File No.	110435
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Committee Item No	3		 
Board Item No.	_		

## **COMMITTEE/BOARD OF SUPERVISORS**

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Committee:	Rules	Date	5/19/11
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OTHER	(Use back side if additiona		
	by: Linda Wong	Date <u>5/16/11</u> Date	

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1	[Business and Tax Regulations Code – Establish a Citizen's Advisory Committee for the Central Market Street and Tenderloin Area]
2	Ordinance amending the San Francisco Business and Tax Regulations Code, Article
	12-A, by adding Section 906.3-1 to establish a Citizen's Advisory Committee for the
4	Central Market Street and Tenderloin Area.
5 6 7	NOTE: Additions are <u>single-underline italics Times New Roman</u> ; deletions are <u>strike-through italics Times New Roman</u> .  Board amendment additions are <u>double-underlined</u> ; Board amendment deletions are <u>strikethrough normal</u> .
8	Be it ordained by the People of the City and County of San Francisco:
	Section 1. Findings. The Board of Supervisors hereby finds that:
10	(a) In April 2011, the Board of Supervisors approved the Central Market Street and
11	Tenderloin Area Payroll Expense Tax Exclusion.
12	(b) Under the Central Market Street and Tenderloin Area Payroll Expense Tax
13	Exclusion, a person with an annual payroll expense of more than \$1,000,000 must enter into a
14	Community Benefits Agreement with the City Administrator in order to be eligible to claim the
15	exclusion.
16	(c) Residents of and small business owners within the Central Market Street and
17	Tenderloin Area have a unique understanding of the needs and issues of their community.
18	(d) Residents of and small business owners within the Central Market Street and
19	Tenderloin Area are aware of the resources their community can provide to taxpayers wishing
20	to claim the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion.
21	(e) Residents of and small business owners within the Central Market Street and
22	Tenderloin Area are congnizant of how development as a result of the Central Market Street
23	and Tenderloin Area Payroll Expense Tax Exclusion may affect their community and have
24	ideas on ways to mitigate its potentially unwanted effects.
25	

(e)(f) Residents of and small business owners within the Central Market Street and
Tenderloin Area can provide useful adviseadvice to the Mayor, City Administrator and Board
of Supervisors on the administration of the Central Market Street and Tenderloin Area Payrol
Expense Tax Exclusion.

Section 2. The San Francisco Business and Tax Regulations Code is hereby amended by adding Section 906.3-1, to read as follows:

# SEC. 906.3-1. CENTRAL MARKET STREET AND TENDERLOIN AREA CITIZEN'S ADVISORY COMMITTEE.

- (a) There shall be a Central Market Street and Tenderloin Area Citizen's Advisory

  Committee.
- (b) The Citizen's Advisory Committee shall be an advisory body whose purpose is to make recommendations to the Mayor, and Board of Supervisors and City Administrator on policies and programs that mitigate the negative effects of development, bolster economic development, local employment, and community sustainability and seek to stabilize and protect existing tenants, community based organizations and small businesses in and around the Central Market Street and Tenderloin Area.
  - (c) Duties of the Citizen's Advisory Committee may include:
- (1) Advise the Mayor, City Administrator, and Office of Economic and Workforce Development of community issues in order to better align the Community Benefits Agreements called for under the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion with the community needs.
- (2) <u>Make recommendations to the Mayor, City Administrator, and Office of Economic and Workforce Development about terms and conditions in the Community Benefits</u>

Agreements called for under the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion.

- (3) Provide a report every six months to the Board of Supervisors regarding the implementation and execution of the Community Benefit Agreements called for under the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion.
- (4) Make recommendations to the Board of Supervisors and the Office of Economic and Workforce Development on policies, initiatives, and programs that bolster economic development, local employment, and community sustainability and seek to stabilize and protect existing tenants, community based organizations and small businesses in and around the Central Market Street and Tenderloin Area.
- (3)(5) Advise the Mayor, Board of Supervisors and City Administrator on the creation of a community development fund that may support workforce development, community infrastructure and programs to mitigate potential displacement of small businesses, community based organizations and tenants.
- (4)(6) Help facilitate partnerships between persons claiming the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion and community organizations, local schools and small businesses.
- (5)(7) Hold public hearings regarding Community Benefits Agreements within four weeks from the time the parties to any such Agreements reach a consensus on the terms to be included therein and prior to their the execution of any Community Benefit Agreement by the City Administrator. The City Administrator may, at his or her sole discretion, extend this time in order to combine hearings and utilize staff time more efficiently.
- (6) Establish a regular Citizen's Advisory Committee meeting schedule, which shall consist of no less than six meetings per year.

- (e) Each member shall be nominated by the District Six Supervisor who may consult with other San Francisco City officials such as the Mayor's Office of Disability for Seat 3, the Mayor's Office of Housing for Seat 4, or the Small Business Commission for Seat 6.
  - (f) Each member shall be confirmed by the Board of Supervisors.
- (g) For purposes of this Section, "Adjacent Area" shall mean the area in District 6, bounded on the southern side by 13th Street and Townsend Street.

(g)(h) The members of the Citizen's Advisory Committee shall be appointed for a term of four years; provided, however, that members first appointed shall, by lot at the first meeting, classify their terms so that three shall serve for a term of two years and four shall serve for a term of four years. At the initial meeting of the Citizen's Advisory Committee and yearly thereafter, the Citizen's Advisory Committee members shall select such officer or officers as deemed necessary by the Citizen's Advisory Committee. The Citizen's Advisory Committee shall promulgate such rules and regulations as are necessary for the conduct of its business under this Section. In the event a vacancy occurs, a successor shall be appointed to fill the vacancy consistent with the process and requirements to appoint the previous appointee. When a vacancy occurs for a reason other than the expiration of a term of office, the appointee to fill such vacancy shall hold office for the unexpired term of his or her predecessor. Any appointee who misses four meetings within a twelve-month period, without the approval of the Citizen's Advisory Committee, shall be deemed to have resigned.

(h)(i) The Citizen's Advisory Committee shall comply with all applicable public records and meetings laws and shall be subject to the Conflict of Interest provisions of the City's Charter and Administrative Code. Specifically, during the twelve months prior to and during a member's tenure on the Citizen's Advisory Committee, no member of the Citizen's Advisory Committee may receive any gift, income or have any investment in any entity that foreseeably may be subject to or be the beneficiary of any Community Benefit Agreement reviewed by the Citizen's Advisory Committee. For purposes of this Section, "income", "gift" and "investment"

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shall have the same meanings as defined in the Political Reform Act of 1974 under California Government Code Section 81000 et seq. The initial meeting of the Citizen's Advisory Committee shall be called within 30 days from the day the Board of Supervisors confirms its initial appointments.

The City Administrator shall provide administrative support to the Citizen's Advisory Committee.

(i)(j) The provisions of this ordinance and the operation of the Citizen's Advisory Committee shall expire upon expiration of the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion under Section 906.3 of this Article.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By:

STEPHANIE PROFITT Deputy City Attorney

#### **LEGISLATIVE DIGEST**

[Business and Tax Regulations Code – Citizen's Advisory Committee Central Market Street and Tenderloin Area]

Ordinance amending Article 12-A of the San Francisco Business and Tax Regulations Code by adding Section 906.3-1 to establish a Citizen's Advisory Committee for the Central Market Street and Tenderloin Area.

#### **Existing Law**

Article 12-A of the San Francisco Business and Tax Regulations Code provides for a Payroll Expense Tax exclusion for persons maintaining a fixed place of business in the Central Market Street and Tenderloin Area. Any person with an annual Payroll Expense of more than \$1,000,000 must enter into a Community Benefit Agreement with the City Administrator in order to be eligible to claim the exclusion.

#### Amendments to Current Law

The proposed ordinance amends Section 906.3 of Article 12-A to establish a Citizen's Advisory Committee for the Central Market Street and Tenderloin Area. This committee shall consist of eleven members, all nominated by the supervisor for District Six and confirmed by the Board of Supervisors. The committee members shall be residents of the Central Market Street and Tenderloin Area or the Adjacent Area. The committee shall advise the Mayor, City Administrator and Board of Supervisors about issues confronting the community and terms the community would like included in Community Benefit Agreements.

### **Background Information**

The Citizen's Advisory Committee will provide advise to the Mayor, City Administrator and Board of Supervisors about the issues and needs confronting the Central Market Street and Tenderloin Area community. It will also convey to the Mayor, City Administrator and Board of Supervisors terms that the community would like included in the Community Benefit Agreements mandated under the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion.