



**FISHERMAN'S WHARF PORTSIDE  
COMMUNITY BENEFIT DISTRICT**

*In The City and County of San Francisco*

**Management District Plan**

February 2020

Prepared by:



[nbsgov.com](http://nbsgov.com)

# TABLE OF CONTENTS

<b>1. EXECUTIVE SUMMARY .....</b>	<b>1</b>
1.1 Fisherman’s Wharf Community Benefit District .....	1
1.2 Goals of the FWCBD .....	1
1.3 Management District Plan Overview .....	2
<b>2. DISTRICT AT A GLANCE.....</b>	<b>3</b>
2.1 Portside CBD Boundaries .....	3
2.2 Services and Activities .....	3
2.3 Annual Total Budget and Assessments .....	3
2.4 Term .....	3
<b>3. BACKGROUND .....</b>	<b>4</b>
3.1 What is a Business Improvement District? .....	4
3.2 Establishing a Management District Plan.....	5
3.3 BID Name Designation .....	5
3.4 Timeline for Implementation and Completion of the District .....	5
<b>4. DESCRIPTION OF SERVICES AND ACTIVITIES .....</b>	<b>6</b>
4.1 Clean and Safe Program .....	6
4.2 Marketing and Event Program .....	9
4.3 Administration and Contingency.....	11
4.4 Service Frequencies.....	12
<b>5. ANNUAL AMOUNT TO BE COLLECTED AND EXPENDED .....</b>	<b>13</b>
<b>6. METHOD OF ASSESSMENT .....</b>	<b>14</b>
6.1 Source(s) of Funding.....	14
6.2 Basis of Assessment .....	14
6.3 Business Types and Assessment Rates.....	14
6.4 Determination of Specific Benefit and Direct Services .....	15
6.6 Number of Years Assessments will be Levied .....	17
6.7 Time and Manner of Collecting Assessments .....	17
6.8 Appeals Process.....	17
6.9 Assessment Listing .....	17
<b>7. DISTRICT MANAGEMENT .....</b>	<b>18</b>
7.1 Fisherman’s Wharf Community Benefit District .....	18
7.2 Annual Report by the FWCBD .....	18

7.3	Public Access .....	18
7.4	Rules and Regulations .....	19
7.5	Dissolution.....	19
<b>APPENDIX A: PORTSIDE CBD BOUNDARY MAP .....</b>		<b>21</b>
<b>APPENDIX B: ASSESSMENT LISTING .....</b>		<b>22</b>

# 1. EXECUTIVE SUMMARY

---

## 1.1 Fisherman’s Wharf Community Benefit District

The Fisherman’s Wharf Community Benefit District (the “FWCBD”) was formed by the City of San Francisco (the “City”) in November 2005 with the establishment of the Laneside CBD property-based assessment (the "Laneside CBD") to serve the business and property owners of this San Francisco neighborhood. Later, in December 2006, the City formed the Portside CBD business-based assessment (the "Portside CBD" or “District”), which incorporates businesses with leases from the Port of San Francisco.

The FWCBD immediately began serving the business owners of San Francisco through the levy and collection of these assessments to fund vital marketing, events, advocacy, cleaning, streetscapes, security, and safety programs within the Portside CBD. Based on the success of the prior district, business owners have shown support to renew the Portside CBD through Fiscal Year 2034/35 to continue funding these vital programs and activities.

## 1.2 Goals of the FWCBD

The mission of the FWCBD is to preserve and enhance its vast San Francisco waterfront landscape and multi-cultural heritage, while integrating modern efficiencies to enrich the experience of visitors from both near and far through:

- ▮ Clean and Safe
  - Sidewalk sweeping and pressure washing
  - Graffiti removal and abatement
  - Security patrols
  - Emergency preparedness
- ▮ Marketing
- ▮ Streetscape Improvements
- ▮ Traffic and Urban Planning
- ▮ Market Research

Given its broad representation and focused activities, the FWCBD has served as a catalyst for the unification of Fisherman’s Wharf constituents and has successfully supported a number of positive changes in this historic San Francisco neighborhood.



We envision San Francisco’s Fisherman’s Wharf to be a world-class destination that celebrates its unique history and historical importance in the fishing industry while offering an unparalleled retail, dining, and entertainment experience that showcases the natural beauty of the waterfront.

### **1.3 Management District Plan Overview**

The Management District Plan is the result of the work of the FWCBD, dedicated to improving the Fisherman’s Wharf area for the benefit of business owners and the community. This Management District Plan focuses on proposed activities and improvements within the boundaries of the Portside CBD and includes a boundary, annual budget, assessment methodology, and district management guidelines. There is a separate Management Plan that contains information on the proposed Landside CBD.

## 2. DISTRICT AT A GLANCE

---

The City established the Portside CBD in 2006 for a fourteen-year operational term. Based on the success of the prior district, business owners have shown support to renew the Portside CBD, with modifications to the existing assessment methodology.

### 2.1 Portside CBD Boundaries

The Portside CBD will be located in the historic Fisherman’s Wharf neighborhood of the City of San Francisco. The Portside CBD will generally be bounded by the Embarcadero to the North (extending to the waterfront), Jefferson Street to the South, Pier 35 and the Embarcadero to the East (extending to the waterfront), and Hyde Street to the West. The Portside CBD will include restaurants, food and beverage businesses, retail businesses, for-profit parking lots, non-profit entities, and various tour or charter operators, existing and in the future, within and around the boundaries described above.

There are 45 businesses to be assessed within the Portside CBD.

Refer to Appendix A of this Management District Plan for a Boundary Map that more fully provides a description of the Portside CBD boundaries.

### 2.2 Services and Activities

The services and activities described in this Management District Plan include the provision of the Clean and Safe program, the Marketing and Event program, as well as various management activities to support those efforts, as further described in Section 4, herein.

### 2.3 Annual Total Budget and Assessments

The total proposed annual budget for Fiscal Year 2020/21 is \$275,000. Anticipated assessment revenue of \$275,000 will provide 100.00% of the annual operating budget.

Any surplus monies to be carried over from the Portside CBD as of June 30, 2020, can only be used to benefit those businesses within the boundaries of the Portside CBD. If this is not practical, the surplus monies will be refunded to business owners in proportion to how they were assessed within the Portside CBD previously.

The assessment calculation for each business takes into account the varying business types and annual gross sales data associated with the calendar year preceding each fiscal year, as reported in the Port of San Francisco’s Monthly Sales & Rent Report in December of each year. If gross sales data is not reported for a portion of the year, reported gross sales will be prorated to reflect a year of sales. Section 6 of this Management District Plan provides a more detailed procedure of the annual assessment calculation.

### 2.4 Term

If renewed, assessments would be collected for fifteen years (July 1, 2020, through June 30, 2035). Expenditure of those collected assessments can continue for up to six months after the end of the assessment collection period (December 31, 2035), at which point the Portside CBD would terminate, if not renewed.

## 3. BACKGROUND

---

The City can establish special assessment districts to provide a constant funding source for various improvements, maintenance, and activities that benefit businesses within a defined geographical area. The improvements, maintenance, and activities can include providing enhanced cleaning and maintenance services, improving security, providing for marketing activities to promote and rejuvenate an area, and other programs found to benefit an area. The ongoing revenue stream for the improvements, maintenance, and activities comes from the annual assessments levied on businesses in proportion to the estimated benefits to those businesses. The process by which special assessment districts are formed is outlined below.

### 3.1 What is a Business Improvement District?

A Business Improvement District (“BID”) is a special assessment district that provides for the levy and collection of assessments on businesses within a geographically defined area. Assessment revenue collected from the benefitting businesses pays the costs associated with the improvements, maintenance, and activities provided to such area. The legislation that allows for the establishment of a BID is the Property and Business Improvement District Law of 1994 (commencing with Section 36600 of the California Streets and Highways Code) (the “Law”).

As the City and County of San Francisco is a “charter city” as defined by State law, Section 1510 of San Francisco’s Business and Tax Regulations Code provides authority for the City to augment the Law by authorizing the Board of Supervisors to do any of the following:

1. Reduce the percentage of petitions required from owners in order to initiate formation;
2. Have the district encompass residential property, and to assess residential property;
3. Extend the term of the district to a maximum of 15 years, or such longer term as is authorized by state law;
4. Extend the term of the district to a maximum of 40 years, if all or a portion of the assessments will be pledged or applied to pay any bond, financing lease (including certificates of participation therein), or other similar obligations of the City;
5. Recover through assessments the costs incurred in formation of the district;
6. Disestablish a district upon a supermajority vote of the Board of Supervisors; or,
7. Require a weighted two-thirds (2/3) vote of business owners to be assessed (based on ballots cast), as an alternative or additional procedure for establishing a business improvement district and levying assessments on business owners.

## **3.2 Establishing a Management District Plan**

The Law provides the legal framework for establishing a BID. As part of the formation proceedings, proponents prepare a Management District Plan in accordance with Section 36622 of the Law. The Management District Plan must contain, but is not limited to, the following required elements:

1. A map of the district in sufficient detail to locate each business within the district;
2. The name of the proposed district;
3. A description of the boundaries of the district, including the boundaries of any benefit zones, proposed for the establishment or extension of the district in a manner sufficient to identify the businesses included. The boundaries of a proposed district shall not overlap with the boundaries of another existing district created pursuant to the Law. The Law does not prohibit the boundaries of a district created pursuant to the Law to overlap with other assessment districts established pursuant to other provisions of law including, but not limited to, the Parking and Business Improvement Area Law of 1989;
4. The improvements and activities proposed for each year of operation of the district and the maximum cost thereof;
5. The total annual amount proposed to be expended for improvements, maintenance and operations;
6. The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each business owner to calculate the amount of the assessment to be levied against his or her business;
7. The time and manner of collecting the assessments;
8. The specific number of years in which assessments will be levied. San Francisco's Business and Tax Regulations Code allows the term of the district to be extended by 15 years;
9. The proposed time for implementation and completion of the management district plan;
10. Any proposed rules and regulations to be applicable to the district;
11. A list of the businesses to be assessed and a statement of the method or methods by which the expenses of a district will be imposed upon benefited businesses, in proportion to the benefit received by those businesses, to defray the cost thereof, including operation and maintenance;
12. Any other item or matter required to be incorporated therein by the legislative body.

## **3.3 BID Name Designation**

The name designation of this proposed BID is the Fisherman's Wharf Portside Community Benefit District (the "Portside CBD" or "District").

## **3.4 Timeline for Implementation and Completion of the District**

If approved, the Portside CBD assessment will be effective beginning July 1, 2020, and ending June 30, 2035. District operations will begin in January 2021 and end in December 2035.



## 4. DESCRIPTION OF SERVICES AND ACTIVITIES

---

The Portside CBD will provide for the ongoing provision of the Clean and Safe program, the Marketing and Event program, and management activities all located within the boundaries of the District.

The District will fund certain services and activities described below, which are collectively referred to as the “Services and Activities.”

### 4.1 Clean and Safe Program

The District will supplement certain services provided by the City, such as those services provided by the Department of Public Works, through a comprehensive Clean and Safe program that is designed to improve safety and cleanliness of sidewalks, curbs, and street fixtures within the District boundaries. By using a team of Fisherman’s Wharf CBD clean and safe staff, the Clean and Safe program is designed to strive for safe, litter-free sidewalks that are absent of graffiti and other signs of decay.

The goal is for business owners to maintain pride in the area, and to develop perceptions of cleanliness and increased safety which will contribute to an aesthetically pleasing and vibrant community. Visitors to the District should feel comfortable and secure. A key objective of the FWCBD Board of Directors is to improve the quality of life for business owners within the District, as well as to continually improve the experience of visitors by providing a safe and welcoming presence throughout the area.

#### 4.1.1 FWCBD STAFFING PROGRAM

The FWCBD’s staffing program offers critical support to business owners and visitors in terms of cleanliness and public safety. The team of FWCBD staff not only assist visitors with directions and questions, but they also clean and remove graffiti in the District, collect litter, provide outreach to the District’s street population, and aid law enforcement in the District area.



The primary function of the FWCBD’s staff is to assist the public with information and to direct them to destinations within the District, by drawing on their extensive knowledge of local geography, District businesses, transportation systems, and other useful information. FWCBD staff serve as a welcoming and informed presence that assist the public in navigating the District.

FWCBD staff members also play an important role in promoting the District as a safe and friendly environment. The FWCBD staff are identified by their bright and colorful uniforms, which make them easily visible and recognizable, causing their presence to serve as a deterrent to misdemeanor crime. In addition, they carry hand-held radios that enable them to communicate with each other and request assistance from management if necessary. When present, the private security/10B officer carries one of these radios. The FWCBD also maintains a hotline (staffed by the FWCBD management team) that enables community members to report problems and request necessary service or actions.

FWCBD's staff members receive extensive training on the rules and procedures governing quality of life offenses and public nuisances, and work diligently to employ excellent communication procedures that enable prompt response from the SFPD when an incident occurs.

The FWCBD staffing program goals can be summarized as follows:

- Public awareness and “crime watch”-style programs to involve business owners and citizens
- Reduction of criminal activities, public intoxication, and public nuisance crimes through the persuasive efforts of the FWCBD staff and the coordinated enforcement back-up provided by SFPD
- Continuing development of relationships between FWCBD staff and the merchants of Fisherman’s Wharf, greeting them regularly and offering assistance
- Continued development of strong, supportive relationships between FWCBD staff and SFPD officers
- Ongoing assistance to the homeless by providing useful information and referral to social services

#### **4.1.2 10B SFPD OFFICERS (OR PRIVATE SECURITY)**

The District contracts with 10B SFPD or private security officers, at times, to provide a uniformed presence and provide the enforcement element of the Clean and Safe program. A 10B SFPD officer is a regular uniformed SFPD officer who is assigned directly to and paid for by the District. At times when 10B officers are not available or the FWCBD Board of Directors decides that private security may be more cost effective, the District will employ private security officers that will be a visual deterrent, will report crimes to 911 or non-emergency as needed, and advise the public as necessary on laws and rules regarding the public realm. The 10B SFPD officer, or private security officer, has a direct communication link via radio to the FWCBD staff, as well as to SFPD dispatch. The 10B SFPD officers, or private security officers, will patrol the entire District area and respond to calls from within the District boundaries when needed.

### 4.1.3 SERVICES COMMITTEE

The Services Committee, which is chaired by a board member and volunteer committee members, oversees the Clean and Safe staffing program and the working groups that may be developed for short-term issues. Examples of these working groups are the Safety Outreach, Transportation Improvement, and Jefferson Street Working Groups, discussed further below:

- The Safety Outreach Working Group, formerly *PIERSafe (Partners in Emergency Readiness)*, focuses on emergency preparedness planning and security in Fisherman’s Wharf. A key achievement of the group was the establishment of a comprehensive Preparedness Plan to help business owners prepare for, respond to, and recover from various emergencies, as well as prevent or mitigate future emergencies.
- The goal of the Transportation Improvement Working Group is to help mitigate traffic congestion and to improve vehicle and pedestrian safety at Fisherman’s Wharf. The working group’s initiatives have included advocating for transit service increases/route expansions and advising the District Board of Directors regarding bike and scooter share companies in the public right of way. Supporting the continued success and safe roadway operations of all tour operators within the Fisherman's Wharf Area remains a top priority. Buses and passenger loading zones are an ongoing focus of this working group as well.
- The Jefferson Street Working Group provides businesses an opportunity to voice their concerns and more effectively engage with contractors and/or the Department of Public Works to minimize disruption to their businesses and receive updates related to the Jefferson Streetscape Project.



#### **4.1.4 SECURITY CAMERAS**

The FWCBD Board of Directors will maintain and expand the District’s security camera program (24 security cameras installed in 2018). This will help to address overnight safety issues, and provide relevant information to the cleaning team or other FWCBD staff, as applicable.

## **4.2 Marketing and Event Program**

Another vital program of the FWCBD is the Marketing and Event program, focused on improving the image of Fisherman’s Wharf through community events, communications, outreach, public relations efforts, and other marketing efforts. The Marketing and Event Program’s mission is to attract more tourists and locals to the area and increase the length of their visits to the Wharf. The FWCBD’s tourist marketing efforts, focusing on state, national, and international visitors, have been very successful. While maintaining those channels, the FWCBD will broaden its efforts to include multiple events that draw more local people to rediscover what the Wharf has to offer.

Effectiveness in forming and maintaining relationships with the community is critical to the District’s success. A strong community relations effort emphasizes the importance of positive relationships within the Fisherman’s Wharf area in an atmosphere of maximum community involvement.

### **4.2.1 COMMUNICATION, PUBLIC RELATIONS, AND COMMUNITY RELATIONS**

The FWCBD Executive and Deputy Directors play a central communications role and spend considerable time addressing community meetings, working as problem solvers, and representing the District and its objectives for community betterment, safety, and promotion.

Regular activities and initiatives of the FWCBD include:

- Regular attendance at community and City meetings
- Participation on committees of neighborhood organizations
- Utilization of neighborhood and City social services to help problem areas
- Coordination of services among merchants and the public sector
- District website with useful and important links
- Event promotion and coordination
- Newsletter provided regularly to business owners and members of the media
- Issuing press releases on the District’s programs and the positive results attributable to them
- Ongoing media relations

### **4.2.2 MARKETING**

The FWCBD Board of Directors has concluded that new marketing programs that improve the District’s image, appeal, and visibility will promote increased economic activity in the District in the form of more customers and higher lease revenue. Marketing programs will promote the District and its properties and businesses through special targeted programs and initiatives.

Regular marketing activities and initiatives include:

- ▮ Maintaining an active destination website to promote Fisherman’s Wharf businesses and events
- ▮ Wayfinding and District signage
- ▮ Social media marketing
- ▮ District/area marketing
- ▮ E-newsletter to highlight Fisherman’s Wharf events and happenings
- ▮ Public space activations/events for visitors
- ▮ Networking and educational opportunities for Fisherman’s Wharf member businesses

Other marketing initiatives can be undertaken as appropriate and as budget resources allow.

### 4.2.3 ADVOCACY

The purpose of advocacy is to promote the District as a clean, safe, and vibrant area. This goes well beyond the marketing programs that create image and visibility and, in fact, advocate for services and resources that increase the area’s perceptions as a friendly, clean, and exciting place for dining, shopping, entertainment, and investing in business opportunities and properties. Advocacy is intended to support business growth, which can be especially advantageous when recessionary economic conditions occur.

### 4.2.4 STREETScape IMPROVEMENTS

Beautifying the physical landscape of the District can add tangible value and often consists of simple touches. A recent example of District beautification includes a partnership with the Port of San Francisco to create new and attractive directional signage. The new wayfinding signs bring a special District identity component, while effectively communicating state of place.

The Streetscape Improvement services and activities include, but are not limited to, the following:

- ▮ Landscaping, Activation, and Events
- ▮ Conrad Park Beautification Project
- ▮ Jefferson Street activations
- ▮ Jefferson Street Phase II improvements
  - Note: special assessments are not funding the underlying Department of Public Works and City and County of San Francisco improvements, but subsequent improvements and activation once the project is complete
- ▮ “Little Embarcadero” events
- ▮ Fisherman’s Wharf sign
  - Other signage such as wayfinding signage and District banners to effectively improve access and promote the locations of District businesses, points of interest, and amenities.

#### 4.2.5 SPECIAL COMMUNITY EVENTS

The FWCBD regularly assists in the creation and hosting of several important community events year-round including, but not limited to:

- Fourth of July Waterfront Celebration
- Fleet Week
- Holiday Lights & Sights Campaign
- Wharf Fest
- Lighted Boat Parade

These events have come to be well-known and loved by the community and visitors of Fisherman’s Wharf. The continued creation and hosting of similar events has become a vital component of the District’s identity.



### 4.3 Administration and Contingency

The District will also incur costs for staff time and expenses related to managing the above programs, and related administrative costs. For example, these tasks will include oversight and coordination of both District and contractor-provided services, annual assessment roll preparation, addressing business owner questions and concerns, adherence to the Management District Plan, and compliance with audit/reporting requirements. Administration also includes efforts to work on behalf of the District to ensure City and County services and policies support the District. District funds for Administration may also be used to establish and/or renew the District. A well-managed District provides necessary oversight and guidance that produces higher quality and more efficient programs.

The assessments will also fund a contingency reserve that may be used to cover possible unforeseen future expenses and help to smooth out cash flows, which are affected by the timing of business owner payments.

## 4.4 Service Frequencies

The frequency for providing certain Services and Activities is as follows:

- ▮ Cleaning – one cleaner with scheduled cleanings from 2:00pm to 6:00pm Monday – Friday
- ▮ FWCBD Staff – on-call services as needed
- ▮ 10B SFPD Officer/Private Security – 8 hours per day, 5 days per week

## 5. ANNUAL AMOUNT TO BE COLLECTED AND EXPENDED

The budget for the first operating year of the Portside CBD (July 1, 2020 through June 30, 2021) is as follows:

Description	Fiscal Year 2020/21 Budget
Clean and Safe Program	\$68,750.00
Marketing and Event Program	123,750.00
Contingency/Reserve Allocation	27,500.00
<b>Total Operating Costs</b>	<b>\$220,000.00</b>
Administration Costs <sup>(1)</sup>	55,000.00
<b>Total Operating and Administration Costs</b>	<b>\$275,000.00</b>

(1) Includes costs of the FWCBD staff, administration, and County Auditor/Controller fees.

Each fiscal year, beginning with Fiscal Year 2021/2022, the flat, maximum allowable assessment rates applied to Tour/Charter vessel operators, land-based Tour operators, and the Pier 39 Master Tenant may be increased by the greater of (i) five-percent (5%) or (ii) the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco-Oakland-Hayward area for February. In no event shall the maximum assessment rates decrease. If, in the future, the Bureau of Labor Statistics discontinues or alters the CPI-U, the City (OEWD) shall select a comparable index as a replacement.

Assessment rates for Restaurant/Food and Beverage businesses, Retail businesses, for-profit Parking Lots, and Non-Profit entities on a basis of gross sales reported will not increase throughout the operating term of the Portside CBD. While the assessment rates will remain constant, the total assessment amount on these business types may increase or decrease annually, according to their reported gross sales.

In any given year, the assessments may be levied at any rate sufficient to meet the estimated budget, as long as the actual rates do not exceed the maximum allowable assessment rates for that year.



## 6. METHOD OF ASSESSMENT

### 6.1 Source(s) of Funding

The levy and collection of annual assessments upon businesses within the Portside CBD provides the primary funding source for the Services and Activities previously outlined. The FWCBD may also generate additional funds from sources other than annual assessments on businesses within the Portside CBD. These funds may include contributions, fundraising, grants, and donations.

The Portside CBD will not issue bonds to finance any of the Services and Activities.

### 6.2 Basis of Assessment

The assessments will be levied on the basis of the estimated benefits that the Services and Activities will provide to the businesses within the Portside CBD.

### 6.3 Business Types and Assessment Rates

Each business within the District boundary is assigned to a business type for purposes of determining the specific benefits received and the annual assessment rates that should apply.

Below is a complete listing of the maximum assessment rates to be applied to businesses within the Portside CBD in Fiscal Year 2020/21. The Fiscal Year 2020/21 maximum assessment rates are based upon the assessable business type or amount of annual gross sales for Restaurant/Food and Beverage businesses, Retail businesses, and for-profit Parking Lots:

Business Type or Gross Sales Tier	Assessment Rate	Rate Basis
\$0 - \$15,000,000 in Annual Gross Sales	\$0.00185	Per Dollar of Gross Sales <sup>(1) (2)</sup>
Annual Gross Sales in Excess of \$15,000,000	0.00085	Per Dollar of Gross Sales <sup>(1) (2)</sup>
Non-Profit	0.00120	Per Dollar of Gross Sales <sup>(2)</sup>
Pier 39 Master Tenant	41,437.76	Flat Annual Rate
Tours/Charters - Small Vessel (1-49 Occupants)	287.50	Per Vessel
Tours/Charters - Medium Vessel (50-99 Occupants)	1,150.00	Per Vessel
Tours/Charters - Large Vessel (100+ Occupants) <sup>(3) (4)</sup>	2,300.00	Per Vessel
Tours – Other (Land-Based)	575.00	Per Operator <sup>(5)</sup>

(1) Restaurant/Food and Beverage businesses, Retail businesses, and for-profit Parking Lots will be assessed according to the tiered assessment rates above, based upon total amount of annual gross sales.

(2) The assessment rate will be applied per dollar of annual gross sales, as reported to the Port of San Francisco in the preceding calendar year.

(3) Applies only to vessels that meet the criteria noted in the table above and do not generate more than one million passengers per year.

(4) Large vessels generating more than one million passengers per year are subject to the tiered rates listed above that are applicable to Restaurant/Food and Beverage businesses, Retail businesses, and for-profit Parking Lots, based upon annual gross sales.

(5) The assessment rate is applied per pedicab company or per horse-drawn carriage operator. As the charger applies per company or per operator, a given pedicab company may operate multiple pedicabs or a horse-drawn carriage operator may operate multiple carriages.

As Restaurant/Food and Beverage businesses, Retail businesses, and for-profit Parking Lots receive similar benefits from Portside CBD Services and Activities, we must differentiate between these business types by amounts of annually reported gross sales, separated by two tiers noted in the preceding table. These business types will be assessed at a rate of \$0.00185 per dollar of annual gross sales, up to \$15 million in gross sales. Each dollar of annual gross sales in excess of \$15 million will be assessed at a lesser rate of \$0.00085 per dollar of annual gross sales.

Non-Profit entities subject to the Portside CBD assessment will be assessed at a rate of \$0.00120 per dollar of gross sales, not to exceed a total assessment of \$1,500 in any given fiscal year. Likewise, Non-Profit entities will be subject to a minimum assessment of \$500 annually, if the calculated assessment would be less than \$500 in any given fiscal year.

The Pier 39 Master Tenant represents several Retail and Restaurant/Food and Beverage businesses that already receive increased levels of cleaning and security services, independent of the Clean and Safe program. As the Clean and Safe program will provide a reduced level of services related to Pier 39's overall cleaning and safety services, the Pier 39 Master Tenant will be assessed at a reduced, flat rate of \$41,437.76 annually. This reflects the reduced level of supplementary Clean and Safe services provided to the Pier 39 Master Tenant by the Portside CBD.

Tour Operators or Charter Vessels subject to the Portside CBD assessment will be assessed at the flat rates per vessel or operator identified in the previous table. As an exception to these flat rates applied to vessels, large vessels generating more than one million passengers per year would be subject to the tiered assessment rates listed above that are applicable to Restaurant/Food and Beverage businesses, Retail businesses, and for-profit Parking Lots, based upon annual gross sales. These particular vessels will be assessed at a rate of \$0.00185 per dollar of annual gross sales, up to \$15 million in gross sales. Each dollar of annual gross sales in excess of \$15 million will be assessed at a lesser rate of \$0.00085 per dollar of annual gross sales.

New businesses opening during the term of the District shall not be exempt from the assessment. New businesses' assessment rates shall be determined by utilizing the most current quarterly gross sales information to extrapolate the annual assessment amount.

#### **6.4 Determination of Specific Benefit and Direct Services**

State law requires that non-property assessments based on businesses be used to provide "a specific benefit conferred or granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to FWCBD of conferring the benefit," or "a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product." The Services and Activities discussed in this Management District Plan provide specific benefit directly to payors that is not provided to those not charged. These are particular and distinct benefits to the assessed businesses which will in turn will increase traffic and sales for assessed businesses within the boundaries of the District. In addition, the Services and Activities provided directly to the businesses, even if incidentally beneficial to the public, will not exceed the reasonable costs of providing the Services and Activities.

The assignment of specific benefit is based on the fact that each of the three Portside CBD programs provide certain benefits, as shown in the following table:

Program	Benefit(s)
Clean and Safe	Improved Aesthetics Increased Economic Activity Improved Safety
Marketing and Event	Improved Aesthetics Increased Economic Activity
Administration	Increased Economic Activity

The Clean and Safe program will provide improved aesthetic and increased safety benefits; the Marketing and Event program will provide increased aesthetic and increased economic benefits; and, actions taken via the Administration of the Portside CBD will provide increased economic benefits.

#### 6.4.1 APPORTIONING PROGRAM BENEFITS

The aesthetic benefits conferred by the Clean and Safe program and the Marketing and Event program will benefit all assessable business types. The benefit of visual appeal is not restricted to a particular business type. A more attractive public environment can be enjoyed by all businesses, irrespective of business type.

Similarly, the safety benefits conferred by the Clean and Safe program will benefit all assessable business types. Safety can be thought of as a universal need, as everyone desires to live and work in safe, crime-free areas (Lau Leby, 2010). Therefore, because levels of safety affect all business types, it follows that an increase in safety will benefit all business types.

All business types, with the exception of Non-Profit businesses, receive economic benefits from both the Clean and Safe program and the Marketing and Event program. As noted earlier, the Clean and Safe program will create a more aesthetically pleasing environment, which has been shown to “increase consumer’s intentions to spend money” (Vilnai-Yavetz, 2010). The security aspect of the Clean and Safe program help customers feel safer, so they stay longer and feel comfortable returning in the future. In addition, the Marketing and Event program is designed to increase customer traffic and promote a positive image of the area.

While Tour Operators, Charter Vessels, and the Pier 39 Master Tenant do receive specific benefits from the Portside CBD programs, they may benefit from these programs to a lesser degree than other business types due to physical location and types of services being provided, or private services already received that are independent of Portside CBD programs. Specifically, Tour Operators and Charter Vessels receive safety and economic benefits from the Clean and Safe program, as well as economic benefits from the Marketing and Event Program. The Pier 39 Master Tenant benefits from each of the District programs, but to a lesser degree due to private services already received. Nonetheless, the District programs provide service levels above and beyond those already received by the Pier 39 Master Tenant.

## **6.6 Number of Years Assessments will be Levied**

The proposed term for the Portside CBD is 15 years. The assessment will be effective July 1, 2020, through June 30, 2035 (Fiscal Year 2020/21 through Fiscal Year 2034/35). Expenditure of collected assessments may continue for up to six months after June 30, 2035, if the District is not renewed. In order to authorize the levy and collection of assessments after Fiscal Year 2034/35, the City and FWCBD will need to go through the renewal process pursuant to the Law.

## **6.7 Time and Manner of Collecting Assessments**

Each business owner pays a share of the cost associated with the provision of the Portside CBD Services and Activities, based on the assessment formula described in Section 6.3. Invoices will be sent on May 1 for the upcoming fiscal year, and shall be due June 30. Any assessed business owner in the District who fails to remit payment of assessments shall be subject to the penalties and interest as set forth in Article 6 of the Business and Tax Regulations Code, as it may be amended from time to time. The City shall collect and enforce the assessments in accordance with Article 6 of the Business and Tax Regulations Code, as it may be amended from time to time, and forward the assessments to FWCBD, which will have the responsibility of managing the Portside CBD programs as provided in this Management District Plan.

## **6.8 Appeals Process**

The FWCBD, or its designee, may assist with the resolution of any discrepancies in individual assessment amounts or calculations. The FWCBD reserves the right to:

- Conduct reviews of existing primary data; verify assessment data as compiled by any consultant, subcontractor or other party hired by the FWCBD; and perform field or on-site inspections to verify the accuracy of existing or secondary data, or to investigate the claim of any business owner in the Portside CBD.
- Recalculate the assessment amount due, if necessary.

Upon the request of the City, the FWCBD shall promptly complete requests for an investigation of discrepancies and make all reasonable efforts to obtain additional documentation related to the assessment upon any or all of the businesses for which a correction or adjustment is requested.

## **6.9 Assessment Listing**

Appendix B of this Management District Plan provides a listing of all of the benefited businesses within the Portside CBD, including business addresses and Fiscal Year 2020/21 assessment amounts.

## 7. DISTRICT MANAGEMENT

---

### 7.1 Fisherman’s Wharf Community Benefit District

The FWCBD is a non-profit organization whose Board of Directors membership consists of the business owners assessed under the Portside CBD, and is the “designated non-profit entity” as outlined in Section 36614.5 of the Law. The FWCBD will administer the Portside CBD through an agreement with the City.

The FWCBD is charged with the day-to-day operations of the Portside CBD and also jointly administers the separately-formed Landside CBD.

### 7.2 Annual Report by the FWCBD

The FWCBD will select members to serve on the FWCBD Board of Directors. Board membership is designed to equitably represent all stakeholders and areas of the Portside CBD. The Board of Directors structure represents commercial property and business owners of various sizes.

The FWCBD Board of Directors shall annually make a recommendation on the expenditure of revenues derived from the levy of assessments and on the method and basis of levying the assessments.

Each year, the FWCBD Board of Directors shall prepare a report for each fiscal year, except the first year, for which assessments are levied and collected to pay the costs of the Services and Activities described in the report. Each annual report must be filed with the Clerk of the Board of Supervisors, per Section 36650(b) of the Law; each report shall contain all of the following information:

1. any proposed changes in the Portside CBD boundaries or any classification of businesses within the District;
2. the Services and Activities to be provided for that fiscal year;
3. an estimate of the cost of providing the Services and Activities for that fiscal year;
4. the method and basis of levying the assessment in sufficient detail to allow each business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her business for that fiscal year;
5. the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and
6. the amount of any contributions to be made from sources other than assessments levied.

### 7.3 Public Access

The FWCBD Board of Directors is required to comply with specified state open meeting and public records laws, the Ralph M. Brown Act (the “Brown Act”), commencing with Section 54950 of the Government Code, the California Public Records Act, commencing with Section 6250 of the Government Code, and Section 12L of San Francisco’s Administrative Code. Brown Act compliance is required when Portside CBD business is heard, discussed, or deliberated, and the California Public Records Act compliance is required for all documents relating to Portside CBD business.

