[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; finding the proposed bond is in conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); 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

///
WHEREAS, The Seawall serves as a critical emergency response, evacuation and recovery area and provides flood protection to downtown San Francisco ("City") neighborhoods; and

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

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

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

WHEREAS, The Embarcadero Roadway encircles downtown San Francisco; and

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

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

WHEREAS, To address earthquake and flood risks to the Seawall, the Port of San Francisco is leading the Seawall Earthquake Safety and Disaster Prevention Program ("Seawall Program"), a program that will invest a projected $2-5 billion over the next three decades to
1 protect the San Francisco waterfront from imminent seismic risk and increasing flood risk due
to sea level rise; and
WHEREAS, This Board of Supervisors (this "Board") recognizes the need to improve the
earthquake safety and performance of the Seawall and other critical infrastructure, provide
near-term flood protection improvements, and plan for long-term resilience and sea level rise
adaptation along this important stretch of the City's waterfront; and
WHEREAS, The Seawall Earthquake Safety Bond (the "Bond") will provide funding to
the Seawall Program and other critical infrastructure; and
WHEREAS, the Bond sets up a financing mechanism to be used for certain kinds of
work, and specific projects at specified locations will not be determined until additional design
and budget development, as well as further planning and environmental review processes, are
complete; now, therefore, be it
RESOLVED, By the Board of Supervisors:
Section 1. The Board determines and declares that the public interest and necessity
demand the construction, reconstruction, acquisition, improvement, demolition, seismic
strengthening and repair of the Seawall and other critical infrastructure and the payment of
related costs necessary or convenient for the foregoing purposes.
Section 2. The estimated cost of $425,000,000 of the Bond is and will be too great to
be paid out of the ordinary annual income and revenue of the City, will require an expenditure
greater than the amount allowed by the annual tax levy, and will require the incurrence of
bonded indebtedness in an amount not to exceed $425,000,000.
Section 3. The Planning Department has determined that the actions contemplated in
this resolution comply with the California Environmental Quality Act, California Public
Resources Code Sections 21000 et seq., the CEQA Guidelines, 15 California Administrative
Code Sections 15000 et seq., and San Francisco Administrative Code Chapter 31 (collectively,
"CEQA"). The Planning Department has determined that this legislation is not defined as a "project" under CEQA, because it is only the creation of a government funding mechanism and does not involve any commitment to any specific project, as defined in CEQA Guidelines Section 15378(b)(4). The Board affirms this determination.

Section 4. The Board finds and declares that the proposed Bond is in conformity with the priority policies of Section 101.1(b) of the San Francisco Planning Code and consistent with the City's General Plan, and adopts the findings of the Planning Department, as set forth in the General Plan Referral Report dated May 24, 2018, a copy of which is on file with the Clerk of the Board of Supervisors in File No. 180462 and incorporates such findings by reference.

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

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

///

///

///

///

///

///

///

///

///

///

///
Section 7. Documents referenced in this resolution are on file with the Clerk of the Board of Supervisors in File No. 180462 which is hereby declared to be a part of this resolution as if set forth fully herein.

APPROVED AS TO FORM:
DENNIS J. HERRERA
City Attorney

By:  
Mark D. Blake  
Deputy City Attorney

[Signature]
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; finding the proposed bond is in conformity with the General Plan, and the eight priority policies of Planning Code, Section 101.1(b); and waiving the time limits set forth in Administrative Code, Section 2.34.

May 31, 2018 Budget and Finance Committee - AMENDED

May 31, 2018 Budget and Finance Committee - RECOMMENDED AS AMENDED

June 12, 2018 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Stefani, Tang and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 6/12/2018 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mark E. Farrell
Mayor

Date Approved