

1 [Determining Necessity to Incur Bonded Indebtedness and Other Debt - Special Tax District  
2 No. 2018-1 (Central SoMa) - \$5,300,000,000]

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3 **Resolution determining necessity to incur bonded indebtedness and other debt in a**  
4 **maximum principal amount of \$5,300,000,000 within the boundaries of City and County**  
5 **of San Francisco Special Tax District No. 2018-1 (Central SoMa); and determining other**  
6 **matters in connection therewith, as defined herein.**

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8 WHEREAS, On November 13, 2018, the Board of Supervisors ("Board of Supervisors")  
9 of the City and County of San Francisco ("City") adopted a resolution entitled "Resolution  
10 declaring the intention of the Board of Supervisors to establish City and County Special Tax  
11 District No. 2018-1 (Central SoMa); ordering and setting a time and place for a public hearing  
12 of the Board of Supervisors, sitting as a Committee of the Whole, on January 15, 2019, at  
13 3:00 p.m.; and determining other matters in connection therewith" ("Resolution of Intention")  
14 stating its intention to form "City and County of San Francisco Special Tax District No. 2018-1  
15 (Central SoMa)" ("Special Tax District"), pursuant to Chapter 43, Article X of the San  
16 Francisco Administrative Code ("Code"), which Code incorporates the Mello-Roos Community  
17 Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with  
18 California Government Code Section 53311 ("Act"); and

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

22 WHEREAS, The Central SoMa planning area ("Central SoMa Plan Area") runs from  
23 2nd Street to 6th Street, Market Street to Townsend Street, exclusive of those areas that are  
24 part of the Downtown Plan or in the C-3 zoning districts, and the Resolution of Intention,  
25 incorporating a map of the proposed boundaries of the Special Tax District, stated the

1 intention of this Board of Supervisors to establish the Special Tax District in order to finance  
2 costs of public infrastructure and other authorized facilities ("Facilities") and services  
3 necessary or incidental to development of the Central SoMa Plan Area; and

4 WHEREAS, In the Resolution of Intention, for the public purposes specified therein,  
5 this Board of Supervisors stated its intention to undertake the proceedings to form the Special  
6 Tax District under the alternate procedures established by Code Section 43.10.17, pursuant to  
7 which a special tax district may initially consist solely of territory proposed for annexation to  
8 the special tax district in the future, with the condition that a parcel or parcels within that  
9 territory may be annexed to the special tax district and subjected to the special tax only with  
10 the unanimous approval of the owner or owners of such parcel or parcels when such parcel or  
11 parcels are annexed or in compliance with other procedures established by the Code, and  
12 pursuant to which no additional hearings or procedures are required, and each such  
13 unanimous approval shall be deemed to constitute a unanimous vote in favor of the matters  
14 addressed in the unanimous approval; and

15 WHEREAS, On November 13, 2018, this Board of Supervisors also adopted a  
16 resolution entitled "Resolution declaring the intention of the Board of Supervisors to incur  
17 bonded indebtedness and other debt for City and County of San Francisco Special Tax  
18 District No. 2018-1 (Central SoMa); ordering and setting a time and place for a public hearing  
19 of the Board of Supervisors, sitting as a Committee of the Whole, on January 15, 2019,  
20 at 3:00 p.m.; and determining other matters in connection therewith" ("Resolution of Intention  
21 to Incur Indebtedness") stating its intention, for the public purposes specified therein, to incur  
22 bonded indebtedness and other debt (as defined in the Code) within the boundaries of the  
23 Special Tax District for the purpose of financing the Facilities; and

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1           WHEREAS, In the Resolution of Intention to Incur Indebtedness, this Board of  
2 Supervisors stated its intention to undertake the proceedings to authorize the issuance of  
3 bonded indebtedness and other debt for the Special Tax District under the alternate  
4 procedure established by Code Section 43.10.18, pursuant to which the proposition to  
5 authorize bonded indebtedness and other debt may be approved by the owner or owners of a  
6 parcel or parcels of property when the parcel or parcels are annexed to the Special Tax  
7 District pursuant to the unanimous approval described in Code Section 43.10.17 or in  
8 compliance with other procedures established by the Code; and

9           WHEREAS, This Board of Supervisors held a noticed public hearing as required by the  
10 Code about the determination to proceed with the formation of the Special Tax District, the  
11 provision of the Facilities and services by the Special Tax District and the rate and method of  
12 apportionment of the special tax to be levied within the Special Tax District; and

13           WHEREAS, Subsequent to the public hearing, this Board of Supervisors adopted a  
14 resolution entitled “Resolution of Formation to establish City and County of San Francisco  
15 Special Tax District No. 2018-1 (Central SoMa) and determining other matters in connection  
16 therewith” (“Resolution of Formation”); and

17           WHEREAS, This Board of Supervisors also held a noticed public hearing as required  
18 by the Code related to the questions set forth in the Resolution of Intention to Incur  
19 Indebtedness; and

20           WHEREAS, No written protests related to the questions set forth in the Resolution of  
21 Intention to Incur Indebtedness have been filed with the Clerk of the Board of Supervisors;  
22 now, therefore, be it

23           RESOLVED, That the foregoing recitals are true and correct; and, be it

24           FURTHER RESOLVED, That this Board of Supervisors deems it necessary to incur  
25 bonded indebtedness and other debt in the maximum aggregate principal amount of

1 \$5,300,000,000 within the boundaries of the Special Tax District for the purpose of financing  
2 the costs of the Facilities, including, but not limited to, the costs of issuing and selling bonds  
3 and other debt to finance all or a portion of the Facilities and the costs of the City in  
4 establishing and administering the Special Tax District; and, be it

5 FURTHER RESOLVED, That except as set forth below with respect to improvements  
6 areas, the whole of the Special Tax District shall pay for the bonded indebtedness and other  
7 debt through the levy of the special tax, and the Special Tax District shall initially consist  
8 solely of territory proposed for annexation to the Special Tax District in the future, with the  
9 condition that a parcel or parcels within that territory may be annexed to the Special Tax  
10 District and subjected to a special tax only with the unanimous approval (each, a “Unanimous  
11 Approval”) of the owner or owners of such parcel or parcels when such parcel or parcels are  
12 annexed or in compliance with other procedures established by the Code, without further  
13 hearings or procedures, and that the tax is to be apportioned in accordance with the Rate and  
14 Method of Apportionment of Special Tax set forth in Exhibit “B” to the Resolution of Formation;  
15 and, be it

16 FURTHER RESOLVED, That bonded indebtedness and other debt (“Bonds”) in the  
17 maximum amount of \$5,300,000,000 are hereby authorized, subject to approval as described  
18 herein, and that the Bonds may be issued in one or more series and mature and bear interest  
19 at such rate or rates, payable semiannually or in such other manner, all as this Board of  
20 Supervisors or its designee shall determine, at the time or times of sale of such Bonds;  
21 provided, however, that the interest rate or rates shall not to exceed the maximum interest  
22 rate permitted by applicable law at the time of sale of the Bonds, and the Bonds or any series  
23 thereof shall not have a maximum term exceeding 40 years; and, be it

24 FURTHER RESOLVED, That pursuant to Code Section 43.10.18 in lieu of the  
25 procedure set forth elsewhere in the Code and in Act Sections 53353.5, 53354 and 53355, the

1 proposition to authorize issuance of the Bonds for the Special Tax District shall be approved  
2 by the owner or owners of a parcel or parcels of property when the parcel or parcels are  
3 annexed to the Special Tax District pursuant to the unanimous approval described in Code  
4 Section 43.10.17 or in compliance with other procedures established by the Code. No  
5 additional hearings or procedures are required, and such unanimous approval shall be  
6 deemed to constitute a unanimous vote in favor of such proposition; and, be it

7           FURTHER RESOLVED, That consistent with the Resolution of Intention to Incur  
8 Indebtedness, and pursuant to Code Section 43.10.19, in connection with the annexation of a  
9 parcel or parcels to the Special Tax District pursuant to the alternate and independent  
10 procedure set forth in Code Section 43.10.17 and the conduct of an election on the  
11 proposition to authorize bonded indebtedness and other debt pursuant to the alternate and  
12 independent procedure set forth in Code Section 43.10.18, the City may, without additional  
13 hearings or procedures, designate a parcel or parcels as an improvement area within the  
14 Special Tax District. Each improvement area will be known as "Improvement Area No. \_\_\_\_  
15 of City and County of San Francisco Special Tax District No. 2018-1 (Central SoMa)," and  
16 after the designation of a parcel or parcels as an improvement area, all proceedings for  
17 approval of the appropriations limit, the rate, method of apportionment and manner of  
18 collection of special tax and the authorization to incur bonded indebtedness and other debt for  
19 such parcel or parcels shall apply only to the improvement area, and the City may incur  
20 indebtedness payable solely from special taxes levied on property in the improvement area;  
21 and be it

22           FURTHER RESOLVED, That the Board of Supervisors hereby finds that the proposed  
23 issuance of Bonds for the Special Tax District (or any improvement area therein) constitutes a  
24 "local bond measure" within the meaning of Sections 53410, et seq. of the California  
25 Government Code; as a result, the Unanimous Approval shall include the propositions

1 described herein and in the Resolution of Formation and the following: (a) the specific  
2 purpose of the Bonds shall be as set forth in the Unanimous Approval; (b) any proceeds  
3 received from the sale of any Bonds shall be applied only to the purposes set forth in the  
4 Unanimous Approval; (c) the proceeds of any Bonds shall be deposited into special accounts  
5 to be created therefor as part of the issuance of the Bonds; and (d) the City shall cause a  
6 report to be prepared annually under Section 53411 of the Government Code; and, be it

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

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

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13 APPROVED AS TO FORM:  
14 DENNIS J. HERRERA, City Attorney

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