

LEGISLATIVE DIGEST

[Levy and Collection of Special Taxes - Community Facilities District No. 2014-1 (Transbay Transit Center)]

Ordinance authorizing the levy and collection of special taxes within City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center).

Existing Law

This is new legislation.

Background Information

On July 15, 2014, the Board of Supervisors adopted a resolution entitled "Resolution of Intention to establish City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) and determining other matters in connection therewith" (the "Resolution of Intention"). The Resolution of Intention stated the Board's intention to form (i) the "City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center)" (the "CFD") and (ii) a "City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) (Future Annexation Area)", pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, constituting Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Mello-Roos Act").

On July 15, 2014, this Board of Supervisors also adopted a resolution entitled "Resolution of intention to incur bonded indebtedness in an amount not to exceed \$1,400,000,000 for the City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) and other matters related thereto" (the "Resolution of Intention to Incur Indebtedness"). The Resolution of Intention to Incur Indebtedness stated the intention of the Board to incur bonded indebtedness and other debt (as defined in the Mello-Roos Act) within the boundaries of the CFD for the purpose of financing the costs of certain facilities specified in the Resolution of Intention.

On September 23, 2014, following a public hearing required by the Mello-Roos Act, the Board of Supervisors adopted resolutions entitled "Resolution of formation of City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) and determining other matters in connection therewith" (the "Resolution of Formation"), "Resolution determining the necessity to incur bonded indebtedness for City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center) and determining other matters in connection therewith" (the "Resolution of Necessity") and "Resolution calling special election in City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center)", which resolutions defined the public facilities to be financed by the CFD (the "Facilities"), established the CFD, authorized the levy of a special tax with the CFD, determined the necessity to incur bonded indebtedness and other debt in the CFD and called an election within the CFD on the propositions of incurring indebtedness, levying a special tax, and establishing an appropriations limit within the CFD, respectively.

On December 29, 2014, a special election was held within the CFD at which the qualified electors approved the formation of the CFD, the incurrence of bonded indebtedness and the levy of special taxes by the two-thirds vote required by the Mello-Roos Act.

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The proposed Ordinance authorizes the levy of special taxes within the CFD. The special taxes will be levied pursuant to the Mello-Roos Act, at the rate and in accordance with the formula (the "Rate and Method") set forth in the Resolution of Formation of City and County of San Francisco Communities Facilities District (Transbay Transit Center). The special taxes would be levied commencing in fiscal year 2015-16 and in each fiscal year thereafter until payment in full of any bonds or other debt (as defined in the Mello-Roos Act) issued by the City for the CFD (the "Bonds") or such longer period provided in the Rate and Method, as contemplated by the Resolution of Formation and the Resolution of Necessity, and all costs of administering the CFD.