

1 [Resolution of Intention - Lower Polk Community Benefit District]

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3 **Resolution declaring the intention of the Board of Supervisors to establish a property-**
4 **based business improvement district (community benefit district) known as the “Lower**
5 **Polk Community Benefit District” and levy a multi-year assessment on all parcels in the**
6 **district; approving the Management District Plan and Engineer’s Report, and proposed**
7 **boundaries map for the district; ordering and setting a time and place for a public**
8 **hearing thereon; approving the form of the Notice of Public Hearing and Assessment**
9 **Ballot Proceeding, and Assessment Ballot; making environmental findings; and**
10 **directing the Clerk of the Board of Supervisors to give notice of the public hearing and**
11 **balloting as required by law.**

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

17 WHEREAS, Section 36603 of the 1994 Act recognizes the authority of Charter cities to
18 adopt ordinances providing for different methods of levying assessments for similar or
19 additional purposes from those set forth in the 1994 Act; and

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

24 WHEREAS, The 1994 Act and Article 15 authorize the City to levy and collect
25 assessments on real property within such districts for the purpose of providing improvements

1 and promoting activities and property-related services that specially benefit parcels of real
2 property located within such districts; and

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

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

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

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

19 WHEREAS, A Management District Plan entitled “Lower Polk Community Benefit
20 District Management Plan” (“Management District Plan”) containing information about the
21 proposed district and assessments required by Section 36622 of the 1994 Act, including but
22 not limited to a map showing all parcels located in the district, a description of the boundaries
23 of the district, the name of the district, the amount of the proposed assessment for each
24 parcel, the total annual amount chargeable to the entire district, the duration of the payments,
25 the property-related services, activities and improvements to be funded by the assessments

1 for each year and the maximum cost thereof, the method and basis upon which the
2 assessments are calculated in sufficient detail to allow each property owner to calculate the
3 amount of the assessment to be levied against his or her property, a statement that no bonds
4 will be issued, the time and manner of collecting the assessments, and a list of the properties
5 to be assessed (including assessor parcel numbers), is on file with the Clerk of the Board of
6 Supervisors in File No. 140512, which is hereby declared to be a part of this Resolution as if
7 set forth fully herein; and

8 WHEREAS, A detailed engineer's report supporting the assessments within the
9 proposed district, prepared by Brian K. Thomas, California Registered Professional Engineer
10 No. 60907, entitled "City and County of San Francisco Lower Polk Community Benefit District
11 Engineer's Report" ("Engineer's Report") is on file with the Clerk of the Board of Supervisors
12 in File No. 140512, which is hereby declared to be a part of this Resolution as if set forth fully
13 herein; and

14 WHEREAS, A Proposed Boundaries Map, submitted pursuant to California Streets and
15 Highways Code Section 3110, is on file with the Clerk of the Board of Supervisors in File No.
16 140512, which is hereby declared to be a part of this Resolution as if set forth fully herein;
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 1994 Act and Article 15, the Board of
20 Supervisors declares its intention to form the property and business improvement district
21 known as the "Lower Polk Community Benefit District" ("District") for a period of fifteen and
22 one half (15 1/2) years, and to levy and collect assessments against all parcels of real
23 property in the District for fifteen (15) of those years, commencing with fiscal year 2014-2015,
24 subject to approval by a majority of the property owners in the District who cast assessment
25 ballots, which ballots shall be weighted according to the proportional financial obligations of

1 the affected properties. No bonds will be issued. District operations are expected to
2 commence on or about July 1, 2014, following collection of the assessments for fiscal year
3 2014-2015 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 1994 Act and a written agreement with the City.

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

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

21 Section 4. The Board of Supervisors hereby approves the Proposed Boundaries Map
22 showing the boundaries of the District. The proposed District contains approximately 307
23 identified parcels located on approximately 22 whole or partial blocks.

24 Specifically, the exterior District boundaries are:

- 25 • California Street from Larkin Street to Van Ness Avenue (South side only)

- 1 • Van Ness Ave. from California Street to Post Street (East side only)
- 2 • Post Street from Van Ness Avenue to Franklin Street (South Side only)
- 3 • Franklin Street from Post Street to Geary Boulevard (East side only)
- 4 • Geary Boulevard from Franklin Street to Van Ness Avenue (North side only)
- 5 • Van Ness Avenue from Geary Boulevard to Alice B. Toklas Place (East side
- 6 only)
- 7 • Alice B. Toklas Place from Van Ness Avenue to Polk Street (North side only)
- 8 • Myrtle Street from Polk Street to Larkin Street (North side only)
- 9 • Larkin St. from Myrtle Street to California Street (West Side Only)

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11 In addition to the above boundary description, the District boundaries also include
12 Assessor's Parcel No. 0716-002, with the following boundaries:

