

File No. 140033

Committee Item No. 1

Board Item No. 4

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Land Use and Economic Development Date February 10, 2014

Board of Supervisors Meeting Date March 4, 2014

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/>            | Resolution                                   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
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| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
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Completed by: Andrea Ausberry Date February 7, 2014

Completed by: AA Date 2.12.14

1 [Authorizing Levy and Collection of Special Taxes Within City and County of San Francisco  
2 Special Tax District No. 2009-1 - Seismic Safety Retrofits]

3 **Ordinance amending Ordinance No. 16-10 to authorize the levy and collection of**  
4 **Special Taxes within City and County of San Francisco Special Tax District No. 2009-1**  
5 **(San Francisco Sustainable Financing) for seismic safety retrofits to certain privately**  
6 **owned buildings or real property; and directing the Clerk of the Board to publish a**  
7 **notice of public hearing and other matters related thereto.**

8  
9 Be it ordained by the People of the City and County of San Francisco:

10  
11 Section 1. The Board of Supervisors of the City and County of San Francisco hereby  
12 finds, determines and declares:

13  
14 A. On November 24, 2009 Board of Supervisors (the "Board of Supervisors") of the  
15 City and County of San Francisco (the "City"), adopted Resolution No. 464-09 entitled  
16 "Resolution of Intention to Establish Special Tax District" (the "Resolution of Intention"), stating  
17 its intention to establish, for the public purposes set forth in the Resolution of Intention, the  
18 "City and County of San Francisco Special Tax District No. 2009-1 (San Francisco  
19 Sustainable Financing)" (the "Special Tax District"), pursuant to Chapter 43, Article X of the  
20 San Francisco Administrative Code (the "Special Tax Financing Law"), which incorporates the  
21 Mello-Roos Community Facilities Act of 1982, as amended, sections 53311, *et. seq.*, of the  
22 California Government Code (the "Act"), to finance and refinance the acquisition, installation  
23 and improvement of energy efficiency, water conservation and renewable energy  
24 improvements to or on real property and in buildings, whether such real property or buildings  
25 are privately or publicly owned.

1           B.     The Resolution of Intention stated the intention of the Board of Supervisors to  
2 undertake the proceedings to form the Special Tax District under the alternate procedures  
3 established by Section 43.10.17 of the Administrative Code, pursuant to which a special tax  
4 district may initially consist solely of territory proposed for annexation to the special tax district  
5 in the future, with the condition that a parcel or parcels within that territory may be annexed to  
6 the special tax district and subjected to the special tax only with the unanimous approval of  
7 the owner or owners of such parcel or parcels at the time that such parcel or those parcels are  
8 annexed or in compliance with other procedures established by the Code.

9  
10           C.     The Resolution of Intention stated that the City may, without additional hearings  
11 or procedures, designate a parcel or parcels as an improvement area within the Special Tax  
12 District; that, after the designation of a parcel or parcels as an improvement area, all  
13 proceedings for approval of the appropriations limit, the rate, method of apportionment and  
14 manner of collection of special tax and the authorization to incur bonded indebtedness for  
15 such parcel or parcels will apply only to the improvement area; and that the City may incur  
16 indebtedness payable solely from special taxes levied on property in the improvement area.

17  
18           D.     Notice was published as required by the Special Tax Financing Law relative to  
19 the intention of the Board of Supervisors to form the Special Tax District, to provide for certain  
20 facilities and to incur bonded indebtedness for the Special Tax District in an amount not to  
21 exceed \$150,000,000.

22  
23           E.     The Board of Supervisors held on January 12, 2010 noticed public hearings as  
24 required by the Special Tax Financing Law relative to (i) the determination to proceed with the  
25 formation of the Special Tax District and the method of apportionment of the special tax to be

1 levied within the Special Tax District to finance the costs of the facilities and (ii) the issuance  
2 of not to exceed \$150,000,000 of bonded indebtedness for the Special Tax District.

3  
4 F. At the public hearings, all persons desiring to be heard on all matters pertaining  
5 to the formation of the Special Tax District and the levy of special taxes were heard,  
6 substantial evidence was presented and considered by the Board of Supervisors and a full  
7 and fair hearing was held.

