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[General Obligation Bonds - Seawall and Other Critical Infrastructure - \$425,000,000]

Resolution determining and declaring that the public interest and necessity demand the construction, reconstruction, acquisition, improvement, demolition, seismic strengthening and repair of the Embarcadero Seawall and other critical infrastructure and the payment of related costs necessary or convenient for the foregoing purposes; finding that the estimated cost of \$425,000,000 for such improvements is and will be too great to be paid out of the ordinary annual income and revenue of the City and County and will require incurring bonded indebtedness; affirming the Planning Department’s determination under the California Environmental Quality Act and finding the proposed bond is in conformity with the priority policies of Planning Code, Section 101.1(b) and with the General Plan and waiving the time limits set forth in Administrative Code, Section 2.34.

WHEREAS, The Embarcadero Seawall (the “Seawall”), which serves as the waterfront’s foundation, is one of San Francisco’s oldest pieces of infrastructure; and

WHEREAS, Constructed by the State of California over one hundred years ago, the Seawall supports San Francisco’s historic piers, wharves, local businesses, maritime uses, iconic tourist destinations, recreation facilities, and restaurants, which bring an estimated 24 million people to the waterfront annually; and

WHEREAS, The Seawall also supports key lifeline utility networks and infrastructure, including the Bay Area Rapid Transit (BART), Muni Metro, and ferry transportation networks; and

1 WHEREAS, The Seawall serves as a critical emergency response, evacuation and
2 recovery area and provides flood protection to downtown San Francisco (“City”)
3 neighborhoods; and

4 WHEREAS, All told, the Seawall protects over \$100 billion of assets and economic
5 activity; and

6 WHEREAS, Recent analysis by the City and the Port of San Francisco (the “Port”)
7 found that the Seawall will likely suffer significant damage during a major earthquake, causing
8 widespread harm to the Embarcadero; historic buildings and piers; critical transportation,
9 utility, and emergency response infrastructure; and the residents, workers, and visitors who
10 depend on them. A major earthquake would likely cause the Seawall to move towards the
11 bay, potentially by as much as five feet. This seismic risk is compounded by the accelerating
12 risk of flooding, which occurs today during high tides and larger storm events; and

13 WHEREAS, the Seawall is named as a critical infrastructure priority in the City’s
14 Lifelines Interdependency Study published in 2014, and the Bond (as defined below) is
15 planned for the November 2018 election as part of the General Obligation Bond Program in
16 the City’s FY 2018-27 Capital Plan; and

17 WHEREAS, The Embarcadero Roadway encircles downtown San Francisco; and

18 WHEREAS, After a major seismic event, up to 250,000 people are expected to exit
19 downtown towards the waterfront; and

20 WHEREAS, The Embarcadero must provide access to first responders, safe locations
21 for people exiting downtown, and routes for transporting emergency supplies and equipment;
22 and

23 WHEREAS, To address earthquake and flood risks to the Seawall, the Port of San
24 Francisco is leading the Seawall Earthquake Safety and Disaster Prevention Program
25 (“Seawall Program”), a program that will invest a projected \$2-5 billion over the next three

1 decades to protect the San Francisco waterfront from imminent seismic risk and increasing
2 flood risk due to sea level rise; and

3 WHEREAS, This Board of Supervisors (this "Board") recognizes the need to improve
4 the earthquake safety and performance of the Seawall and other critical infrastructure, provide
5 near-term flood protection improvements, and plan for long-term resilience and sea level rise
6 adaptation along this important stretch of the City's waterfront; and

7 WHEREAS, The Seawall Earthquake Safety Bond (the "Bond") will provide funding to
8 the Seawall Program and other critical infrastructure; and

9 WHEREAS, the Bond sets up a financing mechanism to be used for certain kinds of
10 work, and specific projects at specified locations will not be determined until additional design
11 and budget development, as well as further planning and environmental review processes,
12 are complete; now, therefore, be it

13 RESOLVED, By the Board of Supervisors:

14 Section 1. The Board determines and declares that the public interest and necessity
15 demand the construction, reconstruction, acquisition, improvement, demolition, seismic
16 strengthening and repair of the Seawall and other critical infrastructure and the payment of
17 related costs necessary or convenient for the foregoing purposes.

18 Section 2. The estimated cost of \$425,000,000 of the Bond is and will be too great to
19 be paid out of the ordinary annual income and revenue of the City, will require an expenditure
20 greater than the amount allowed by the annual tax levy, and will require the incurrence of
21 bonded indebtedness in an amount not to exceed \$425,000,000.

22 Section 3. The Planning Department has determined that the actions contemplated in
23 this ordinance comply with the California Environmental Quality Act, California Public
24 Resources Code Sections 21000 et seq., the CEQA Guidelines, 15 California Administrative
25 Code Sections 15000 et seq., , and San Francisco Administrative Code Chapter 31

1 (collectively, "CEQA"). Said determination is on file with the Clerk of the Board of Supervisors
2 in File No. _____ and is incorporated herein by reference. The Board affirms this
3 determination.

4 Section 4. The Board finds and declares that the proposed Bond is in conformity with
5 the priority policies of Section 101.1(b) of the San Francisco Planning Code and consistent
6 with the City's General Plan, and adopts the findings of the Planning Department, as set forth
7 in the General Plan Referral Report dated _____, a copy of which is on file with
8 the Clerk of the Board of Supervisors in File No. _____ and incorporates such findings by
9 reference.

10 Section 5. The time limit for approval of this resolution specified in Section 2.34 of the
11 San Francisco Administrative Code is waived.

12 Section 6. Under Section 2.40 of the San Francisco Administrative Code, the
13 ordinance submitting this proposal to the voters shall contain a provision authorizing landlords
14 to pass-through 50% of the resulting property tax increases to residential tenants in
15 accordance with Chapter 37 of the San Francisco Administrative Code.

16 Section 7. Documents referenced in this resolution are on file with the Clerk of the
17 Board of Supervisors in File No. _____, which is hereby declared to be a part of this
18 resolution as if set forth fully herein.

19

20 APPROVED AS TO FORM:

21 DENNIS J. HERRERA
22 City Attorney

23

24

By: _____
Kenneth David Roux
Deputy City Attorney

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