

1 [General Obligation Bonds - Earthquake Safety and Emergency Response - Not to Exceed
2 \$535,000,000]

3 **Resolution determining and declaring that the public interest and necessity demand**
4 **the construction, acquisition, improvement, rehabilitation, expansion, renovation, and**
5 **seismic retrofitting of the Emergency Firefighting Water System, Firefighting Facilities**
6 **and Infrastructure, Police Facilities and Infrastructure, transportation facilities for the**
7 **Municipal Railway Bus Storage and Maintenance Facility at Potrero Yard, and other**
8 **Public Safety Facilities and Infrastructure for earthquake and public safety and related**
9 **costs necessary or convenient for the foregoing purposes (collectively, the “ESER**
10 **Facilities”); authorizing landlords to pass-through 50% of the resulting property tax**
11 **increase, if any, to residential tenants in accordance with Chapter 37 of the**
12 **Administrative Code; finding that the estimated cost of \$535,000,000 for the proposed**
13 **ESER Facilities is and will be too great to be paid out of the ordinary annual income**
14 **and revenue of the City and County and will require expenditures greater than the**
15 **amount allowed therefore by the annual tax levy; finding that portions of the bond**
16 **proposal are not a “project” under the California Environmental Quality Act (CEQA)**
17 **and adopting findings under CEQA for the remaining portion of the bond proposal;**
18 **finding that the proposed bond is in conformity and consistent with the General Plan,**
19 **and the eight priority policies of Planning Code, Section 101.1(b); and waiving the time**
20 **requirements specified in Section 2.34 of the Administrative Code.**

21
22 WHEREAS, Based on the 2014 Uniform California Rupture Forecast, the United States
23 Geological Survey (“U.S.G.S.”) estimates a 72% chance that one or more earthquakes of a
24 magnitude of 6.7 or larger will occur in the Bay Area before the year 2042; and
25

1 WHEREAS, The U.S.G.S. predicts that a large earthquake occurring today on the San
2 Andreas or Hayward Fault would likely cause hundreds of deaths and billions of dollars in
3 damage; and

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

7 WHEREAS, With adequate funding, the City can undertake to "harden" and make more
8 resilient critical infrastructure to mitigate the potential loss of life, damage, and the loss of
9 economic activity resulting from a large magnitude earthquake; and

10 WHEREAS, With adequate funding the City can renovate, seismically upgrade,
11 improve, and expand the emergency firefighting water system ("EFWS") and related facilities,
12 including but not limited to cisterns, pipes and tunnels, and related facilities (collectively, the
13 "EFWS Project"); and

14 WHEREAS, With adequate funding the City can construct, acquire, improve, renovate,
15 retrofit, and replace critical firefighting facilities and infrastructure for earthquake safety and
16 emergency response including without limitation, neighborhood fire stations and related
17 facilities (collectively, the "Firefighting Facilities and Infrastructure"); and

18 WHEREAS, With adequate funding the City can construct, acquire, improve, renovate,
19 retrofit, and replace police facilities and infrastructure for earthquake safety and emergency
20 response including without limitation, neighborhood police stations and related facilities
21 (collectively, the "Police Facilities and Infrastructure"); and

22 WHEREAS, With adequate funding the City can construct, acquire, or retrofit critical
23 transportation facilities and infrastructure, including replacing the existing Municipal Railway
24 ("Muni") Potrero Yard, a 110-year-old, bus storage and maintenance facility that is seismically
25 unsafe and outmoded, with a seismically resilient facility designed to store and maintain Muni

1 vehicles and support continued transit operations after a major earthquake (collectively, the
2 “Muni Bus Storage and Maintenance Facility at Potrero Yard”); and

3 WHEREAS, With adequate funding the City can repair, improve, renovate, or retrofit of
4 the City’s critical public safety facilities (collectively, the “Public Safety Facilities and
5 Infrastructure”); and

6 WHEREAS, The proposed Earthquake Safety and Emergency Response General
7 Obligation Bond ("Bond") will provide necessary funding for the EFWS Project, Firefighting
8 Facilities and Infrastructure, Police Facilities and Infrastructure, Muni Bus Storage and
9 Maintenance Facility at Potrero Yard, and Public Safety Facilities and Infrastructure; and

10 WHEREAS, The Board of Supervisors (“Board”) recognizes the need to safeguard and
11 enhance the City's earthquake and emergency response, resilience, and recovery by
12 improving, retrofitting, expanding, and rehabilitating critical facilities that support the City's first
13 responders, and maintain Muni service after a major seismic event; now, therefore, be it

14 RESOLVED, By the Board as follows:

15 Section 1. The Board determines and declares that the public interest and necessity
16 demand the construction, acquisition, improvement, renovation, completion, and seismic
17 retrofitting of the EFWS Project, Firefighting Facilities and Infrastructure, Police Facilities and
18 Infrastructure, Muni Bus Storage and Maintenance Facility at Potrero Yard, and Public Safety
19 Facilities and Infrastructure, and the payment of related costs necessary or convenient for the
20 foregoing purposes.

