

1 [Lease Revenue Bond Election]

2 **Resolution calling and providing for a Special Election to be held in the City and**  
3 **County of San Francisco for the purpose of submitting to the qualified voters of said**  
4 **City and County on November 4, 2004 a proposition for the issuance of lease revenue**  
5 **bonds, notes and/or other forms of lease financing by the City and County of San**  
6 **Francisco (or one of its agencies, departments or enterprises) in a principal amount not**  
7 **to exceed \$250,000,000 to finance the acquisition, construction, rehabilitation,**  
8 **installation and/or improvement of solar energy facilities and equipment, energy**  
9 **conservation facilities and equipment and/or renewable energy facilities and equipment**  
10 **and other efficiency measures; consolidating said Special Election with the General**  
11 **Municipal Election to be held on November 4, 2004; and finding the proposed project is**  
12 **in conformity with the priority of Planning Code Section 101.1 (b) and the City's General**  
13 **Plan.**

14 WHEREAS, The Board of Supervisors (the "Board") of the City and County of  
15 San Francisco (the "City") is authorized to provide for the issuance of lease revenue bonds  
16 subject to the lease financing voter approval requirements of Section 9.108 of the City  
17 Charter; and,

18 WHEREAS, The City has a public mandate and an urgent public health and  
19 environmental justice-based need to facilitate the rapid and large-scale development of  
20 renewable energy and conservation resources within the jurisdiction of the City as part of a  
21 plan to retire old, inefficient and highly polluting fossil-fueled electricity generation plants  
22 currently located within the City, as well as social, ecological and economic need for stable  
23 electricity prices, reliability, reasonable electricity rates and sustainability; and,

1           WHEREAS, In March 2002, the Board of Supervisors adopted Resolution 158-02  
2 directing the City to set a greenhouse gas emissions reduction target of 20% below 1990  
3 levels to be attained by the year 2012; and

4           WHEREAS, In December 2002, the City adopted an Electricity Resource Plan calling  
5 for, among other things, the development by the year 2012 of 104 megawatts of load  
6 reduction through electricity load management and efficiency measures, 31 megawatts of in-  
7 City solar energy, 72 megawatts of small-scale distributed generation such as fuel cells in the  
8 City and 150 megawatts of new wind energy imports, as well as new natural gas powered  
9 generation needed to close over 420 megawatts of power generating facilities at Bayview  
10 Hunter's Point and Potrero power stations; and

11           WHEREAS, Solar energy facilities and equipment, energy conservation facilities and  
12 equipment and/or renewable energy facilities and equipment and other efficiency measures  
13 provide viable means to produce clean and reliable energy resources for various agencies,  
14 departments and enterprises of the City; and,

15           WHEREAS, Energy conservation measures have rapid payoff periods and produce  
16 significant net energy cost savings to agencies, departments, and enterprises of the City; and,

17           WHEREAS, Rising natural gas and electricity costs to the City are making energy  
18 conservation and solar power production more compelling and economically viable; and,

19           WHEREAS, The acquisition and/or use by the City of solar energy facilities and  
20 equipment, energy conservation facilities and equipment and/or renewable energy facilities  
21 can help remove price barriers for such emerging clean energy technologies; and,

22           WHEREAS, Solar energy technology allows electricity to be generated at the source  
23 where it is consumed and can provide increased energy independence with no fuel required,  
24 low maintenance costs, excellent peak power capacity, and diminishes the vulnerability of City  
25 facilities where it is installed from rolling blackouts or other failures of the electric grid; and,

1           WHEREAS, Solar energy offers a clean, **reliable, and stable** source of energy and  
2 produces energy during peak demand; and,

3           WHEREAS, Solar facilities and equipment and energy conservation equipment can  
4 promote public health by preventing airborne emissions and thermal pollution associated with  
5 traditional electricity generation; and,

6           WHEREAS, Since July, 2000 California has lost 290,100 manufacturing jobs, or 15.6%;  
7 and,

8           WHEREAS, In 2003 California maintained a 6.7% unemployment rate, or 8th in the  
9 United States; and,

10          WHEREAS, Manufacturing solar energy equipment and energy conservation  
11 equipment can create high skill, high wage jobs that support the local tax base; and,

12          WHEREAS, High-quality jobs in are needed in San Francisco's low-income  
13 neighborhoods, particularly in communities of color; and,

14          WHEREAS, Solar technologies and energy efficiency provide more jobs than fossil fuel  
15 electricity generation; and,

16          WHEREAS, Fostering demand for clean energy technology can attract businesses and  
17 broaden economic diversity in the City; and,

18          WHEREAS, Funding preference shall be given to those projects that produce  
19 the most local economic benefit. In evaluating local economic benefit, the Board shall  
20 consider projects employing companies that provide workforce training, prevailing  
21 wages, certified builders and installers, locally manufactured solar and energy  
22 efficiency equipment, or any other factors that significantly enhance the existing  
23 technical workforce; and,

24          WHEREAS, This Board finds that it is desirable to finance the acquisition, construction,  
25 rehabilitation, installation and/or improvement of solar energy facilities and equipment, energy

1 conservation facilities and equipment and/or renewable energy facilities and equipment for  
2 various agencies, departments and/or enterprises of the City; and,

3 WHEREAS, It is the intent of this Board to protect the City from price volatility in energy  
4 markets and to provide for diversity in sources and fuels used to provide electricity while  
5 providing predictable City energy budgets; and,

6 WHEREAS, This Board hereby finds and determines that it is in the best interests of  
7 the City to submit to the qualified voters of the City, at an election to be held for that purpose  
8 on November 4, 2004, the proposition for the execution of lease financing agreements  
9 including the issuance of revenue bonds, notes and/or other forms of lease financing by the  
10 City (or one of its agencies, departments or enterprises) in the principal amount not to exceed  
11 \$250,000,000 (collectively referred to herein as the "Bonds"), to finance the acquisition,  
12 construction, rehabilitation, installation and/or improvement of solar energy facilities and  
13 equipment, energy conservation facilities and equipment and/or renewable energy facilities  
14 and equipment for various agencies, departments and/or enterprises of the City; now,  
15 therefore, be it

16 RESOLVED by the Board of Supervisors of the City and County of San Francisco, as  
17 follows:

18 Section 1. A special election is hereby called and ordered to be held in the City on  
19 Tuesday, November 4, 2004, at which election there shall be submitted to the qualified voters  
20 of the City the following proposition:

21 SOLAR ENERGY FACILITIES AND EQUIPMENT, ENERGY CONSERVATION  
22 FACILITIES AND EQUIPMENT AND/OR RENEWABLE ENERGY FACILITIES  
23 AND EQUIPMENT LEASE REVENUE BONDS. Shall the City and County of  
24 San Francisco issue lease revenue bonds and/or other forms of lease financing  
25 in a principal not exceeding \$250,000,000, to finance the acquisition,

1 construction, rehabilitation, installation and/or improvement of solar energy  
2 facilities and equipment, energy conservation facilities and equipment and/or  
3 renewable energy facilities and equipment?

4 Section 2. The Board hereby finds and determines that the acquisition,  
5 construction, rehabilitation, installation and/or improvement of solar energy facilities  
6 and equipment, energy conservation facilities and equipment and/or renewable energy  
7 facilities and equipment is necessary and desirable to enable the City to exercise its  
8 municipal powers and functions, namely, to produce renewable energy facilities, to  
9 conserve energy, and to provide a reliable source of energy for any present or future  
10 beneficial use of the City. The purpose for which the proposed Bonds will be issued is  
11 to finance the acquisition, construction, rehabilitation, installation and/or improvement  
12 of solar energy facilities and equipment, energy conservation facilities and equipment  
13 and/or renewable energy facilities and equipment for agencies, departments and/or  
14 enterprises of the City, including, without limitation, to finance capitalized interest on  
15 the Bonds and any other expenses incidental thereto or connected therewith. The  
16 estimated cost of the facilities and/or equipment is \$250,000,000. Said estimated costs  
17 includes all costs and expenses incidental thereto or connected therewith, including  
18 engineering, inspection, legal and fiscal agent fees and costs of the issuance of the  
19 Bonds. The maximum principal amount of the proposed Bonds is \$250,000,000.

20 Section 3. In order to return true value to the community and local economy  
21 when considering proposed spending of the Bonds the City will favorably consider  
22 projects in compliance with State and local labor laws, with ties to State-approved  
23 apprenticeship programs, in coordination with community-based job preparation  
24 training programs. Funding preference by the City shall be given to those projects that  
25 produce the most local economic benefit. In evaluating local economic benefit, the

1 Board shall consider projects employing companies that provide workforce training,  
2 prevailing wages, certified builders and installers, locally manufactured solar and  
3 energy efficiency equipment, or any other factors that significantly enhance the existing  
4 technical workforce. A State of California C-10 electrical contractor's license for solar  
5 PV installations shall be required. In addition, all vendors shall demonstrate a solid  
6 track record of installing solar energy facilities and equipment, energy conservation  
7 facilities and equipment and/or renewable energy facilities and equipment systems of  
8 specific size. Those projects with the highest benefit shall be given priority access to  
9 proceeds of any Bond issue, subject to the consent of those City departments,  
10 agencies and/or enterprises that own or control the facilities or lands on which the  
11 improvements and/or facilities are proposed to be sited; and,

