

**Draft 5-30-18 [FOR DISCUSSION PURPOSES ONLY]**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

[San Francisco Special Tax Financing Law]

**Ordinance to amend the San Francisco Administrative Code Special Tax Financing Law, constituting Article 43.10, to authorize special tax financing of certain facilities and services related to the Central SoMa Plan Area and to make other necessary amendments.**

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 ~~striketrough normal~~.

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

Section 1. FINDINGS.

The Board of Supervisors of the City and County of San Francisco hereby finds, determines and declares:

A. 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.

B. In 2008, the City adopted the Eastern Neighborhoods Plan, including new land use controls and proposed community improvements for the eastern part of the South of Market neighborhood (“SoMa”), as well as the Central Waterfront, Mission, and Showplace Square/Potrero Hill neighborhoods. At that time, the City determined that the development potential of the industrially-zoned part of East SoMa, coupled with the improved transit to be provided by the Central Subway,

1 necessitated a subsequent, focused planning process that took into account the city's  
2 growth needs and City and regional environmental goals. The Central SoMa Plan is  
3 the result of that subsequent process.

4 C. Since that time, the Planning Department released a draft Plan and  
5 commenced environmental review as required by the California Environmental  
6 Quality Act ("CEQA") in April 2013, released an Initial Study in February of 2014,  
7 released a revised Draft Plan and Implementation Strategy in August 2016, released  
8 the Draft Environmental Impact Report in December 2016, and released Responses  
9 to Comments on the Draft Environmental Impact Report in March 2018.

10 D. The vision of the Central SoMa Plan is to create a sustainable  
11 neighborhood by 2040, where the needs of the present are met without  
12 compromising the ability of future generations to meet their own needs, and the  
13 Central SoMa Plan seeks to achieve sustainability in each of its aspects – social,  
14 economic, and environmental – which will require implementing the following  
15 three strategies: 1) Accommodate growth, 2) Provide public benefits; and 3)  
16 Respect and enhance neighborhood character.

17 E. The Central SoMa Plan will accommodate development capacity for up  
18 to 33,000 jobs and 8,300 housing units by removing much of the Plan Area's  
19 industrially-protective zoning and increasing height limits on many of the Plan  
20 Area's parcels.

21 F. The Planning Commission conducted a duly noticed public hearing on  
22 May 10, 2018 in accordance with Planning Code Section 340(c), to consider the  
23 General Plan Amendment, Planning Code and Administrative Code Amendment,  
24 Zoning Map Amendment, and Implementation Program related to the Central SoMa  
25 Plan Area. At the hearing, the Commission voted to recommend approval with

1 modifications to the various ordinances, in Planning Commission Resolutions No.  
2 20183, 20184, 20185, 20186, and 20187.

3 G. The Planning Commission conducted a duly noticed public hearing on  
4 May 10, 2018 to review and consider the Final Environmental Impact Report for  
5 the Central SoMa Plan (“Final EIR”) and found the Final EIR to be adequate,  
6 accurate and objective, thus reflecting the independent analysis and judgment of the  
7 Planning Department and the Commission, and that the summary of comments and  
8 responses contained no significant revisions to the Draft EIR, and by Motion No.  
9 20182 certified the Final EIR for the Central SoMa Plan as accurate, complete, and  
10 in compliance with CEQA, the CEQA Guidelines, and Chapter 31 of the San  
11 Francisco Administrative Code. By Resolution No. 20183, the Planning  
12 Commission approved CEQA Findings, including a statement of overriding  
13 considerations, and adoption of a Mitigation Monitoring and Reporting Program  
14 (“MMRP”), under Case No. 2011. 1356E, for approval of the Central SoMa Plan.

15 H. The Central SoMa Plan and accompanying Public Benefits Program  
16 describe special tax financing for certain facilities and services.

17 I. In order to establish the legal authority for special tax financing of  
18 the facilities and services described in the Central SoMa Plan, the Board of  
19 Supervisors must make certain amendments to Article X of Chapter 43 of the  
20 Administrative Code.

21 J. The Board of Supervisors wishes to further amend Article X of  
22 Chapter 43 of the Administrative Code as it determines to be in the public interest.

23 Section 2. Article X of Chapter 43 of the San Francisco Administrative Code is  
24 hereby amended as follows:

25 A. Section 43.10.15 is hereby amended as follows:

1 SEC. 43.10.15. AUTHORIZED FACILITIES.

2 In addition to the facilities that may be financed under the Act, special taxes may be  
3 levied and bonds may be issued to finance or refinance the following on any land in San  
4 Francisco:

5 (a) The acquisition, installation and improvement of energy efficiency, water  
6 conservation, water pollution control, and renewable equipment with an estimated useful  
7 life of five years or longer and/or energy efficiency, water conservation, water pollution  
8 control, and renewable energy improvements that are attached to or on real property and in  
9 buildings, whether such real property or buildings are privately or publicly owned. Energy  
10 efficiency, water conservation, water pollution control and renewable energy improvements  
11 may only be installed on a privately owned building and on privately owned real property  
12 with the prior written consent of the owner or owners of the building or real property.

13 ~~In addition to the Facilities that may be financed under the Act, special taxes may~~  
14 ~~be levied and bonds may be issued to finance~~ (b) The work deemed necessary to bring  
15 buildings or real property, including privately owned buildings or real property, into  
16 compliance with seismic safety standards or regulations. Only work certified as necessary  
17 to comply with seismic safety standards or regulations by local building officials may be  
18 financed. No project involving the dismantling of an existing building and its replacement  
19 by a new building, nor the construction of a new or substantially new building may be  
20 financed pursuant to this subparagraph. Work on qualified historical buildings or structures  
21 shall be done in accordance with the State Historical Building Code (Part 2.7 (commencing  
22 with Section 18950) of Division 13 of the Health and Safety Code). Work on privately  
23 owned property may only be financed with the prior written consent of the owner or  
24 owners of the privately owned property.

1           (c) Sustainability studies and guideline documents related to development in the  
2 planning area governed by the Central SoMa Plan & Implementation Strategy.

3           (d) The purchase, construction, expansion, improvement, or rehabilitation of  
4 real or other tangible property with an estimated useful life of three years or longer,  
5 whether such property is privately or publicly owned, if the Board of Supervisors has  
6 provided for the financing of such property in the resolution of formation for the special tax  
7 district and the ordinance levying the special taxes in the special tax district.

8           B. Section 43.10.16 is hereby amended as follows:

9           SEC. 43.10.16.           AUTHORIZED SERVICES.

10          (a) In addition to the services that may be financed under the Act, special taxes  
11 may be levied to finance the following within San Francisco:

12           (i) Recreation program services, library services, maintenance services  
13 for elementary and secondary schoolsites and structures, and the operation and  
14 maintenance of museums and cultural facilities if they have been approved by the qualified  
15 electors, regardless of whether the qualified electors are landowners or registered voters.

16           (ii) Any other services that the Board of Supervisors has authorized in  
17 the resolution of formation for the special tax district and the ordinance levying the special  
18 taxes in the special tax district.

19          (b) It is hereby specifically provided that in proceedings under this Article to  
20 finance Services, the limitations set forth in the penultimate paragraph of Section 53313  
21 shall not apply.

22           APPROVED AS TO FORM:

23           DENNIS J. HERRERA  
24           City Attorney

25  
\*Name of Supervisor/Committee/Department\*  
**BOARD OF SUPERVISORS**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

By: \_\_\_\_\_  
MARK D. BLAKE,  
Deputy City Attorney