8  
9 G. Subsequent to the hearings, the Board of Supervisors adopted on January 12,  
10 2010 Resolution No. 06-10 entitled "Resolution of Formation of Special Tax District (the  
11 "Resolution of Formation") and Resolution No. 07-10 entitled "Resolution Determining the  
12 Necessity to Incur Bonded Indebtedness" (the "Resolution of Necessity") which resolutions  
13 defined the public facilities to be financed by the Special Tax District (the "Facilities"),  
14 established the Special Tax District, authorized the levy of a special tax with the Special Tax  
15 District and determined the necessity to incur bonded indebtedness in the Special Tax District,  
16 respectively.

17  
18 H. Section 43.10.17 of the Administrative Code provides that, notwithstanding the  
19 provisions of Section 53340 of the Act, after adoption of the resolution of formation for a  
20 special tax district pursuant to Section 43.10.17, the Board of Supervisors may, by ordinance,  
21 provide for the levy of the special taxes on parcels that will annex to the special tax district at  
22 the rate or rates to be approved by unanimous approval of the owner or owners of each parcel  
23 or parcels to be annexed to the special tax district or pursuant to other procedures established  
24 by the Code, and for apportionment and collection of the special taxes in the manner specified  
25

1 in the resolution of formation, and that no further ordinance shall be required even though no  
2 parcels may then have annexed to the special tax district.

3  
4 I. On February 10, 2010, this Board of Supervisors adopted Ordinance No. 16-10  
5 (the "Original Special Tax Ordinance"), providing for the levy of the special taxes on parcels  
6 that will annex to the Special Tax District and providing for apportionment and collection of the  
7 special taxes in the manner specified in the Resolution of Formation.

8  
9 J. Subsequently, January 14, 2014, following the procedures set forth in Section  
10 43.10.27 of the Administrative Code, the Board of Supervisors adopted its Resolution  
11 No. 12-14 (the "Resolution Making Changes"), and authorized the Special Tax District to levy  
12 special taxes and incur debt to finance work deemed necessary to bring buildings or real  
13 property, including privately owned buildings or real property, into compliance with seismic  
14 safety standards or regulations, as more completely set forth in Section 43.10.15 of the  
15 Administrative Code.

16  
17 K. Section 43.10.27 of the Administrative Code requires the Board of Supervisors,  
18 after adopting the Resolution Making Changes, to adopt an ordinance amending any prior  
19 ordinance levying special taxes in the Special Tax District to reflect the changes to the Special  
20 Tax District.

21  
22 Section 2. The Original Special Tax Ordinance is hereby amended to authorize and  
23 levy special taxes not only for the purposes specified in the Original Special Tax Ordinance  
24 but also for the purposes specified in the Resolution Making Changes. The Original Special  
25

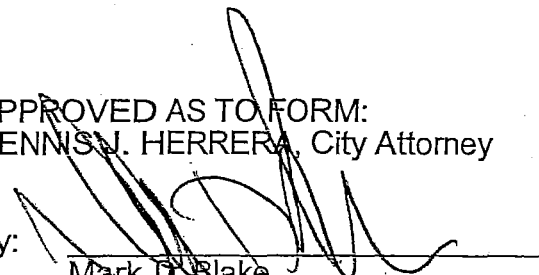
1 Tax Ordinance, as amended by this ordinance, is hereby affirmed and ratified and shall  
2 remain in full force and effect.

3  
4 Section 3. If for any reason any portion of this ordinance is found to be invalid, the  
5 balance of this ordinance and the application of the special tax to the remaining parcels within  
6 the Special Tax District (and all improvement areas established in the Special Tax District)  
7 shall not be affected.

8  
9 Section 4. Upon the enactment of this ordinance, the Clerk of the Board of  
10 Supervisors shall cause the same to be published within 15 days after its enactment at least  
11 once in a newspaper of general circulation published and circulated in the City. In addition,  
12 the Clerk shall cause a copy of this ordinance to be filed in the Board of Supervisors File No.  
13 09-1447 for Ordinance 16-10.

14  
15 Section 5. This ordinance shall become effective 30 days after enactment.  
16 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance  
17 unsigned or does not sign the ordinance within ten days of receiving it, or the Board of  
18 Supervisors overrides the Mayor's veto of the ordinance.

