

1 [General Obligation Bonds - Road Repaving and Street Safety - \$248,000,000]

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3 **Resolution determining and declaring that the public interest and necessity demand**
4 **the repaving and reconstruction of roads, the rehabilitation and seismic improvement**
5 **of street structures, the replacement of sidewalks, the installation and renovation of**
6 **curb ramps, the redesign of streetscapes to include pedestrian and bicycle safety**
7 **improvements, and the construction, rehabilitation, and renovation of traffic**
8 **infrastructure and the payment of related costs necessary or convenient for the**
9 **foregoing purposes; finding that the estimated cost of \$248,000,000 for such**
10 **improvements is and will be too great to be paid out of the ordinary annual income and**
11 **revenue of the City and County of San Francisco and will require incurring bonded**
12 **indebtedness; finding that the proposed bond is not a project under the California**
13 **Environmental Quality Act (CEQA); finding the proposed bond is in conformity with the**
14 **priority policies of Planning Code Section 101.1(b) and with the General Plan**
15 **consistency requirement of Charter Section 4.105 and Administrative Code Section**
16 **2A.53; providing for the City and County of San Francisco to declare its official intent**
17 **to reimburse prior expenditures; and waiving the time limits set forth in Administrative**
18 **Code Section 2.34.**

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20 WHEREAS, The City and County of San Francisco (the "City") has experienced a
21 significant decline in the condition of City streets, sidewalks and street structures,
22 accompanied by a projected decline in revenues available for such critical infrastructure
23 projects; and,

24 WHEREAS, City staff has identified a capital improvement need totaling \$248,000,000
25 in projects relating to street repaving, street structure rehabilitation and seismic improvement,

1 curb ramp installations, sidewalk replacement, and streetscape and traffic infrastructure
2 improvements; and,

3 WHEREAS, Substandard and crumbling streets and sidewalks present hazards for
4 pedestrians, people with disabilities, bicyclists, motorists and transit-riders; and,

5 WHEREAS, Deteriorating streets increase vehicle maintenance costs for motorists and
6 transit operators, and compromise the mobility of emergency response vehicles; and,

7 WHEREAS, With adequate funding the City can implement cost-effective measures to
8 repave streets before they fall into disrepair and before they must be reconstructed at a much
9 greater cost; and,

10 WHEREAS, Sidewalk improvements and curb ramps are essential to providing equal
11 access for people with disabilities to the City's network of streets and roads; and,

12 WHEREAS, Street structures such as tunnels, bridges, and stairways connect
13 residents to neighborhoods throughout the City and are in need of rehabilitation and seismic
14 improvement; and,

15 WHEREAS, The current design of City streets and sidewalks does not maximize the
16 use of public spaces and rights-of-way; and,

17 WHEREAS, The City's traffic infrastructure, including but not limited to traffic signal
18 infrastructure, are in need of construction and renovation to improve transit efficiency and,

19 WHEREAS, The traffic infrastructure improvements will make Muni more efficient and
20 reliable thereby increasing transit use; and,

21 WHEREAS, The redesign of the City's streets and sidewalks will promote a more
22 walkable and bikable environment and safely accommodate the expected increase in
23 pedestrian and bicycle traffic volumes; and,
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1 WHEREAS, Current transportation revenues are insufficient to address the capital
2 improvement need described above and the current needs of the City's roadway
3 infrastructure; and,

4 WHEREAS, The Road Repaving and Street Safety Bond (the "Bond") will enhance the
5 safety of pedestrians, people with disabilities, bicyclists, transit-riders and motorists by
6 repaving streets, replacing sidewalks, stairways, bridges, tunnels and related street
7 structures, installing curb ramps, and by constructing, rehabilitating and renovating traffic
8 infrastructure, as well as by constructing and installing safety improvements to redesign and
9 modernize street corridors (collectively, the "Project"); and,

10 WHEREAS, The Bond is recommended by the City's 10-year capital plan, which is
11 approved each year by the Mayor of the City and the Board of Supervisors of the City (the
12 "Board"); and,

13 WHEREAS, The Board recognizes the need to enhance and improve public safety for
14 pedestrians, cyclists, motorists, people with disabilities and transit-riders and to provide stable
15 and reliable funding for road, traffic, sidewalk and street infrastructure; now, therefore, be it

16 RESOLVED, By the Board:

17 Section 1. The Board determines and declares that the public interest and necessity
18 demand the repavement of streets, the replacement of sidewalks, stairways, bridges, tunnels
19 and related street structures, the installation of curb ramps, the construction, rehabilitation and
20 renovation of traffic infrastructure, as well as the construction and installation of safety
21 improvements to redesign and modernize street corridors, and the payment of related costs
22 necessary or convenient for the foregoing purposes.

23 Section 2. The estimated cost of \$248,000,000 of the Bond is and will be too great to
24 be paid out of the ordinary annual income and revenue of the City, will require an expenditure
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1 greater than the amount allowed by the annual tax levy, and will require the incurrence of
2 bonded indebtedness in an amount not to exceed \$248,000,000.

3 Section 3. The Board, having reviewed the proposed legislation, finds and declares for
4 the reasons set forth in the letter from the City Planning Department, dated May 19, 2011, a
5 copy of which is on file with the Clerk of the Board in File No. 110655 and incorporated by
6 reference, that the Bond proposal is not subject to the California Environmental Quality Act
7 ("CEQA") because as the establishment of a government financing mechanism that does not
8 identify individual specific projects to be constructed with the funds it is not a project as
9 defined by CEQA and the CEQA Guidelines. The use of Bond proceeds to finance any
10 project or portion of any project will be subject to approval of the Board upon completion of
11 planning and any further required environmental review under CEQA for those individual
12 projects.

13 Section 4. The Board finds and declares that the proposed Bond is (i) in conformity
14 with the priority policies of Section 101.1(b) of the San Francisco Planning Code, (ii) in
15 accordance with Section 4.105 of the San Francisco Charter and Section 2A.53(f) of the
16 San Francisco Administrative Code, and (iii) consistent with the City's General Plan, and
17 adopts the findings of the City Planning Department, as set forth in the General Plan Referral
18 Report dated May 20, 2011, a copy of which is on file with the Clerk of the Board in File
19 No. 110655 and incorporates such findings by reference.

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

22 Section 6. Under Section 2.40 of the San Francisco Administrative Code, the
23 ordinance submitting this proposal to the voters shall contain a provision authorizing landlords
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1 to pass-through fifty percent (50%) of the resulting property tax increases to residential
2 tenants in accordance with Chapter 37 of the San Francisco Administrative Code.

3 Section 7. The City hereby declares its official intent to reimburse prior expenditures of
4 the City incurred or expected to be incurred prior to the issuance and sale of any series of
5 bonds in connection with the Project (collectively, the "Series 2012 Bonds"). The Board
6 hereby declares the City's intent to reimburse the City with the proceeds of the Series 2012
7 Bonds for the expenditures with respect to the Project (the "Expenditures" and each, an
8 "Expenditure") made on and after that date that is no more than 60 days prior to adoption of
9 this Resolution. The City reasonably expects on the date hereof that it will reimburse the
10 Expenditures with the proceeds of the Series 2012 Bonds.

11 Each Expenditure was and will be either (a) of a type properly chargeable to a
12 capital account under general federal income tax principles (determined in each case as of
13 the date of the Expenditure), (b) a cost of issuance with respect to the Series 2012 Bonds, (c)
14 a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a
15 party that is not related to or an agent of the City so long as such grant does not impose any
16 obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the
17 City. The maximum aggregate principal amount of the Series 2012 Bonds expected to be
18 issued for the Project is \$248,000,000. The City shall make a reimbursement allocation,
19 which is a written allocation by the City that evidences the City's use of proceeds of the
20 applicable Series of 2012 Bonds to reimburse an Expenditure, no later than 18 months after
21 the later of the date on which the Expenditure is paid or the Project is placed in service or
22 abandoned, but in no event more than three years after the date on which the Expenditure is
23 paid. The City recognizes that exceptions are available for certain "preliminary expenditures,"
24 costs of issuance, certain de minimis amounts, expenditures by "small issuers" (based on the
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1 year of issuance and not the year of expenditure) and expenditures for construction projects
2 of at least 5 years.

3 Section 8. Documents referenced in this resolution are on file with the Clerk of the
4 Board of Supervisors in File No. 110655, which is hereby declared to be a part of this
5 resolution as if set forth fully herein.

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7 APPROVED AS TO FORM:
8 DENNIS J. HERRERA
9 City Attorney

10 By: Kenneth David Roux
11 KENNETH DAVID ROUX
12 Deputy City Attorney

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City and County of San Francisco
Tails
Resolution

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

File Number: 110655

Date Passed: June 07, 2011

Resolution determining and declaring that the public interest and necessity demand the repaving and reconstruction of roads, the rehabilitation and seismic improvement of street structures, the replacement of sidewalks, the installation and renovation of curb ramps, the redesign of streetscapes to include pedestrian and bicycle safety improvements, and the construction, rehabilitation, and renovation of traffic infrastructure and the payment of related costs necessary or convenient for the foregoing purposes; finding that the estimated cost of \$248,000,000 for such improvements is and will be too great to be paid out of the ordinary annual income and revenue of the City and County of San Francisco and will require incurring bonded indebtedness; finding that the proposed bond is not a project under the California Environmental Quality Act (CEQA); finding the proposed bond is in conformity with the 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; providing for the City and County of San Francisco to declare its official intent to reimburse prior expenditures; and waiving the time limits set forth in Administrative Code Section 2.34.

May 26, 2011 Budget and Finance Committee - RECOMMENDED

June 07, 2011 Board of Supervisors - ADOPTED

Ayes: 9 - Avalos, Campos, Chiu, Chu, Cohen, Kim, Mar, Mirkarimi and Wiener
Noes: 2 - Elsbernd and Farrell

File No. 110655

I hereby certify that the foregoing Resolution was ADOPTED on 6/7/2011 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Edwin Lee

Date Approved