

1 [Calling Special Election - Special Tax District No. 2020-1 (Mission Rock Facilities and  
2 Services)]

3 **Resolution calling a special election in the City and County of San Francisco Special**  
4 **Tax District No. 2020-1 (Mission Rock Facilities and Services); and determining other**  
5 **matters in connection therewith, as defined herein.**

6  
7 WHEREAS, California Statutes of 1968, Chapter 1333 (“Burton Act”) and San  
8 Francisco Charter, Section 4.114 and Appendix B, beginning at Section B3.581, empower the  
9 City and County of San Francisco (“City”), acting through the San Francisco Port Commission  
10 (“Port” or “Port Commission”), with the power and duty to use, conduct, operate, maintain,  
11 manage, regulate, and control the lands within Port jurisdiction; and

12 WHEREAS, Seawall Lot 337 Associates, LLC, a Delaware limited liability company  
13 (“Master Developer”) and the City, acting by and through the Port, are parties to a Disposition  
14 and Development Agreement (as amended from time to time, “DDA”), including a Financing  
15 Plan (as amended from time to time, “Financing Plan”), that governs the disposition and  
16 development of certain parcels in the jurisdiction of the Port, including Seawall Lot 337, 3.53  
17 acres located at Terry A. Francois Boulevard from Third Street to Mission Rock Street, China  
18 Basin Park and 1/2 acre to the east of Terry A. Francois Boulevard between Pier 48 and Pier  
19 50 (“Project Site”), and also provides for development of Pier 48, which DDA was approved by  
20 the Board of Supervisors of the City (“Board of Supervisors” or “Board”) by Resolution No. 42-  
21 18, adopted on February 13, 2018, signed by the Mayor on February 23, 2018, and a copy of  
22 which is in Board File No. 180092 (“Mission Rock Project Resolution”); and

23 WHEREAS, The Port collaborated with the State Lands Commission and the  
24 Legislature, resulting in an amendment of the Burton Act to lift or suspend its statutory trust  
25 use restrictions that impede the Port’s ability to realize the development potential of Port

1 lands; under Senate Bill 815 (Stats. 2007, ch. 660, as amended by Stats. 2016, ch. 529) (“SB  
2 815”), the Port is authorized to lease certain seawall lots south of Market Street, including the  
3 Project Site, for nontrust purposes, providing revenues for rehabilitation of historic wharves  
4 and piers and other trust uses; SB 815 allows long-term nontrust uses that are otherwise not  
5 permissible under the Burton Act as a primary mechanism to generate Port revenues for trust  
6 purposes, including the construction of infrastructure needed for development; and

7 WHEREAS, On November 3, 2015, San Francisco voters approved the Mission Rock  
8 Affordable Housing, Parks, Jobs and Historic Preservation Initiative (“Proposition D”), which  
9 authorized increased height limits on the Project Site, subject to environmental review, and  
10 established a City policy to encourage development of the Project Site; Proposition D  
11 specifically provides that it is intended to encourage and implement the lease and  
12 development of the Project Site as described in SB 815 to support the purposes of the Burton  
13 Act, especially the preservation of historic piers and historic structures and construction of  
14 waterfront plazas and open space; and

15 WHEREAS, The proposed development of the Project Site, which is commonly  
16 referred to as the Mission Rock project (“Project”), will be a new mixed-use neighborhood that  
17 is proposed to include a mix of commercial/office, retail, parking, and market rate and  
18 affordable residential uses and approximately eight acres of new and expanded parks and  
19 shoreline access; and

20 WHEREAS, Under the DDA, (i) the Master Developer is responsible for master  
21 development of the Project Site, including construction of public infrastructure, (ii) the Port and  
22 Master Developer will enter into a master lease for all of the Project Site, (iii) the Port will  
23 convey development parcels to vertical developers and those parcels will be released from  
24 the master lease, and (iv) the Port may enter into a separate lease with the Master Developer  
25 (or an affiliate of Master Developer) for development of Pier 48; and