## 7.4 Rules and Regulations

Pursuant to the Law, the FWCBD Board of Directors may establish rules and regulations that uniquely apply to the Portside CBD. A few initial rules and regulations should be employed in the administration of the Portside CBD:

- ¶ Following the initial formation of the Portside CBD, the FWCBD Board of Directors developed a policy for competitive bidding as it pertains to contracted services for the Portside CBD. The policy's aim is to maximize service quality, efficiency, and cost effectiveness.
- ¶ Any stakeholder who serves on the FWCBD Board of Directors shall recuse themselves from any vote in which a potential conflict of interest is apparent. Such potential conflicts include, but are not limited to: prioritizing services and/or activities that result in a special benefit to specific business owners, prioritization of services to benefit a particular owner or group of owners, hiring or selecting the relatives of FWCBD Board members.
- ¶ As previously noted, meetings of the FWCBD Board of Directors shall be open to all stakeholders paying into the Portside CBD and are subject to the Brown Act. Regular financial reports shall be submitted to FWCBD Board members and made available upon request by the membership. Subcommittee meetings of the FWCBD shall be open and encourage participation among various stakeholders, business owners, and community members. The FWCBD Board of Directors shall retain the right to enter into executive session for reasons including, but not limited to: legal matters, personnel issues, etc.
- ¶ The FWCBD Board of Directors will create a number of policies that will help the Board effectively manage the Portside CBD. Such policies may include, but not be limited to: a decision-making policy, use of banner policy, special event underwriter's policy, use of logo policy, and an economic hardship policy.

## 7.5 Dissolution

The Portside CBD, when there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the Portside CBD, may be disestablished by resolution by the FWCBD Board of Directors in either of the following circumstance:

1. If the Board of Supervisors finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the Portside CBD, it shall notice a hearing on disestablishment.
2. During the operation of the Portside CBD, there shall be a 30-day period each year in which assessed business owners may request disestablishment of the Portside CBD. The first such period shall begin one year after the date of establishment of the Portside CBD and shall continue for a 30-day period. The next such 30-day period shall begin two years after the date of the establishment of the Portside CBD. Each successive year of operation of the Portside CBD shall have such a 30-day period. Upon the written petition of the owners of businesses in the area who pay more than 30 percent of the assessments levied, the FWCBD Board of Directors shall notice a hearing on disestablishment.

The Board of Supervisors shall adopt a resolution of intention to disestablish the Portside CBD prior to the public hearing. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the Portside CBD. The public hearing shall be held not less than 30-days or more than 60-days after the adoption of the resolution of intention.

Upon the disestablishment of the Portside CBD, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be refunded to the owners of the business then located and operating within the Portside CBD in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the District was disestablished. If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessment levied in the immediate prior fiscal year shall be used to calculate the amount of refund.

## APPENDIX A: PORTSIDE CBD BOUNDARY MAP

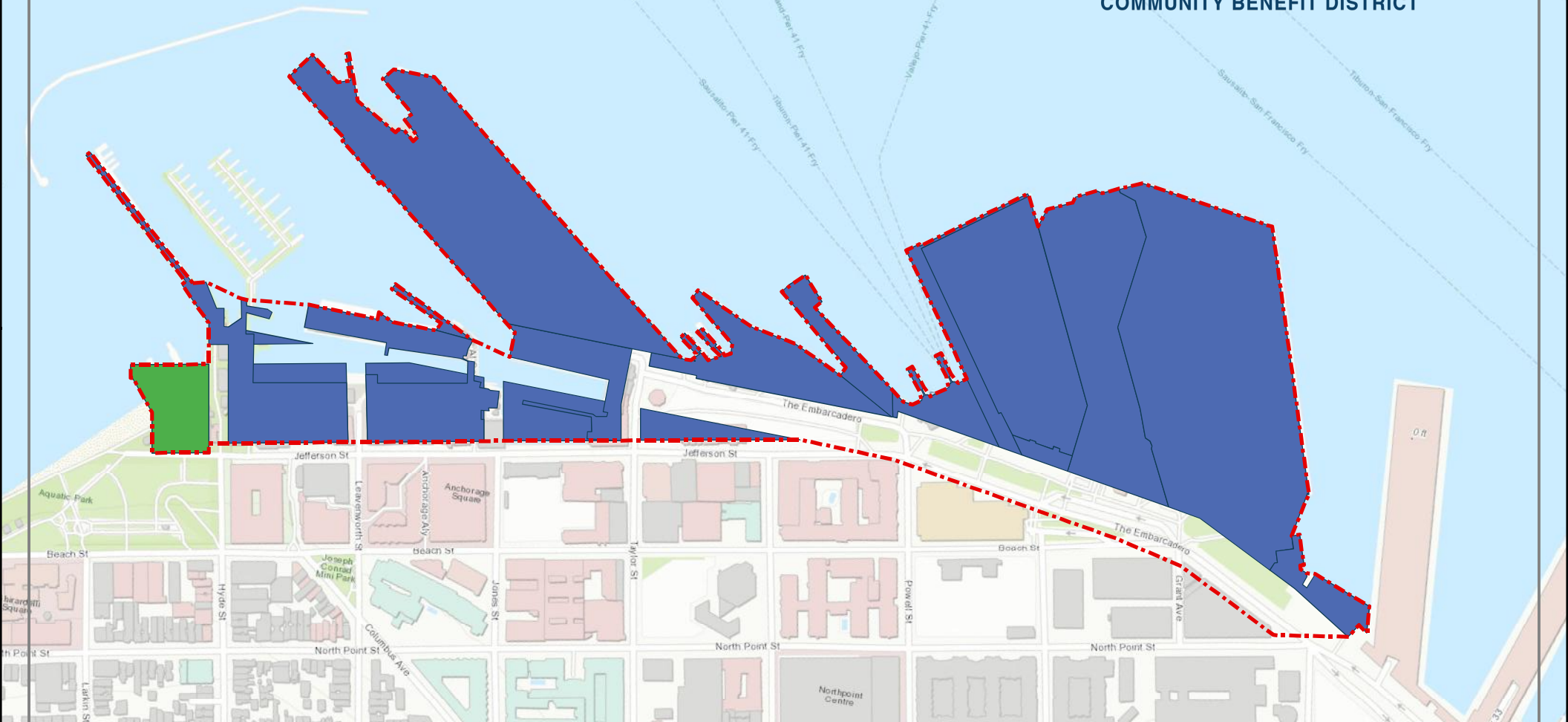
---

The following pages contain the Boundary Map for the Portside CBD.