- 13 • Myrtle Street from Larkin Street to Northwest corner of Assessor's Parcel No.
14 0716-002 (North side of Assessor's Parcel No. 0716-002 only)
- 15 • Larkin Street from Myrtle Street to O'Farrell Street (West side of Assessor's
16 Parcel No. 0716-002 only)
- 17 • O'Farrell Street from Larkin Street to Southwest corner of Assessor's Parcel No.
18 0716-002 (South side of Assessor's Parcel No. 0716-002 only)
- 19 • Southwest corner of Assessor's Parcel No. 0716-002 to Northwest corner of
20 Assessor's Parcel No. 0716-002 (West side of Assessor's Parcel No. 0716-002
21 only)

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23 Reference should be made to the detailed maps and the lists of parcels identified by
24 Assessor Parcel Number that are contained in the Management District Plan, in order to
25 determine which specific parcels are included in the Lower Polk Community Benefit District.

1 Section 5. A public hearing on the establishment of the District, and the levy and
2 collection of assessments starting with fiscal year 2014-2015 and continuing through fiscal
3 year 2028-2029, shall be conducted before the Board of Supervisors sitting as a Committee of
4 the Whole on July 29, 2014 at 3:00 p.m., or as soon thereafter as the matter may be heard in
5 the Board's Legislative Chambers, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place,
6 San Francisco, California, 94102. At this public hearing, the Board of Supervisors will hear
7 public testimony regarding the proposed formation of the District, assessments, and
8 boundaries of the District, including testimony from all interested persons for or against
9 establishment of the District, the extent of the District, the levy of the assessments, the
10 furnishing of specific types of property-related services, improvements and activities, and
11 other matters related to the District. The Board of Supervisors may waive any irregularity in
12 the form or content of any written protest, and at the public hearing may correct minor defects
13 in the proceedings. All protests submitted by affected property owners and received prior to
14 the conclusion of the public testimony portion of the public hearing shall be tabulated to
15 determine whether a majority protest exists.

16 Section 6. The Board of Supervisors hereby approves the form of the Notice of Public
17 Hearing and Assessment Ballot Proceeding, and Assessment Ballot, which are on file with the
18 Clerk of the Board of Supervisors in File No. 140512; which are hereby declared to be a part
19 of this Resolution as if set forth fully herein.

20 Section 7. The proposed property-related services, improvements and activities for the
21 District include a Cleaning, Maintenance, and Safety program, a Marketing, Streetscape,
22 Improvements, and Beautification program, and Management.

23 **Cleaning, Maintenance, and Safety:** The Cleaning, Maintenance, and Safety
24 program is oriented towards crime deterrence and the cleanliness of sidewalks, curbs,
25 fixtures, landscaping, and buildings. The program includes, but is not limited to, removal of

1 graffiti, power washing sidewalks, removal of litter, foot patrols to deter crime, social service
2 outreach, providing directions and other information to members of the public, and the
3 exchange of information with merchant.

4 **Marketing, Streetscape Improvements, and Beautification:** The focus of the
5 Marketing, Streetscape Improvements, and Beautification program is to improve the district's
6 image, appeal and visibility. It includes, but is not limited, marketing to prospective new
7 businesses, hosting special events, promoting the district, holiday decoration and other forms
8 of beautification, and capital improvements in the district.

9 **Management and Operations:** Management and Operations includes but is not
10 limited to handling of day-to-day operations, advocacy, grant writing, financials, and all
11 administrative tasks.

12 Section 8. Within the area encompassed by the proposed District, the City currently
13 provides services at the same level provided to other similar areas of the City. It is the intent
14 of the Board of Supervisors to continue to provide the area encompassed by the District with
15 the same level of services provided to other similar areas of the City; formation of the District
16 will not affect the City's policy to continue to provide the same level of service to the areas
17 encompassed by the District as it provides to other similar areas of the City during the term of
18 the District.

19 Section 9. The annual total assessments proposed to be levied and collected for the
20 first year of the District (fiscal year 2014-2015) is estimated to be \$799,093.54. The amount
21 of the total annual assessments to be levied and collected for years two through fifteen (fiscal
22 years 2015-2016 through 2028-2029) may be increased from one year to the next by a
23 percentage that does not exceed either the change in the Consumer Price Index for All Urban
24 Consumers in the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical
25 Area, or three percent (3%), whichever is less.

1 Section 10. Environmental Findings. Following the approval of this Resolution, the
2 Planning Department shall determine whether the actions contemplated in this Resolution are
3 in compliance with the California Environmental Quality Act (California Public Resources
4 Code Sections 21000 et seq.), and respond in writing to the Clerk of the Board of Supervisors
5 prior to the Board’s public hearing on the establishment of the District on July 29, 2014, at
6 3:00 p.m.

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

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