1           WHEREAS, The City anticipates that, in addition to the infrastructure and private  
2 development described above, future improvements will be necessary to ensure that the  
3 shoreline, public facilities, and public access improvements will be protected should sea level  
4 rise in the vicinity of the Project Site, and the Board of Supervisors desires to provide a  
5 mechanism to pay for the costs of such improvements; and

6           WHEREAS, At its hearing on October 5, 2017, and prior to recommending proposed  
7 Planning Code amendments for approval, by Motion No. M-20017, the Planning Commission  
8 certified a Final Environmental Impact Report (“FEIR”) for the Project pursuant to the  
9 California Environmental Quality Act (“CEQA”) (California Public Resources Code, Section  
10 21000 et seq.), the CEQA Guidelines (14 Cal. Code Reg., Section 15000 et seq.), and  
11 Administrative Code, Chapter 31; a copy of said Motion is on file with the Clerk of the Board in  
12 File No. 171117, and is incorporated herein by reference; and

13           WHEREAS, In recommending proposed Planning Code Amendments for approval by  
14 the Board at its hearing on October 5, 2017, by Motion No. M-20018, the Planning  
15 Commission also adopted findings under CEQA, including a statement of overriding  
16 consideration, and a Mitigation Monitoring and Reporting Program (“MMRP”), and copies of  
17 said Motion and MMRP are on file with the Clerk of the Board in File No. 171117, and are  
18 incorporated herein by reference; and

19           WHEREAS, Under Chapter 43, Article X of the San Francisco Administrative Code (as  
20 it may be amended from time to time, “Code”), which Code incorporates by reference the  
21 Mello-Roos Community Facilities Act of 1982, as amended (“Mello-Roos Act”), the Board is  
22 authorized to establish a special tax district and to act as the legislative body for a special tax  
23 district; and

24           WHEREAS, On April 14, 2020, the Board adopted a resolution (which resolution was  
25 signed by the Mayor on April 24, 2020) entitled “Resolution of formation of the City and

1 County of San Francisco Special Tax District No. 2020-1 (Mission Rock Facilities and  
2 Services) and a future annexation area; determining other matters in connection therewith, as  
3 defined herein; and making findings under the California Environmental Quality Act”  
4 (“Resolution of Formation”), ordering the formation of the “City and County of San Francisco  
5 Special Tax District No. 2020-1 (Mission Rock Facilities and Services)” (“Special Tax District”)  
6 and a future annexation area, authorizing the levy of special taxes on property within the  
7 Special Tax District and preliminarily establishing an appropriations limit for the Special Tax  
8 District, all pursuant to the Code; and

9 WHEREAS, In the Resolution of Formation, the Board made certain findings under  
10 CEQA about the FEIR for the disposition and development of the Project Site, and those  
11 findings are incorporated in this Resolution as if set forth in their entirety herein; and

12 WHEREAS, On April 14, 2020, the Board also adopted a resolution (which resolution  
13 was signed by the Mayor on April 24, 2020) entitled “Resolution determining necessity to incur  
14 bonded indebtedness and other debt in an aggregate principal amount not to exceed  
15 \$3,700,000,000 for the City and County of San Francisco Special Tax District No. 2020-1  
16 (Mission Rock Facilities and Services); and determining other matters in connection therewith,  
17 as defined herein” (“Resolution Determining Necessity”), determining the necessity to incur  
18 bonded indebtedness and other debt (as defined in the Mello-Roos Act) in one or more series  
19 in the maximum aggregate principal amount of \$3,700,000,000 (to be calculated as set forth  
20 therein) upon the security of certain special taxes to be levied within the Special Tax District  
21 pursuant to the Code; and

22 WHEREAS, Pursuant to the provisions of the Resolution of Formation and the  
23 Resolution Determining Necessity, the propositions of the levy of the special taxes, the  
24 establishment of the appropriations limit and the incurring of bonded indebtedness and other  
25 debt shall be submitted to the qualified electors of the Special Tax District as required by the

1 provisions of the Code; now, therefore, be it

2 RESOLVED, That pursuant to Sections 53326, 53351 and 53325.7 of the Mello-Roos  
3 Act, the issues of the levy of the special taxes, the incurring of bonded indebtedness and  
4 other debt (as defined in the Mello-Roos Act) and the establishment of the appropriations limit  
5 shall be submitted to the qualified electors (as defined below) of the Special Tax District at an  
6 election called therefor as provided below; and, be it

