[Management Agreement - Owners' Association for Administration/Management of Ocean Avenue Community Benefit District]

Resolution approving a management agreement with the nonprofit Owners' Association for administration/management of the established property-based Community Benefit District known as the "Ocean Avenue Community Benefit District," pursuant to California Streets and Highways Code, Section 36651, for a period commencing upon Board approval, through December 31, 2040.

WHEREAS, On May 6, 2025, acting pursuant to Article XIIID of the California Constitution, Section 53753 of the California Government Code, and the Property and Business Improvement District Law of 1994 (Part 7 of Division 18 of the California Streets and Highways Code, commencing with Section 36600), as augmented by Article 15 of the San Francisco Business and Tax Regulations Code, the Board of Supervisors adopted Resolution No. 208-25 ("Resolution of Intention") declaring the Board's intention to renew and expand the property-based special assessment district to be known as the Ocean Avenue Community Benefit District; and declaring the Board's intention to levy assessments on parcels to be included within the district, setting the public hearing, initiating mail ballot majority protest proceedings, approving the management district plan entitled "Ocean Avenue Community Benefit District Management Plan" (the "Management District Plan" or "Plan"), making various findings, and taking other legislative actions required to renew and expand the proposed district and levy the proposed assessments (Board File No. 250368); and

WHEREAS, On July 11, 2025, acting pursuant to the aforementioned legal authorities, the Board of Supervisors adopted Resolution No. 314-25 ("Resolution to Establish," Board File No. 250370), establishing (renewing and expanding) the property-based Community Benefit District designated as the "Ocean Avenue Community Benefit District" and levying

multi-year special assessments on Identified Parcels (as defined in Section 53750(g) of the Government Code) included within the District (the "Assessments"); and the Controller's designation for the Assessments for the Ocean Avenue Community Benefit District is Special Assessment No. 73; and

WHEREAS, Pursuant to the aforementioned legal authorities and the Resolution to Establish, the Assessments may only be used to fund property-related services, "Improvements" (as defined in Section 36610 of the Streets and Highways Code) and "Activities" (as defined in Section 36606 of the Streets and Highways Code) within the District in accordance with the Management District Plan (collectively, such authorized services, improvements and activities are referred to here as "District Programs"); and

WHEREAS, The District is not a governmental, corporate or separate legal entity, but is a geographic area containing all of the Identified Parcels subject to the Assessments for District Programs described in the Plan and included in the annual budgets submitted to and approved by the Board of Supervisors; the annual budget for District Programs for the first year of operations is set forth in the Plan, and for subsequent years, shall be set forth in the Annual Reports submitted to the Board of Supervisors as required by Section 36650 of the Streets and Highways Code; and

WHEREAS, Pursuant to the Resolution to Establish and Sections 36612 and 36650 of the Streets and Highways Code, the Board of Supervisors may contract with a private nonprofit entity referred to as an "Owners' Association" to administer the District Programs. An Owners' Association may be an existing nonprofit entity or a newly formed nonprofit entity. An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose; provided, however, that an Owner's Association must comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the

Government Code) at all times when its board of directors or any committee thereof hears, considers or deliberates on matters concerning the District, and must comply with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code) for purposes of providing public access to records relating to the District; and

WHEREAS, An Owners' Association is obligated to hold in trust all funds it receives from the City that are derived from the City's levy and collection of the Assessments, and to use such funds exclusively for the purposes of implementing the Management District Plan and administering, managing and providing District Programs set forth in the Plan, Resolution to Establish, and annual budgets submitted by the Owners' Association and approved by the Board of Supervisors; and

WHEREAS, Pursuant to the Resolution to Establish, the Office of Economic and Workforce Development is the City agency responsible for coordination between the City and the Owners' Association for the District; and

WHEREAS, The Office of Economic and Workforce Development has negotiated an agreement with the California nonprofit corporation Ocean Avenue Community Benefit District to, in good faith and with diligence as the Owners' Association for the District, develop, implement, direct, manage, administer, operate and ensure the timely provision of the District Programs ("Management Agreement" or "Agreement"); the Management Agreement is on file with the Clerk of the Board of Supervisors in File No. 251231, which is hereby declared to be a part of this Resolution as if set forth fully herein; and

WHEREAS, Pursuant to the Property and Business Improvement District Law of 1994, the Resolution to Establish and the express terms of the Management Agreement, the Agreement shall not be binding unless the Board of Supervisors approves the Agreement by Resolution; and

WHEREAS, It is in the best interest of the City and the property owners within the District for the City to enter into the Management Agreement with the Ocean Avenue Community Benefit District, according to the terms and conditions set forth therein; and

WHEREAS, The Planning Department has determined that the actions contemplated in this Resolution comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.); said determination is on file with the Clerk of the Board of Supervisors in File No. 251231 and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the Board of Supervisors declares as follows:

Section 1. AUTHORIZATION TO EXECUTE CONTRACT. The Office of Economic and Workforce Development is duly authorized to execute the Management Agreement on behalf of the City and County of San Francisco.

Section 2. APPROVAL OF AGREEMENT. The Board of Supervisors hereby approves the Management Agreement on file with the Clerk of the Board of Supervisors in File No. 251231, which is hereby declared to be a part of this Resolution as if set forth fully herein.

Section 3. AUTHORIZATION FOR ACTIONS CONTEMPLATED IN AGREEMENT. The Office of Economic and Workforce Development, Controller and all other Departments, City Officers and Employees are authorized to take all actions, make determinations, exercise discretion, grant or deny approval, and otherwise take all reasonable steps necessary for full performance of the Management Agreement on behalf of the City and County of San Francisco according to its terms.

Section 4. AUTHORIZATION FOR AMENDMENTS TO AGREEMENT. Subject to disapproval by the Board of Supervisors within 30 days of submission to the Clerk of the Board, the Office of Economic and Workforce Development may execute amendments to the

Agreement on behalf of the City and County of San Francisco, including to any of its exhibits, that the Office of Economic and Workforce Development determines, in consultation with the City Attorney, are in the best interests of the City and do not materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the District of this Resolution, and are consistent with the Management District Plan, Resolution to Establish, official City policies and applicable law.