

1 [Management District Plan and Engineer’s Report Modification - Central Market Community  
Benefit District]

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3 **Resolution modifying the Management District Plan and Engineer’s Report to remove**  
4 **the district-wide cap on annual assessment revenues levied on properties located in**  
5 **the property-based business improvement district (community benefit district) known**  
6 **as the “Central Market Community Benefit District;” and making environmental**  
7 **findings.**

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9 WHEREAS, Pursuant to the Property and Business Improvement Law of 1994,  
10 California Streets and Highways Code, Sections 36600 *et seq.* ("1994 Act"), as augmented by  
11 Article 15 of the San Francisco Business and Tax Regulations Code ("Article 15"), the Board  
12 of Supervisors adopted Resolution No. 288-16, entitled “Resolution declaring the intention of  
13 the Board of Supervisors to modify the management district plan and engineer’s report for the  
14 property-based business improvement district (community benefit district) known as the  
15 ‘Central Market Community Benefit District’; ordering and setting a time and place for a public  
16 hearing thereon; approving the form of the Notice of Public Hearing and Assessment Ballot  
17 Proceeding and Assessment Ballot; and directing the Clerk of the Board of Supervisors to  
18 give notice of the public hearing and balloting as required by law” (hereafter, the “Resolution  
19 of Intention,” Board of Supervisors File No. 160793); and

20 WHEREAS, The Resolution of Intention approved a modified Management District Plan  
21 (dated June 2016) for the Central Market Community Benefit District (the “District”), directed  
22 the Clerk of the Board of Supervisors to include the modified Management District Plan in File  
23 No. 160793 for public review, a duplicate copy of which is on file with the Clerk of the Board of  
24 Supervisors in File No. 160988 and is incorporated by reference as though set forth fully  
25 herein, and set a hearing on the proposed modifications on September 20, 2016, at 3:00 p.m.

1 in the Board of Supervisor’s Legislative Chambers located on the Second Floor of City Hall, 1  
2 Dr. Carlton B. Goodlett Place, San Francisco, California; and

3 WHEREAS, The Resolution of Intention also approved a modified Engineer’s Report  
4 (dated June 2016) for the District, and directed the Clerk of the Board of Supervisors to  
5 include the modified Engineer’s Report in File No. 160793 for public review prior to the  
6 September 20, 2016, hearing; and

7 WHEREAS, The modified Engineer’s Report approved by the Board of Supervisors  
8 and placed in File No. 160973 was missing a signature on page 1-2, but that signature has  
9 now been obtained, and an updated copy of the modified Engineer’s Report (which is in all  
10 other respects identical to the previously-approved report) is now on file with the Clerk of the  
11 Board of Supervisors in File No. 160988 and is incorporated by reference as though set forth  
12 fully herein and in the Resolution of Intention; and

13 WHEREAS, The Resolution of Intention also approved the form of the Assessment  
14 Ballots and the Notice of Public Hearing, both of which are on file with Clerk of the Board of  
15 Supervisors in File No. 160793; and

16 WHEREAS, The Board of Supervisors has caused the Assessment Ballots and Notice  
17 of Public Hearing to be mailed to the record owner of each parcel proposed to be assessed  
18 within the District, as required by law; and

19 WHEREAS, A public hearing concerning the modified Management District Plan and  
20 modified Engineer’s Report occurred as noticed on September 20, 2016 at 3:00 p.m. in the  
21 Board of Supervisor’s Legislative Chambers located on the Second Floor of City Hall, 1 Dr.  
22 Carlton B. Goodlett Place, San Francisco, California; and

23 WHEREAS, At the public hearing, the testimony of all interested persons for or against  
24 the proposed modifications was heard and considered, and a full, fair and complete meeting  
25 and hearing was held; and

1           WHEREAS, The Board of Supervisors heard and considered all objections or protests  
2 to the proposed modifications, the Director of the Department of Elections tabulated all  
3 assessment ballots submitted and not withdrawn, both in support of and in opposition to the  
4 proposed modifications, and the Clerk of the Board determined that a majority of the ballots  
5 cast (weighted according to the proportional financial obligations of the property) by the  
6 owners of record of the property located within the District did not oppose the proposed  
7 modifications; and

8           WHEREAS, The public interest, convenience and necessity require the acceptance of  
9 the proposed modifications; and

10          RESOLVED, That the Board of Supervisors declares as follows:

11          **Section 1.   MANAGEMENT DISTRICT PLAN AND ENGINEER'S REPORT.** The  
12 Board hereby approves the modified Management District Plan and modified Engineer's  
13 Report, including the estimates of the costs of the property-related services, activities and  
14 improvements set forth in the plan, and the assessment of said costs on the properties that  
15 will specially benefit from such services, activities and improvements. A copy of the modified  
16 Management District Plan and modified Engineer's Report are both on file with the Clerk of  
17 the Board of Supervisors in File No. 160988, which is hereby declared to be a part of this  
18 Resolution as if set forth fully herein.

