

1 [Resolution of Intention - Dogpatch & Northwest Potrero Hill Green 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 to be known as the “Dogpatch & Northwest**
5 **Potrero Hill Green Benefit District” and levy a multi-year assessment on identified**
6 **parcels in the district; approving the management district plan and engineer’s report**
7 **and proposed boundaries map for the district; ordering and setting a time and place for**
8 **a public hearing thereon; approving the form of the Notice of Public Hearing and**
9 **Assessment Ballots Proceeding, and Assessment Ballot; directing environmental**
10 **findings; and directing the Clerk of the Board of Supervisors to give notice of the**
11 **public hearing and 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” or the “Act”), authorizes cities
15 to establish property and business improvement districts within business districts to promote
16 the economic 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 15A of the San Francisco Business and Tax Regulation Code
21 (“Article 15A”) 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 15A 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 identified parcels
2 of real 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 15A impose additional procedural and
7 substantive requirements relating to assessments on real property within a proposed property
8 and business improvement district, also known as a green benefit district (“GBD”); 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 substantial special benefit on the assessed properties over and above the general
12 benefit to 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 (the “Petition”) requesting that the Board of Supervisors
16 establish a property-based green benefit district to be named the “Dogpatch & Northwest
17 Potrero Hill Green Benefit District” and to levy assessments on properties located in the
18 proposed district to fund property-related services, activities and improvements within the
19 district; and

20 WHEREAS, A Management District Plan entitled the “Dogpatch & Northwest Potrero
21 Hill Green Benefit District (GBD) Management District Plan” containing information about the
22 proposed district and assessments required by Section 36622 of the 1994 Act, including but
23 not limited to maps showing all identified parcels located in the district, a description of the
24 boundaries of the district, the name of the district, the amount of the proposed assessment for
25 each identified parcel, the total annual amount chargeable to the entire district, the duration of

1 the payments, the property-related services, activities and improvements to be funded by the
2 assessments for each year and the maximum cost thereof, the method and basis upon which
3 the assessments are calculated in sufficient detail to allow each property owner to calculate
4 the amount of the assessment to be levied against his or her property, a statement that no
5 bonds will be issued, the time and manner of collecting the assessments, and a list of the
6 properties to be assessed (including assessor parcel numbers), is on file with the Clerk of the
7 Board of Supervisors in File No. 150535, which is hereby declared to be a part of this
8 resolution as if set forth fully herein; and

9 WHEREAS, A detailed engineer’s report supporting the assessments within the
10 proposed district, prepared by Terrance E. Lowell, California Registered Professional
11 Engineer No. 13398, titled “Dogpatch & Northwest Potrero Hill Green Benefit[s] District,
12 Engineer’s Report” (the “District Assessment Engineer’s Report”), is on file with the Clerk of
13 the Board of Supervisors in File No. 150535, which is hereby declared to be a part of this
14 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 150535, which is hereby declared to be a part of this resolution as if set forth fully herein; now,
18 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 15A, the Board of
21 Supervisors declares its intention to form a property and business improvement district to be
22 designated as the “Dogpatch & Northwest Potrero Hill Green Benefit District” (the “District”) for
23 a period of 10 and one half (10 1/2) years, and to levy and collect assessments against all
24 identified parcels of real property in the District for a period of 10 years, commencing with
25 FY2015-2016, 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 will
3 commence on or about January 1, 2016, following collection of the assessments for
4 FY2015-2016 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 District Assessment Engineer's Report, including the estimates of the costs of the
16 property-related services, activities and improvements set forth in the plan, and the
17 assessment of said costs on the properties that will specially benefit from such services,
18 activities and improvements. The Clerk of the Board shall make the Management District
19 Plan, District Assessment Engineer's Report and other documents related to the District and
20 included in the record before the Board of Supervisors available to the public for review during
21 normal business hours, Monday through Friday 8:00 a.m. through 5:00 p.m., excluding legal
22 holidays.

23 Section 4. The Board of Supervisors hereby approves the Proposed Boundaries Map
24 showing the exterior boundaries of the District. The proposed District contains two zones,
25 Zone I and Zone II.

1 Zone I of the proposed District contains approximately 1,126 identified parcels, located
2 on approximately 53 whole or partial blocks lying approximately between the following
3 intersections: Mariposa Street and Illinois Street, Mariposa Street and Iowa Street, Illinois
4 Street and 27th Street, and Pennsylvania Street and 27th Street. Zone I is generally located
5 at: (1) Mariposa Street from Iowa Street to Illinois Street (south side only); (2) Illinois Street
6 from Mariposa Street to Cesar Chavez Street (west side only); (3) Cesar Chavez Street from
7 Illinois Street to Pennsylvania Street (north side only);(4) Pennsylvania Street from Cesar
8 Chavez Street from Mariposa Street (east side only); (5) 22nd Street from Pennsylvania to
9 Iowa Street (north side only); and (6) Iowa Street from 22nd Street to Mariposa Street (east
10 side only).

11 Zone II of the proposed District contains approximately 256 identified parcels, located
12 on approximately 16 whole or partial blocks lying approximately between the following
13 intersections: Potrero Avenue and 19th Street, 19th Street and Kansas Street, Kansas Street
14 and 16th Street, and 16th Street and Potrero Avenue. Zone II is generally located at: (1) 16th
15 Street from Potrero Avenue to Kansas Street (south side only) (completely encompassing
16 parcel 3958-006); (2) Kansas Street from the northeast corner of parcel 3958-006 traveling
17 south along the eastern perimeter of the parcel for 100 feet, then traveling west along the
18 southern perimeter of the parcel for 100 feet, then traveling south to the southeast corner of
19 parcel 4029-022; (3) 19th Street from southeast corner of parcel 4029-022 to Potrero Avenue
20 (north side only); and (4) Potrero Avenue from 19th Street to 16th Street (east side only).