7 FURTHER RESOLVED, That the Board hereby calls a special election in the Special  
8 Tax District to consider the propositions of the levy of the special taxes, the establishment of  
9 the appropriations limit and the incurring of the bonded indebtedness and other debt for the  
10 Special Tax District, which election shall be held and canvassed on April 20, 2020, and the  
11 results thereof declared at the meeting of the Board on April 21, 2020; and, be it

12 FURTHER RESOLVED, The Director, Department of Elections of the City and County  
13 of San Francisco is hereby designated as the official to conduct the election and to receive all  
14 ballots until 3:00 p.m. on the election date, and it is hereby acknowledged that the Clerk of the  
15 Board and the Director, Department of Elections have on file the Resolution of Formation, a  
16 certified map of the boundaries of the Special Tax District, and a sufficient description to allow  
17 the Director, Department of Elections to determine the electors of the Special Tax District, and  
18 pursuant to Mello-Roos Act, Section 53327, the election shall be conducted by messenger or  
19 mail-delivered ballot pursuant to California Elections Code, Section 4000, except that Mello-  
20 Roos Act, Sections 53326 and 53327 Act shall govern for purposes of determining the date of  
21 election; and, be it

22 FURTHER RESOLVED, That the Director, Department of Elections has reported that  
23 there were no registered voters in the boundaries of the proposed Special Tax District as of  
24 February 3, 2020, and in reliance on such report, the Board hereby finds that fewer than 12  
25 persons have been registered to vote within the territory of the Special Tax District for each of

1 the 90 days preceding the close of the public hearings heretofore conducted and concluded  
2 by the Board for the purposes of these proceedings; and, be it

3 FURTHER RESOLVED, Accordingly, and pursuant to Section 53326 of the Mello-Roos  
4 Act, the Board finds that, for these proceedings, the qualified electors are the landowners (as  
5 defined in the Mello-Roos Act) within the Special Tax District and that the vote shall be by  
6 such landowners as of the close of the public hearings or their authorized representatives,  
7 each having one vote for each acre or portion thereof such landowner owns in the Special Tax  
8 District not exempt from the special taxes; and, be it

9 FURTHER RESOLVED, That the Board has received and accepted a Public Agency  
10 Statement and Consent executed by the Port Commission in which it declares that the City,  
11 acting by and through the Port Commission, is a "landowner" in the Special Tax District (as  
12 defined in the Mello-Roos Act) and qualified elector for the Special Tax District because the  
13 property owned by the City, acting by and through the Port Commission, within the proposed  
14 boundaries of the Special Tax District either will be (a) transferred by conveyance of the fee  
15 interest to private ownership for the construction of improvements, in which case the City,  
16 acting by and through the Port Commission, agrees that such property will be subject to the  
17 special tax on the same basis as private property within the Special Tax District and  
18 affirmatively waives any defense based on the fact of public ownership to any action to  
19 foreclose on such property in the event of nonpayment of the special tax or (b) leased to a  
20 nonexempt person or entity and, pursuant to Section 53340.1 of the Mello-Roos Act, the  
21 special tax will be levied on the leasehold interest and payable by the owner of the leasehold  
22 interest, a copy of which Public Agency Statement and Consent is on file with the Clerk of the  
23 Board in File No. 200117 and is incorporated herein by reference; and, be it

24 FURTHER RESOLVED, That as authorized by Section 53353.5 of the Mello-Roos Act,  
25 the three propositions described above shall be combined into a single ballot measure, the