# Fisherman's WHARF

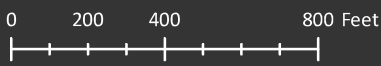
COMMUNITY BENEFIT DISTRICT



## FISHERMAN'S WHARF PORTSIDE COMMUNITY BENEFIT DISTRICT

MAP OF BUSINESSES CURRENTLY IN THE DISTRICT AND EXPANSION

-  PORTSIDE BUSINESSES
-  PORTSIDE EXPANSIONS
-  PORTSIDE BOUNDARY



## APPENDIX B: ASSESSMENT LISTING

---

The following pages contain the Fiscal Year 2020/21 assessment listing for the Portside CBD.

**FISHERMAN'S WHARF COMMUNITY BENEFIT DISTRICT**  
**Fisherman's Wharf Portside Community Benefit District**  
**Fiscal Year 2020/21 Assessments**

			Proposed Fiscal Year 2020/21
Business Name	Business Address	Business Type	Assessment
Alioto Fish Company, Ltd.	1490 Pier 49	Restaurant/Food and Beverage	\$18,480.33
Ben & Jerry's	1410 Pier 41	Restaurant/Food and Beverage	1,979.04
Blazing Saddles Bike	1410 Pier 41	Retail	3,100.94
Boudin's	Sea Wall Lot 301	Restaurant/Food and Beverage	38,194.19
Blue & Gold Fleet, LP	1410 Pier 41	Tours/Charters - Large Vessel	6,900.00
Chowder Hut	Sea Wall Lot 301	Restaurant/Food and Beverage	7,679.92
Capurro's	Sea Wall Lot 303	Restaurant/Food and Beverage	4,799.81
SPPlus (Central Parking)	Pier 45 Shed C & Valley	Parking	141.67
SPPlus (Central Parking)	Triangle Lot	Parking	4,126.07
SPPlus (Central Parking)	Pier 45 Shed A	Parking	976.29
Lou's	3020 Pier 47	Restaurant/Food and Beverage	5,953.81
Dolphin Club Management	502 Jefferson St.	Non-Profit	500.00
ESS EFF, Retail (Franciscan)	1435 Pier 43 1/2	Retail	3,388.98
Fishermen's Grotto #9	1490 Pier 49	Restaurant/Food and Beverage	6,422.47
Golden Gate Scenic Steamship Corp.	1435 Pier 43 1/2	Tours/Charters - Large Vessel	6,900.00
Frank's Fisherman's Supply	Sea Wall Lot 302	Retail	1,427.49
Guardino's Souvenir & Gift Shop, Inc.	1490 Pier 49	Retail	2,373.13
Castagnola's	Sea Wall Lot 302	Restaurant/Food and Beverage	3,980.27
Pier 39 Limited Partnership	1390 Pier 39	Mixed Use	41,437.76
National Liberty Ship Memorial	Pier 45	Non-Profit	998.98
Pollack Group, Ltd.	1490 Pier 49	Restaurant/Food and Beverage	10,169.32
Pompei's Grotto	Sea Wall Lot 302	Restaurant/Food and Beverage	5,170.47
Sabella & La Torre Seafoods	1490 Pier 49	Restaurant/Food and Beverage	9,699.50
San Francisco Maritime National Park Association	Fort Mason Building E	Non-Profit	1,260.98
Museum Mechaquinque	1451 Pier 45 SHED A	Non-Profit	1,169.20
Scoma's Restaurant, Inc.	1470 Pier 47	Restaurant/Food and Beverage	23,168.15
SF Kite Compnay	Pier 41	Retail	1,375.34
Bay Company / The Flagship	Sea Wall Lot 303	Retail	7,048.10
Cioppino's	Sea Wall Lot 303	Retail	14,433.00
Safe Harbor	SWL 302	Retail	2,164.61
Wharf Store, The	Sea Wall Lot 2	Retail	4,359.25
SFS39, Inc. (Franciscan Restaurant)	1435 Pier 43 1/2	Restaurant/Food and Beverage	27,053.18
Tarantino's, Inc.	1490 Pier 49	Restaurant/Food and Beverage	1,480.32
The Crab Station at FW /Frances Chu	1490 Pier 49	Restaurant/Food and Beverage	3,422.55
Bass Tub	Berth 4 - Pier 49	Tours/Charters - Small Vessel	287.50
Chucky's Pride Sportfishing	Berth 5 - Pier 49	Tours/Charters - Small Vessel	287.50
Wild Wave	Berth 9 - Pier 49	Tours/Charters - Small Vessel	287.50
Dixie	Berth 10 - Pier 49	Tours/Charters - Small Vessel	287.50
Flash	Berth 13 - Pier 49	Tours/Charters - Small Vessel	287.50
Happy Day	Berth 7 - Pier 49	Tours/Charters - Small Vessel	287.50
Lovely Martha	Berth 3 - Pier 49	Tours/Charters - Small Vessel	287.50
Serendipity	Berth 8 - Pier 49	Tours/Charters - Small Vessel	287.50
Silver Fox	Berth 54 - Pier 49	Tours/Charters - Small Vessel	287.50
Sole Man	Berth 12 - Pier 49	Tours/Charters - Small Vessel	287.50
Wacky Jacky	Berth 1 - Pier 49	Tours/Charters - Small Vessel	287.50
<b>Total:</b>			<b>\$274,897.62</b>