

1 [Resolution of Intention - Incurring Bonded Indebtedness and Other Debt for the Central SoMa  
2 Special Tax District]

3 **Resolution declaring the intention of the Board of Supervisors to incur bonded**  
4 **indebtedness and other debt for City and County of San Francisco Special Tax District**  
5 **No. 2018-1 (Central SoMa); ordering and setting a time and place for a public hearing of**  
6 **the Board of Supervisors, sitting as a Committee of the Whole, on January 15, 2019,**  
7 **at 3:00 p.m.; and determining other matters in connection therewith.**

8

9 WHEREAS, The Central SoMa planning area (the "Central SoMa Plan Area") runs  
10 from 2nd Street to 6th Street, Market Street to Townsend Street, exclusive of those areas that  
11 are part of the Downtown Plan or in the C-3 zoning districts; and

12 WHEREAS, The Board of Supervisors has this date adopted its "Resolution of intention  
13 to establish City and County of San Francisco Special Tax District No. 2018-1 (Central SoMa),  
14 and determining other matters in connection therewith" (the "Resolution of Intention"), stating  
15 its intention to form the "City and County of San Francisco Special Tax District No. 2018-1  
16 (Central SoMa)" (the "Special Tax District") pursuant to Chapter 43, Article X of the San  
17 Francisco Administrative Code (the "Code"), which Code incorporates the Mello-Roos  
18 Community Facilities Act of 1982, as amended (the "Act"), for the purpose of financing costs of  
19 public infrastructure and other authorized facilities (the "Facilities") and services necessary or  
20 incident to development of the Central SoMa Plan Area; and

21 WHEREAS, This Board included in the Resolution of Intention certain findings,  
22 determinations and declarations, which findings, determinations and declarations this Board of  
23 Supervisors further incorporates herein by this reference; and

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1           WHEREAS, In the Resolution of Intention, this Board of Supervisors stated its intention  
2 to undertake the proceedings to form the Special Tax District under the alternate procedures  
3 established by Section 43.10.17 of the Code; and

4           WHEREAS, This Board of Supervisors wishes to undertake the proceedings to authorize  
5 the issuance of bonded indebtedness and other debt (as defined in the Code) for the Special  
6 Tax District under the alternate procedure established by Section 43.10.18 of the Code; and

7           WHEREAS, This Board of Supervisors estimates the amount required for the financing  
8 of the costs of the Facilities to be the sum of not to exceed \$5,300,000,000; and

9           WHEREAS, In order to finance the costs of the Facilities it is necessary to incur bonded  
10 indebtedness and other debt in the amount not to exceed \$5,300,000,000 on behalf of the  
11 Special Tax District; and

12           WHEREAS, United States Income Tax Regulations, Section 1.150-2 provides generally  
13 that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are  
14 used for reimbursement of expenditures made prior to the date of issuance of such debt unless  
15 certain procedures are followed, one of which is a requirement that (with certain exceptions),  
16 prior to the payment of any such expenditure, the issuer declares an intention to reimburse such  
17 expenditure; and

18           WHEREAS, It is in the public interest and for the public benefit that the City declares its  
19 official intent to reimburse the expenditures referenced herein; now, therefore, be it

20           RESOLVED, That it is necessary to incur bonded indebtedness and other debt within  
21 the boundaries of the proposed Special Tax District in the amount of up to \$5,300,000,000 to  
22 finance the costs of the Facilities; and, be it

23           FURTHER RESOLVED, That the bonded indebtedness and other debt is proposed to  
24 be incurred for the purpose of financing the costs of the Facilities, including acquisition and  
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1 improvement costs and all costs incidental to or connected with the accomplishment of said  
2 purposes and of the financing thereof, as permitted by Section 53345.3 of the Act; and, be it

3 FURTHER RESOLVED, That the City hereby declares that it reasonably expects (i) to  
4 pay certain costs of the Facilities prior to the date of issuance of the bonded indebtedness and  
5 other debt and (ii) to use a portion of the proceeds of the bonded indebtedness and other debt  
6 for reimbursement of expenditures for the Facilities that are paid before the date of issuance of  
7 the bonded indebtedness and other debt; and, be it

