

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

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

5
6 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
7 **Additions to Codes** are in *single-underline italics Times New Roman font*.
8 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
9 **Board amendment additions** are in double-underlined Arial font.
10 **Board amendment deletions** are in ~~strikethrough Arial font~~.
11 **Asterisks (* * * *)** indicate the omission of unchanged Code
12 subsections or parts of tables.

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

14 Section 1. The Board of Supervisors of the City and County of San Francisco hereby
15 finds, determines and declares [based on the record before it that]:

16 A. On July 15, 2014, this Board of Supervisors adopted Resolution No. 247-14
17 entitled "Resolution of Intention to establish City and County of San Francisco Community
18 Facilities District No. 2014-1 (Transbay Transit Center) and determining other matters in
19 connection therewith" (the "Resolution of Intention"), which Resolution of Intention was signed
20 by the Mayor on July 25, 2014, stating its intention to form (i) the "City and County of San
21 Francisco Community Facilities District No. 2014-1 (Transbay Transit Center)" (the "CFD")
22 and (ii) a "City and County of San Francisco Community Facilities District No. 2014-1
23 (Transbay Transit Center) (Future Annexation Area)" (the "Future Annexation Area"), pursuant
24 to the Mello-Roos Community Facilities Act of 1982, as amended, constituting Chapter 2.5 of
25 Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government
Code (the "Mello-Roos Act").

1 B. On July 15, 2014, this Board of Supervisors also adopted Resolution No. 246-14
2 entitled "Resolution of intention to incur bonded indebtedness in an amount not to exceed
3 \$1,400,000,000 for the City and County of San Francisco Community Facilities District No.
4 2014-1 (Transbay Transit Center) and other matters related thereto" (the "Resolution of
5 Intention to Incur Indebtedness"), which Resolution of Intention to Incur Indebtedness was
6 signed by the Mayor on July 25, 2014, stating its intention to incur bonded indebtedness and
7 other debt (as defined in the Mello-Roos Act) within the boundaries of the CFD for the
8 purpose of financing the costs of certain facilities specified in the Resolution of Intention.

9 C. Notice was published as required by the Mello-Roos Act of the intention of this
10 Board of Supervisors to form the CFD and the Future Annexation Area, to levy a special tax to
11 provide for certain facilities and to incur bonded indebtedness and other debt for the CFD in
12 an amount not to exceed \$1,400,000,000.

13 D. This Board of Supervisors held noticed public hearings as required by the Mello-
14 Roos Act.

15 E. At said hearings all persons desiring to be heard on all matters pertaining to the
16 formation of the CFD and the Future Annexation Area, the levy of said special taxes and the
17 incurrence of bonded indebtedness and other debt were heard, substantial evidence was
18 presented and considered by this Board of Supervisors and full and fair hearings were held.

19 F. Subsequent to the hearings, this Board of Supervisors adopted resolutions
20 entitled "Resolution of formation of City and County of San Francisco Community Facilities
21 District No. 2014-1 (Transbay Transit Center) and determining other matters in connection
22 therewith" (Resolution No. 350-14) (the "Resolution of Formation"), "Resolution determining
23 the necessity to incur bonded indebtedness for City and County of San Francisco Community
24 Facilities District No. 2014-1 (Transbay Transit Center) and determining other matters in
25 connection therewith" (Resolution No. 351-14) (the "Resolution of Necessity") and "Resolution

1 calling special election in City and County of San Francisco Community Facilities District No.
2 2014-1 (Transbay Transit Center)" (Resolution No. 352-14), which resolutions defined the
3 public facilities to be financed by the CFD (the "Facilities"), established the CFD, authorized
4 the levy of a special tax with the CFD; determined the necessity to incur bonded indebtedness
5 and other debt in the CFD and called an election within the CFD on the propositions of
6 incurring indebtedness, levying a special tax, and establishing an appropriations limit within
7 the CFD, respectively.

8 G. On December 29, 2014, a special election was held within the CFD at which the
9 qualified electors approved such propositions by the two-thirds vote required by the Mello-
10 Roos Act.

