Resolution of Intention to incur bonded indebtedness and other debt for City and County of San Francisco Special Tax District No. 2018-1 (Central SoMa), and determining other matters in connection therewith.

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

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

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

WHEREAS, In the Resolution of Intention, this Board of Supervisors stated its intention to undertake the proceedings to form the Special Tax District under the alternate procedures established by Section 43.10.17 of the Code; and
WHEREAS, This Board of Supervisors wishes to undertake the proceedings to authorize the issuance of bonded indebtedness and other debt (as defined in the Code) for the Special Tax District under the alternate procedure established by Section 43.10.18 of the Code; and

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

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

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

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

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

FURTHER RESOLVED, That the bonded indebtedness and other debt is proposed to be incurred for the purpose of financing the costs of the Facilities, including acquisition and improvement costs and all costs incidental to or connected with the accomplishment of said purposes and of the financing thereof, as permitted by Section 53345.3 of the Act; and, be it
FURTHER RESOLVED, That the City hereby declares that it reasonably expects (i) to pay certain costs of the Facilities prior to the date of issuance of the bonded indebtedness and other debt and (ii) to use a portion of the proceeds of the bonded indebtedness and other debt for reimbursement of expenditures for the Facilities that are paid before the date of issuance of the bonded indebtedness and other debt; and, be it

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

FURTHER RESOLVED, That ______, _______, 2018 at __:00 p.m. or as soon as possible thereafter, in the Board of Supervisors Chambers, 1 Dr. Carlton B. Goodlett Place, City Hall, San Francisco, California 94704, be, and the same are hereby appointed and fixed as the time and place when and where this Board of Supervisors, as legislative body for the Special Tax District, will conduct a public hearing on the proposed issuance of bonded indebtedness and other debt and consider and finally determine whether the public interest, convenience and necessity require the issuance of bonded indebtedness and other debt of the City on behalf of the Special Tax District; and, be it

FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper of general circulation circulated within the Special Tax District. The publication of the notice shall
be completed at least seven days before the date specified above for the public hearing. The notice shall be substantially in the form specified in Section 53346 of the Act; and, be it

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

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

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

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

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

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

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

By: ________________________________
Mark D. Blake
Deputy City Attorney