

BOARD of SUPERVISORS



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MEMORANDUM

Date: June 23, 2025
To: Planning Department/Planning Commission
From: Lisa Lew, Legislative Clerk, Board of Supervisors Clerk's Office
Subject: Board of Supervisors Legislation Referral - File No. 250370
Resolution to Establish - Ocean Avenue Community Benefit District

- ☒ California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - ☒ Ordinance / Resolution
 - ☐ Ballot Measure
- ☐ Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - ☐ General Plan ☐ Planning Code, Section 101.1 ☐ Planning Code, Section 302
- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- ☐ General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- ☐ Historic Preservation Commission
 - ☐ Landmark (*Planning Code, Section 1004.3*)
 - ☐ Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
 - ☐ Mills Act Contract (*Government Code, Section 50280*)
 - ☐ Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to our office at bos.legislation@sfgov.org.

1 [Resolution to Establish - Ocean Avenue Community Benefit District]

2
3 **Resolution to establish the property-based business improvement district known as**
4 **the “Ocean Avenue Community Benefit District,” ordering the levy and collection of**
5 **assessments against property located in that district for 15 years commencing with**
6 **Fiscal Year 2025-2026, subject to conditions as specified, and making environmental**
7 **findings.**

8
9 WHEREAS, Pursuant to the Property and Business Improvement Law of 1994,
10 California Streets and Highways Code, Sections 36600 et seq. ("1994 Act"), as augmented by
11 Article 15 of the San Francisco Business and Tax Regulations Code ("Article 15"), collectively,
12 the “Business Assessment Law,” the Board of Supervisors adopted Resolution No. 208-25,
13 entitled “Resolution declaring the intention of the Board of Supervisors to renew and expand a
14 property-based business improvement district known as the ‘Ocean Avenue Community
15 Benefit District’ and levy a multi-year assessment on all parcels in the district; approving the
16 management district plan, engineer’s report, and proposed boundaries map for the district;
17 ordering and setting a time and place for a public hearing of the Board of Supervisors, sitting
18 as a Committee of the Whole, on July 8, 2025, at 3:00 p.m.; approving the form of the Notice
19 of Public Hearing and Assessment Ballot Proceeding, and Assessment Ballot; directing
20 environmental findings; and directing the Clerk of the Board of Supervisors to give notice of
21 the public hearing and balloting as required by law” (the "Resolution of Intention," Board of
22 Supervisors File No. 250368); and

23 WHEREAS, The Resolution of Intention to renew and expand the Ocean Avenue
24 Community Benefit District (the "Ocean Avenue CBD" or "District"), among other things,
25 approved the Ocean Avenue CBD Management District Plan (the "District Management

1 Plan"), a detailed District Assessment Engineer's Report, a Boundaries Map, and the form of
2 the Notice of Public Hearing and Assessment Ballot Proceeding, that are all on file with Clerk
3 of the Board of Supervisors in File No. 250368; and

4 WHEREAS, The Board of Supervisors caused notice of a public hearing concerning
5 the proposed renewal and expansion of the Ocean Avenue CBD, and the proposed levy of
6 assessments against property located within the District for a period of 15 years, from fiscal
7 years ("FYs") 2025-2026 through 2039-2040; and

8 WHEREAS, The Board of Supervisors has caused ballots to be mailed to the record
9 owner of each parcel proposed to be assessed within the District, as required by law; and

10 WHEREAS, A District Management Plan was filed with the Board on May 9, 2025,
11 containing information about the proposed district and assessments as required by California
12 Streets and Highways Code, Section 36622; and

13 WHEREAS, A detailed Engineer's Report dated April 2025 was filed with the Clerk of
14 the Board on May 9, 2025, as prepared by John G. Egan, California Registered Professional
15 Engineer No. 14853, entitled "Ocean Avenue Community Benefit District Engineer's Report,"
16 supporting the assessments within the proposed district; and

17 WHEREAS, A Proposed Boundaries Map was submitted to the Clerk of the Board of
18 Supervisors pursuant to California Streets and Highways Code, Section 3110 on May 9, 2025;
19 and

20 WHEREAS, A public hearing concerning the proposed formation of the Ocean Avenue
21 CBD and the proposed levy of assessments within such District was held pursuant to the
22 notice on July 8, 2025, at 3 p.m., in the Board's Legislative Chamber located on the Second
23 Floor of City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California; and

24 WHEREAS, At the public hearing, the testimony of all interested persons for or against
25 the proposed expansion and renewal of the District, the levy of assessments on property

1 within the District, the extent of the District, and the furnishing of specified types of
2 improvements, services and activities within the District, was heard and considered, and a full,
3 fair and complete meeting and hearing was held; and

