

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

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3 **Resolution declaring the intention of the Board of Supervisors to renew and expand a**  
4 **property-based business improvement district known as the “Civic Center Community**  
5 **Benefit District” and levy a multi-year assessment on all parcels in the District;**  
6 **approving the management district plan, engineer’s report, and proposed boundaries**  
7 **map for the District; ordering and setting a time and place for a public hearing of the**  
8 **Board of Supervisors, sitting as a Committee of the Whole, on July 16, 2019, at 3:00**  
9 **p.m.; approving the form of the Notice of Public Hearing and Assessment Ballot**  
10 **Proceeding, and Assessment Ballot; directing environmental findings; and directing**  
11 **the Clerk of the Board of Supervisors to give notice of the public hearing and balloting,**  
12 **as required by law.**

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

18 WHEREAS, Section 36603 of the 1994 Act 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 1994 Act; and

21 WHEREAS, Article 15 of the San Francisco Business and Tax Regulations 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

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1           WHEREAS, The 1994 Act and Article 15 authorize the City to levy and collect  
2 assessments on real property within such districts for the purpose of providing improvements  
3 and promoting activities and property-related services that specially benefit parcels of real  
4 property located within such districts; and

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

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

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

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

21           WHEREAS, A Management District Plan entitled “Civic Center Community Benefit  
22 District Management Plan” (“Management District Plan”) containing information about the  
23 proposed district and assessments required by Section 36622 of the 1994 Act, including but  
24 not limited to a map showing all parcels located in the district, a description of the boundaries  
25 of the district, the name of the district, the amount of the proposed assessment for each

1 parcel, the total annual amount chargeable to the entire district, the duration of the payments,  
2 the property-related services, activities and improvements to be funded by the assessments  
3 for each year and the maximum cost thereof, the method and basis upon which the  
4 assessments are calculated in sufficient detail to allow each property owner to calculate the  
5 amount of the assessment to be levied against his or her property, a statement that no bonds  
6 will be issued, the time and manner of collecting the assessments, and a list of the properties  
7 to be assessed (including assessor parcel numbers), is on file with the Clerk of the Board of  
8 Supervisors in File No. 190467, which is hereby declared to be a part of this Resolution as if  
9 set forth fully herein; and

10 WHEREAS, A detailed engineer's report supporting the assessments within the  
11 proposed district, prepared by John G. Egan, California Registered Professional Engineer No.  
12 14853, entitled "Civic Center Community Benefit District Engineer's Report" ("Engineer's  
13 Report") is on file with the Clerk of the Board of Supervisors in File No. 190467, which is  
14 hereby declared to be a part of this Resolution as if set forth fully herein; and

15 WHEREAS, A Proposed Boundaries Map, submitted pursuant to California Streets and  
16 Highways Code, Section 3110, is on file with the Clerk of the Board of Supervisors in File No.  
17 190467, which is hereby declared to be a part of this Resolution as if set forth fully herein;  
18 now, therefore, be it

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

20 Section 1. Pursuant to Section 36621(a) of the 1994 Act and Article 15, the Board of  
21 Supervisors declares its intention to renew and expand the property and business  
22 improvement district known as the "Civic Center Community Benefit" ("District") for a period of  
23 fifteen and one half (15 1/2) years, and to levy and collect assessments against all parcels of  
24 real property in the District for fifteen of those years, commencing with fiscal year ("FY") 2019-  
25 2020, subject to approval by a majority of the property owners in the District who cast

1 assessment ballots, which ballots shall be weighted according to the proportional financial  
2 obligations of the affected properties. No bonds will be issued. District operations are  
3 expected to commence on or about January 1, 2020, following collection of the assessments  
4 for FY2019-2020 and disbursement of the assessment proceeds to the nonprofit owners'  
5 association that will administer the property-related services, activities and improvements in  
6 the District pursuant to Section 36651 of the 1994 Act and a written agreement with the City.

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

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

22 Section 4. The Board of Supervisors hereby approves the Proposed Boundaries Map  
23 showing the boundaries of the District. The proposed District contains approximately 773  
24 identified parcels located on approximately 43 whole or partial blocks.

25 Specifically, the exterior District boundaries are:

- 1 • Golden Gate Avenue and Turk Street to the North
- 2 • Market Street to the South
- 3 • 7th Street to the East
- 4 • Gough Street to the West

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

8 Section 5. A public hearing on the renewal and expansion of the District, and the levy  
9 and collection of assessments starting with FY2019-2020 and continuing through  
10 FY2033-2034, shall be conducted before the Board of Supervisors sitting as a Committee of  
11 the Whole on July 16, 2019 at 3:00 p.m., or as soon thereafter as the matter may be heard in  
12 the Board's Legislative Chamber, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place,  
13 San Francisco, California, 94102. At this public hearing, the Board of Supervisors will hear  
14 public testimony regarding the proposed formation of the District, assessments, and  
15 boundaries of the District, including testimony from all interested persons for or against  
16 renewal and expansion of the District, the extent of the District, the levy of the assessments,  
17 the furnishing of specific types of property-related services, improvements and activities, and  
18 other matters related to the District. The Board of Supervisors may waive any irregularity in  
19 the form or content of any written protest, and at the public hearing may correct minor defects  
20 in the proceedings. All protests submitted by affected property owners and received prior to  
21 the conclusion of the public testimony portion of the public hearing shall be tabulated to  
22 determine whether a majority protest exists.

23 Section 6. The Board of Supervisors hereby approves the form of the Notice of Public  
24 Hearing and Assessment Ballot Proceeding, and Assessment Ballot, which are on file with the  
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1 Clerk of the Board of Supervisors in File No. 190467; which are hereby declared to be a part  
2 of this Resolution as if set forth fully herein.

3 Section 7. The proposed property-related services, improvements and activities for the  
4 District include a Clean and Safe program, a Marketing program, and Administration.

5 **Clean, Safe, Activation:** Clean, Safe, Activation includes, but is not limited to sidewalk  
6 cleaning, sidewalk pressure washing, trash collection, graffiti removal, landscape maintenance,  
7 a safe team, a security camera program, oversight of the Civic Center Plaza café kiosk, daily  
8 setup tables, chares, and games in Civic Center Commons, and programs and events such as  
9 markets, public art installations, musical performances, block parties, recreational activities, and  
10 the annual Holiday Tree Lighting.

11 **Marketing/Communication:** Marketing includes, but is not limited to, destination  
12 marketing, branding, events, media relations, website, district stakeholder outreach, and  
13 social media.

14 **Administration/Contingency/City Fees:** Administration/Contingency/City Fees  
15 includes, but is not limited to, a professional staff to properly manage programs, communicate  
16 with stakeholders, to provide leadership, and represent the community with one clear voice.  
17 Also included are office expenses, professional services, organizational expenses such as  
18 insurance, the cost to conduct a yearly financial review, and other services related to  
19 organizational activities.

20 Section 8. Within the area encompassed by the proposed District, the City currently  
21 provides services at the same level provided to other similar areas of the City. It is the intent  
22 of the Board of Supervisors to continue to provide the area encompassed by the District with  
23 the same level of services provided to other similar areas of the City; formation of the District  
24 will not affect the City's policy to continue to provide the same level of service to the areas  
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1 encompassed by the District as it provides to other similar areas of the City during the term of  
2 the District.

3 Section 9. The annual total assessments proposed to be levied and collected for the  
4 first year of the District (FY2019-2020) is estimated to be \$3,240,387.14. The amount of the  
5 total annual assessments to be levied and collected for years two through fifteen  
6 (FYs 2020-2021 through 2033-2034) may be increased from one year to the next by 5%.  
7 Assessments may also increase based on development in the District. The determination of  
8 annual adjustments in assessment rates will be subject to the approval of the Civic Center  
9 Community Benefit District Owners' Association.

10 Section 10. Environmental Findings. Following the approval of this Resolution, the  
11 Planning Department shall determine whether the actions contemplated in this Resolution are  
12 in compliance with the California Environmental Quality Act (California Public Resources  
13 Code, Sections 21000 et seq.), and respond in writing to the Clerk of the Board of Supervisors  
14 prior to the Board's public hearing on the renewal and expansion of the District on July 16,  
15 2019 at 3:00 p.m.

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