

1 [Resolution of Intention to form the Central Market Community Benefit District]

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3 **Resolution (1) declaring the intention of the Board of Supervisors to establish a**
4 **property-based business improvement district (community benefit district) to be known**
5 **as the “Central Market Community Benefit District” and levy a multi-year assessment**
6 **on identified parcels in the district, (2) approving the management district plan and**
7 **engineer's report for the district, (3) ordering and setting a time and place for a public**
8 **hearing thereon, (4) approving the form of the Notice of Public Hearing and**
9 **Assessment Ballots, and (5) directing the Clerk of the Board of Supervisors to give**
10 **notice of the public hearing as required by law.**

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12 WHEREAS, The Property and Business Improvement District Law of 1994, Part 7 of
13 Division 18 of the California Streets and Highways Code, commencing with Section 36600
14 (the "Law"), authorizes cities to establish property and business improvement districts within
15 business districts to promote the economic revitalization and physical maintenance of such
16 business districts; and

17 WHEREAS, Section 36603 of the Law 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 Law; and

20 WHEREAS, Article 15 of the San Francisco Business and Tax Regulation 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 Law and Article 15 authorize the City to levy and collect assessments
25 on real property within such districts for the purpose of providing improvements and promoting

1 activities and property-related services that specially benefit identified parcels of real property
2 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 Law 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 substantial special benefits on the assessed properties over and above the general
12 benefits to the public at large from such services, activities and improvements; and

13 WHEREAS, The property owners who will pay more than 30 percent of the total
14 amount of assessments on properties within the proposed district signed and submitted to the
15 Clerk of the Board of Supervisors a petition (the "Petition") requesting that the Board of
16 Supervisors establish a property-based community benefit district to be named the "Central
17 Market Community 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 "Central Market Community
21 Benefit District Management District Plan" containing information about the proposed district
22 and assessments required by Section 36622 of the Law, including but not limited to a map
23 showing all identified parcels located in the district, a description of the boundaries of the
24 district, the name of the district, the amount of the proposed assessment for each identified
25 parcel, the total annual amount chargeable to the entire district, the duration of the payments,

1 the property-related services, activities and improvements to be funded by the assessments
2 for each year and the maximum cost thereof, the method and basis upon which the
3 assessments are calculated in sufficient detail to allow each property owner to calculate the
4 amount of the assessment to be levied against his or her property, a statement that no bonds
5 will be issued, the time and manner of collecting the assessments, and a list of the properties
6 to be assessed (including assessor parcel numbers), has been submitted to the Clerk of the
7 Board of Supervisors; and

8 WHEREAS, A detailed engineer's report supporting the assessments within the
9 proposed district, prepared by Edward V. Henning, California Registered Professional
10 Engineer # 26549, Edward Henning & Associates, dated June 21, 2006, and entitled "Central
11 Market Community Benefit District, City and County of San Francisco, California, District
12 Assessment Engineer's Report" has been submitted to the Clerk of the Board of Supervisors;
13 now, therefore, be it

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

15 Section 1. Pursuant to section 36621(a) of the Law and Article 15, the Board of
16 Supervisors declares its intention to form a property and business improvement district to be
17 designated as the "Central Market Community Benefit District " (the "District") for a period of 7
18 years, and to levy and collect assessments against all identified parcels of real property in the
19 District for a period of 7 years, commencing with fiscal year 2006-2007, subject to approval by
20 a majority of the property owners in the District who cast assessment ballots, which ballots
21 shall be weighted according to the proportional financial obligations of the affected properties.
22 No bonds will be issued. District operations will commence on or about January 1, 2007,
23 following collection of the assessments for fiscal year 2006-2007 and disbursement of the
24 assessment proceeds to the nonprofit owners' association that will administer the property-

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1 related services, activities and improvements in the District pursuant to Section 36651 of the
2 Law and a written agreement with the City.

3 Section 2. The Board of Supervisors hereby approves the Management District Plan
4 and District Assessment Engineer's Report, including the estimates of the costs of the
5 property-related services, activities and improvements set forth in the plan, and the
6 assessment of said costs on the properties that will specially benefit from such services,
7 activities and improvements. A copy of the Management District Plan and the District
8 Assessment Engineer's Report are on file with the Clerk of the Board of Supervisors in File
9 No. 060860. The Clerk of the Board shall make the Management District Plan, District
10 Assessment Engineer's Report and other documents related to the District and included in the
11 record before the Board of Supervisors available to the public for review during normal
12 business hours, Monday through Friday 8:00 a.m. through 5:00 p.m., excluding legal holidays.