1 form of which is attached hereto as Exhibit "A" and by this reference incorporated herein and  
2 the form of ballot is hereby approved (subject to amendment by the Election Official in  
3 accordance with applicable provisions of law); the Election Official is hereby authorized and  
4 directed to cause a ballot, in substantially the form of Exhibit "A" (subject to amendment by the  
5 Election Official in accordance with applicable provisions of law) to be delivered to each of the  
6 qualified electors of the Special Tax District; each ballot shall indicate the number of votes to  
7 be voted by the respective landowner to which the ballot pertains; each ballot shall be  
8 accompanied by all supplies and written instructions necessary for the use and return of the  
9 ballot; the envelope to be used to return the ballot shall be enclosed with the ballot, shall have  
10 the return postage prepaid, and shall contain the following: (a) the name and address of the  
11 landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of  
12 record or authorized representative of the landowner entitled to vote and is the person whose  
13 name appears on the envelope, (c) the printed name, signature and address of the voter,  
14 (d) the date of signing and place of execution of the declaration pursuant to clause (b) above,  
15 and (e) a notice that the envelope contains an official ballot and is to be opened only by the  
16 canvassing board of the election; and, be it

17           FURTHER RESOLVED, That the Board hereby further finds that the provisions of  
18 Mello-Roos Act, Section 53326, requiring a minimum of 90 days following the adoption of the  
19 Resolution of Formation to elapse before the special election are for the protection of the  
20 qualified electors of the Special Tax District, and there is on file with the Clerk of the Board  
21 and the Director, Department of Elections a written waiver executed by all of the qualified  
22 electors of the Special Tax District allowing for a shortening of the time for the special election  
23 to expedite the process of formation of Special Tax District and waiving any requirement for  
24 notice, analysis and arguments in connection with the election, and accordingly, the Board  
25 finds and determines that the qualified electors have been fully apprised of and have agreed

1 to the shortened time for the election and waiver of analysis and arguments, and have thereby  
2 been fully protected in these proceedings, and the Board also finds and determines that the  
3 Director, Department of Elections has concurred in the shortened time for the election; and,  
4 be it

5 FURTHER RESOLVED, That analysis and arguments with respect to the ballot  
6 measures are hereby waived, as provided in Mello-Roos Act, Section 53327; and, be it

7 FURTHER RESOLVED, That the Board hereby finds that the measure described  
8 above as it relates to the issuance of bonds and other debt constitutes a “local bond measure”  
9 within the meaning of Sections 53410, et seq. of the California Government Code; as a result,  
10 the bond measure shall include the following: (a) the specific purpose of the bonds shall be as  
11 set forth in the measures; (b) any proceeds received from the sale of any bonds or other debt  
12 shall be applied only to the purposes set forth in the measures; (c) the proceeds of any bonds  
13 or other debt shall be deposited into special accounts to be created therefor as part of the  
14 issuance of the bonds or the incurrence of other debt; and (d) the City shall cause a report to  
15 be prepared annually under Section 53411 of the Government Code; and, be it

16 FURTHER RESOLVED, That pursuant to Section 50075.1 of the Government Code,  
17 the following accountability provisions shall apply to the special taxes: (a) the provision and/or  
18 acquisition of the Facilities, the provision of the Services and the incidental costs thereof, all  
19 as defined in the Resolution of Formation, shall constitute the specific single purpose; (b) the  
20 proceeds shall be applied only to the specific purposes identified in the preceding clause (a);  
21 (c) there shall be created special account(s) or funds(s) into which the proceeds shall be  
22 deposited; and (d) there shall be caused to be prepared an annual audit and report of the  
23 Special Tax District under Section 50075.3 of the Government Code; and, be it

24 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or  
25 word of this Resolution, or any application thereof to any person or circumstance, is held to be



1 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
2 shall not affect the validity of the remaining portions or applications of this Resolution, the  
3 Board hereby declaring that it would have passed this Resolution and each and every section,  
4 subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional  
5 without regard to whether any other portion of this Resolution or application thereof would be  
6 subsequently declared invalid or unconstitutional; and, be it

7 FURTHER RESOLVED, That the Mayor, the Controller, the Director, Department of  
8 Elections, the Director of the Office of Public Finance, the Clerk of the Board and any and all  
9 other officers of the City are hereby authorized, for and in the name of and on behalf of the  
10 City, to do any and all things and take any and all actions, including execution and delivery of  
11 any and all documents, assignments, certificates, requisitions, agreements, notices, consents,  
12 instruments of conveyance, warrants and documents, which they, or any of them, may deem  
13 necessary or advisable in order to effectuate the purposes of this Resolution; provided  
14 however that any such actions be solely intended to further the purposes of this Resolution,  
15 and are subject in all respects to the terms of the Resolution; and, be it

