[Ordinance Levying Special Taxes Within Special Tax District No. 2009-1 (San Francisco Sustainable Financing)]

Ordinance to authorize and levy special taxes within City and County of San Francisco Special Tax District 2009-1 (San Francisco Sustainable Financing); authorize the Director of Public Finance to determine the Special Tax Rate and Amount to be levied each fiscal year; to establish the method for the collection of special taxes and other matters necessary or advisable in connection therewith.

NOTE: Additions are single-underline italics Times New Roman; deletions are strike-through italics Times New Roman.
Board amendment additions are double-underlined; Board amendment deletions are strikethrough normal.

Be it ordained by the People of the City and County of San Francisco:

The Board of Supervisors of the City and County of San Francisco hereby finds, determines and declares [based on the record before it that]:

A. On November 24, 2009, this Board of Supervisors (the “Board of Supervisors”) of the City and County of San Francisco (the “City”), adopted Resolution No. 464-09 entitled “Resolution of Intention to Establish Special Tax District” (the “Resolution of Intention”) stating its intention to establish, for the public purposes set forth in the Resolution of Intention, the “City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing)” (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, sections 53311, et. seq., of the California Government Code (the “Act”), to finance and refinance the acquisition, installation and improvement of energy efficiency, water conservation and renewable energy improvements to
or on real property and in buildings, whether such real property or buildings are privately or publicly owned.

B. The Resolution of Intention stated the intention of the Board of Supervisors to undertake the proceedings to form the Special Tax District under the alternate procedures established by Section 43.10.17 of the Code, pursuant to which a special tax district may initially consist solely of territory proposed for annexation to the special tax district in the future, with the condition that a parcel or parcels within that territory may be annexed to the special tax district and subjected to the special tax only with the unanimous approval of the owner or owners of such parcel or parcels at the time that such parcel or those parcels are annexed or in compliance with other procedures established by the Code.

C. The Resolution of Intention stated that the City may, without additional hearings or procedures, designate a parcel or parcels as an improvement area within the Special Tax District; that, 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 for such parcel or parcels will apply only to the improvement area; and that the City may incur indebtedness payable solely from special taxes levied on property in the improvement area.

D. Notice was published as required by the Code relative to the intention of this Board of Supervisors to form the Special Tax District, to provide for certain facilities and to incur bonded indebtedness for the Special Tax District in an amount not to exceed $150,000,000.

E. This Board of Supervisors held noticed public hearings as required by the Code relative to (i) the determination to proceed with the formation of the Special Tax District and the method of apportionment of the special tax to be levied within the Special Tax District to
finance the costs of the facilities and (ii) the issuance of not to exceed $150,000,000 of
bonded indebtedness for the Special Tax District.

F. At the public hearings, all persons desiring to be heard on all matters pertaining
to the formation of the Special Tax District and the levy of special taxes were heard,
substantial evidence was presented and considered by this Board of Supervisors and a full
and fair hearing was held.

G. Subsequent to the hearings, this Board of Supervisors adopted Resolution No.
6-10, "Resolution of Formation of Special Tax District" (the "Resolution of Formation"),
and Resolution No. 7-10, "Resolution Determining the Necessity to Incur Bonded
Indebtedness" (the "Resolution of Necessity"), which defined the public facilities to be
financed by the Special Tax District (the "Facilities"), established the Special Tax District,
authorized the levy of a special tax with the Special Tax District and determined the necessity
to incur bonded indebtedness in the Special Tax District, respectively.

H. Section 43.10.17 of the Code provides that, notwithstanding the provisions of
Section 53340 of the Act, after adoption of the Resolution of Formation for a Special Tax
District pursuant to Section 43.10.17, the Board of Supervisors may, by ordinance, provide for
the levy of the special taxes on parcels that will annex to the special tax district at the rate or
rates to be approved by unanimous approval of the owner or owners of each parcel or parcels
to be annexed to the special tax district or pursuant to other procedures established by the
Code, and for apportionment and collection of the special taxes in the manner specified in the
resolution of formation, and that no further ordinance shall be required even though no parcels
may then have annexed to the special tax district.

2. By the passage of this Ordinance, this Board of Supervisors hereby authorizes
and levies special taxes within the Special Tax District (and all improvement areas established
in the Special Tax District) pursuant to the Code, at the rate or rates to be approved by
unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or parcels to be annexed to the Special Tax District (and all improvement areas established in the Special Tax District) or pursuant to other procedures established by the Code, and in accordance with the method of apportionment (the "Method of Apportionment") set forth in the Resolution of Formation, which Unanimous Approvals, Method of Apportionment and Resolution of Formation are by this reference incorporated herein. The special taxes are hereby levied commencing in the first fiscal year in which a parcel or parcels annexes to the Special Tax District (and all improvement areas established in the Special Tax District) and in each fiscal year thereafter until payment in full of any bonds issued by the City for the Special Tax District (and all improvement areas established in the Special Tax District) (the "Bonds"), as contemplated by the Resolution of Formation and the Resolution of Necessity, and all costs of administering the Special Tax District (and all improvement areas established in the Special Tax District), or such longer period provided for in the Unanimous Approvals or pursuant to other procedures established by the Code.

3. The Director of the Office of Public Finance of the City is hereby authorized and directed each fiscal year to determine the specific special tax rate and amount to be levied for the next ensuing fiscal year for each parcel of real property within the Special Tax District (and all improvement areas established in the Special Tax District), in the manner and as provided in the Resolution of Formation.

4. The Special Tax District initially consists solely of territory proposed for annexation to the Special Tax District in the future. A parcel or parcels within the territory of the Special Tax District may be annexed to the Special Tax District and subjected to the special tax only with the unanimous approval of the owner or owners of such parcel or parcels at the time that such parcel or those parcels are annexed or pursuant to other procedures established by the Code. In no event shall the special taxes be levied on any parcel within the
Special Tax District in excess of the maximum tax specified in the Unanimous Approval applicable to such parcel or pursuant to other procedures established by the Code.

5. All of the collections of the special tax shall be used as provided for in the Code, in the Resolution of Formation and the applicable Unanimous Approval or other annexation proceedings, including, but not limited to, the payment of principal and interest on the Bonds, the replenishment of a debt service reserve fund for the Bonds, the payment of the costs of the Facilities, the payment of the costs of the City in administering the Special Tax District (and all improvement areas established in the Special Tax District), and the costs of collecting and administering the special tax.

6. The special taxes shall be collected in the same manner as ordinary ad valorem taxes are collected and shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes; provided, however, that this Board of Supervisors may provide for other appropriate methods of collection by resolutions of this Board of Supervisors. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent special tax payments. The Director of the Office of Public Finance of the City is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the City and County of San Francisco in order to effect proper billing and collection of the special tax, so that the special tax shall be included on the secured property tax roll of the City and County of San Francisco for the first fiscal year in which a parcel or parcels annexes to the Special Tax District (and all improvement areas established in the Special Tax District) and for each fiscal year thereafter until the Bonds are paid in full or such longer period of time provided in the Unanimous Approvals or such other procedures established by the Code.

7. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the Special Tax District (and all
improvement areas established in the Special Tax District), in each case by a court of
competent jurisdiction, the balance of this Ordinance and the application of the special tax to
the remaining parcels within the Special Tax District (and all improvement areas established
in the Special Tax District) shall not be affected.

8. The Mayor shall sign this Ordinance and the Clerk of the Board of Supervisors
shall cause the same to be published within 15 days after its passage at least once in a
newspaper of general circulation published and circulated in the City.

9. This Ordinance shall take effect 30 days from the date of final passage.

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

By:
MARK D. BLAKE
Deputy City Attorney

*NMayor Newsom, Supervisor Mar
BOARD OF SUPERVISORS
Ordinance to authorize and levy special taxes within the City and County of San Francisco Special Tax District 2009-1 (San Francisco Sustainable Financing); authorize the Director of Public Finance to determine the special tax rate and amount to be levied each fiscal year; to establish the method for the collection of special taxes and other matters necessary or advisable in connection therewith.

January 26, 2010 Board of Supervisors - PASSED, ON FIRST READING
Ayes: 10 - Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi
Excused: 1 - Alioto-Pier

February 02, 2010 Board of Supervisors - FINALLY PASSED
Ayes: 10 - Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi
Excused: 1 - Alioto-Pier

File No. 091447
I hereby certify that the foregoing Ordinance was FINALLY PASSED on 2/2/2010 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Gavin Newsom
Date Approved

2-08-2010