21 Section 2. The estimated cost of \$535,000,000 of the Bond is and will be too great to
22 be paid out of the ordinary annual income and revenue of the City, will require an expenditure
23 greater than the amount allowed by the annual tax levy, and will require the incurrence of
24 bonded indebtedness in an amount not to exceed \$535,000,000.

25 Section 3. The Board, having reviewed the proposed legislation, makes the following

1 findings in compliance with the California Environmental Quality Act ("CEQA"), California
2 Public Resources Code, Sections 21000 et seq., the CEQA Guidelines, 14 California Code of
3 Regulations Sections 15000 et seq. ("CEQA Guidelines"), and Administrative Code,
4 Chapter 31 ("Chapter 31"):

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

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

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

12 (iv) Muni Bus Storage and Maintenance Facility at Potrero Yard. The Muni Bus
13 Storage and Maintenance Facility at Potrero Yard refers to the “modified project” described in
14 the Memorandum to File for the Potrero Yard Modernization Project (2500 Mariposa Street),
15 Case No. 2019-021884ENV, dated October 25, 2024 (“Memorandum to File”), a copy of
16 which is on file with the Clerk of the Board in File No. 251217 and incorporated by reference.
17 The Muni Bus Storage and Maintenance Facility at Potrero Yard project is a portion of the
18 Potrero Yard Modernization Project that was described and analyzed in the Final
19 Environmental Impact Report for the Potrero Yard Modernization Project (“FEIR”), a copy of
20 which is on file with the Clerk of the Board of Supervisors in File No. 231256 and incorporated
21 by reference, that the Planning Commission certified as adequate, accurate, and complete on
22 January 11, 2024, by Motion No. 21482, a copy of which is on file with the Clerk of the Board
23 in File No. 231256 and incorporated by reference, pursuant to CEQA, the CEQA Guidelines,
24 and Chapter 31 of the Administrative Code. On January 11, 2024, by Motion No. 21483, a
25 copy of which is on file with the Clerk of the Board in File No. 240047 and incorporated by

1 reference, the Planning Commission, based on substantial evidence in the entire recording of
2 proceedings, made certain findings regarding the environmental impacts of the Potrero Yard
3 Modernization Project that was analyzed in the FEIR, rejected alternatives as infeasible,
4 adopted the proposed mitigation monitoring and reporting program ("MMRP"), and set forth a
5 "Statement of Overriding Considerations" explaining why the benefits of the project outweigh
6 the unavoidable adverse environmental effects identified in the FEIR and that those adverse
7 environmental effects are therefore acceptable.

8 On March 12, 2024, by Ordinance No. 57-24 passed by the Board of Supervisors on
9 March 12, 2024, and signed by the Mayor on March 22, 2024, a copy of which is on file with
10 the Clerk of the Board of Supervisors in File No. 240047, the Board of Supervisors, having
11 reviewed the FEIR, concurred with the Planning Commission's conclusions regarding the
12 FEIR and affirmed the Planning Commission's certification of the FEIR. In addition, in
13 Ordinance No. 57-24, the Board of Supervisors adopted and incorporated by reference the
14 CEQA findings that the Planning Commission adopted in Motion No. 21483 including the
15 Statement of Overriding Considerations and the MMRP. On March 22, 2024, the Mayor
16 approved Ordinance No. 57-24.

17 On October 25, 2024, the Planning Department issued the Memorandum to File, which
18 reviewed proposed modifications to the Potrero Yard Modernization Project including a net
19 increase of 33 buses, altered striping on the second level of the replacement transit facilities,
20 the conversion of 67 of the 60-foot bus parking spaces to 100 40-foot bus parking spaces, and
21 301 additional bus operators, and found that the modified project would not cause new
22 significant impacts or result in a substantial increase in the severity of the impacts identified in
23 the FEIR, and no new or revised mitigation measures would be required. In the Memorandum
24 to File, the Planning Department determined that no additional environmental review is
25 necessary for the reasons set forth in the Memorandum to File and that the Memorandum to

1 File provides sufficient documentation that the modified project does not warrant additional
2 environmental review. The “CEQA Findings” shall refer to the CEQA findings included in the
3 Motion No. 21482, Motion No. 21483, the Statement of Overriding Considerations, Ordinance
4 No. 57-24, and the Memorandum to File, all as described in this Section 3(iv).

