated into this ordinance by this reference. In issuing the FMND
3 the Planning Department determined that the Traffic Company and Forensic Services Division
4 Facility project could not have a significant effect on the environment.

5 (a) The Board hereby adopts as its own the CEQA findings for the Traffic Company
6 and Forensic Services Division Facility project made by the Planning Department in the
7 FMND.

8 (b) The Board has reviewed and considered the information contained in the FMND
9 and all other documents referenced in this Ordinance as being on file with the Clerk of the
10 Board in File No. 131190.

11 (c) The Traffic Company and Forensic Services Division Facility project as reflected
12 in this ordinance is consistent with the project described in the FMND and would not result in
13 any significant impacts not identified in the FMND nor cause significant effects identified in the
14 FMND to be substantially more severe.

15 (d) In accordance with CEQA, the Board has considered the mitigation measures
16 described in the FMND and hereby requires the mitigation measures and the mitigation
17 monitoring and reporting program ("MMRP") denoted as Exhibit A to this ordinance and on file
18 with the Clerk of the Board in File No. 131190 to be imposed as conditions on the
19 implementation of the Traffic Company and Forensic Services Division Facility project
20 approved by this ordinance.

21 (e) With the implementation of the mitigation measures required in Exhibit A to this
22 ordinance, the environmental impacts resulting from the Traffic Company and Forensic
23 Services Division Facility project on subsurface cultural resources, air quality emissions,
24 construction hours and operational traffic would be reduced to a less than significant level as
25 described in the FMND.

1 (f) Based upon the whole record for the FMND, including all written materials and
2 any oral testimony received by the Board, the Board hereby finds that the FMND reflects the
3 independent judgment and analysis of the Planning Department and the Board, is adequate
4 and complete and there is no substantial evidence that the proposed Traffic Company and
5 Forensic Services Division Facility project, given the implementation of the mitigation
6 measures as stated in the FMND and the adoption of the MMRP, could have a significant
7 effect on the environment as shown in the analysis of the FMND. The Board hereby adopts
8 the FMND and the MMRP on file with the Clerk of the Board as Exhibit A to this ordinance.

9 Section 13. The Board finds and declares that the proposed Bond is (i) in conformity
10 with the priority policies of Section 101.1(b) of the Planning Code, (ii) in accordance with
11 Section 4.105 of the Charter and Section 2A.53(f) of the Administrative Code, and (iii)
12 consistent with the City's General Plan, and adopts the findings of the Planning Department,
13 as set forth in the General Plan Referral Report dated November 26, 2013, a copy of which is
14 on file with the Clerk of the Board in File No. 131190 and incorporates such findings by
15 reference.

16 Section 14. Under Section 53410 of the California Government Code, the bonds shall
17 be for the specific purpose authorized in this ordinance and the proceeds of such bonds will
18 be applied only for such specific purpose. 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 of the Citizens' General Obligation Bond
23 Oversight Committee, to the extent permitted by law, one-tenth of one percent (0.1%) of the
24
25

1 gross proceeds of the Bonds shall be deposited in a fund established by the Controller's
2 Office and appropriated by the Board of Supervisors at the direction of the Citizens' General
3 Obligation Bond Oversight Committee to cover the costs of such committee.

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

6 Section 17. The appropriate officers, employees, representatives and agents of the
7 City are hereby authorized and directed to do everything necessary or desirable to accomplish
8 the calling and holding of the Bond Special Election, and to otherwise carry out the provisions
9 of this ordinance.

10 Section 18. Documents referenced in this ordinance are on file with the Clerk of the
11 Board of Supervisors in File No. 131190, which is hereby declared to be a part of this
12 ordinance as if set forth fully herein.

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

16 By: _____
17 Kenneth David Roux
18 Deputy City Attorney

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