

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

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 San**
5 **Francisco voters a proposition to incur the following bonded debt of the City and**
6 **County: \$425,000,000 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, the Police Department's Forensic Services**
10 **Division, and other critical infrastructure and facilities for earthquake safety, the**
11 **construction, acquisition, and improvement of streetlights on public rights-of-way, and**
12 **related costs necessary or convenient for the foregoing purposes; authorizing**
13 **landlords to pass-through 50% of the resulting property tax increase to residential**
14 **tenants in accordance with Administrative Code, Chapter 37; finding that the estimated**
15 **cost of such proposed project is and will be too great to be paid out of the ordinary**
16 **annual income and revenue of the City and County, and will require expenditures**
17 **greater than the amount allowed therefor by the annual tax levy; reciting the estimated**
18 **cost of such proposed project; fixing the date of election and the manner of holding**
19 **such election and the procedure for voting for or against the proposition; fixing the**
20 **maximum rate of interest on such bonds and providing for the levy and collection of**
21 **taxes to pay both principal and interest; prescribing notice to be given of such**
22 **election; finding that a portion of the proposed bond is not a project under the**
23 **California Environmental Quality Act (CEQA), and adopting findings under CEQA for**
24 **the remaining portion of the proposed bond; finding that the proposed bond is in**
25 **conformity with the eight priority policies of Planning Code, Section 101.1(b), and is**

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

8 Note: Additions are *single-underline italics Times New Roman*;
9 deletions are *strikethrough italics Times New Roman*.

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

11
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. This Board also recognizes the need to rehabilitate streetlights on public rights-
17 of-way.

18 C. The Earthquake Safety, Emergency Response and Streetlights Bond (the
19 "Bond") will provide funding to construct, improve and rehabilitate streetlights and earthquake
20 safety and emergency responsiveness facilities and infrastructure (as described below in
21 Section 3).

22 D. This Board now wishes to describe the terms of a ballot measure seeking
23 approval for the issuance of general obligation bonds to finance all or a portion of the City's
24 earthquake safety and response needs as described below.
25

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

5 "SAN FRANCISCO EARTHQUAKE SAFETY, EMERGENCY RESPONSE AND
6 STREETLIGHTS BOND, 2014. \$425,000,000 of bonded indebtedness to improve fire,
7 earthquake and emergency response and to replace streetlights on public rights-of-way by:
8 improving and/or replacing deteriorating cisterns, pipes, and tunnels, and related facilities to
9 ensure firefighters a reliable water supply for fires and disasters; improving and/or replacing
10 neighborhood fire and police stations; replacing certain seismically-unsafe police and medical
11 examiner facilities with earthquake-safe buildings; improving and/or replacing deteriorating
12 streetlights on public rights-of-way; and to pay related costs, subject to independent citizen
13 oversight and regular audits; and authorizing landlords to pass-through to residential tenants
14 in units subject to Chapter 37 of the Administrative Code (the "Residential Stabilization and
15 Arbitration Ordinance") 50% of the increase in the real property taxes attributable to the cost
16 of the repayment of the bonds."

17 The special election called and ordered shall be referred to in this ordinance as the
18 "Bond Special Election."
19

20 Section 3. PROPOSED PROGRAM. All contracts that are funded with the proceeds of
21 bonds authorized hereby shall be subject to the provisions of Chapter 83 of the Administrative
22 Code (the "First Source Hiring Program"), which fosters construction and permanent
23 employment opportunities for qualified economically disadvantaged individuals. In addition,
24 all contracts that are funded with the proceeds of bonds authorized hereby also shall be
25 subject to the provisions of Chapter 14B of the Administrative Code (the "Local Business

1 Enterprise and Non-Discrimination in Contracting Ordinance"), which assists small and micro
2 local businesses to increase their ability to compete effectively for the award of City contracts.

