

1 [Resolution of Intention to Establish Special Tax District.]

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3 **Resolution of intention to establish special tax district to finance energy efficiency and**
4 **renewable energy capital improvements to residential, commercial, industrial, or other property; to**
5 **establish boundaries of the Special Tax District; to specify the rate or rates of Special Tax applicable**
6 **to a parcel or parcels in the Special Tax District; to authorize the issuance of up to \$150,000,000 of**
7 **Special Tax Bonds to finance the capital improvements; to call a public hearing on the establishment**
8 **of the Special Tax District and provide for the publication of notice thereof; and other matters**
9 **relating thereto.**

10
11 WHEREAS, Under Chapter 43, Article X of the San Francisco Administrative Code (the
12 "Code"), which Code incorporates by reference the Mello-Roos Community Facilities Act of
13 1982, as amended (the "Act"), this Board of Supervisors is authorized to establish a special
14 tax district and to act as the legislative body for such special tax district; and,

15 WHEREAS, In connection with adoption of the Code, this Board of Supervisors made,
16 based on the record before it, certain findings, determinations and declarations which are
17 hereby incorporated herein by this reference, including that:

18 A. Global warming and persistent droughts pose a serious threat to the economic well-
19 being, public health, natural resources, and the environment of the City, and that action taken
20 by the City to reduce emissions of greenhouse gases will have far reaching effects by
21 encouraging its citizens and other cities and counties and the State of California, among
22 others, to pursue similar actions.

23 B. A public purpose will be served by using special tax districts to finance the
24 installation of energy efficiency and renewable energy capital improvements to residential,
25 commercial, industrial, or other property.

1 C. Growing population, climate change, and the need to protect and grow the City's
2 economy while protecting and restoring fish and wildlife habitats makes it essential that the
3 City and County manage its water resources as efficiently as possible.

4 D. Article X, Section 2 of the California Constitution declares: "It is hereby declared
5 that because of the conditions prevailing in this State the general welfare requires that the
6 water resources of the State be put to beneficial use to the fullest extent of which they are
7 capable, and that the waste or unreasonable use or unreasonable method of use of water be
8 prevented, and that the conservation of such waters is to be exercised with a view to the
9 reasonable and beneficial use thereof in the interest of the people and for the public welfare."

10 E. This Board of Supervisors has passed Ordinance Nos. 76-09 and 77-09 to adopt
11 new rules for the installation and/or retrofitting of privately-owned water conservation devices
12 to better "allow San Francisco's economy and population to prosper without placing additional
13 demands on this valuable resource."

14 F. Reduced water use through conservation provides significant energy and
15 environmental benefits, and can help protect water quality, improve streamflows, and reduce
16 greenhouse gas emissions.

17 G. The City continues to pursue the improved operation of its stormwater and
18 wastewater management systems to better safeguard bodies of water within and in proximity
19 to the City.

20 H. Although many of these potential improvements to the City's stormwater and
21 wastewater management systems focus on public infrastructure, there are also improvements
22 to privately-owned property that would assist in the efficient and effective operation of the
23 City's water treatment and management systems.

24 I. There are many water conservation practices that produce significant energy and
25 other resource savings that should be encouraged as a matter of state policy, and the Board

1 of Supervisors declares that a public purpose will be served by using special taxes to finance
2 the installation of water conservation and pollution control improvements that are attached to
3 residential, commercial, industrial, or other property; and,

4 WHEREAS, This Board of Supervisors, pursuant to the written request of at least two
5 members of the Board of Supervisors, now desires to proceed with the establishment of a
6 City-wide special tax district in order to finance and refinance the acquisition, installation and
7 improvement of energy efficiency, water conservation and renewable energy improvements to
8 or on real property and in buildings, whether such real property or buildings are privately or
9 publicly owned; and,

10 WHEREAS, This Board of Supervisors wishes to undertake the proceedings to form
11 the special tax district under the alternate procedures established by Section 43.10.17 of the
12 Code, pursuant to which a special tax district may initially consist solely of territory proposed
13 for annexation to the special tax district in the future, with the condition that a parcel or parcels
14 within that territory may be annexed to the special tax district and subjected to the special tax
15 only with the unanimous approval of the owner or owners of such parcel or parcels at the time
16 that such parcel or those parcels are annexed or in compliance with other procedures
17 established by the Code; and,

