

BOARD of SUPERVISORS



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MEMORANDUM

TO: Nicole Elliott, Liaison to the Board of Supervisors, Mayor's Office
Jon Givner, Deputy City Attorney, City Attorney's Office
Nadia Sesay, Director, Office of Public Finance
Carla Johnson, Interim Director, Mayor's Office on Disability
Harlan Kelly, Jr., General Manager, Public Utilities Commission
John Updike, Director, Real Estate Division

FROM: Linda Wong, Assistant Clerk, Budget and Finance Committee

DATE: February 22, 2016

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Budget and Finance Committee has received the following proposed legislation, introduced by Supervisor Tang:

File No. 160121

Resolution making changes to City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing) to amend the authorized financing purposes to include accessibility access financing for persons with disabilities.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Juliet Ellis, Public Utilities Commission

1 [Changing Special Tax District - San Francisco Sustainable Financing - Accessibility Access
2 Financing]

3 **Resolution making changes to City and County of San Francisco Special Tax District**
4 **No. 2009-1 (San Francisco Sustainable Financing) to amend the authorized financing**
5 **purposes to include accessibility access financing for persons with disabilities.**
6

7 WHEREAS, Under Chapter 43, Article X of the San Francisco Administrative Code (the
8 "Code"), which Code incorporates by reference the Mello-Roos Community Facilities Act of
9 1982, as amended (the "Act"), this Board of Supervisors previously established a special tax
10 district known as "City and County of San Francisco Special Tax District No. 2009-1 (San
11 Francisco Sustainable Financing)" (the "Special Tax District"); and

12 WHEREAS, The Special Tax District is authorized to levy special taxes and incur debt
13 to finance and refinance the acquisition, installation and improvement of energy efficiency,
14 water conservation and renewable energy improvements to or on real property and in
15 buildings, whether such real property or buildings are privately or publicly owned; and

16 WHEREAS, The Code authorizes this Board of Supervisors to make certain changes to
17 the Special Tax District, subject to the following specific conditions: (i) this Board or a
18 committee of this Board must hold a public hearing on the proposed changes at which any
19 interested person, including persons owning property within the area, may appear and present
20 any matters material to the questions set forth in the resolution, (ii) the public hearing may not
21 occur any sooner than 14 days after the introduction at this Board of the resolution stating the
22 changes, (iii) the Clerk of the Board must publish a notice of the public hearing one time in a
23 newspaper of general circulation published in the area of the Special Tax District at least 7
24 days prior to the public hearing and (iv) this Board must conclude that the public interest,
25 convenience and necessity would be served by the proposed changes, the changes will not

1 convenience and necessity would be served by the proposed changes, the changes will not
2 adversely affect any taxable property in the Special Tax District and the changes will not
3 adversely affect the owners of any outstanding bonds that are payable from special taxes
4 levied in the Special Tax District; and

5 WHEREAS, Under Federal and State law owners of certain buildings are required to
6 make those structures free from architectural barriers, if readily achievable, and thereby
7 accessible to individuals with disabilities; and

8 WHEREAS, The construction cost of such repairs can be significant and the terms for
9 conventional financing prohibitive for certain owners of buildings and real property; and

10 WHEREAS, This Board desires to provide an alternative and affordable means by
11 which owners of certain buildings can finance the cost of making accessibility modifications
12 and improvements on buildings in the City; and

13 WHEREAS, This Board of Supervisors wishes to authorize the Special Tax District to
14 levy special taxes and incur debt to finance the cost of accessibility modifications and
15 improvements on buildings or real property, including privately owned buildings or real
16 property; and

17 WHEREAS, This resolution was introduced at this Board on February 9, 2016, which
18 was at least 14 days prior to the date hereof; and

19 WHEREAS, The Budget and Finance Committee of this Board held a public hearing on
20 _____, 2016; and

21 WHEREAS, The Clerk of the Board published a notice of public hearing one time in a
22 newspaper of general circulation published in the area of the Special Tax District at least 7
23 days prior to the date of the public hearing; now, therefore, be it

24 RESOLVED, That this Board of Supervisors hereby finds that the public interest,
25 convenience and necessity would be served by authorizing the Special Tax District to levy

1 special taxes and incur debt to finance work related to accessibility modifications and
2 improvements on buildings or real property, including privately owned buildings or real
3 property, as more completely set forth in Section 43.10.15 of the Code, that the change in the
4 authority of the Special Tax District will not adversely affect any taxable property in the
5 Special Tax District and that the change in the authority of the Special Tax District will not
6 adversely affect the owners of any outstanding bonds that are payable from special taxes
7 levied in the Special Tax District; and, be it

8 FURTHER RESOLVED, This Board hereby authorizes the Special Tax District to levy
9 special taxes and incur debt to finance work related to accessibility modifications or
10 improvements on buildings or real property, including privately owned buildings or real
11 property, as more completely set forth in Section 43.10.15 of the Code; and, be it

12 FURTHER RESOLVED, As a result, the type of facilities that may be financed by the
13 Special Tax District pursuant to the Code shall consist of those listed as facilities on Exhibit A
14 hereto and hereby incorporated herein (the "Facilities"), which Exhibit A is on file with the
15 Clerk of this Board of Supervisors in File No. _____; and, be it

16 FURTHER RESOLVED, That the Mayor, the Controller, the City Attorney, the Director
17 of the Office of Public Finance, designees of the Director of the Office of Public Finance, the
18 Clerk of the Board of Supervisors and all other officers and agents of the City are hereby
19 authorized and directed to take all actions necessary or advisable to give effect to the
20 transactions contemplated by this Resolution; and, be it

21 FURTHER RESOLVED, That this Resolution shall take effect on the effective date of
22 Ordinance No. ____, adopted by the Board of Supervisors on ____, 2016.

1 APPROVED AS TO FORM:
2 DENNIS J. HERRERA, City Attorney

3
4 By: _____

5 Mark D. Blake
6 Deputy City Attorney

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EXHIBIT A

**CITY AND COUNTY OF SAN FRANCISCO
Special Tax District No. 2009-1
(San Francisco Sustainable Financing)**

**DESCRIPTION OF FACILITIES TO BE FINANCED
BY THE SPECIAL TAX DISTRICT**

The Facilities shown below are proposed to be financed and refinanced by the City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing) (the "Special Tax District").

FACILITIES

It is intended that the Special Tax District will be authorized to finance and refinance all or a portion of the costs of any of the following types of facilities:

- A. 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.
- B. Work deemed necessary to bring buildings or real property, including privately owned buildings or real property, into compliance with seismic safety standards or regulations. Only work certified as necessary to comply with seismic safety standards or regulations by local building officials may be financed. No project involving the dismantling of an existing building and its replacement by a new building, nor the construction of a new or substantially new building may be financed pursuant to this subparagraph.
- C. Accessibility improvements or modifications to buildings or real property, including privately owned buildings or real property. No project involving the dismantling of an existing building and its replacement by a new building, nor the construction of a new or substantially new building may be financed pursuant to this subparagraph.

OTHER

The Special Tax District may also finance any of the following:

1. Bond- and other debt- related expenses, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.
2. Administrative fees of the City and the bond trustee or fiscal agent related to the Special Tax District and the bonds or other debt.
3. Any other costs or fees authorized by the Code.