16 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,  
17 consistent with any documents presented herein, and heretofore taken are hereby ratified,  
18 approved and confirmed by the Board; and, be it

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

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

22  
23  
24 By: \_\_\_\_\_  
25 MARK D. BLAKE  
Deputy City Attorney  
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1 **EXHIBIT A**

2 **FORM OF BALLOT**

3 **CITY AND COUNTY OF SAN FRANCISCO**  
4 **Special Tax District No. 2020-1**  
5 **(Mission Rock Facilities and Services)**

6 **OFFICIAL BALLOT**

7 **SPECIAL TAX ELECTION**

8 This ballot is for a special, landowner election. You must return this ballot in the enclosed  
9 postage paid envelope to the office of the Director, Department of Elections of the City and  
10 County of San Francisco no later than the hour of 2:00 p.m. on April 20, 2020, either by mail  
11 or in person. However, if all the qualified voters have voted, the election may be closed with  
12 the concurrence of the Director of Elections of the City and County of San Francisco. The  
13 office of the Director of Elections of the City and County of San Francisco is located at 1 Dr.  
14 Carlton B. Goodlett Place, San Francisco, California 94102.

15  
16 To vote, mark a cross (X) on the voting line after the word "YES" or after the word "NO". All  
17 marks otherwise made are forbidden. All distinguishing marks are forbidden and make the  
18 ballot void.

19  
20 If you wrongly mark, tear, or deface this ballot, return it to the Director of Elections of the City  
21 and County of San Francisco and obtain another.

22  
23 Shall the following measure be adopted: authorizing the City and  
24 County of San Francisco ("City") to (i) levy special taxes solely on  
25 lands within City and County of San Francisco Special Tax District

1 No. 2020-1 (Mission Rock Facilities and Services) (“Special Tax  
2 District”) in accordance with and for the duration set forth in the  
3 rate and method contained in the resolution of the Board of  
4 Supervisors establishing the Special Tax District (“Formation  
5 Resolution”), commencing in the City’s fiscal year 2020-21 (with  
6 annual escalation thereafter), to pay for the facilities, services and  
7 incidental expenses specified in the Formation Resolution, to pay  
8 debt service on bonds and other debt (“bonds”) of the Special Tax  
9 District and to pay the costs of the City in administering the Special  
10 Tax District, which special taxes, if levied at the maximum rate and  
11 assuming full build-out of the properties in the Special Tax District  
12 at the time of formation, is anticipated to raise \$19,569,540, in  
13 fiscal year 2020-21 (with annual escalation thereafter); (ii)  
14 establish an annual appropriations limit for the Special Tax District  
15 in the amount of \$3,700,000,000; and (iii) issue bonds in one or  
16 more series for the Special Tax District in the maximum aggregate  
17 principal amount of \$3,700,000,000 (calculated in accordance with  
18 the resolution of the Board of Supervisors declaring the necessity  
19 for such bonds), with interest at a rate or rates not to exceed the  
20 maximum interest rate permitted by law at the time of sale of such  
21 bonds on behalf of the Special Tax District, the proceeds of which  
22 bonds will be used to acquire and/or construct certain facilities,  
23 reimburse certain costs of the facilities paid prior to the date of  
24 issuance of the bonds, and pay for the costs of issuing the bonds  
25 and incidental expenses?

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YES: \_\_\_\_\_

NO: \_\_\_\_\_

By execution in the space provided below, you also indicate your waiver of (i) the time limit pertaining to the conduct of the election, (ii) any requirement for analysis and arguments with respect to the ballot measure, and (iii) any irregularity in the proceedings that may be claimed as a result of the application of such waivers.

Assessor's Parcel Number(s):  
Acreage:  
Number of Votes: \_\_\_\_\_

[Property Owner Name]

By: \_\_\_\_\_  
Name:  
Title: