

1 [Resolution of Intention - Renewal and Expansion - Downtown Community Benefit District]

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

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14 WHEREAS, Article XIID of the California Constitution and the California Streets and  
15 Highways Code, Sections 36600 et seq. (“the 1994 Act”), as augmented by Article 15 of the  
16 San Francisco Business and Tax Regulations, Code (“Article 15”), authorize the City to  
17 establish property and business improvement districts funded by special assessments to  
18 promote the economic revitalization and physical maintenance of such districts; and

19 WHEREAS, Pursuant to the above legal authorities, the Board of Supervisors  
20 previously adopted Resolution No. 327-19 establishing the Downtown Community Benefit  
21 District (“the District”) for a 15-year term (File No. 190564); and

22 WHEREAS, Pursuant to the foregoing, the property owners who will pay 30% or more  
23 of the total amount of assessments on properties within the proposed renewed and expanded  
24 district signed and submitted to the Clerk of the Board of Supervisors a petition (“Petition”)  
25 requesting that the Board of Supervisors renew and expand the property-based community

1 benefit district known as the “Downtown Community Benefit District” and levy assessments on  
2 properties located within the proposed renewed and expanded district (“Renewed and  
3 Expanded District”) to fund property-related services, activities and improvement within the  
4 Renewed and Expanded District; and

5 WHEREAS, A Management District Plan entitled “Downtown Community Benefit  
6 District Management Plan” (“Management District Plan”) containing information about the  
7 Renewed and Expanded District and assessments required by Section 36622 of the 1994 Act,  
8 including but not limited to a map identifying all parcels located in the district, a description of  
9 the boundaries of the Renewed and Expanded District, the name of the district, the amount of  
10 the proposed assessment for each parcel, the total annual amount chargeable to the entire  
11 district, the duration of the payments, the property-related services, activities and  
12 improvements to be funded by the assessments for each year and the maximum cost thereof,  
13 the method and basis upon which the assessments are calculated in sufficient detail to allow  
14 each property owner to calculate the amount of the assessment to be levied against their  
15 property, a statement that no bonds will be issued, the time and manner of collecting the  
16 assessments, and a list of the properties to be assessed (including assessor parcel numbers),  
17 is on file with the Clerk of the Board of Supervisors in File No. 260466, which is hereby  
18 declared to be a part of this Resolution as if set forth fully herein; and

19 WHEREAS, A detailed Engineer’s Report supporting the assessments within the  
20 proposed Renewed and Expanded District, prepared by Terrance E. Lowell, state of  
21 California, Registered Professional Engineer, No. 13398, entitled “Downtown Community  
22 Benefit District Engineer’s Report” (“Engineer’s Report”) is on file with the Clerk of the Board  
23 of Supervisors in File No. 260466, which is hereby declared to be a part of this Resolution as  
24 if set forth fully herein; and

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1           WHEREAS, A Proposed Boundaries Map, submitted pursuant to California Streets and  
2 Highways Code, Section 3110, is on file with the Clerk of the Board of Supervisors in File  
3 No. 260466, which is hereby declared to be a part of this Resolution as if set forth fully herein;  
4 now, therefore, be it

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

6           Section 1. Pursuant to the 1994 Act and Article 15, the Board of Supervisors declares  
7 its intention to renew and expand the Downtown Community Benefit District, for a period of  
8 ten and one half (10 1/2) years, and to levy and collect assessments against all parcels of real  
9 property in the Renewed and Expanded District for ten (10) of those years commencing with  
10 fiscal year (“FY”) 2026-2027, subject to approval by a majority of the property owners in the  
11 Renewed and Expanded District who cast assessment ballots, which ballots shall be weighted  
12 according to the proportional financial obligations of the affected properties. The Renewed  
13 and Expanded District’s operations are expected to commence on or about January 1, 2027,  
14 following collection of the assessments for FY2026-2027 and disbursement of the assessment  
15 proceeds to the nonprofit owners’ association that will administer the property-related  
16 services, activities and improvements in the Renewed and Expanded District pursuant to  
17 Section 36651 of the 1994 Act and a written agreement with the City. No bonds will be  
18 issued.

19           Section 2. It is the intent of the Board of Supervisors that the Renewed and Expanded  
20 District, once established, will supersede the establishment of the District as set forth in  
21 Resolution No. 327-19. Upon establishment of the Renewed and Expanded District, the City  
22 will cease collecting assessments to fund activities as described in Resolution No. 327-19,  
23 and instead will levy assessments to fund activities across the Renewed and Expanded  
24 District. Any remaining revenues derived from the levy of assessments under Resolution  
25 No. 327-19, or any revenues derived from the sale of assets acquired with those revenues,

1 may be spent to benefit only the parcels or businesses in the original District that paid those  
2 assessments.

3 Section 3. Nonpayment of assessments will have the same lien priority and delinquent  
4 payment penalties and be subject to the same enforcement procedures and remedies as the  
5 ad valorem property tax. All delinquent payment of assessments will be subject to interest  
6 and penalties. The City Treasurer and Tax Collector will enforce imposition of interest and  
7 penalties and collection of assessments pursuant to the 1994 Act, Article 15 and the San  
8 Francisco Business and Tax Regulation Code Article 6, as each may be amended from time  
9 to time.

10 Section 4. The Board of Supervisors hereby approves the Renewed and Expanded  
11 District's Management District Plan and Engineer's Report, including the estimates of the  
12 costs of the property-related services, activities and improvements set forth in the plan, and  
13 the assessment of said costs on the properties that will specially benefit from such services,  
14 activities and improvements. The Clerk of the Board shall make the Renewed and Expanded  
15 District's Management District Plan, Engineer's Report and other documents related to the  
16 District and included in the record before the Board of Supervisors available to the public for  
17 review during normal business hours, Monday through Friday 8:00 a.m. through 5:00 p.m.,  
18 excluding legal holidays.

19 Section 5. The Board of Supervisors hereby approves the Proposed Boundaries Map  
20 showing the expanded boundaries of the Renewed and Expanded District. The proposed  
21 Renewed and Expanded District contains approximately 840 identified parcels located on  
22 approximately 70 whole or partial blocks.

23 The Downtown CBD generally comprises those properties from:

- 24 • Kearny Street from Market Street to Sacramento Street
- 25 • Montgomery Street from Sacramento Street to Broadway

- 1 • Broadway from Montgomery Street to Front Street
- 2 • Jackson Street from Columbus Avenue to Front Street
- 3 • Washington Street from Montgomery Street to The Embarcadero
- 4 • The Embarcadero from Broadway to Howard Street
- 5 • Market Street from Kearny Street to The Embarcadero
- 6 • Howard Street from The Embarcadero to Spear Street
- 7 • Spear Street from Howard Street to Market Street

8 Assessor Parcel Numbers listed in the Management District Plan specify parcels included in  
9 the Renewed and Expanded District known as the Downtown Community Benefit District.

10 Section 6. A public hearing on the renewal and expansion of the Renewed and  
11 Expanded District, and the levy and collection of assessments starting with FY2026-2027 and  
12 continuing through FY2035-2036, shall be conducted before the Board of Supervisors sitting  
13 as a Committee of the Whole on \_\_\_\_\_ at 3:00 p.m., or as soon thereafter as the  
14 matter may be heard in the Board’s Legislative Chambers, Second Floor, City Hall, 1 Dr.  
15 Carlton B. Goodlett Place, San Francisco, California, 94102. At this public hearing, the Board  
16 of Supervisors will hear public testimony regarding the proposed renewal and expansion of  
17 the district, assessments, and boundaries of the proposed Renewed and Expanded District,  
18 including testimony from all interested persons for or against the renewal and expansion of  
19 the district, the extent of the Renewed and Expanded District, the levy of the assessments,  
20 the furnishing of specific types of property-related services, improvements and activities, and  
21 other matters related to the Renewed and Expanded District. The Board of Supervisors may  
22 waive any irregularity in the form or content of any written protest, and at the public hearing  
23 may correct minor defects in the proceedings. All protests submitted by affected property  
24 owners and received prior to the conclusion of the public testimony portion of the public  
25 hearing shall be tabulated to determine whether a majority protest exists.

1 Section 7. The Board of Supervisors hereby approves the form of the Notice of Public  
2 Hearing and Assessment Ballot Proceeding, and Assessment Ballot, which are on file with the  
3 Clerk of the Board of Supervisors in File No. 260466; which are hereby declared to be a part  
4 of this Resolution as if set forth fully herein.

5 Section 8. The proposed property-related services, improvements and activities for the  
6 Expanded District include the following:

7 **Clean, Safe & Placemaking:** Clean, Safe & Placemaking includes, but is not limited to,  
8 Clean and safe ambassadors, power washing, and implementation of homeless outreach,  
9 security camera network, and overnight patrols, and implementing the Public Realm Action Plan  
10 to fund, design, install, activate, and maintain streetscape improvements and beautification  
11 efforts.

12 **District Identity, Economic Development, & Advocacy:** District Identity, Economic  
13 Development, & Advocacy, includes, but is not limited to, economic recovery activities through  
14 business attraction, retention, and technical assistance; programming and special events;  
15 district branding, storytelling, advertising, and public relations; advocacy, public affairs, and  
16 coalition building.

17 **Management, Administration & Contingency:** Management, Administration &  
18 Contingency includes, but is not limited to, program management to support implementation  
19 and includes contingency funding to support special projects and new initiatives.

20 **Potential Park Overlay Services:** If Embarcadero Park is completed, the potential Park  
21 Overlay Services includes, but is not limited to, additional supplemental services including  
22 security, maintenance, activation, and special events.

23 Section 9. Within the area encompassed by the Renewed and Expanded District, the  
24 City currently provides a baseline level of services similar to other areas of the City. It is the  
25 intent of the Board of Supervisors to continue to provide the area encompassed by the

1 Renewed and Expanded District a baseline level of services; formation of the Renewed and  
2 Expanded District will not affect the City's policy to continue to provide service to the areas  
3 encompassed by the Renewed and Expanded District as it provides to other similar areas of  
4 the City during the term of the Renewed and Expanded District.

5 Section 10. The annual total assessments proposed to be levied and collected for the  
6 first year of the Renewed and Expanded District (FY2026-2027) is estimated to  
7 be \$11,052,168.

8 The amount of the total annual assessments to be levied and collected for years two  
9 through ten (FYs 2027-2028 through 2035-2036) may be increased from one year to the next  
10 to address changes in the cost of providing services. Assessments may also increase based  
11 on development in the Renewed and Expanded District, or if the Park Overlay is implemented  
12 following completion of the contemplated Embarcadero Park project. The determination of  
13 annual adjustments in assessment rates will be subject to the approval of the Downtown  
14 Community Benefit District Owners' Association. Assessment rates may not increase more  
15 than 5%.

16 Section 11. Environmental Findings. Following the approval of this Resolution, the  
17 Planning Department shall determine whether the actions contemplated in this Resolution are  
18 in compliance with the California Environmental Quality Act (California Public Resources  
19 Code, Sections 21000 et seq.), and respond in writing to the Clerk of the Board of Supervisors  
20 prior to the Board's public hearing on the renewal and expansion of the District on  
21 \_\_\_\_\_ at 3:00 p.m.

22 Section 12. The Clerk of the Board is directed to give notice of the public hearing as  
23 provided in California Streets and Highways Code, Section 36623, California Government  
24 Code, Section 53753, California Constitution Article XIID, Section 4, San Francisco Charter,  
25 Section 16.112, and San Francisco Administrative Code, Section 67.7-1.