

**REVISED LEGISLATIVE DIGEST**  
(Amended in Committee, 6/6/2019)

[General Obligation Bond Election - Earthquake Safety and Emergency Response - Not to Exceed \$628,500,000]

**Ordinance calling and providing for a special election to be held in the City and County of San Francisco on Tuesday, March 3, 2020, for the purpose of submitting to San Francisco voters a proposition to incur the following bonded debt of the City and County: \$628,500,000 to finance the construction, acquisition, improvement, renovation, and seismic retrofitting of the Emergency Firefighting Water System, firefighting facilities and infrastructure, police facilities and infrastructure, facilities for the Department of Emergency Management's 911 Call Center, and other disaster response facilities and infrastructure for earthquake and public safety and related costs necessary or convenient for the foregoing purposes; authorizing landlords to pass-through 50% of the resulting property tax increase to residential tenants in accordance with Administrative Code, Chapter 37; finding that the estimated cost of such proposed project is and will be too great to be paid out of the ordinary annual income and revenue of the City and County and will require expenditures greater than the amount allowed therefor by the annual tax levy; reciting the estimated cost of such proposed project; fixing the date of election and the manner of holding such election and the procedure for voting for or against the proposition; fixing the maximum rate of interest on such bonds and providing for the levy and collection of taxes to pay both principal and interest; prescribing notice to be given of such election; finding that a portion of the proposed bond is not a project under the California Environmental Quality Act (CEQA) and adopting findings under CEQA for the remaining portion of the proposed bond; finding that the proposed bond is in conformity with the eight priority policies of Planning Code, Section 101.1(b), and is consistent with the General Plan; consolidating the special election with the general election; establishing the election precincts, voting places, and officers for the election; waiving the word limitation on ballot propositions imposed by Municipal Elections Code, Section 510; complying with the restrictions on the use of bond proceeds specified in California Government Code, Section 53410; incorporating the provisions of Administrative Code, Sections 5.30-5.36; and waiving the time requirements specified in Administrative Code, Section 2.34.**

Existing Law

General Obligation Bonds of the City and County of San Francisco may be issued only with the assent of two-thirds of the voters voting on the proposition.

Ballot Proposition

This ordinance authorizes the following ballot proposition to be placed on the March 3, 2020 ballot:

"SAN FRANCISCO EARTHQUAKE SAFETY AND EMERGENCY RESPONSE BOND, 2020. To improve fire, earthquake and emergency response by improving, constructing, and/or replacing: deteriorating cisterns, pipes, and tunnels, and related facilities to ensure firefighters a reliable water supply for fires and disasters; neighborhood fire and police stations and supporting facilities; the City's 911 Call Center; and other disaster response and public safety facilities, and to pay related costs, shall the City and County of San Francisco issue \$628,500,000 in general obligation bonds, with a duration up to 30 years from the time of issuance, an estimated average tax rate of \$0.015/\$100 of assessed property value, and projected average annual revenues of \$40,000,000, subject to citizen oversight and regular audits?"

The ordinance fixes the maximum rate of interest on the Bonds, and provides for a levy and collection of taxes to repay both the principal and interest on the Bonds. The ordinance also describes the manner in which the Bond Special Election will be held, and the ordinance provides for compliance with applicable state and local laws. The proposed ordinance includes accountability and transparency measures.

#### Background Information

A large magnitude earthquake would damage critical City and County of San Francisco (the "City") facilities and infrastructure, thereby compromising the capacity of first responders, including fire and police personnel, to respond effectively.

With adequate funding the City can (i) construct, acquire, improve, renovate, retrofit and complete and seismically upgrade the emergency firefighting water system (the "EFWS") and related facilities, including but not limited to cisterns, pipes and tunnels, and related facilities (collectively, the "EFWS Project"); (ii) construct, acquire, improve, renovate, retrofit and complete critical firefighting facilities and infrastructure for earthquake safety and emergency response including without limitation, neighborhood fire stations, a Fire Department training facility and related facilities (collectively, the "Firefighting Facilities and Infrastructure"); (iii) construct, acquire, improve, renovate, retrofit and complete police facilities and infrastructure for earthquake safety and emergency response including without limitation, neighborhood police stations and related facilities (collectively, the "Police Facilities and Infrastructure"); (iv) construct improve, renovate, retrofit and complete needed improvements to the City's 911 Call Center (the "911 Call Center"); and, (v) construct, acquire, improve, renovate, retrofit and complete critical disaster response facilities and infrastructure for greater earthquake safety and more effective emergency response (collectively, the "Disaster Response Facilities and Infrastructure").

The bond will provide funding for the EFWS, Firefighting Facilities and Infrastructure, Police Facilities and Infrastructure, the 911 Call Center, and Disaster Response Facilities and Infrastructure (all as further described in the ordinance).

The Board of Supervisors found that the amount of money specified for this project is and will be too great to be paid out of the ordinary annual income and revenue of the City, and will require expenditures greater than the amount allowed therefor by the annual tax levy.

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