12 Section 4. The Board hereby submits to the qualified voters of the City at such Special  
13 Election the proposition set forth in Section 1 of this Resolution, and designates and refers to  
14 such proposition in the form of ballot hereinafter prescribed for use at said election. The  
15 Special Election hereby called and ordered to be held shall be held and conducted and the  
16 votes thereat received and canvassed, and the returns thereof made and the results thereof  
17 ascertained, determined and declared as herein provided, and in all particulars not herein  
18 recited said election shall be held and the votes canvassed according to the applicable laws of  
19 the State of California and the Charter of the City and any regulations adopted pursuant  
20 thereto, providing for and governing elections in the City, and the polls for such election shall  
21 be and remain open during the time required by said laws and regulations.

22 Section 5. The Special Election hereby called shall be and hereby is consolidated with  
23 the General Election of the City to be held Tuesday, November 4, 2004, and the voting  
24 precincts, polling places and officers of election for said General Election are hereby adopted,  
25 established, designated and named, respectively, as the voting precincts, polling places and

1 officers of elections for such special election hereby called. The ballots to be used at the  
2 special election shall be the ballots to be used at the General Election.

3 Section 6. In addition to any other matter required by law to be printed on the ballots,  
4 there shall appear thereon the proposition set forth in Section 1 of this Resolution.

5 Each voter to vote for the proposition hereby submitted and in favor of the issuance of  
6 the Bonds shall mark the ballot card in the location corresponding to a "YES" vote for the  
7 proposition, and to vote against the proposition and against the issuance of the Bonds shall  
8 mark the ballot card in the location corresponding to a "NO" vote for the proposition.

9 On absentee voter ballots, the voter to vote for the proposition and in favor of the  
10 issuance of the Bonds shall mark the ballot card in the location corresponding to a "YES" vote  
11 for the proposition, and to vote against said proposition and against the issuance of the Bonds  
12 shall mark the ballot card in the location corresponding to a "NO" vote for the proposition.

13 Section 7. If at such Special Election it shall appear that a majority of all the voters  
14 voting on the proposition voted in favor of and approve the issuance of the Bonds for the  
15 purposes set forth in this Resolution, then such proposition shall have been authorized by the  
16 electors, and the Bonds may be issued and sold for the purpose set forth in this Resolution.  
17 The rate of interest on such bonds shall not exceed 12% per annum, may be fixed or variable,  
18 and shall be payable at such times and in such manner as the Commission shall hereafter  
19 determine.

20 Section 8. The Bonds, if authorized, shall be special, limited obligations of the City,  
21 payable exclusively from and secured by a lien on lease payments from the improvements  
22 and facilities financed by the Bonds and such other funds as may be legally available and  
23 pledged for such purpose. The Bonds shall not be secured by the taxing power of the City,  
24 and shall be issued under Section 9.108 of the Charter of the City and any state law or any  
25 procedure provided for by ordinance. The principal of and interest on the Bonds and any

1 premiums upon the redemption thereof shall not constitute or evidence a debt of the City, nor  
2 a legal or equitable pledge, charge, lien or encumbrance upon any of its property, or upon any  
3 of its income, receipts or revenues, except the revenues of the improvements and facilities  
4 financed by the Bonds and such other funds as may be legally available and pledged for such  
5 purpose.

6 Section 9. This Resolution shall be published in accordance with any state law  
7 requirements, and such publication shall constitute notice of said election and no other notice  
8 of the election hereby called need be given.

9 Section 10. The appropriate officers, employees, agents and representatives of the  
10 City are hereby authorized and directed to do everything necessary or desirable to the calling  
11 and holding of said Special Election, and to otherwise carry out the provisions of this  
12 Resolution.

13 Section 11. PROPOSITION M FINDINGS. The Board of Supervisors having reviewed  
14 the proposed legislation, finds and declares that the proposed Bond Special Election is in  
15 conformity with the priority policies of Section 101.1(b) of the City Planning Code and with the  
16 City's General Plan, and hereby adopts the findings of the City Planning Department, as set  
17 forth in the General Plan Referral.

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19 APPROVED AS TO FORM:

20 DENNIS J. HERRERA, City Attorney

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22 By:

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MARK D. BLAKE  
Deputy City Attorney

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