18 WHEREAS, This Board of Supervisors wishes to undertake the proceedings to
19 authorize the issuance of bonded indebtedness for the special tax district under the alternate
20 procedure established by Section 43.10.18 of the Code, pursuant to which the proposition to
21 authorize bonded indebtedness may be approved by the owner or owners of a parcel or
22 parcels of property at the time that the parcel or parcels are annexed to the special tax district
23 pursuant to the unanimous approval described in 43.10.17 of the Code or in compliance with
24 other procedures established by the Code, and pursuant to which no additional hearings or
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1 procedures are required, and each such unanimous approval shall be deemed to constitute a
2 unanimous vote in favor of such proposition; now, therefore, be it

3 RESOLVED, That this Board of Supervisors proposes to conduct proceedings to
4 establish a special tax district pursuant to the alternate procedures established in
5 Section 43.10.17 of the Code; and, be it

6 FURTHER RESOLVED, That the name proposed for the special tax district is City and
7 County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable
8 Financing) (the "Special Tax District"); and, be it

9 FURTHER RESOLVED, That the proposed boundaries of the Special Tax District are
10 as shown on the map of it on file with the Clerk of the Board of Supervisors, which boundaries
11 are hereby preliminarily approved and to which map reference is hereby made for further
12 particulars. The Special Tax District shall initially consist solely of territory proposed for
13 annexation to the Special Tax District in the future, with the condition that a parcel or parcels
14 within that territory may be annexed to the Special Tax District and subjected to a special tax
15 only with the unanimous approval of the owner or owners of such parcel or parcels at the time
16 that such parcel or those parcels are annexed or in compliance with other procedures
17 established by the Code; and, be it

18 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
19 to record, or cause to be recorded, the map of the boundaries of the Special Tax District in the
20 office of the Recorder of the City and County of San Francisco within 15 days of the date of
21 adoption of this Resolution; and, be it

22 FURTHER RESOLVED, That the type of facilities proposed to be financed by the
23 Special Tax District and pursuant to the Code shall consist of those listed as facilities on
24 Exhibit A hereto and hereby incorporated herein (the "Facilities"); and, be it
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1 FURTHER RESOLVED, That except to the extent that funds are otherwise available,
2 the City will levy a special tax (the "Special Tax") to pay directly for the Facilities and/or to pay
3 the principal and interest on bonds of the City issued to finance the Facilities; and, be it

4 FURTHER RESOLVED, That the Special Tax will be secured by recordation of a
5 continuing lien against all non-exempt real property in the Special Tax District, will be levied
6 annually within the Special Tax District, and collected in the same manner as ordinary ad
7 valorem property taxes, or in such other manner as this Board of Supervisors or its designee
8 shall determine, including direct billing of the affected property owners; and, be it

9 FURTHER RESOLVED, That the proposed method of apportionment of the Special
10 Tax among the parcels of real property within the Special Tax is described in Exhibit B
11 attached hereto and hereby incorporated herein (the "Method of Apportionment"). Pursuant to
12 Section 43.10.17 *of the Code*, the rate or rates of the Special Tax applicable to a parcel or
13 parcels in the Special Tax District shall be specified in the unanimous approval as described
14 below relating to such parcel or parcels or in compliance with other procedures established by
15 the Code; and, be it

16 FURTHER RESOLVED, That this Board of Supervisors hereby finds that the provisions
17 of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to *ad valorem*
18 property taxes and schools financed by a special tax district) are inapplicable to the proposed
19 Special Tax District; and, be it

20 FURTHER RESOLVED, That the Special Tax shall be levied on a parcel or parcels in
21 the Special Tax District only with the written unanimous approval of the owner or owners of
22 the parcel or parcels to their annexation to the Special Tax District or in compliance with other
23 procedures established by the Code, without any requirement for further public hearings or
24 additional proceedings. The unanimous approval shall be in substantially the form and
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1 substance of the Unanimous Approval attached hereto as Exhibit C, or such other form
2 authorized by the Director of the Office of Public Finance; and, be it

3 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
4 the legislative body for the Special Tax District, to cause bonds of the City to be issued for the
5 Special Tax District pursuant to the Code to finance and refinance in whole or in part the
6 construction, installation and/or acquisition of the Facilities. The special tax bonds (including
7 special tax bonds issued for any improvement area) shall be in the aggregate principal
8 amount of not to exceed \$150,000,000, shall be issued in such series and bear interest
9 payable semi-annually or in such other manner as this Board of Supervisors shall determine,
10 at a rate not to exceed the maximum rate of interest as may be authorized by applicable law
11 at the time of sale of such bonds, and shall mature not to exceed 40 years from the date of
12 the issuance thereof; and, be it

13 FURTHER RESOLVED, That the Director of the Office of Public Finance, or the
14 designee of such officer, is hereby directed to study said proposed Facilities and to make, or
15 cause to be made, and file with the Clerk of the Board of Supervisors a report in writing (the
16 "Special Tax District Report") presenting the following:

17 (a) A description of the Facilities by type which will be financed by the Special Tax
18 District.

19 (b) An estimate of the fair and reasonable cost of the Facilities, including the costs of
20 the proposed bond financing and all other related costs as provided in Section 53345.3 of the
21 Act.

22 The Special Tax District Report shall be made a part of the record of the public hearing
23 specified below; and, be it

24 FURTHER RESOLVED, That Tuesday, January 12, 2010 at 23:00 p.m. or as soon
25 as possible thereafter, in the Board of Supervisors' Chambers, 1 Dr. Carlton B. Goodlett

1 Place, City Hall, San Francisco, California, be, and the same are hereby appointed and fixed
2 as the time and place when and where this Board of Supervisors, as legislative body for the
3 Special Tax District, will conduct a public hearing on the establishment of the Special Tax
4 District and consider and finally determine whether the public interest, convenience and
5 necessity require the formation of the Special Tax District and the levy of the Special Tax;
6 and, be it

7 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
8 to cause notice of the public hearing to be given by publication one time in a newspaper
9 published in the area of the Special Tax District. The publication shall be completed at least
10 seven days before the date of the public hearing specified above. The notice shall be
11 substantially in the form specified in Section 53322 of the Act; and, be it

12 FURTHER RESOLVED, That pursuant to Section 43.10.19 of the Code, in connection
13 with the annexation of a parcel or parcels to the Special Tax District pursuant to the alternate
14 and independent procedure set forth in Section 43.10.17 of the Code and the conduct of an
15 election on the proposition to authorize bonded indebtedness pursuant to the alternate and
16 independent procedure set forth in Section 43.10.18 of the Code, the City may, without
17 additional hearings or procedures, designate a parcel or parcels as an improvement area
18 within the Special Tax District. Each improvement area will be known as "Improvement Area
19 No. ____ of City and County of San Francisco Special Tax District No. 2009-1 (San Francisco
20 Sustainable Financing)." After the designation of a parcel or parcels as an improvement area,
21 all proceedings for approval of the appropriations limit, the rate, method of apportionment and
22 manner of collection of special tax and the authorization to incur bonded indebtedness for
23 such parcel or parcels shall apply only to the improvement area; and, be it

24 FURTHER RESOLVED, That the Board of Supervisors reserves to itself the right and
25 authority set forth in Section ~~43344.1~~53344.1 of the Act, subject to any limitations set forth in

1 any bond resolution, fiscal agent agreement or trust indenture related to the issuance of
2 bonds; and, be it


3 FURTHER RESOLVED, That the Director of the Office of Public Finance, or a
4 designee thereof, is hereby authorized and directed to select a trustee or fiscal agent for any
5 bonds issued for the Special Tax District on such terms as are acceptable to the Director of
6 the Office of Public Finance; and, be it

7 FURTHER RESOLVED, That the Mayor, the Controller, the City Attorney, the Director
8 of the Office of Public Finance, designees of the Director of the Office of Public Finance, the
9 Clerk of the Board of Supervisors and all other officers and agents of the City are hereby
10 authorized and directed to take all actions necessary or advisable to give effect to the
11 transactions contemplated by this Resolution; and, be it

12 FURTHER RESOLVED, That this Board of Supervisors proposes to conduct
13 proceedings to establish a special tax district pursuant to the alternate procedures established
14 in Section 43.10.17 of the Code; and, be it

15 FURTHER RESOLVED, That this Resolution shall in no way obligate the Board of
16 Supervisors of the City to form the Special Tax District. The formation of the Special Tax
17 District shall be subject to the approval of this Board of Supervisors by resolution following the
18 holding of the public hearing referred to above.

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21 APPROVED AS TO FORM:
22 DENNIS J. HERRERA, City Attorney

23 By: 
24 MARK D. BLAKE
25 Deputy City Attorney



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 091248

Date Passed: November 24, 2009

Resolution of Intention to establish Special Tax District in the City and County of San Francisco
Special Tax District No. 2009-1 (San Francisco Sustainable Financing).

November 24, 2009 Board of Supervisors - ADOPTED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar,
Maxwell and Mirkarimi

I hereby certify that the foregoing Resolution was ADOPTED on 11/24/2009 by the Board of
Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Gavin Newsom

Date

12-3-09