Resolution of intention to establish special tax district to finance energy efficiency and renewable energy capital improvements to residential, commercial, industrial, or other property; to establish boundaries of the Special Tax District; to specify the rate or rates of Special Tax applicable to a parcel or parcels in the Special Tax District; to authorize the issuance of up to $150,000,000 of Special Tax Bonds to finance the capital improvements; to call a public hearing on the establishment of the Special Tax District and provide for the publication of notice thereof; and other matters relating thereto.

WHEREAS, Under Chapter 43, Article X of the San Francisco Administrative Code (the "Code"), which Code incorporates by reference the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), this Board of Supervisors is authorized to establish a special tax district and to act as the legislative body for such special tax district; and,

WHEREAS, In connection with adoption of the Code, this Board of Supervisors made, based on the record before it, certain findings, determinations and declarations which are hereby incorporated herein by this reference, including that:

A. Global warming and persistent droughts pose a serious threat to the economic well-being, public health, natural resources, and the environment of the City, and that action taken by the City to reduce emissions of greenhouse gases will have far reaching effects by encouraging its citizens and other cities and counties and the State of California, among others, to pursue similar actions.

B. A public purpose will be served by using special tax districts to finance the installation of energy efficiency and renewable energy capital improvements to residential, commercial, industrial, or other property.
C. Growing population, climate change, and the need to protect and grow the City's economy while protecting and restoring fish and wildlife habitats makes it essential that the City and County manage its water resources as efficiently as possible.

D. Article X, Section 2 of the California Constitution declares: "It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare."

E. This Board of Supervisors has passed Ordinance Nos. 76-09 and 77-09 to adopt new rules for the installation and/or retrofitting of privately-owned water conservation devices to better "allow San Francisco's economy and population to prosper without placing additional demands on this valuable resource."

F. Reduced water use through conservation provides significant energy and environmental benefits, and can help protect water quality, improve streamflows, and reduce greenhouse gas emissions.

G. The City continues to pursue the improved operation of its stormwater and wastewater management systems to better safeguard bodies of water within and in proximity to the City.

H. Although many of these potential improvements to the City's stormwater and wastewater management systems focus on public infrastructure, there are also improvements to privately-owned property that would assist in the efficient and effective operation of the City's water treatment and management systems.

I. There are many water conservation practices that produce significant energy and other resource savings that should be encouraged as a matter of state policy, and the Board
of Supervisors declares that a public purpose will be served by using special taxes to finance
the installation of water conservation and pollution control improvements that are attached to
residential, commercial, industrial, or other property; and,

WHEREAS, This Board of Supervisors, pursuant to the written request of at least two
members of the Board of Supervisors, now desires to proceed with the establishment of a
City-wide special tax district in order 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; and,

WHEREAS, This Board of Supervisors wishes 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; and,

WHEREAS, This Board of Supervisors wishes to undertake the proceedings to
authorize the issuance of bonded indebtedness for the special tax district under the alternate
procedure established by Section 43.10.18 of the Code, pursuant to which the proposition to
authorize bonded indebtedness may 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 in compliance with
other procedures established by the Code, and pursuant to which no additional hearings or
procedures are required, and each such unanimous approval shall be deemed to constitute a unanimous vote in favor of such proposition; now, therefore, be it

RESOLVED, That this Board of Supervisors proposes to conduct proceedings to establish a special tax district pursuant to the alternate procedures established in Section 43.10.17 of the Code; and, be it

FURTHER RESOLVED, That the name proposed for the special tax district is City and County of San Francisco Special Tax District No. 2009-1 (San Francisco Sustainable Financing) (the "Special Tax District"); and, be it

FURTHER RESOLVED, That the proposed boundaries of the Special Tax District are as shown on the map of it on file with the Clerk of the Board of Supervisors, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The Special Tax District shall 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 a 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; and, be it

FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed to record, or cause to be recorded, the map of the boundaries of the Special Tax District in the office of the Recorder of the City and County of San Francisco within 15 days of the date of adoption of this Resolution; and, be it

FURTHER RESOLVED, That the type of facilities proposed to be financed by the Special Tax District and pursuant to the Code shall consist of those listed as facilities on Exhibit A hereto and hereby incorporated herein (the "Facilities"); and, be it
FURTHER RESOLVED, That except to the extent that funds are otherwise available, the City will levy a special tax (the "Special Tax") to pay directly for the Facilities and/or to pay the principal and interest on bonds of the City issued to finance the Facilities; and, be it

FURTHER RESOLVED, That the Special Tax will be secured by recordation of a continuing lien against all non-exempt real property in the Special Tax District, will be levied annually within the Special Tax District, and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as this Board of Supervisors or its designee shall determine, including direct billing of the affected property owners; and, be it

FURTHER RESOLVED, That the proposed method of apportionment of the Special Tax among the parcels of real property within the Special Tax is described in Exhibit B attached hereto and hereby incorporated herein (the "Method of Apportionment"). Pursuant to Section 43.10.17 of the Code, the rate or rates of the Special Tax applicable to a parcel or parcels in the Special Tax District shall be specified in the unanimous approval as described below relating to such parcel or parcels or in compliance with other procedures established by the Code; and, be it

FURTHER RESOLVED, That this Board of Supervisors hereby finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to ad valorem property taxes and schools financed by a special tax district) are inapplicable to the proposed Special Tax District; and, be it