13 Section 3. The exterior boundaries of the District are as set forth in the map
14 contained in the Management District Plan on file with the Clerk of the Board of Supervisors in
15 File No. 060860, and incorporated herein by reference. The District contains 141 identified
16 parcels in the Central Market area. The exterior boundaries of the District include all parcels
17 on both sides of the street unless otherwise noted, as follows:

- 18 5th St. from Market St. to Mission St. (West side only);
- 19 6th, from Market St. to Jessie St.; (East and West sides);
- 20 7th St. from Market St. to Stevenson St; (East and West Sides);
- 21 8th St. on the East side of the street from Market St. to approximately 185 feet from the
22 southeast corner of Market St. and 8th St. - in which the lot line is drawn to a point equidistant
23 with the balance of the depth of the parcels on that block between 7th Street and 8th Street (as
24 if there was a continuation of Stevenson Street to 8th St.); also on the West side of 8th St.

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1 southward from the southwest corner of 8th St. and Market St. including the four parcels but
2 *not including* parcel # 3701-053/PGE parcel at the corner of 8th St. and Mission St.;

3 9th St. just including the parcel at the southeast corner of the Market St. and 9th St.
4 intersection;

5 Market St. from 5th St. to 9th St. (South side);

6 Market St., from Cyril Magnin St. to Mason St. and then from Hyde St. to Larkin St.;
7 (North side);

8 Mission St. from 5th St. Westward (North side only) including the Old Mint and four
9 parcels directly west of Mint St.;

10 Jessie St. from 5th St. to Mint St., including the four parcels West of Mint St., along
11 Jessie St.;

12 Mint St. from Jessie St. to Mission St.

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

16 Section 4. A public hearing on the establishment of the District, and the levy and
17 collection of assessments starting with fiscal year 2006-2007 and continuing through fiscal
18 year 2012-2013, shall be conducted before the Board of Supervisors on August 15, 2006 at
19 3:00 p.m., or as soon thereafter as the matter may be heard, in the Board's Legislative
20 Chambers, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco,
21 California, 94102. At this public hearing, the Board of Supervisors will hear public testimony
22 regarding the proposed formation of the District, assessments, boundaries of the District,
23 including testimony from all interested persons for or against establishment of the District, the
24 extent of the District, the levy of the assessments, the furnishing of specific types of property-
25 related services, improvements and activities, and other matters related to the District. The

1 Board of Supervisors may waive any irregularity in the form or content of any written protest,
2 and at the public hearing may correct minor defects in the proceedings. All protests submitted
3 by affected property owners and received prior to the conclusion of the public testimony
4 portion of the public hearing shall be tabulated to determine whether a majority protest exists.

5 Section 5. The Board of Supervisors hereby approves the form of the Notice of
6 Public Hearing and Assessment Ballot which are on file with the Clerk of the Board of
7 Supervisors in File No. 060860.

8 Section 6. The proposed property-related services, improvements or activities for
9 the District include a Sidewalk Operations, Beautification and Order component, consisting of
10 private security, or additional police services over and above those services currently provided
11 by the San Francisco Police Department, or payment for an additional officer of the San
12 Francisco Police Department, regular sidewalk and gutter sweeping (at least five times per
13 week), quarterly sidewalk steam cleaning, spot steam cleaning as necessary, public right of
14 way beautification, banners and decorations, enhanced trash emptying in the public rights of
15 way, removal of bulky items, graffiti removal, tree and vegetation maintenance and planting,
16 equipment, supplies, tools, vehicle maintenance and insurance, maintenance personnel and
17 supervisor/oversight costs, repayment of district formation costs; a District Identity and
18 Streetscape Improvements/Marketing and Promotions component, consisting of special
19 events, marketing and promotions strategies, personnel related to marketing and promotions,
20 logo development and web site, pedestrian kiosks and way-finding signage system, public
21 space planning and implementation, farmer's market, walking map, advertising, historical
22 markers and public art, and repayment of district formation costs; an Administrative,
23 Organization and Corporate Operations component, consisting of staff and administrative
24 costs, insurance, office related expenses, financial reporting, communications and repayment
25 of district formation costs; and a Contingency and Reserve component for delinquencies,

1 reserves, long term capital improvement projects, hardship repayments and repayment of
2 district formation costs.

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

10 Section 8. The annual assessment proposed to be levied and collected for the first
11 year of the District (fiscal year 2006-2007) is \$535,299.00. The amount of the annual
12 assessment to be levied and collected for years two through seven (fiscal year 2007-208
13 through fiscal year 2012-2013) may be increased from one year to the next by a percentage
14 that does not exceed either the change in the Consumer Price Index for All Urban Consumers
15 in the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area, or 5
16 percent, whichever is less.

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

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