3 The proposed program can be summarized as follows:

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

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

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

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

23 E. POLICE TRAFFIC COMPANY AND POLICE FORENSICS SERVICES
24 DIVISION FACILITIES. A portion of the Bond shall be allocated to design and construct a
25 seismically secure structure to house both the Police Department's Traffic Company and the

1 Police Department’s Forensic Services Division to enhance the police department’s Citywide
2 earthquake safety and emergency response capabilities (the “Traffic Company and Forensic
3 Services Division Facility”)

4 F. STREETLIGHTS ON PUBLIC RIGHTS-OF-WAY. A portion of the Bond shall be
5 allocated to upgrade, replace and/or increase roadway and sidewalk lighting along public
6 rights-of-way to improve visibility, public safety, and emergency response capabilities (the
7 “Streetlights Funding”).

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

10 The proposed uses and amounts described in this Section 3 are estimates only and,
11 with the exception of Section 3G above, are subject, without limitation, to review and revision
12 by the Mayor and the Board.

13 Section 4. BOND ACCOUNTABILITY MEASURES

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

15 A. OVERSIGHT. The proposed bond funds shall be subjected to approval
16 processes and rules described in the Charter and Administrative Code. Pursuant to
17 Administrative Code Section 5.31, the Citizen’s General Obligation Bond Oversight
18 Committee shall conduct an annual review of bond spending, and shall provide an annual
19 report of the bond program to the Mayor and the Board of Supervisors.

20 B. TRANSPARENCY. The City shall create and maintain a Web page outlining and
21 describing the bond program, progress, and activity updates. The City shall also hold periodic
22 public hearings and reviews on the bond program and its implementation before the Capital
23 Planning Committee, the Police and Fire Commissions, and the Citizen’s General Obligation
24 Bond Oversight Committee.

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

4 Resolution No. _____, \$425,000,000.

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

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

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

15
16 Section 6. The Bond Special Election shall be held and conducted and the votes
17 received and canvassed, and the returns made and the results ascertained, determined and
18 declared as provided in this ordinance and in all particulars not recited in this ordinance such
19 election shall be held according to the laws of the State of California (the "State") and the
20 Charter of the City (the "Charter") and any regulations adopted under State law or the Charter,
21 providing for and governing elections in the City, and the polls for such election shall be and
22 remain open during the time required by such laws and regulations.

23
24 Section 7. The Bond Special Election is consolidated with the General Election
25 scheduled to be held in the City on Tuesday, June 3, 2014. The voting precincts, polling

1 places and officers of election for the June 3, 2014 General Election are hereby adopted,
2 established, designated and named, respectively, as the voting precincts, polling places and
3 officers of election for the Bond Special Election called, and reference is made to the notice of
4 election setting forth the voting precincts, polling places and officers of election for the June 3,
5 2014 General Election by the Director of Elections to be published in the official newspaper of
6 the City on the date required under the laws of the State of California.

7

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

13 "SAN FRANCISCO EARTHQUAKE SAFETY, EMERGENCY RESPONSE AND
14 STREETLIGHTS BOND, 2014. To improve fire, earthquake and emergency response and to
15 replace streetlights on public rights-of-way by: improving and/or replacing deteriorating
16 cisterns, pipes, and tunnels, and related facilities to ensure firefighters a reliable water supply
17 for fires and disasters; improving and/or replacing neighborhood fire and police stations;
18 replacing certain seismically-unsafe police and medical examiner facilities with earthquake-
19 safe buildings; improving and/or replacing deteriorating streetlights on public rights-of-way and
20 to pay related costs, shall the City and County of San Francisco issue \$425,000,000 in
21 general obligation bonds, subject to citizen oversight and regular audits?"

22 Each voter to vote in favor of the issuance of the foregoing bond proposition shall mark
23 the ballot in the location corresponding to a "YES" vote for the proposition, and to vote against
24 the proposition shall mark the ballot in the location corresponding to a "NO" vote for the
25 proposition.

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

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

9
10 Section 10. For the purpose of paying the principal and interest on the bonds, the
11 Board shall, at the time of fixing the general tax levy and in the manner for such general tax
12 levy provided, levy and collect annually each year until such bonds are paid, or until there is a
13 sum in the Treasury of said City, or other account held on behalf of the Treasurer of said City,
14 set apart for that purpose to meet all sums coming due for the principal and interest on the
15 bonds, a tax sufficient to pay the annual interest on such bonds as the same becomes due
16 and also such part of the principal thereof as shall become due before the proceeds of a tax
17 levied at the time for making the next general tax levy can be made available for the payment
18 of such principal.