11 Section 2. This Board of Supervisors hereby authorizes and levies special taxes
12 within the CFD pursuant to the Mello-Roos Act, at the rate and in accordance with the formula
13 (the "Rate and Method") set forth in the Resolution of Formation, which Resolution of
14 Formation is by this reference incorporated herein. The special taxes are hereby levied
15 commencing in fiscal year 2015-16 and in each fiscal year thereafter until payment in full of
16 any bonds or other debt (as defined in the Mello-Roos Act) issued by the City for the CFD (the
17 "Bonds") or such longer period provided in the Rate and Method, as contemplated by the
18 Resolution of Formation and the Resolution of Necessity, and all costs of administering the
19 CFD.

20 Section 3. The Director of the Office of Public Finance of the City is hereby
21 authorized and directed each fiscal year to determine the specific special tax rate and amount
22 to be levied for the next ensuing fiscal year for each parcel of real property within the CFD, in
23 the manner and as provided in the Resolution of Formation.

24 Section 4. In no event shall the special taxes be levied on any parcel within the CFD
25 in excess of the maximum tax specified in the Resolution of Formation.

1 Section 5. All of the collections of the special tax shall be used as provided for in the
2 Mello-Roos Act and in the Resolution of Formation including, but not limited to, the payment of
3 principal and interest on the Bonds, the replenishment of the reserve fund for the Bonds, the
4 payment of the costs of the Facilities, the payment of the costs of the City in administering the
5 CFD, and the costs of collecting and administering the special tax.

6 Section 6. The special taxes shall be collected in the same manner as ordinary ad
7 valorem taxes are collected and shall have the same lien priority, and be subject to the same
8 penalties and the same procedure and sale in cases of delinquency as provided for ad
9 valorem taxes; provided, however, that this Board of Supervisors may provide for other
10 appropriate methods of collection by resolutions of this Board of Supervisors. In addition, the
11 provisions of Section 53356.1 of the Mello-Roos Act shall apply to delinquent special tax
12 payments. The Director of the Office of Public Finance of the City is hereby authorized and
13 directed to provide all necessary information to the Treasurer & Tax Collector of the City and
14 County of San Francisco in order to effect proper billing and collection of the special tax, so
15 that the special tax shall be included on the secured property tax roll of the City and County of
16 San Francisco for fiscal year 2015-16 and for each fiscal year thereafter until the Bonds and
17 all costs of administering the CFD are paid in full or such longer period of time provided in the
18 Rate and Method.

19 Section 7. As permitted by the Mello-Roos Act, the provisions of this Ordinance shall
20 apply not only to the initial territory included in the CFD but also to parcels included in the
21 Future Annexation Area that are annexed to the CFD at the rate or rates to be approved
22 unanimously by the owner or owners of each parcel or parcels to be annexed to the CFD .

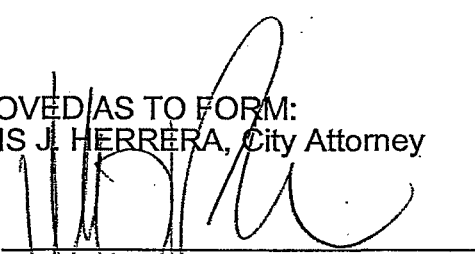
23 Section 8. If for any reason any portion of this Ordinance is found to be invalid, or if
24 the special tax is found inapplicable to any particular parcel within the CFD, by a court of

1 competent jurisdiction, the balance of this Ordinance and the application of the special tax to
2 the remaining parcels within the CFD shall not be affected.

3 Section 9. This ordinance shall become effective 30 days after enactment.
4 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance
5 unsigned or does not sign the ordinance within 10 days of receiving it, or the Board of
6 Supervisors overrides the Mayor's veto of the ordinance.

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

10 By:


11 Mark D. Blake
Deputy City Attorney

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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.

FILE NO. 141145

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.

OFFICE OF THE MAYOR
SAN FRANCISCO



EDWIN M. LEE
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: *[Signature]* Mayor Edwin M. Lee *[Signature]*
RE: Ordinance Levying Taxes
DATE: November 4, 2014

Attached for introduction to the Board of Supervisors is an Ordinance levying special taxes within City and County of San Francisco Community Facilities District No. 2014-1 (Transbay Transit Center)

Please note this item is co-sponsored by Supervisor Kim.

I request that this be calendared in Budget and Finance Committee on December 10th.

Should you have any questions, please contact Nicole Wheaton (415) 554-7940.

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