

1 [Resolution of Intention to form the Yerba Buena Community Benefit District]

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3 **Resolution (1) declaring the intention of the Board of Supervisors to establish a**
4 **property-based business improvement district (community benefit district) to be**
5 **known as the “Yerba Buena Community Benefit District” and levy a multi-year**
6 **assessment on identified parcels in the district, (2) approving the management**
7 **district plan and engineer's report and proposed boundaries map for the district,**
8 **(3) ordering and setting a time and place for a public hearing thereon, (4) approving**
9 **the form of the Notice of Public Hearing and Assessment Ballots, and (5) directing the**
10 **Clerk of the Board of Supervisors to give notice of the public hearing and balloting as**
11 **required by law.**

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13 WHEREAS, The Property and Business Improvement District Law of 1994, Part 7 of
14 Division 18 of the California Streets and Highways Code, commencing with Section 36600
15 (the "Law"), authorizes cities to establish property and business improvement districts within
16 business districts to promote the economic revitalization and physical maintenance of such
17 business districts; and

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

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

25 WHEREAS, The Law and Article 15 authorize the City to levy and collect assessments

1 on real property within such districts for the purpose of providing improvements and promoting
2 activities and property-related services that specially benefit identified parcels of real property
3 located within such districts; and

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

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

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

14 WHEREAS, The property owners who will pay more than 30 percent of the total
15 amount of assessments on properties within the proposed district signed and submitted to the
16 Clerk of the Board of Supervisors a petition (the "Petition") requesting that the Board of
17 Supervisors establish a property-based community benefit district to be named the "Yerba
18 Buena Community Benefit District," and to levy assessments on properties located in the
19 proposed district to fund property-related services, activities and improvements within the
20 district; and

21 WHEREAS, A Management District Plan entitled the "Yerba Buena Community Benefit
22 District Management District Plan" containing information about the proposed district and
23 assessments required by Section 36622 of the Law, including but not limited to maps showing
24 all identified parcels located in the district, a description of the boundaries of the district, the
25 name of the district, the amount of the proposed assessment for each identified parcel, the

1 total annual amount chargeable to the entire district, the duration of the payments, the
2 property-related services, activities and improvements to be funded by the assessments for
3 each year and the maximum cost thereof, the method and basis upon which the assessments
4 are calculated in sufficient detail to allow each property owner to calculate the amount of the
5 assessment to be levied against his or her property, a statement that no bonds will be issued,
6 the time and manner of collecting the assessments, and a list of the properties to be assessed
7 (including assessor parcel numbers), has been submitted to the Clerk of the Board of
8 Supervisors; and

9 WHEREAS, A detailed engineer's report supporting the assessments within the
10 proposed district, prepared by Edward V. Henning, California Registered Professional
11 Engineer # 26549, Edward Henning & Associates, dated May 12, 2008, and entitled "Yerba
12 Buena Community Benefit District, District Assessment Engineer's Report" has been
13 submitted to the Clerk of the Board of Supervisors; and

14 WHEREAS, A Proposed Boundaries Map has been submitted to the Clerk of the Board
15 of Supervisors pursuant to California Streets and Highways Code §31110;

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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 Law and Article 15, the Board of
20 Supervisors declares its intention to form a property and business improvement district to be
21 designated as the "Yerba Buena Community Benefit District" (the "District") for a period of
22 seven (7) years, and to levy and collect assessments against all identified parcels of real
23 property in the District for a period of seven (7) years, commencing with fiscal year 2008-
24 2009, 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 will
2 commence on or about January 1, 2009, following collection of the assessments for fiscal
3 year 2008-2009 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 Law and a written agreement with the City.

6 Section 2. The Board of Supervisors hereby approves the Management District Plan
7 and District Assessment Engineer's Report, including the estimates of the costs of the
8 property-related services, activities and improvements set forth in the plan, and the
9 assessment of said costs on the properties that will specially benefit from such services,
10 activities and improvements. A copy of the Management District Plan and the District
11 Assessment Engineer's Report are on file with the Clerk of the Board of Supervisors in File
12 No. _____. The Clerk of the Board shall make the Management District Plan,
13 District Assessment Engineer's Report and other documents related to the District and
14 included in the record before the Board of Supervisors available to the public for review during
15 normal business hours, Monday through Friday 8:00 a.m. through 5:00 p.m., excluding legal
16 holidays.

17 Section 3. The Board of Supervisors hereby approves the Proposed Boundaries
18 Map showing the exterior boundaries of the District, which is on file with the Clerk of the Board
19 of Supervisors in File No. _____ and incorporated herein by reference. The
20 proposed District contains approximately 1555 identified parcels in the Yerba Buena area.
21 The exterior boundaries of the District include all parcels on both sides of the street unless
22 otherwise noted, as follows:

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1 NORTHERN BOUNDARY OF MARKET STREET AND JESSIE STREET AND
2 MISSION STREET:

3 Market Street -- All parcels between the Southwest corner of the intersection of Market
4 Street and 2nd Street, to the Southeast corner of the intersection of Market Street and 4th
5 Street, excluding parcel 3706-047 (that is part of the Union Square business improvement
6 district "BID");

7 Jessie Street East and Jessie Street West (Between 4th Street and 5th Street) –
8 Including all parcels on the North and South sides of Jessie Street East to and including the
9 Northwest and Southwest corners of its intersection with 4th Street, including all parcels on the
10 North and South sides of Jessie Street West to and including the Northeast and Southeast
11 corners of its intersection with 5th Street, and including parcel 3705z-003 that does not have
12 Jessie Street frontage, and excluding parcels 3705z-001, 3705z-002, 3705-037, 3705-042,
13 and 3705-049 (that are part of the Union Square business improvement district "BID");

14 Mission Street – Including parcels on the North and South sides of Mission Street from
15 the Northeast and Southeast corners of the intersection of Mission Street and 4th Street, to the
16 Northeast and Southwest corners of the intersection of Mission Street and 5th Street,
17 excluding parcel 3705-049 (that is part of the Union Square BID), and including air rights
18 parcels 3705-050 and 3705-052 located within the Westfield San Francisco Centre (in the
19 block between Market and Mission Streets, and 4th and 5th Streets) that do not have Mission
20 Street frontage;

21 SOUTHERN BOUNDARY OF HARRISON STREET: Harrison Street – Including parcels
22 on the North side of Harrison Street between the Northwest corner of the intersection of Harrison
23 Street and 2nd Street, and the Northwest corner of the intersection of Harrison and 5th Street.
24 Including parcels on the South side of Harrison Street between the Southwest corner of the
25 intersection of Harrison Street and 2nd Street to the Southeast corner of the intersection of

1 Harrison Street and 5th Street.

2 EASTERN BOUNDARY OF 2ND STREET: 2nd Street – Including parcels on the West
3 side of 2nd Street from the Southwest corner of the intersection of 2nd Street and Market Street,
4 to the Southwest corner of the intersection of 2nd Street and Harrison Street.

5 WESTERN BOUNDARY OF 5TH STREET: 5th Street – Including parcels on the East side
6 of 5th Street from the Northeast corner of the intersection of 5th Street and Jessie Street, to the
7 Southeast corner of the intersection of 5th Street and Harrison Street. Including parcels on the
8 West side of 5th Street from the Southwest corner of the intersection of 5th Street and Mission
9 Street, to the Northwest corner of the intersection of 5th Street and Harrison Street.

10 The Yerba Buena CBD boundaries do not include the following bordering parcels that
11 are part of the existing Union Square business improvement district (BID): 3705z-001, 3705z-
12 002, 3705-037, 3705-042, 3705-049, and 3706-047. A BID is another term used in San
13 Francisco to describe a community benefit district (CBD) or special assessment district
14 formed under California Streets and Highways Code Sections 36600 *et seq.*

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

18 Section 4. A public hearing on the establishment of the District, and the levy and
19 collection of assessments starting with fiscal year 2008-2009 and continuing through fiscal
20 year 2014-2015, shall be conducted before the Board of Supervisors on July 29, 2008 at 3:00
21 p.m., or as soon thereafter as the matter may be heard, in the Board's Legislative Chambers,
22 Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, 94102. At
23 this public hearing, the Board of Supervisors will hear public testimony regarding the proposed
24 formation of the District, assessments, boundaries of the District, including testimony from all
25 interested persons for or against establishment of the District, the extent of the District, the

1 levy of the assessments, the furnishing of specific types of property-related services,
2 improvements and activities, and other matters related to the District. The Board of
3 Supervisors may waive any irregularity in the form or content of any written protest, and at the
4 public hearing may correct minor defects in the proceedings. All protests submitted by
5 affected property owners and received prior to the conclusion of the public testimony portion
6 of the public hearing shall be tabulated to determine whether a majority protest exists.

7 Section 5. The Board of Supervisors hereby approves the form of the Notice of
8 Public Hearing and Assessment Ballot which are on file with the Clerk of the Board of
9 Supervisors in File No. _____.

10 Section 6. The proposed property-related services, improvements or activities for
11 the District include:

12 A Sidewalk Operations, Beautification and Order (SOBO) component, to include street-
13 level staff as Ambassadors/Community Guides, hiring dedicated police officers from the San
14 Francisco Police Department under San Francisco CCSF Administrative Code Chapter 10B,
15 sidewalk and gutter sweeping, sidewalk steam cleaning and power washing, enhanced trash
16 emptying in public rights of way including removal of bulky trash items, removal of graffiti, tree
17 and hanging flower basket planting and maintenance, equipment/tools and supplies, vehicle
18 insurance and maintenance, personnel and supervisor/oversight costs to implement SOBO,
19 banners and decorations, public right of way beautification, maintenance of pedestrian public
20 spaces in addition to sidewalks, and distribution of small annual grants to community
21 organizations providing services in the district that support the SOBO improvements and
22 activities of the CBD;

23 A District Identity and Streetscape Improvements (DISI) component, to include
24 development of neighborhood brand/identity, district-wide special events, district web site and
25 newsletter, marketing and promotions strategies, personnel costs to implement DISI, public

1 space development and planning, district map and brochure, advertising, communications,
2 markers and public art highlighting the district's history and residents, and distribution of small
3 annual grants to community organizations providing services in the district that support the
4 DISI improvements and activities of the CBD;

5 An Administrative, Organization and Corporate Operations component, to include
6 personnel and administrative costs for this component, corporate operations insurance, office
7 related expenses, relations with City, public relations, and financial reporting; and

8 A Contingency and Reserve component to implement SOBO and DISI, to include
9 reserves, late or non-paid assessments, long term capital improvement projects, and
10 repayment of district formation costs.

11 Section 7. Within the area encompassed by the proposed District, the City currently
12 provides services at the same level provided to other similar areas of the City. It is the intent
13 of the Board of Supervisors to continue to provide the area encompassed by the District with
14 the same level of services provided to these other similar areas of the City. The
15 establishment of the District will not affect the City's policy to continue to provide the same
16 level of service to the areas encompassed by the District as it provides to other similar areas
17 of the City during the duration of the District.

18 Section 8. The annual assessment proposed to be levied and collected for the first
19 year of the District (fiscal year 2008-2009) is estimated to be \$2,385,664. The amount of the
20 annual assessment to be levied and collected for years two through seven (fiscal years 2009-
21 2010 through 2014-2015) may be increased from one year to the next by a percentage that
22 does not exceed either the change in the Consumer Price Index for All Urban Consumers in
23 the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area, or five
24 percent (5%), whichever is less.

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1 Section 9. 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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