

BOARD of SUPERVISORS



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May 18, 2015

File No. 150499

Sarah Jones  
Environmental Review Officer  
Planning Department  
1650 Mission Street, 4<sup>th</sup> Floor  
San Francisco, CA 94103

Dear Ms. Jones:

On May 12, 2015, Supervisor Kim introduced the following legislation:

**File No. 150499**

**Resolution declaring the intention of the Board of Supervisors to renew and expand a property-based business improvement district (community benefit district) known as the "Yerba Buena Community Benefit District" and levy a multi-year assessment on all parcels in the district; approving the management district plan and engineer's report and proposed boundaries map for the district; ordering and setting a time and place for a public hearing thereon; approving the form of the Notice of Public Hearing and Assessment Ballot Proceeding, and Assessment Ballot; directing environmental findings; and directing the Clerk of the Board of Supervisors to give notice of the public hearing and balloting as required by law.**

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

By: Erica Major, Assistant Committee Clerk  
Government Audit and Oversight Committee

Attachment

c: Joy Navarrete, Environmental Planning  
Jeanie Poling, Environmental Planning

Not defined as a project under CEQA Sections 15378 and 15060(c)(2) because it does not result in a physical change in the environment.

1 [Resolution of Intention - Renew and Expand Yerba Buena Community Benefit District]

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3 **Resolution declaring the intention of the Board of Supervisors to renew and expand a**  
4 **property-based business improvement district (community benefit district) known as**  
5 **the “Yerba Buena Community Benefit District” and levy a multi-year assessment on all**  
6 **parcels in the district; approving the management district plan and engineer’s report**  
7 **and proposed boundaries map for the district; ordering and setting a time and place for**  
8 **a public hearing thereon; approving the form of the Notice of Public Hearing and**  
9 **Assessment Ballot Proceeding, and Assessment Ballot; directing environmental**  
10 **findings; and directing the Clerk of the Board of Supervisors to give notice of the**  
11 **public hearing and balloting as required by law.**

12  
13 WHEREAS, The Property and Business Improvement District Law of 1994 (California  
14 Streets and Highways Code, Sections 36600 et seq., “1994 Act”), authorizes cities to  
15 establish property and business improvement districts within business districts to promote the  
16 economic revitalization and physical maintenance of such business districts; and

17 WHEREAS, Section 36603 of the 1994 Act recognizes the authority of Charter cities to  
18 adopt ordinances providing for different methods of levying assessments for similar or  
19 additional purposes from those set forth in the 1994 Act; and

20 WHEREAS, Article 15 of the San Francisco Business and Tax Regulations Code  
21 (“Article 15”) augments certain procedural and substantive requirements relating to the  
22 formation of property and business improvement districts and the assessments on real  
23 property or businesses within such districts; and

24 WHEREAS, The 1994 Act and Article 15 authorize the City to levy and collect  
25 assessments on real property within such districts for the purpose of providing improvements

1 and promoting activities and property-related services that specially benefit parcels of real  
2 property located within such districts; and

3 WHEREAS, Article XIID of the California Constitution and Section 53753 of the  
4 California Government Code impose certain procedural and substantive requirements relating  
5 to assessments on real property; and

6 WHEREAS, The 1994 Act and Article 15 impose additional procedural and substantive  
7 requirements relating to assessments on real property within a proposed property and  
8 business improvement district, also known as a community benefit district (“CBD”); and

9 WHEREAS, The Board of Supervisors finds that the property-related services, activities  
10 and improvements to be funded with assessments on real property within the proposed district  
11 will confer special benefits on the assessed properties over and above the general benefit to  
12 the public at large from such services, activities and improvements; and

13 WHEREAS, The property owners who will pay 30 percent or more of the total amount  
14 of assessments on properties within the proposed district signed and submitted to the Clerk of  
15 the Board of Supervisors a petition (“Petition”) requesting that the Board of Supervisors renew  
16 and expand the property-based community benefit district known as the “Yerba Buena  
17 Community Benefit District,” and levy assessments on properties located in the proposed  
18 district to fund property-related services, activities and improvements within the district; and

19 WHEREAS, A Management District Plan entitled “Yerba Buena Community Benefit  
20 District Management Plan” (“Management District Plan”) containing information about the  
21 proposed district and assessments required by Section 36622 of the 1994 Act, including but  
22 not limited to a map showing all parcels located in the district, a description of the boundaries  
23 of the district, the name of the district, the amount of the proposed assessment for each  
24 parcel, the total annual amount chargeable to the entire district, the duration of the payments,  
25 the property-related services, activities and improvements to be funded by the assessments

1 for each year and the maximum cost thereof, the method and basis upon which the  
2 assessments are calculated in sufficient detail to allow each property owner to calculate the  
3 amount of the assessment to be levied against his or her property, a statement that no bonds  
4 will be issued, the time and manner of collecting the assessments, and a list of the properties  
5 to be assessed (including assessor parcel numbers), is on file with the Clerk of the Board of  
6 Supervisors in File No. 150499, which is hereby declared to be a part of this Resolution as if  
7 set forth fully herein; and