4 WHEREAS, The Board of Supervisors heard and considered all objections or protests
5 to the proposed assessments and the Director of the Department of Elections tabulated the
6 assessment ballots submitted and not withdrawn, in support of or in opposition to the
7 proposed assessments, and the Clerk of the Board determined that a majority of the ballots
8 cast (weighted according to the proportional financial obligations of the property) by the
9 owners of record of the property located within the proposed District did not oppose
10 establishing the proposed District; and

11 WHEREAS, The public interest, convenience and necessity require the establishment
12 of the renewed and expanded Ocean Avenue Community Benefit District; and

13 WHEREAS, In the opinion of the Board of Supervisors, the property within the District
14 will be specially benefited by the improvements, services and activities funded by the
15 assessments; and no assessment has been imposed on any parcel which exceeds the
16 reasonable cost of the proportional special benefit conferred on that parcel; now, therefore, be
17 it

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

19 **Section 1. MANAGEMENT DISTRICT PLAN, DISTRICT ASSESSMENT**
20 **ENGINEER'S REPORT, AND BOUNDARIES MAP.** The Board hereby approves the April
21 2025 Management District Plan and District Assessment Engineer's Report, including the
22 estimates of the costs of the property-related services, activities and improvements set forth in
23 the plan, and the assessment of said costs on the properties that will specially benefit from
24 such services, activities and improvements. The Board also hereby approves the April 2025
25 Boundaries, showing the exterior boundaries of the District, and ratifies and approves the

1 Assessment Ballot and the City's use of such ballot, which Assessment Ballot is on file with
2 the Clerk of the Board of Supervisors in File No. 250369 and is hereby declared to be a part of
3 the Resolution as if set forth fully herein. A copy of the April 2025 Management District Plan,
4 the District Assessment Engineer's Report, and the Boundaries Map are on file with the Clerk
5 of the Board of Supervisors in File No. 250368, which is hereby declared to be a part of this
6 Resolution as if set forth fully herein.

7 **Section 2. FINDING OF NO MAJORITY PROTEST.** The Board of Supervisors
8 hereby finds that a majority protest does not exist as defined in Section 4(e) of Article XIID of
9 the California Constitution and Section 53753 of the California Government Code with respect
10 to the formation of the Ocean Avenue Community Benefit District. All objections or protests
11 both written and oral, are hereby duly overruled.

12 **Section 3. ESTABLISHMENT OF DISTRICT.** Pursuant to the 1994 Act and Article
13 15, the property-based business improvement district designated as the "Ocean Avenue
14 Community Benefit District" is hereby established.

15 **Section 4. DESCRIPTION OF DISTRICT.** The Ocean Avenue Community Benefit
16 District shall include all parcels of real property within the district. The proposed District
17 contains approximately 339 identified parcels located on approximately 33 whole or partial
18 blocks.

19 The Ocean Avenue CBD generally comprises those properties along Ocean Avenue
20 from:

- 21 • 19th Avenue to the west and,
- 22 • Junipero Serra Boulevard to the east.

23 Ocean Avenue from:

- 24 • Manor Drive in the west and,
- 25 • I-280 in the east.

1 Geneva Avenue from:

- 2 • Ocean Avenue in the west and,
- 3 • I-280 in the east.

4 Reference should be made to the detailed maps and the lists of parcels identified by
5 Assessor Parcel Block Number that are contained in the April 2025 Management District Plan,
6 in order to determine which specific parcels are included in the Ocean Avenue Community
7 Benefit District.

8 **Section 5. FINDING OF BENEFIT.** The Board of Supervisors hereby finds that the
9 property within the District will be benefited by the improvements and activities funded by the
10 assessments proposed to be levied.

11 **Section 6. SYSTEM OF ASSESSMENTS.** (a) Annual assessments will be levied to
12 pay for the activities to be provided within the District, commencing with FY 2025-2026, and
13 continuing for 15 years, ending with FY 2039-2040. For purposes of levying and collecting
14 assessments within the District, a fiscal year shall commence on each July 1st and end on the
15 following June 30th.

16 (b) The amount of the proposed assessments to be levied and collected for fiscal
17 year 2025-2026 shall be a maximum of \$479,581 (as shown in the Management District Plan
18 dated April 2025 and Engineer's Report dated April 2025). The amount of assessments to be
19 levied and collected in fiscal years two through 15 may be increased annually by the Ocean
20 Avenue Community Benefit District corporation Board of Directors by the amount not to
21 exceed that year's increase in the San Francisco, Oakland, and San Jose area Consumer
22 Price Index with approval of the Owners' Association Board of Directors. Assessments may
23 also increase over time if changes to the parcels result in the parcels being assigned
24 additional benefit points.

1 (c) The method and basis of levying and collecting the assessment shall be as set
2 forth in the District Management Plan.

3 (1) The levy of the assessments shall commence with fiscal year 2025-2026. Each
4 year the assessment shall be due and payable in two equal installments. The first installment
5 shall be due on November 1 of each fiscal year during the life of the District, and shall become
6 delinquent on December 10 of that fiscal year. The second installment shall be due on
7 February 1 of each fiscal year during the life of the District, and shall become delinquent on
8 April 10 of that fiscal year.

9 (2) Nonpayment of the assessment shall have the same lien priority and delinquent
10 payment penalties and be subject to the same enforcement procedures and remedies as the
11 ad valorem property tax. All delinquent payment of assessments shall be subject to interest
12 and penalties. The City Treasurer and Tax Collector will enforce imposition of interest and
13 penalties and collection of delinquent assessments pursuant to the Business Assessment Law
14 and City Business and Tax Regulations Code, Article 6, as each may be amended from time
15 to time.

16 **Section 7. USE OF REVENUES.** The proposed property-related services,
17 improvements and activities for the District include:

18 **Cleaning and Maintenance:** Cleaning and Maintenance program includes, but is not
19 limited to, sidewalk and gutter sweeping, sidewalk pressure washing, trash removal, and graffiti
20 and handbill removal.

21 **Streetscape Improvements and Beautification:** Streetscape Improvements and
22 Beautification programs includes, but is not limited to, maintaining plants and trees,
23 implementation of placemaking, and beautification including establishing public art, murals,
24 sculptures, lighting and decorative landscaping.

1 **Marketing & Economic Development:** Marketing & Economic Development

2 includes, but is not limited to, retaining and attracting new tenants, promoting commerce and
3 economic activities within the CBD, providing one-on-one assistance with business owners in
4 lease negotiation, compliance and permitting.

5 **Management & Operations:** Management and Operations include, but is not limited
6 to, daily oversight and operations of the CBD, adherence to the Management District Plan,
7 compliance with audit/reporting requirements, as well as fundraising, building and managing
8 relationships with the neighborhood association/groups, city agencies/departments and
9 elected officials.

10 **Section 8. AUTHORITY TO CONTRACT.** The Board of Supervisors may contract
11 with a separate private entity to administer the improvements, services and activities set forth
12 in Section 7, as provided in California Streets and Highways Code, Sections 36612 and
13 36650. Any such entity shall hold the funds it receives from the City and County of San
14 Francisco ("City") in trust for the improvements, services and activities set forth in Section 7.
15 Any such entity that holds funds in trust for purposes related to the contract shall deliver, at no
16 expense to the City, a balance sheet and the related statement of income and cash flows for
17 each fiscal year, all in reasonable detail acceptable to City, reviewed by a Certified Public
18 Accountant (CPA); this review shall include a statement of negative assurance from the CPA.
19 In addition, or alternatively, the Controller in his or her discretion or the Office of Economic
20 and Workforce Development in its discretion, may require the private entity to deliver, at no
21 expense to the City, an annual independent audit report by a Certified Public Accountant of all
22 such funds. The CPA review and/or audit may be funded from assessment proceeds as part
23 of the general administration of the District. At all times the Board of Supervisors shall
24 reserve full rights of accounting of these funds. The Office of Economic and Workforce
25

1 Development shall be the City agency responsible for coordination between the City and the
2 District.

3 **Section 9. AMENDMENTS.** The properties in the District established by this
4 Resolution shall be subject to any amendments to the 1994 Act, and City Business and Tax
5 Regulations Code, Article 6 and Article 15.

6 **Section 10. RECORDATION OF NOTICE AND DIAGRAM.** The County Clerk is
7 hereby authorized and directed to record a notice and an assessment diagram pursuant to
8 Section 36627 of the California Streets and Highways Code, following adoption of this
9 Resolution.

10 **Section 11. LEVY OF ASSESSMENT.** The adoption of this Resolution and
11 recordation of the notice and assessment diagram pursuant to Section 36627 of the California
12 Streets and Highways Code constitutes the levy of an assessment in each of the fiscal years
13 referred to in the District Management Plan. Each year, the Assessor shall enter on the
14 County Assessment Roll opposite each lot or parcel of land the amount of the assessment
15 and such assessment shall be collected in the same manner as the County property taxes are
16 collected.

17 **Section 12. BASELINE SERVICES.** To ensure that assessment revenues from the
18 District are used to enhance the current level of services provided by the City within the
19 District, the establishment of the District will not affect the City's policy to continue to provide
20 the same level of service to the areas encompassed by the District as it provides to other
21 similar areas of the City for the duration of the District, provided, however, that in the event of
22 a significant downturn in citywide revenues, the Board of Supervisors may reduce the level of
23 municipal services citywide, including within the District.

24 **Section 13. ENVIRONMENTAL FINDINGS.** The Planning Department has
25 determined that the actions contemplated in this Resolution are in compliance with the

1 California Environmental Quality Act (California Public Resources Code, Sections 21000 *et*
2 *seq.*). Said determination is on file with the Clerk of the Board of Supervisors in File No.
3 250370, which is hereby declared to be a part of this Resolution as if set forth fully herein.
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