FILE NO. 051185

RESOLUTION NO.

Resolution establishing a property-based business improvement district to be known
 as the "Noe Valley Community Benefit District (CBD)," ordering the levy and collection
 of assessments against property located in that district for 15 years, commencing with
 fiscal year 2005-2006, and making environmental findings.

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8 WHEREAS, Pursuant to the Property and Business Improvement Law of 1994. 9 California Streets and Highways Code Sections 36600 et seq. (the "Act"), as augmented by 10 Article 15 of the San Francisco Business and Tax Regulations Code ("Article 15"), the Board 11 of Supervisors adopted Resolution No. 420-05 on June 7, 2005, entitled "Resolution declaring 12 the intention of the Board of Supervisors to establish a property-based business improvement 13 district to be known as the 'Noe Valley Community Benefit District (CBD),' to order the levy 14 and collection of a multi-year assessment, and setting a time and place for a public hearing 15 thereon," (the "Resolution of Intention"); and,

WHEREAS, the Resolution of Intention for the Noe Valley Community Benefit District
(the "Noe Valley CBD" or "District"), among other things, approved the Noe Valley Community
Benefit District Management District Plan (the "District Management Plan"), the District
Assessment Engineer's Report, the Assessment Ballots and the Notice of Public Hearing, that
are on file with Clerk of the Board of Supervisors in File No. 050923; and,

WHEREAS, The Board of Supervisors caused notice of a public hearing concerning the proposed formation of the Noe Valley CBD, the proposed levy of assessments against property located within the District for a period of 15 years, commencing with fiscal year 2005-2006, beginning January 1, 2006 and ending December 31, 2020, to be duly published and

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mailed as required by law, to the record owner of each parcel proposed to be assessed within
the District; and,

WHEREAS, The Board of Supervisors has caused ballots to be mailed as required by
law, to the record owner of each parcel proposed to be assessed within the District; and,

WHEREAS, A public hearing concerning the proposed formation of the Noe Valley
CBD and the proposed levy of assessments within such District was held on August 2, 2005,
at 3 p.m., in the Board's Legislative Chambers, located on the Second Floor of City Hall, 1 Dr.
Carlton B. Goodlett Place, San Francisco, California; and,

9 WHEREAS, At the public hearing, the testimony of all interested persons for or against 10 the proposed formation of the District, the levy of assessments on property within the District, 11 the extent of the District, and the furnishing of specified types of improvements, services and 12 activities within the District, was heard and considered, and a full, fair and complete meeting 13 and hearing was held; and,

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

WHEREAS, The public interest, convenience and necessity require the establishment
of the proposed Noe Valley Community Benefit District; and,

WHEREAS, In the opinion of the Board of Supervisors, the property within the District
will be specially benefited by the improvements, services and activities funded by the
assessments, and no assessment has been imposed on any parcel which exceeds the

1 reasonable cost of the proportional special benefit conferred on that parcel; now therefore be 2 it

RESOLVED, that the Board of Supervisors declares as follows:

FINDING OF NO MAJORITY PROTEST. The Board of Supervisors 4 Section 1. 5 hereby finds that a majority protest does not exist as defined in Section 4(e) of Article XIIID of the California Constitution and Section 53753 of the California Government Code with respect 6 7 to the formation of Noe Valley Community Benefit District. All objections or protests both written and oral, are hereby duly overruled. 8

9 ESTABLISHMENT OF DISTRICT. Pursuant to the Act and Article 15, a Section 2. 10 property-based business improvement district designated as the "Noe Valley Community 11 Benefit District" is hereby established.

12 Section 3. **DESCRIPTION OF DISTRICT.** The Noe Valley Community Benefit 13 District shall include all parcels of real property within the district, the boundaries of which are along 24th Street from Douglas St. to Church St., and along Castro Street from Elizabeth St. to 14 15 25th St., as set forth in the map contained in the Management District Plan on file with the 16 Clerk of the Board of Supervisors in File No. 050923 and incorporated herein by reference. The properties on both sides of the 24th Street and Castro Street are within the boundaries of 17 the District, except for the residential properties on both sides of 24th Street between Douglas 18 St. and Diamond St., which are not within the District. The District contains 168 parcels in the 19 20 Noe Valley area, and include the following properties:

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- Street Address Series 24th Street 3782 - 431622 1233 - 1420**Castro Street Church Street** 1185 - 121123 **Diamond Street** 729 - 824250 - 300 Vicksburg Street 24
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Reference should be made to the detailed map and the list of parcels identified by
 Assessor Parcel Number contained in the Management District Plan approved by the
 Resolution of Intention 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 improvements and activities funded by the

6 assessments proposed to be levied.

Section 5. SYSTEM OF ASSESSMENTS. (a) An assessment will be levied
annually to pay for the activities to be provided within the District, commencing with fiscal year
2005-2006, and continuing for fifteen years, ending with fiscal year 2020-2021. 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 total amount of the proposed assessments to be levied and collected for
fiscal year 2005-2006 shall be \$218,622. The amount of assessments to be levied and
collected in subsequent fiscal years through the first half of fiscal year 2020-2021 may be
increased annually by the Board of Directors of the District by an amount not to exceed the
change in the Consumer Price Index for All Urban Consumers in the San Francisco-OaklandSan Jose Consolidated Metropolitan Statistical Area, or 5 percent, whichever is lower.

18 (c) The method and basis of levying and collecting the assessment shall be as set 19 forth in the District Management Plan. The levy of the assessments shall commence with 20 fiscal year 2005-2006. Each year the assessment shall be due and payable in two equal 21 installments. The first installment shall be due on November 1 of each fiscal year during the 22 life of the District, and shall become delinquent on December 10 of that fiscal year. The 23 second installment shall be due on February 1 of each fiscal year during the life of the District, 24 and shall become delinquent on April 10 of that fiscal year. Nonpayment of the assessment

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shall have the same lien priority and delinquent payment penalties and be subject to the same
enforcement procedures and remedies as the ad valorem property tax.

3 Section 6. **USE OF REVENUES.** The property-related services, improvements or 4 activities for the District include a Public Rights of Way and Sidewalk Operations component, 5 consisting of regular sidewalk and gutter sweeping, periodic sidewalk steam cleaning, spot 6 steam cleaning as necessary, safe passage programs for visitors and employees, minor 7 security services, beautification, decorations; enhanced trash emptying in the public rights of 8 way, removal of bulky items, graffiti removal within 24 hours, installation and maintenance of 9 banners and/or decorations, tree and plant maintenance and planting; equipment, supplies, 10 tools, vehicle maintenance and insurance, maintenance personnel and supervisor costs; a 11 District Identity and Streetscape Improvements component, consisting of special events, web 12 site, pedestrian kiosks and wayfinding signage system, enhanced beautification, flower pots 13 on street lights, marketing and promotions, advertising, walking map, public space 14 development, historical markers and public art; an Administrative and Corporate Operations 15 component, consisting of staff and administrative costs, insurance, office related expenses, 16 financial reporting, developing parking strategies with the City, communications, and 17 repayment of district formation costs; and a Contingency and Reserve component for 18 delinquencies, a reserve and repayment of district formation costs.

The above improvements, services and activities will be funded by the levy of the assessments. The revenue from the levy of the assessments within the District shall not be used to provide improvements, services or activities outside the District or for any purpose other than the purposes specified in Board of Supervisors Resolution No. 420-05.

Section 7. AUTHORITY TO CONTRACT. The Board of Supervisors may contract
 with a separate private entity to administer the improvements, services and activities set forth
 in Section 6. Any such entity shall hold the funds it receives from the City and County of San

Francisco ("City") in trust for the immprovements, services and activities set forth in Section 6.
Any entity that holds funds in trust for purposes related to the contract shall, at no expense to
the City, provide an annual independent audit report by a Certified Public Accountant of all
such funds. The audit may be funded from assessment proceeds as part of the general
administration of the District. At all times the Board of Supervisors shall reserve full rights of
accounting of these funds. The Mayor's Office of Economic and Workforce Development
shall be the City agency responsible for coordination between the City and the District.

8 Section 8. AMENDMENTS. The properties in the District established by this
9 resolution shall be subject to any amendments to the Act and Article 15.

Section 9. RECORDATION OF NOTICE AND DIAGRAM. The County Clerk is
 hereby authorized and directed to record a notice and an assessment diagram pursuant to
 Section 36627 of the California Streets and Highways Code following adoption of this
 Resolution.

Section 10. LEVY OF ASSESSMENT. The adoption of this Resolution and recordation of the notice and assessment diagram pursuant to Section 36627 of the California Streets and Highways Code constitutes the levy of an assessment in each of the fiscal years referred to in the District Management Plan. Each year, the Assessor shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall be collected in the same manner as the County property taxes are collected.

Section 11. BASELINE SERVICES. To ensure that assessment revenues from the District are used to enhance the current level of services provided by the City within the District, 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 for the duration of the District, provided, however, that in the event of

a significant downturn in citywide revenues, the Board of Supervisors may reduce the level of
 municipal services citywide, including within the District.

Section 12. ENVIRONMENTAL FINDINGS. The Planning Department has determined that the actions contemplated in this Resolution are in compliance 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. _____ and is incorporated herein by reference.