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20 Section 11. This ordinance shall be published in accordance with any State law
21 requirements, and such publication shall constitute notice of the Bond Special Election and no
22 other notice of the Bond Special Election hereby called need be given.

23
24 Section 12. The Board, having reviewed the proposed legislation, makes the following
25 findings in compliance with the California Environmental Quality Act ("CEQA"), California

1 Public Resources Code Sections 21000 et seq., the CEQA Guidelines, 14 California Code of
2 Regulations Sections 15000 et seq., ("CEQA Guidelines"), and Administrative Code Chapter
3 31 ("Chapter 31"):

4 (i) Emergency Firefighting Water System (EFWS) Project. For the reasons set
5 forth in the letter from the Environmental Review Officer of the Planning Department, dated
6 November 25, 2013, a copy of which is on file with the Clerk of the Board in File No. 140059
7 and incorporated by reference, the Board finds that the bond proposal as it relates to funds for
8 the EFWS Project is not subject to CEQA because as the establishment of a government
9 financing mechanism that does not involve any commitment to specific projects to be
10 constructed with the funds, it is not a project as defined by CEQA and the CEQA Guidelines.
11 The use of bond proceeds to finance any project or portion of any project with funds for the
12 EFWS Project portion of the Bond will be subject to approval of the Board upon completion of
13 planning and any further required environmental review under CEQA for the individual EFWS
14 projects.

15 (ii) Critical Firefighting Facilities and Infrastructure. For the reasons set forth in the
16 letter from the Environmental Review Officer of the Planning Department, dated November
17 25, 2013, a copy of which is on file with the Clerk of the Board in File No. 140059 and
18 incorporated by reference, the Board finds that the bond proposal as it relates to funds for
19 Critical Firefighting Facilities and Infrastructure is not subject to CEQA because as the
20 establishment of a government financing mechanism that does not involve any commitment to
21 specific projects to be constructed with the funds, it is not a project as defined by CEQA and
22 the CEQA Guidelines. The use of bond proceeds to finance any project or portion of any
23 project with funds for the Critical Firefighting Facilities and Infrastructure portion of the Bond
24 will be subject to approval of the Board upon completion of planning and any further required
25

1 environmental review under CEQA for the individual Critical Firefighting Facilities and
2 Infrastructure projects.

3 (iii) Police Facilities and Infrastructure. For the reasons set forth in the letter from
4 the Environmental Review Officer of the Planning Department, dated November 25, 2013, a
5 copy of which is on file with the Clerk of the Board in File No. 140059 and incorporated by
6 reference, the Board finds that the bond proposal as it relates to funds for Police Facilities and
7 Infrastructure is not subject to CEQA because as the establishment of a government financing
8 mechanism that does not involve any commitment to specific projects to be constructed with
9 the funds, it is not a project as defined by CEQA and the CEQA Guidelines. The use of bond
10 proceeds to finance any project or portion of any project with funds for the Police Facilities
11 and Infrastructure portion of the Bond will be subject to approval of the Board upon completion
12 of planning and any further required environmental review under CEQA for the individual
13 Police Facilities and Infrastructure projects.

14 (iv) Medical Examiner Facility. The Environmental Review Officer in the Planning
15 Department determined that the Medical Examiner Facility project is exempt from
16 environmental review as a Class 32 Categorical Exemption, infill development, in a written
17 determination dated May 30, 2013 and contained in Planning Department File No.
18 2012.1172E and this Board's File No. 140059.

19 (v) Traffic Company and Forensic Services Division Facility. On November 18,
20 2013, the Planning Department issued a Final Mitigated Negative Declaration ("FMND") for
21 the Traffic Company and Forensic Services Division Facility project, San Francisco Planning
22 Department Case No. 2013.0342E, which is on file with the Clerk of the Board in File No.
23 140059 and which is incorporated into this ordinance by this reference. In issuing the FMND
24 the Planning Department determined that the Traffic Company and Forensic Services Division
25 Facility project could not have a significant effect on the environment.

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

4 (b) The Board has reviewed and considered the information contained in the FMND
5 and all information pertaining to the Traffic Company and Forensic Services Division Facility
6 project in the Department's case file and all documents referenced in this ordinance are either
7 on file with the Clerk of the Board in File No. 140059 or may be found in the files of the
8 Planning Department, as the custodian of records, at 1660 Mission Street in San Francisco.

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

13 (d) In accordance with CEQA, the Board has considered the mitigation measures
14 described in the FMND and hereby requires the mitigation measures and the mitigation
15 monitoring and reporting program ("MMRP") denoted as Exhibit A to this ordinance and on file
16 with the Clerk of the Board in File No. 140059 to be imposed as conditions on the
17 implementation of the Traffic Company and Forensic Services Division Facility project
18 approved by this ordinance.

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

24 (f) Based upon the whole record for the FMND, including all written materials and
25 any oral testimony received by the Board, the Board hereby finds that the FMND reflects the

1 independent judgment and analysis of the Planning Department and the Board, is adequate
2 and complete and there is no substantial evidence that the proposed Traffic Company and
3 Forensic Services Division Facility project, given the implementation of the mitigation
4 measures as stated in the FMND and the adoption of the MMRP, could have a significant
5 effect on the environment as shown in the analysis of the FMND. The Board hereby adopts
6 the FMND and the MMRP on file with the Clerk of the Board as Exhibit A to this ordinance.

7 (vi) Streetlights Funding. For the reasons set forth in the communication from the
8 Environmental Review Officer of the Planning Department, dated January 29, 2014, a copy of
9 which is on file with the Clerk of the Board in File No. 140059 and incorporated by reference,
10 the Board finds that the bond proposal as it relates to funds for the Streetlights Funding is not
11 subject to CEQA because as the establishment of a government financing mechanism that
12 does not involve any commitment to specific projects to be constructed with the funds, it is not
13 a project as defined by CEQA and the CEQA Guidelines. The use of bond proceeds to
14 finance any project or portion of any project with funds for the Streetlights Funding portion of
15 the Bond will be subject to approval of the Board upon completion of planning and any further
16 required environmental review under CEQA for the individual Streetlights Funding projects.

17
18 Section 13. The Board finds and declares that the proposed Bond is (i) in conformity
19 with the priority policies of Section 101.1(b) of the Planning Code, (ii) in accordance with
20 Section 4.105 of the Charter and Section 2A.53(f) of the Administrative Code, and (iii)
21 consistent with the City's General Plan, and adopts the findings of the Planning Department,
22 as set forth in the General Plan Referral Report dated November 26, 2013 and supplemented
23 January 29, 2014, a copy of which is on file with the Clerk of the Board in File No. 140059 and
24 incorporates such findings by reference.

1 Section 14. Under Section 53410 of the California Government Code, the bonds shall
2 be for the specific purpose authorized in this ordinance and the proceeds of such bonds will
3 be applied only for such specific purpose. The City will comply with the requirements of
4 Sections 53410(c) and 53410(d) of the California Government Code.

5
6 Section 15. The Bonds are subject to, and incorporate by reference, the applicable
7 provisions of Administrative Code Sections 5.30 – 5.36 (the "Citizens' General Obligation
8 Bond Oversight Committee"). Under Section 5.31 of the Citizens' General Obligation Bond
9 Oversight Committee, to the extent permitted by law, one-tenth of one percent (0.1%) of the
10 gross proceeds of the Bonds shall be deposited in a fund established by the Controller's
11 Office and appropriated by the Board of Supervisors at the direction of the Citizens' General
12 Obligation Bond Oversight Committee to cover the costs of such committee.

13
14 Section 16. The time requirements specified in Section 2.34 of the Administrative
15 Code are waived.

16
17 Section 17. The appropriate officers, employees, representatives and agents of the
18 City are hereby authorized and directed to do everything necessary or desirable to accomplish
19 the calling and holding of the Bond Special Election, and to otherwise carry out the provisions
20 of this ordinance.

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1 Section 18. Documents referenced in this ordinance are on file with the Clerk of the
2 Board of Supervisors in File No. 140059, which is hereby declared to be a part of this
3 ordinance as if set forth fully herein.

4 APPROVED AS TO FORM:
5 DENNIS J. HERRERA,
6 City Attorney

7 By: _____
8 Kenneth David Roux
9 Deputy City Attorney
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