FILE NO. 050877

RESOLUTION NO. 422-05

[Resolution of Intention to form the North of Market/Tenderloin Community Benefit District (CBD)]

Resolution declaring the intention of the Board of Supervisors to establish a propertybased business improvement district to be known as the "North of Market/Tenderloin Community Benefit District (CBD)," to order the levy and collection of a multi-year assessment, and setting a time and place for a public hearing thereon.

WHEREAS, 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 (the "Law") authorizes cities to establish property and business improvement districts within business districts to promote the economic revitalization and physical maintenance of such business districts; and

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

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

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

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

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

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

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

WHEREAS, A Management District Plan entitled the "North of Market/Tenderloin Community Benefit District (CBD)" containing information about the proposed district and assessments required by Section 36622 of the Law, including but not limited to a map showing all identified parcels located in the district, a description of the boundaries of the district, the name of the district, the amount of the proposed assessment for each identified parcel, the total annual amount chargeable to the entire district, the duration of the payments, the property-related services, activities and improvements to be funded by the assessments for each year and the maximum cost thereof, the method and basis upon which the

assessments are calculated in sufficient detail to allow each property owner to calculate the amount of the assessment to be levied against his or her property, a statement that no bonds will be issued, the time and manner of collecting the assessments, and a list of the properties to be assessed (including assessor parcel numbers), has been submitted to the Clerk of the Board of Supervisors; and

WHEREAS, A detailed engineer's report entitled "District Assessment Engineer's Report" supporting the assessments within the proposed district has been submitted to the Clerk of the Board of Supervisors; now, therefore, be it

RESOLVED, That the Board of Supervisors declares as follows:

Section 1. Pursuant to section 36621(a) of the Law and Article 15, the Board of Supervisors declares its intention to form the property and business improvement district to be designated as the "North of Market/Tenderloin Community Benefit District (CBD) " (the "District"), and to levy and collect assessments against all parcels of real property in the district for a period of 15 years, commencing with fiscal year 2005-2006, beginning January 1, 2006 and ending December 31, 2020, subject to approval by a majority of the property owners in the District whose ballots shall be weighted according to the proportional financial obligations of their affected properties. No bonds will be issued.

Section 2. The Board of Supervisors hereby approves the Management District Plan and District Assessment Engineer's Report, including the estimates of the costs of the property-related services, activities and improvements set forth in the plan and the assessment of said costs on the properties that specially benefit from such services, activities and improvements. A copy of the Management District Plan and the District Assessment Engineer's Report are on file with the Clerk of the Board of Supervisors in File No. 050877. The Clerk of the Board shall make the Management District Plan, District Assessment Engineer's Report and other documents related to the District available to the public for review

during normal business hours, Monday through Friday 8:00 a.m. through 5:00 p.m., excluding legal holidays.

Section 3. The exterior boundaries of the District are as set forth in the map contained in the Management District Plan on file with the Clerk of the Board of Supervisors in File No. 050877, and incorporated herein by reference. The District contains 605 parcels in the North of Market/Tenderloin area, the exterior boundaries of which are as follows:

O'Farrell, North side/Jones to Taylor, South side/Larkin to Mason

Ellis, Larkin to Mason;

Eddy, Larkin to Mason;

Larkin, O'Farrell to Turk (both sides)

Turk, Larkin to Mason

Golden Gate Ave., Larkin to Taylor;

McAllister, Larking to Jones

United Nations Plaza, Hyde to Leavenworth;

Grove Street, Hyde to Market;

Market Street, Mason to Hyde (North side only)

Hyde, O'Farrell to McAllister;

Leavenworth, O'Farrell, - Market St.;

Jones, O'Farrell – Market St.;

Taylor, O'Farrell – Market St.;

Mason, O'Farrell –Market St.(West side only)

Reference should be made to the detailed map and the list of parcels identified by Assessor Parcel Number contained in the Management District Plan in order to determine which specific parcels are included in the District.

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Section 4. A public hearing on the establishment of the District, and the levy and collection of assessments starting with fiscal year 2005-2006 and continuing through the first half of fiscal year 2020-2021, shall be conducted before the Board of Supervisors on August 2, 2005 at 3:00 p.m., or as soon thereafter as the matter may be heard, in the Board's Legislative Chambers, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, 94102. At this public hearing, the Board of Supervisors will hear public testimony regarding the proposed formation of the District, assessments, boundaries of the District, including testimony from all interested persons for or against establishment of the District, the extent of the District, and the furnishing of specific types of property-related services, improvements or activities. The Board of Supervisors may waive any irregularity in the form or content of any written protest, and at the public hearing may correct minor defects in the proceedings. All protests submitted by affected property owners and received prior to the conclusion of the public testimony portion of the public hearing shall be tabulated to determine whether a majority protest exists.

Section 5. The Board of Supervisors hereby approves the form of the Notice of Public Hearing and Assessment Ballot which are on file with the Clerk of the Board of Supervisors in File No. 050877.

Section 6. The proposed property-related services, improvements or activities for the District include a Public Rights of Way and Sidewalk Operations component, consisting of regular sidewalk and gutter sweeping, periodic sidewalk steam cleaning, spot steam cleaning as necessary, safe passage programs for visitors and employees, minor security services, beautification, decorations; enhanced trash emptying in the public rights of way, removal of bulky items, graffiti removal within 24 hours, installation and maintenance of banners and/or decorations, tree and plant maintenance and planting; equipment, supplies, tools, vehicle maintenance and insurance, maintenance personnel and supervisor costs; a District Identity

and Streetscape Improvements component, consisting of special events, web site, pedestrian kiosks and wayfinding signage system, enhanced beautification, flower pots on street lights, marketing and promotions, advertising, walking map, public space development, historical markers and public art; an Administrative and Corporate Operations component, consisting of staff and administrative costs, insurance, office related expenses, financial reporting, developing parking strategies with the City, communications, and repayment of district formation costs; and a Contingency and Reserve component for delinquencies, a reserve and repayment of district formation costs.

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

Section 8. The assessment proposed to be levied and collected for fiscal year 2005-2006 is \$932,413. The amount to be levied and collected for subsequent years up through the first half of fiscal year 2020-2021 may be increased annually by an amount not to exceed the change in the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area, not to exceed 5 percent.

Section 9. The Clerk of the Board is directed to give notice of the public hearing as provided in Section 53753 of the Government Code, Section 4 of Article XIIID of the California Constitution, Section 16.112 of the San Francisco Charter and Section 67.7-1 of the San Francisco Administrative Code.



City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

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Resolution

File Number: 050877

Date Passed:

Resolution declaring the intention of the Board of Supervisors to establish a property-based business improvement district to be known as the "North of Market/Tenderloin Community Benefits District (CBD)," to order the levy and collection of a multi-year assessment, and setting a time and place for a public hearing thereon.

June 7, 2005 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

June 7, 2005 Board of Supervisors — ADOPTED AS AMENDED Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval File No. 050877

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> I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on June 7, 2005 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young ¢lerk of the Board

06.07.05

Date Approved

Mayor Gavin Newsom

File No. 050877