FURTHER RESOLVED, That the Special Tax shall be levied on a parcel or parcels in the Special Tax District only with the written unanimous approval of the owner or owners of the parcel or parcels to their annexation to the Special Tax District or in compliance with other procedures established by the Code, without any requirement for further public hearings or additional proceedings. The unanimous approval shall be in substantially the form and
1 substance of the Unanimous Approval attached hereto as Exhibit C, or such other form
2 authorized by the Director of the Office of Public Finance; and, be it
3 
4 FURTHER RESOLVED, That it is the intention of this Board of Supervisors, acting as
5 the legislative body for the Special Tax District, to cause bonds of the City to be issued for the
6 Special Tax District pursuant to the Code to finance and refinance in whole or in part the
7 construction, installation and/or acquisition of the Facilities. The special tax bonds (including
8 special tax bonds issued for any improvement area) shall be in the aggregate principal
9 amount of not to exceed $150,000,000, shall be issued in such series and bear interest
10 payable semi-annually or in such other manner as this Board of Supervisors shall determine,
11 at a rate not to exceed the maximum rate of interest as may be authorized by applicable law
12 at the time of sale of such bonds, and shall mature not to exceed 40 years from the date of
13 the issuance thereof; and, be it
14 
15 FURTHER RESOLVED, That the Director of the Office of Public Finance, or the
16 designee of such officer, is hereby directed to study said proposed Facilities and to make, or
17 cause to be made, and file with the Clerk of the Board of Supervisors a report in writing (the
18 "Special Tax District Report") presenting the following:
19 (a) A description of the Facilities by type which will be financed by the Special Tax
20 District.
21 (b) An estimate of the fair and reasonable cost of the Facilities, including the costs of
22 the proposed bond financing and all other related costs as provided in Section 53345.3 of the
23 Act.
24 The Special Tax District Report shall be made a part of the record of the public hearing
25 specified below; and, be it
26 
27 FURTHER RESOLVED, That Tuesday, January —12, 2010 at 29:00 p.m. or as soon
28 as possible thereafter, in the Board of Supervisors' Chambers, 1 Dr. Carlton B. Goodlett

Mayor Newsom, Supervisor Mar
BOARD OF SUPERVISORS
1 Place, City Hall, San Francisco, California, be, and the same are hereby appointed and fixed
2 as the time and place when and where this Board of Supervisors, as legislative body for the
3 Special Tax District, will conduct a public hearing on the establishment of the Special Tax
4 District and consider and finally determine whether the public interest, convenience and
5 necessity require the formation of the Special Tax District and the levy of the Special Tax;
6 and, be it
7
8 FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed
9 to cause notice of the public hearing to be given by publication one time in a newspaper
10 published in the area of the Special Tax District. The publication shall be completed at least
11 seven days before the date of the public hearing specified above. The notice shall be
12 substantially in the form specified in Section 53322 of the Act; and, be it
13
14 FURTHER RESOLVED, That pursuant to Section 43.10.19 of the Code, in connection
15 with the annexation of a parcel or parcels to the Special Tax District pursuant to the alternate
16 and independent procedure set forth in Section 43.10.17 of the Code and the conduct of an
17 election on the proposition to authorize bonded indebtedness pursuant to the alternate and
18 independent procedure set forth in Section 43.10.18 of the Code, the City may, without
19 additional hearings or procedures, designate a parcel or parcels as an improvement area
20 within the Special Tax District. Each improvement area will be known as "Improvement Area
21 No. _____ of City and County of San Francisco Special Tax District No. 2009-1 (San Francisco
22 Sustainable Financing)." After the designation of a parcel or parcels as an improvement area,
23 all proceedings for approval of the appropriations limit, the rate, method of apportionment and
24 manner of collection of special tax and the authorization to incur bonded indebtedness for
25 such parcel or parcels shall apply only to the improvement area; and, be it
26
27 FURTHER RESOLVED, That the Board of Supervisors reserves to itself the right and
28 authority set forth in Section 43344.1 of the Act, subject to any limitations set forth in
any bond resolution, fiscal agent agreement or trust indenture related to the issuance of
bonds; and, be it

FURTHER RESOLVED, That the Director of the Office of Public Finance, or a
designee thereof, is hereby authorized and directed to select a trustee or fiscal agent for any
bonds issued for the Special Tax District on such terms as are acceptable to the Director of
the Office of Public Finance; and, be it

FURTHER RESOLVED, That the Mayor, the Controller, the City Attorney, the Director
of the Office of Public Finance, designees of the Director of the Office of Public Finance, the
Clerk of the Board of Supervisors and all other officers and agents of the City are hereby
authorized and directed to take all actions necessary or advisable to give effect to the
transactions contemplated by this Resolution; and, be it

FURTHER RESOLVED, That this Board of Supervisors proposes to conduct
proceedings to establish a special tax district pursuant to the alternate procedures established
in Section 43.10.17 of the Code; and, be it

FURTHER RESOLVED, That this Resolution shall in no way obligate the Board of
Supervisors of the City to form the Special Tax District. The formation of the Special Tax
District shall be subject to the approval of this Board of Supervisors by resolution following the
holding of the public hearing referred to above.

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

By: ________________
MARK D. BLAKE
Deputy City Attorney
Resolution of Intention to establish Special Tax District in the City and County of San Francisco
Special Tax District No. 2009-1 (San Francisco Sustainable Financing).

November 24, 2009 Board of Supervisors - ADOPTED
Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

I hereby certify that the foregoing Resolution was ADOPTED on 11/24/2009 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Gavin Newsom

Date 12-3-09