8 FURTHER RESOLVED, That this Board of Supervisors, acting as legislative body for  
9 the Special Tax District, intends to authorize the issuance and sale of bonded indebtedness  
10 and other debt in one or more series in the maximum aggregate principal amount of not to  
11 exceed \$5,300,000,000 bearing interest payable semi-annually or in such other manner as this  
12 Board of Supervisors shall determine, at a rate not to exceed the maximum rate of interest as  
13 may be authorized by applicable law at the time of sale of such bonded indebtedness or other  
14 debt, and maturing not to exceed 40 years from the date of the issuance of the bonded  
15 indebtedness or other debt; and, be it

16 FURTHER RESOLVED, That on January 15th, 2019, at 3:00 p.m. or as soon as possible  
17 thereafter, in the Board of Supervisors Chamber, 1 Dr. Carlton B. Goodlett Place, City Hall, San  
18 Francisco, California 94104, be, and the same are hereby appointed and fixed as the time and  
19 place when and where this Board of Supervisors, as legislative body for the Special Tax District,  
20 will conduct a public hearing on the proposed issuance of bonded indebtedness and other debt  
21 and consider and finally determine whether the public interest, convenience and necessity  
22 require the issuance of bonded indebtedness and other debt of the City on behalf of the Special  
23 Tax District; and, be it

24 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed to  
25 cause notice of the public hearing to be given by publication one time in a newspaper of general

1 circulation circulated within the Special Tax District; the publication of the notice shall be  
2 completed at least seven days before the date specified above for the public hearing; the notice  
3 shall be substantially in the form specified in Section 53346 of the Act; and, be it

4 FURTHER RESOLVED, Notwithstanding the foregoing, because of the complexity  
5 associated with the Central SoMa Plan, the Board of Supervisors hereby authorizes the Clerk  
6 of the Board of Supervisors to determine that the public hearing should be held on a later date  
7 or time and to cause notice of such later date or time to be given by publication one time in a  
8 newspaper published in the area of the Special Tax District; and, be it

9 FURTHER RESOLVED, That pursuant to Section 43.10.18 of the Code, in lieu of the  
10 procedure set forth elsewhere in the Code and in Sections 53353.5, 53354 and 53355 of the  
11 Act, the proposition to authorize issuance of the bonded indebtedness and other debt for the  
12 Special Tax District shall be approved by the owner or owners of a parcel or parcels of property  
13 at the time that the parcel or parcels are annexed to the Special Tax District pursuant to the  
14 unanimous approval described in 43.10.17 of the Code or such other procedures established  
15 by the Code; and, be it

16 FURTHER RESOLVED, That consistent with the Resolution of Intention, and pursuant  
17 to Section 43.10.19 of the Code, in connection with the annexation of a parcel or parcels to  
18 the Special Tax District pursuant to the alternate and independent procedure set forth in  
19 Section 43.10.17 of the Code and the conduct of an election on the proposition to authorize  
20 bonded indebtedness pursuant to the alternate and independent procedure set forth in  
21 Section 43.10.18 of the Code, the City may, without additional hearings or procedures,  
22 designate a parcel or parcels as an improvement area within the Special Tax District; each  
23 improvement area will be known as "Improvement Area No. \_\_\_\_ of City and County of San  
24 Francisco Special Tax District No. 2018-1 (Central SoMa);" after the designation of a parcel or  
25 parcels as an improvement area, all proceedings for approval of the appropriations limit, the

1 rate, method of apportionment and manner of collection of special tax and the authorization to  
2 incur bonded indebtedness and other debt for such parcel or parcels shall apply only to the  
3 improvement area; the City may incur bonded indebtedness and other debt payable solely  
4 from special taxes levied on property in the improvement area; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered  
6 the Final EIR (as defined in the Resolution of Intention) and finds that the Final EIR is adequate  
7 for its use for the actions taken by this resolution and incorporates herein the Final EIR and the  
8 CEQA findings in the Resolution of Intention by this reference; and, be it

9 FURTHER RESOLVED, That this Resolution shall in no way obligate the Board to form  
10 the Special Tax District or to issue bonded indebtedness and other debt for the Special Tax  
11 District. Issuance of the bonded indebtedness and other debt shall be subject to the approval  
12 of this Board of Supervisors by resolution following the holding of the public hearing referred to  
13 above; and, be it

14 FURTHER RESOLVED, That this Resolution shall take effect upon its adoption.

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16 APPROVED AS TO FORM:  
17 DENNIS J. HERRERA, City Attorney

18  
19 By: \_\_\_\_\_  
20 Mark D. Blake  
21 Deputy City Attorney  
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