19          **Section 2.   FINDING OF NO MAJORITY PROTEST.** The Board of Supervisors  
20 hereby finds that a majority protest does not exist as defined in Section 4(e) of Article XIID of  
21 the California Constitution and Section 53753 of the California Government Code with respect  
22 to the modified Management District Plan and modified Engineer's Report. All objections or  
23 protests both written and oral, are hereby duly overruled.

24          **Section 3.   DESCRIPTION OF DISTRICT.** The modified Management District Plan  
25 and modified Engineer's Report shall apply in the entire District, which covers approximately

1 42 whole or partial blocks and approximately 806 identified parcels. The District boundaries  
2 shall not change due to the modifications and are as follows:

- 3 • 5th St. from Market St. to Mission St. (West Side only)
- 4 • 6th St. from Market St. to Folsom St. (East and West Sides)
- 5 • 7th St. from Market St. to Stevenson St. (East and West Sides)
- 6 • 8th St. from Market St. to Mission St. (East and West Sides)
- 7 • Laskie St. from Parcel No. 3701-60 and Parcel No. 3701-66 to Mission St.  
8 (East and West Sides)
- 9 • 9th St. from Market St. to Mission St. (East Side)  
10 and from Jessie St. to Mission St. (West Side)
- 11 • 10th St. from Stevenson St. to Mission St. (East Side)  
12 and from Jessie St. to Mission St. (West Side)
- 13 • Market St. from 5th St. to 9th St. (South Side)
- 14 • Market St. from Cyril Magnin St. to Mason St. (North Side)
- 15 • Mason St. from Eddy St. to Market St. (East Side)
- 16 • Eddy St. from Parcel No. 0341-18 to Mason St. (South Side)
- 17 • Market St. from Hyde St. to Larkin St. (North Side)
- 18 • Grove St. from Hyde St. to Larkin St. (South Side)
- 19 • Stevenson St. from Parcel No. 3703-085 to Fifth St. (South Side),  
20 and from Parcel No. 3702-054 to Fifth St. (North Side)
- 21 • Jessie St. From Parcel No. 3703-086 (North Side) to Mint St.
- 22 • Jessie St. from Parcel No. 3703-080 (South Side) to Mint St.
- 23 • Mint St. from Jessie St. to Mission St. (East and West Sides)
- 24 • Mint Plaza from 5th St. to Mint St. (North and South Sides)
- 25 • Mission St. from 5th St. to South Van Ness Ave. (North Side), excluding parcels  
owned by the federal government in the area of 7<sup>th</sup> St. and Mission St. (parcel  
numbers listed below), and excluding Parcel No. 3507-040 which is located to  
the west next to Parcel No. 3507-042 (within the adjacent Civic Center CBD  
boundaries)
- Mission St. starting from Parcel No. 3725-088 to Lafayette St. (South Side)
- Minna St. starting from Parcel No. 3725-075 to Sixth St. (South Side)
- Natoma St. starting from Parcel No. 3725-048 and Parcels No. 3725-033 and  
3725-035 to Sixth St. (North and South Sides)
- Howard St. starting from Parcel No. 3725-014 and Parcel No. 3732-146  
to Sixth St. (North and South Sides)

- Tehama St. starting from Parcel No.3732-099 and Parcel No. 3732-097 to Sixth St. (North and South Sides)
- Clementina St. starting from Parcel No. 3732-062 and Parcel No. 3732-048 to Sixth St. (North and South Sides)

Parcel No. 3507-040 is excluded from the District (within the adjacent Civic Center CBD boundaries, on Mission St. near 11th St., next to Parcel No. 3507-042). Parcels owned by the federal government are also excluded from the District (near 7th St. and Mission St., the Federal Building and United States Court of Appeals): Parcels No. 3702-015, 3702-016, 3702-029, 3702-031, 3702-032, 3702-033, 3702-034, 3702-035, 3702-036, 3702-055, 3703-040, 3703-041, and 3703-084.

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

**Section 4. FINDING OF BENEFIT.** The Board of Supervisors hereby finds that the property within the District will be benefited by the modifications and by the improvements and activities funded by the assessments proposed to be levied.

**Section 5. SYSTEM OF ASSESSMENTS.** (a) Annual assessments levied to pay for the activities to be provided within the District commenced with fiscal year 2013-2014 and shall continue until fiscal year 2027-2028. For purposes of levying and collecting assessments within the District, a fiscal year shall commence on each July 1st and end on the following June 30th.

(b) The amount of the proposed assessments to be levied and collected for fiscal year 2016-2017 shall be a maximum of \$1,289,786.80, as shown in the modified Management District Plan and modified Engineer's Report. The amount of assessments to be levied and collected in subsequent years may increase based on application of the existing formula to parcels in the District as further described in the modified Management District Plan and Engineer's Report, as well as if the Central Market Community Benefit District corporation

1 Board of Directors votes for an increase based on the Consumer Price Index (“CPI”), which  
2 CPI increase may not exceed three percent (3%) per year.

3 (c) The method and basis of levying and collecting the assessment shall be as set  
4 forth in the modified Management District Plan.

5 (1) The levy of the assessments commenced with fiscal year 2013-2014 and shall  
6 continue until fiscal year 2027-2028. Each year the assessment shall be due and payable in  
7 two equal installments. The first installment shall be due on November 1 of each fiscal year  
8 during the life of the District, and shall become delinquent on December 10 of that fiscal year.  
9 The second installment shall be due on February 1 of each fiscal year during the life of the  
10 District, and shall become delinquent on April 10 of that fiscal year.

11 (2) Nonpayment of the assessment shall have the same lien priority and delinquent  
12 payment penalties and be subject to the same enforcement procedures and remedies as the  
13 ad valorem property tax. All delinquent payment of assessments shall be subject to interest  
14 and penalties. The City Treasurer and Tax Collector will enforce imposition of interest and  
15 penalties and collection of delinquent assessments pursuant to the Business Assessment Law  
16 and City Business and Tax Regulations Code Article 6, as each may be amended from time to  
17 time.

18 **Section 6. USE OF REVENUES.** The proposed property-related services,  
19 improvements or activities for the District include:

20 **Public Safety/Community Guides:** Community Guides functions are oriented  
21 towards crime prevention and providing information, and include but are not limited to  
22 monitoring street conditions, social service outreach, pedestrian directions and information,  
23 and merchant outreach. Other resources are drawn on as needed.

24 **Cleaning and Maintenance:** Cleaning and Maintenance includes but is not limited to  
25 garbage and graffiti removal, weeding, sweeping, and quarterly steam cleaning in the public

1 right-of-way.

2 **Economic Development:** Economic Development includes but is not limited to district  
3 marketing, retail attraction, retention and expansion, and technical support.

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

6 **Section 7. AMENDMENTS.** The properties in the District established by this  
7 Resolution shall be subject to any amendments to the 1994 Act, and City Business and Tax  
8 Regulations Code Article 6 and Article 15.

9 **Section 8. RECORDATION OF NOTICE AND DIAGRAM.** The County Clerk is  
10 hereby authorized and directed to record a notice and an assessment diagram pursuant to  
11 Section 36637 of the California Streets and Highways Code, following adoption of this  
12 Resolution.

13 **Section 9. LEVY OF ASSESSMENT.** The adoption of this Resolution constitutes  
14 the levy of an assessment in each of the fiscal years referred to in the Management District  
15 Plan. Each year, the Assessor shall enter on the County Assessment Roll opposite each lot  
16 or parcel of land the amount of the assessment and such assessment shall be collected in the  
17 same manner as the County property taxes are collected.

18 **Section 10. BASELINE SERVICES.** To ensure that assessment revenues from the  
19 District are used to enhance the current level of services provided by the City within the  
20 District, the modifications will not affect the City's policy to continue to provide the same level  
21 of service to the areas encompassed by the District as it provides to other similar areas of the  
22 City for the duration of the District, provided, however, that in the event of a significant  
23 downturn in citywide revenues, the Board of Supervisors may reduce the level of municipal  
24 services citywide, including within the District.

25 **Section 11. ENVIRONMENTAL FINDINGS.** The Planning Department has

1 determined that the actions contemplated in this Resolution are in compliance with the  
2 California Environmental Quality Act (California Public Resources Code sections 21000  
3 *et seq.*). Said determination is on file with the Clerk of the Board of Supervisors in File No.  
4 160988 and is declared to be a part of this Resolution as if set forth fully herein.

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