5 (a) The Board has reviewed and considered the FEIR, the MMRP, the
6 Memorandum to File, and the record as a whole and incorporates the CEQA Findings by this
7 reference.

8 (b) The Board finds that the FEIR is adequate for its use as the decision-
9 making body for approval of this Resolution.

10 (c) The Board hereby adopts as its own the preceding CEQA Findings
11 including the Statement of Overriding Considerations.

12 (d) The Board further finds that since the FEIR was finalized, there have
13 been no substantial project changes and no substantial changes in project circumstances that
14 would require major revisions to the FEIR due to the involvement of new significant
15 environmental effects or an increase in the severity of previously identified significant impacts,
16 and there is no new information of substantial importance that would change the conclusions
17 set forth in the FEIR.

18 (e) In accordance with CEQA, the Board has considered the mitigation
19 measures described in the FEIR and hereby requires that the MMRP be imposed as
20 conditions on the implementation of the Muni Bus Storage and Maintenance Facility at Potrero
21 Yard project approved by the ordinance submitting this bond to the voters.

22 (f) With the implementation of the mitigation measures contained in the
23 MMRP, any potential environmental impacts resulting from the Muni Bus Storage and
24 Maintenance Facility at Potrero Yard project will be less than significant as described in the
25 FEIR.

1 (g) Based on the FEIR, the Memorandum to File, and the record as a whole
2 including all written materials and any oral testimony received by the Board for the Potrero
3 Yard Modernization Project, the Board hereby finds that the FEIR reflects the independent
4 judgment and analysis of the Planning Department and the Board, is adequate and complete,
5 and that there is no substantial evidence that the proposed Muni Bus Storage and
6 Maintenance Facility at Potrero Yard project, given the implementation of the mitigation
7 measures as stated in the FEIR and the adoption of the MMRP, could have a significant effect
8 on the environment as shown in the analysis of the FEIR. The Board hereby adopts the FEIR
9 and the MMRP on file with the Clerk of the Board.

10 (v) Public Safety Facilities and Infrastructure. For the reasons set forth in the from
11 the Environmental Review Officer of the Planning Department, dated _____, a
12 copy of which is on file with the Clerk of the Board in File No. _____ and incorporated by
13 reference, the Board finds that the bond proposal as it relates to funds for Public Safety
14 Facilities and Infrastructure is not subject to CEQA, because the establishment of a
15 government financing mechanism that does not involve any commitment to specific projects to
16 be constructed with the funds is not a project as defined by CEQA and the CEQA Guidelines.
17 Bond proceeds used to finance any project or portion of any project with funds for the Public
18 Safety Facilities and Infrastructure portion of the Bond will be subject to approval of the City
19 upon completion of planning and any further required environmental review under CEQA for
20 the individual Public Safety Facilities and Infrastructure projects.

21 Section 4. The Board finds and declares that the proposed Bond is (i) in conformity
22 with the eight priority policies of Section 101.1(b) of the Planning Code, (ii) in accordance with
23 Section 4.105 of the Charter and Section 2A.53(f) of the Administrative Code, and (iii)
24 consistent with the General Plan, and adopts the findings of the Planning Department, as set
25 forth in the General Plan Referral Report dated December 9, 2025, a copy of which is on file

1 with the Clerk of the Board in File No. 251217 and incorporates such findings by reference.

2 Section 5. The time limit for approval of this resolution specified in Section 2.34 of the
3 Administrative Code is waived.

4 Section 6. In accordance with Chapter 37 of the Administrative Code, landlords are
5 hereby authorized to pass-through 50% of the resulting property tax increase, if any, to
6 residential tenants if the proposed measure is approved by two-thirds of voters voting on the
7 measure.

8 Section 7. Documents referenced in this Resolution are on file with the Clerk of the
9 Board of Supervisors in File No. _____, which is hereby declared to be a part of
10 this Resolution as if set forth fully herein.

11 Section 8. That this Resolution shall take effect upon its enactment. Enactment occurs
12 when the Mayor signs the Resolution, the Mayor returns the Resolution unsigned or does not
13 sign the Resolution within ten days of receiving it, or the Board of Supervisors overrides the
14 Mayor's veto of the Resolution.

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16 APPROVED AS TO FORM:
17 DAVID CHIU, City Attorney

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19 By: /s/ MARK D. BLAKE
20 MARK D. BLAKE
21 Deputy City Attorney
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