21 Reference should be made to the detailed maps and the lists of parcels identified by
22 Assessor Parcel Number that are contained in the Management District Plan, in order to
23 determine which specific parcels are included in the Dogpatch & Northwest Potrero Hill Green
24 Benenefit District.

25 Section 5. A public hearing on the establishment of the District, and the levy and

1 collection of assessments starting with fiscal year 2015-2016 and continuing through
2 FY2024-2025, shall be conducted before the Board of Supervisors, sitting as a Committee of
3 the Whole, on July 28, 2015, at 3:00 p.m., or as soon thereafter as the matter may be heard in
4 the Board's Legislative Chamber, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place,
5 San Francisco, California, 94102. At this public hearing, the Board of Supervisors will hear
6 public testimony regarding the proposed formation of the District, assessments, boundaries of
7 the District, including testimony from all interested persons for or against establishment of the
8 District, the extent of the District, the levy of the assessments, the furnishing of specific types
9 of property-related services, improvements and activities, and other matters related to the
10 District. The Board of Supervisors may waive any irregularity in the form or content of any
11 written protest, and at the public hearing may correct minor defects in the proceedings. All
12 protests submitted by affected property owners and received prior to the conclusion of the
13 public testimony portion of the public hearing shall be tabulated to determine whether a
14 majority protest exists.

15 Section 6. The Board of Supervisors hereby approves the form of the Notice of Public
16 Hearing and Assessment Ballot Proceeding, and Assessment Ballot which are on file with the
17 Clerk of the Board of Supervisors in File No. 150535; which are declared to be a part of this
18 resolution as if set forth fully herein.

19 Section 7. The proposed property-related services, improvements or activities for the
20 District include Maintenance, Capital Improvements, Accountability, Transparency & Citizen
21 Services, and Operations & Contingency/Reserves:

22 **Maintenance:** Maintenance includes, but is not limited to, maintenance care for new
23 and existing street trees, the maintenance and repair of irrigation systems, graffiti abatement
24 patrol officers to patrol graffiti hotspots, responses to requests for the removal of trash and
25 debris, pruning of shrubs, weed removal and fertilization, and the setting aside for the first

1 year only assessment funds to improve the maintenance of specific spaces.

2 **Capital Improvements:** Capital Improvements includes, but is not limited to: (1)
3 improvements to existing public realm areas, such as providing new playground equipment,
4 new trash and recycling receptacles, new park benches, and new irrigation systems; (2) the
5 development of new public realm areas, such as new parks, parklets, and plazas, planting
6 new trees and related bulb-outs, installing street furniture, and constructing traffic-calming
7 round-about, green spaces, at wide street intersections; and (3) developing green
8 infrastructure, such as providing new recycled water collection and distribution systems, new
9 storm water capture systems, new rainwater/storm water cisterns, and the installation of
10 energy generation and distribution systems.

11 **Accountability, Transparency, & Citizen Services:** Accountability, Transparency, &
12 Citizen Services includes, but is not limited to: (1) management of District affairs, such as the
13 finances and contracts for services, management of the relationship with the City, and
14 management of volunteer staff for the District; (2) performing marketing and communications
15 for the District, including, without limitations, the management of public relations and media
16 relations; (3) development of public communication and accountability, including, without
17 limitation, designing and updating the District's website, designing and updating the District's
18 smart phone application, and the development an outreach campaign to the City and the
19 media to ensure understanding of the purpose, work, and accomplishments of the District;
20 and (4) strategic planning, including, without limitation, updates to the District's "Green Vision
21 Plan," to convey the values, mission, goals and accomplishments of the District.

22 **Operations & Contingency/Reserves:** Operations & Contingency/Reserves,
23 includes, but is not limited to, the acquisition of insurance for operations and services,
24 providing for the expense of audit or financial reviews, and providing for potential cost
25 overruns for maintenance and improvement services up to 10%.

1 Section 8. Within the area encompassed by the proposed District, the City currently
2 provides services at the same level provided to other similar areas of the City. It is the intent
3 of the Board of Supervisors to continue to provide the area encompassed by the District with
4 the same level of services provided to these other similar areas of the City. The
5 establishment of the District will not affect the City’s policy to continue to provide the same
6 level of service to the areas encompassed by the District as it provides to other similar areas
7 of the City during the duration of the District.

8 Section 9. The annual total assessments proposed to be levied and collected for the
9 first year of the District (FY2015-2016) is estimated to be \$492,859. The amount of the total
10 annual assessments to be levied and collected for years two through 10 (FYs 2016-2017
11 through 2024-2025) may be increased from one year to the next by a percentage that does
12 not exceed either the change in the Consumer Price Index for All Urban Consumers in the
13 San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area (the “CPI”), or
14 three percent (3%), whichever is less. However, to account for new assessments that could
15 be collected from potential future development in the proposed District, the maximum
16 assessment for any of years two through 10 described above in this Section 9 may be
17 increased to twice the amount.

18 Section 10. Environmental Findings. Following the approval of this Resolution, the
19 Planning Department shall determine whether the actions contemplated in this Resolution are
20 in compliance with the California Environmental Quality Act (California Public Resources
21 Code, Sections 21000 *et seq.*), and respond in writing to the Clerk of the Board of
22 Supervisors.

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

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