

1 [Affordable Energy Improvement Loan Program General Obligation Bonds.]

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3 **Resolution determining and declaring that the public interest and necessity demand**
4 **the restructuring of the City's previously approved Seismic Safety Loan Program to**
5 **allow for the establishment of a loan program financing privately-owned improvements**
6 **to real property that will result in a reduction in the use of energy generated from**
7 **nonrenewable sources; finding that the estimated cost of \$50,000,000 for such loan**
8 **program is and will be too great to be paid out of the ordinary annual income and**
9 **revenue of said City and County and will require the incurring of a bonded**
10 **indebtedness; finding the proposed project is in conformity with the priority policies of**
11 **Planning Code Section 101.1(b) and with the General Plan consistency requirement of**
12 **Administrative Code Section 2A.53; stating that the ordinance submitting such**
13 **proposal to the voters shall comply with Section 2.40 of the Administrative Code; and**
14 **waiving the time limits set forth in Administrative Code Section 2.34.**

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16 WHEREAS, In November 1992 the voters in the City and County of San Francisco (the
17 "City") approved Proposition A, a general obligation bond measure authorizing the issuance of
18 up to \$350,000,000 in bonded indebtedness to finance the costs of a loan program to finance
19 seismic improvements to privately owned buildings within the City. The program is known as
20 the "Seismic Safety Loan Program" or "SSLP"; and,

21 WHEREAS, The SSLP created two separate loan programs: a market rate program of
22 \$200,000,000 to be used for market-rate residential, commercial and institutional buildings
23 requiring seismic improvements, and a below-market-rate program of \$150,000,000 to be
24 loaned to finance seismic improvements to affordable housing buildings at a lower rate of
25 interest; and,

1 WHEREAS, For various reasons the demand for the market-rate loans under the SSLP
2 has been significantly less than the level anticipated at the time of Proposition A, with more
3 than \$160,000,000 of the market-rate allocation as yet unborrowed; and,

4 WHEREAS, Based on statistics showing the limited number of unreinforced masonry
5 buildings still requiring retrofit and the current state of the private lending market, City public
6 finance staff believes that \$50,000,000 of this borrowing authority can be reallocated without
7 jeopardizing the objectives of Proposition A; and,

8 WHEREAS, The City continues its effort to foster the development of private and public
9 financing options for renewable energy and energy efficiency, in order to make more projects
10 feasible and to bolster the sustainability of the City's energy consumption patterns; now,
11 therefore, be it

12 RESOLVED, By the Board of Supervisors of the City and County of San Francisco:

13 Section 1. It is hereby determined and declared that the public interest and necessity
14 demand the establishment of a loan program financing privately-owned improvements to real
15 property that will result in a reduction in the use of energy generated from nonrenewable
16 sources.

17 Section 2. The estimated cost of \$50,000,000 for such program is and will be too great
18 to be paid out of the ordinary annual income and revenue of said City and County, will require
19 an expenditure greater than the amount allowed therefor by the annual tax levy, and will
20 require the incurrence of bonded indebtedness in an amount not to exceed \$50,000,000.

21 Section 3. The Board of Supervisors, having reviewed the proposed legislation, finds
22 and declares (i) that the proposed Project is excluded from the California Environmental
23 Quality Act ("CEQA") under CEQA Guidelines section 15378(b)(4) as the creation of a
24 government funding mechanism that does not involve any commitment to any specific project,
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1 (ii) that the proposed Project is in conformity with the priority policies of Section 101.1(b) of the
2 City Planning Code and (iii) in accordance with Section 2A.53(f) of the City Administrative
3 Code, that the proposed Project is consistent with the City's General Plan, and hereby adopts
4 the findings of the City Planning Department, as set forth in the General Plan Referral Report
5 and incorporates said findings by reference.

6 Section 4. The ordinance submitting such proposal to the voters shall comply with
7 Section 2.40 of the Administrative Code.

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

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

13 Section 7. This resolution shall take effect immediately.

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15 APPROVED AS TO FORM:

16 DENNIS J. HERRERA
17 City Attorney

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By: _____

19 Michael J. Martin
20 Deputy City Attorney

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