8 WHEREAS, A detailed engineer's report supporting the assessments within the  
9 proposed district, prepared by Brian K. Thomas, California Registered Professional Engineer  
10 No. 60907, entitled "City and County of San Francisco Yerba Buena Community Benefit  
11 District Engineer's Report" ("Engineer's Report") is on file with the Clerk of the Board of  
12 Supervisors in File No. 150499, which is hereby declared to be a part of this Resolution as if  
13 set forth fully herein; and

14 WHEREAS, A Proposed Boundaries Map, submitted pursuant to California Streets and  
15 Highways Code, Section 3110, is on file with the Clerk of the Board of Supervisors in File No.  
16 150499, which is hereby declared to be a part of this Resolution as if set forth fully herein;  
17 now, therefore, be it

18 RESOLVED, That the Board of Supervisors declares as follows:

19 Section 1. Pursuant to Section 36621(a) of the 1994 Act and Article 15, the Board of  
20 Supervisors declares its intention to renew and expand the property and business  
21 improvement district known as the "Yerba Buena Community Benefit District" ("District") for a  
22 period of fifteen and one half (15 1/2) years, and to levy and collect assessments against all  
23 parcels of real property in the District for fifteen of those years, commencing with  
24 FY2015-2016, subject to approval by a majority of the property owners in the District who cast  
25 assessment ballots, which ballots shall be weighted according to the proportional financial

1 obligations of the affected properties. No bonds will be issued. District operations are  
2 expected to commence on or about January 1, 2016, following collection of the assessments  
3 for FY2015-2016 and disbursement of the assessment proceeds to the nonprofit owners'  
4 association that will administer the property-related services, activities and improvements in  
5 the District pursuant to Section 36651 of the 1994 Act and a written agreement with the City.

6 Section 2. Nonpayment of assessments will have the same lien priority and delinquent  
7 payment penalties and be subject to the same enforcement procedures and remedies as the  
8 ad valorem property tax. All delinquent payment of assessments will be subject to interest  
9 and penalties. The City Treasurer and Tax Collector will enforce imposition of interest and  
10 penalties and collection of assessments pursuant to the 1994 Act, Article 15 and the San  
11 Francisco Business and Tax Regulation Code, Article 6, as each may be amended from time  
12 to time.

13 Section 3. The Board of Supervisors hereby approves the Management District Plan  
14 and Engineer's Report, including the estimates of the costs of the property-related services,  
15 activities and improvements set forth in the plan, and the assessment of said costs on the  
16 properties that will specially benefit from such services, activities and improvements. The  
17 Clerk of the Board shall make the Management District Plan, Engineer's Report and other  
18 documents related to the District and included in the record before the Board of Supervisors  
19 available to the public for review during normal business hours, Monday through Friday 8:00  
20 a.m. through 5:00 p.m., excluding legal holidays.

21 Section 4. The Board of Supervisors hereby approves the Proposed Boundaries Map  
22 showing the boundaries of the District. The proposed District contains approximately 2123  
23 identified parcels located on approximately 20 whole or partial blocks.

24 Specifically, the exterior District boundaries are:  
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- 1 • Market Street from northwest corner of Assessor Parcel No. 3706-048 to 2nd Street  
2 (south side only)
- 3 • 2nd Street from Market Street to Harrison Street to the southeast corner of  
4 Assessor Parcel No. 3763-001 (west side only)
- 5 • Harrison Street from 2nd Street to Vassar Place (east and west sides - street and  
6 affronting parcels)
- 7 • Vassar Place, running on the Eastern property line of APN 3763-105, from Harrison  
8 to Perry Street (no public right of way on Vassar included)
- 9 • Perry Street from Vassar Place to 4th Street (north side only)
- 10 • 4th Street from Perry Street to Harrison Street (east side only)
- 11 • Harrison Street from 4th Street to 5th Street (east and west sides - street and  
12 affronting parcels)
- 13 • 5th Street from Harrison Street to Howard Street (east and west sides - street and  
14 affronting parcels)
- 15 • 5th Street from Howard Street to northwest corner of Assessor Parcel No. 3705-039  
16 (east side only)
- 17 • Mission Street from 5th Street to 4th Street (east and west sides - street and  
18 affronting parcels)
- 19 • 4th Street from Mission Street to northeast corner of Assessor Parcel No. 3705z-  
20 003 (west side only) and Stevenson Alley (east side only)
- 21 • Stevenson Alley to southwest corner of Assessor Parcel No. 3706-048 (south side  
22 only)
- 23 • Southwest corner of Assessor Parcel No. 3706-048 to the parcel's northwest corner  
24  
25

1 Reference should be made to the detailed maps and the lists of parcels identified by  
2 Assessor Parcel Number that are contained in the Management District Plan, in order to  
3 determine which specific parcels are included in the Yerba Buena Community Benefit District.

4 Section 5. A public hearing on the renewal and expansion of the District, and the levy  
5 and collection of assessments starting with FY2015-2016 and continuing through  
6 FY2029-2030, shall be conducted before the Board of Supervisors sitting as a Committee of  
7 the Whole on July 28, 2015, at 3:00 p.m., or as soon thereafter as the matter may be heard in  
8 the Board's Legislative Chamber, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place,  
9 San Francisco, California, 94102. At this public hearing, the Board of Supervisors will hear  
10 public testimony regarding the proposed formation of the District, assessments, and  
11 boundaries of the District, including testimony from all interested persons for or against  
12 renewal and expansion of the District, the extent of the District, the levy of the assessments,  
13 the furnishing of specific types of property-related services, improvements and activities, and  
14 other matters related to the District. The Board of Supervisors may waive any irregularity in  
15 the form or content of any written protest, and at the public hearing may correct minor defects  
16 in the proceedings. All protests submitted by affected property owners and received prior to  
17 the conclusion of the public testimony portion of the public hearing shall be tabulated to  
18 determine whether a majority protest exists.

19 Section 6. The Board of Supervisors hereby approves the form of the Notice of Public  
20 Hearing and Assessment Ballot Proceeding, and Assessment Ballot, which are on file with the  
21 Clerk of the Board of Supervisors in File No. 150499; which are hereby declared to be a part  
22 of this Resolution as if set forth fully herein.

23 Section 7. The proposed property-related services, improvements and activities for the  
24 District include a Cleaning and Streetscape Improvement program, a Safety and Security  
25 program, a Branding, Activation, and Marketing program, and Management and Operations.

1           **Cleaning and Streetscape Improvement:** The Cleaning and Streetscape  
2 Improvement program includes, but is not limited to, regular sidewalk and gutter sweeping,  
3 scheduled steam cleanings, power washing, refuse removal, graffiti removal, and streetscape  
4 improvements. Streetscape improvements are based upon, but not limited by, the Yerba  
5 Buena Street Life Plan, a roadmap for enhancing public spaces in the neighborhood. The  
6 District will also distribute small annual grants (through its Community Benefit Fund) to  
7 community organizations providing services in the District that support the District’s mission.

8           **Safety and Security:** The Safety and Security program includes but is not limited to,  
9 working with residents, merchants, the San Francisco Police Department (SFPD) and  
10 community on a variety of safety programs and strategies to prevent crime and increase  
11 pedestrian safety throughout the District. The District will provide Community Guides to assist  
12 visitors, connect those in need with social services, and report cleaning and safety issues.  
13 The District will also distribute small annual grants (through its Community Benefit Fund) to  
14 community organizations providing services in the District that support the District’s mission.

15           **Branding, Activation, and Marketing:** Branding, Activation, and Marketing includes  
16 but is not limited to, programs to promote properties and businesses in the District and the  
17 creation and production of special events that draw visitors into the District as a means of  
18 additional exposure. The District will program special events and conduct marketing activities  
19 in various parts of the District. The District marketing and promotion services will make sure  
20 new visitors, employees, patrons, and residents know about area attractions and will help  
21 them enjoy their experience in the District. The District plans to include other marketing  
22 initiatives as appropriate, and as budget resources allow.

23           **Management and Operations:** Management and Operations includes, but is not  
24 limited to, a dedicated staff who will serve as a focal point persons and advocate for the  
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1 District and the management of office expenses including accounting, rent, utilities, office  
2 supplies, insurance, legal, and other professional services related to District activities

3 Section 8. Within the area encompassed by the proposed District, the City currently  
4 provides services at the same level provided to other similar areas of the City. It is the intent  
5 of the Board of Supervisors to continue to provide the area encompassed by the District with  
6 the same level of services provided to other similar areas of the City; formation of the District  
7 will not affect the City's policy to continue to provide the same level of service to the areas  
8 encompassed by the District as it provides to other similar areas of the City during the term of  
9 the District.

10 Section 9. The annual total assessments proposed to be levied and collected for the  
11 first year of the District (FY2015-2016) is estimated to be \$2,991,722.82. The amount of the  
12 total annual assessments to be levied and collected for years two through fifteen (FYs 2016-  
13 2017 through 2029-2030) may be increased from one year to the next by a percentage that  
14 does not exceed either the change in the Consumer Price Index for All Urban Consumers in  
15 the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area (the "CPI"),  
16 or three percent (3%), whichever is less. In addition, to account for new assessments from  
17 potential future development in the District, the assessment for each of years two through 15  
18 of the District may be increased by not more than 5% of the prior year's assessment, including  
19 any CPI adjustment.

20 Section 10. Environmental Findings. Following the approval of this Resolution, the  
21 Planning Department shall determine whether the actions contemplated in this Resolution are  
22 in compliance with the California Environmental Quality Act (California Public Resources  
23 Code, Sections 21000 et seq.), and respond in writing to the Clerk of the Board of Supervisors  
24 prior to the Board's public hearing on the renewal and expansion of the District on July 28,  
25 2015, at 3:00 p.m.

1           Section 11. The Clerk of the Board is directed to give notice of the public hearing as  
2 provided in California Streets and Highways Code, Section 36623, California Government  
3 Code, Section 53753, California Constitution Article XIID, Section 4, San Francisco Charter,  
4 Section 16.112, and San Francisco Administrative Code, Section 67.7-1.

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