19  
20 APPROVED AS TO FORM:  
21 DENNIS J. HERRERA, City Attorney

22 By:   
23 Mark D. Blake  
Deputy City Attorney

24 n:\govern\as2013\1200339\00848008.doc  
25

LEGISLATIVE DIGEST

[Authorizing Levy and Collection of Special Taxes Within City and County of San Francisco Special Tax District No. 2009-1 - Seismic Safety Retrofits]

Ordinance amending Ordinance No. 16-10 to authorize the levy and collection of Special Taxes within City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing) for seismic safety retrofits to certain privately owned buildings or real property; and directing the Clerk of the Board to publish a notice of public hearing and other matters related thereto.

Existing Law

The Board of Supervisors previously established its "City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing)" (the "Special Tax District") for the purpose of financing and refinancing the acquisition, installation and improvement of energy efficiency, water conservation and renewable energy improvements to or on real property and in buildings, whether such real property or buildings are privately or publicly owned.

The Special Tax District was formed under the Special Tax Financing Law, constituting Article 43.10 of the Administrative Code, as amended by Ordinance 205-13, passed by the Board on October 1, 2013 and signed by the Mayor on October 11, 2013, to authorize the financing of earthquake retrofit work for wood-framed structures as required under Section 34B of the Administrative Code, which requires the mandatory earthquake retrofit of certain wood-framed buildings.

Ordinance No. 16-10 authorized the levy of and collection of special taxes for the purposes permitted under Special Tax Financing Law.

Amendments to Existing Law

The amendments to Ordinance No. 16-10 would expand the permitted Facilities to be financed to authorize the levy and collection of special taxes within City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing) to include work for seismic retrofits to wood-framed structures as required under Section 34B of the Administrative Code (which requires the mandatory earthquake retrofit of certain wood-framed buildings).

Background Information

The proposed Ordinance would amend Article 16.10 of the Administrative Code to allow financing by special tax districts of work deemed necessary to bring buildings or real property, including privately owned buildings or real property, into compliance with City seismic safety standards or regulations (Article 34B of the Administrative Code). The new regulations impose seismic retrofit requirements on certain residential buildings with critically vulnerable lower stories to significantly reduce the risk of collapse and increase the likelihood that these buildings will be structurally safe to occupy shortly after an earthquake.

The proposed Ordinance would authorize the levy and collection of special taxes within the Special Tax District to finance the costs of seismic retrofit improvements imposed by Article 34B of the Administrative Code.

The Ordinance requires the Clerk of the Board of Supervisors to publish the Ordinance in a newspaper of general circulation within 15 days of passage.



OFFICE OF THE MAYOR  
SAN FRANCISCO



EDWIN M. LEE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: *EM* Mayor Edwin M. Lee  
RE: Authorizing Levy and Collection of Special Taxes within City and County  
Special Tax District No. 2009-1 (San Francisco Sustainable Financing) for  
Seismic Safety Retrofits  
DATE: January 14, 2014

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Attached for introduction to the Board of Supervisors is the ordinance amending Ordinance No. 16-10 to authorize the levy and collection of Special Taxes within City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing) for seismic safety retrofits to certain privately owned buildings or real property; and directing the Clerk of the Board to publish a notice of public hearing and other matters related thereto.

Please note this item is cosponsored by Supervisors Chiu, Tang and Wiener.

I request that this item be calendared in Budget and Finance Committee.

Should you have any questions, please contact Jason Elliott (415) 554-5105.

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President, District 3  
BOARD of SUPERVISORS



*COB, Leg Dep.  
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old/new chairs + clerks*

City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-7450  
Fax No. 554-7454  
TDD/TTY No. 544-5227

**DAVID CHIU**

邱信福  
市參事會主席

**PRESIDENTIAL ACTION**

Date: 1/28/2014

To: Angela Calvillo, Clerk of the Board of Supervisors

Madam Clerk,

Pursuant to Board Rules, I am hereby:

Waiving 30-Day Rule (Board Rule No. 3.23)

File No. 140033 Mayor  
(Primary Sponsor)

Transferring (Board Rule No. 3.3)

File No. 140033 Mayor  
(Primary Sponsor)

From: Budget & Finance Committee

To: Land Use & Economic Development Committee

Assigning Temporary Committee Appointment (Board Rule No. 3.1)

Supervisor \_\_\_\_\_

Replacing Supervisor \_\_\_\_\_

For: \_\_\_\_\_ Meeting  
(Date) (Committee)

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*David Chiu*  
\_\_\_\_\_  
David Chiu, President  
Board of Supervisors