

1 [Resolution of Intention - Renewal - Noe Valley Community Benefit District]

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3 **Resolution declaring the intention of the Board of Supervisors to renew a property-**
4 **based business improvement district known as the “Noe Valley Community Benefit**
5 **District” and levy a multi-year assessment on all parcels in the district; approving the**
6 **management district plan, engineer’s report, and proposed boundaries map for the**
7 **district; ordering and setting a time and place for a public hearing of the Board of**
8 **Supervisors, sitting as a Committee of the Whole, on January 28, 2020; approving the**
9 **form of the Notice of Public Hearing and Assessment Ballot Proceeding, and**
10 **Assessment Ballot; directing environmental findings; and directing the Clerk of the**
11 **Board of Supervisors to give notice of the public hearing and balloting, as required by**
12 **law.**

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

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

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

1 WHEREAS, The 1994 Act and Article 15 authorize the City to levy and collect
2 assessments on real property within such districts for the purpose of providing improvements
3 and promoting activities and property-related services that specially benefit parcels of real
4 property located within such districts; and

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

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

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

15 WHEREAS, The property owners who will pay 30% or more of the total amount of
16 assessments on properties within the proposed district signed and submitted to the Clerk of
17 the Board of Supervisors a petition ("Petition") requesting that the Board of Supervisors renew
18 the property-based community benefit district known as the "Noe Valley Community Benefit
19 District," and levy assessments on properties located in the proposed district to fund property-
20 related services, activities, and improvements within the district; and

21 WHEREAS, A Management District Plan entitled "Noe Valley Community Benefit
22 District Management Plan" ("Management District Plan") containing information about the
23 proposed district and assessments required by Section 36622 of the 1994 Act, including but
24 not limited to a map showing all parcels located in the district, a description of the boundaries
25 of the district, the name of the district, the amount of the proposed assessment for each

1 parcel, the total annual amount chargeable to the entire district, the duration of the payments,
2 the property-related services, activities and improvements to be funded by the assessments
3 for each year and the maximum cost thereof, the method and basis upon which the
4 assessments are calculated in sufficient detail to allow each property owner to calculate the
5 amount of the assessment to be levied against his or her property, a statement that no bonds
6 will be issued, the time and manner of collecting the assessments, and a list of the properties
7 to be assessed (including assessor parcel numbers), is on file with the Clerk of the Board of
8 Supervisors in File No. 191024, which is hereby declared to be a part of this Resolution as if
9 set forth fully herein; and

10 WHEREAS, A detailed engineer's report supporting the assessments within the
11 proposed district, prepared by Terrance E. Lowell, California Registered Professional
12 Engineer No. 13398, entitled "Noe Valley Community Benefit District Engineer's Report"
13 ("Engineer's Report") is on file with the Clerk of the Board of Supervisors in File No. 191024,
14 which is hereby declared to be a part of this 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
17 No. 191024, which is hereby declared to be a part of this Resolution as if set forth fully herein;
18 now, 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 15, the Board of
21 Supervisors declares its intention to renew the property and business improvement district
22 known as the "Noe Valley Benefit District" ("District") for a period of fifteen and one half
23 (15 1/2) years, and to levy and collect assessments against all parcels of real property in the
24 District for fifteen of those years, commencing with fiscal year ("FY") 2020-2021, subject to
25 approval by a majority of the property owners in the District who cast assessment ballots,

1 which ballots shall be weighted according to the proportional financial obligations of the
2 affected properties. No bonds will be issued. District operations are expected to commence
3 on or about January 1, 2021, following collection of the assessments for FY2020-2021 and
4 disbursement of the assessment proceeds to the nonprofit owners' association that will
5 administer the property-related services, activities and improvements in the District pursuant
6 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 Engineer's Report, including the estimates of the costs of the property-related services,
16 activities and improvements set forth in the plan, and the assessment of said costs on the
17 properties that will specially benefit from such services, activities and improvements. The
18 Clerk of the Board shall make the Management District Plan, Engineer's Report and other
19 documents related to the District and included in the record before the Board of Supervisors
20 available to the public for review during normal business hours, Monday through Friday 8:00
21 a.m. through 5:00 p.m., excluding legal holidays.

22 Section 4. The Board of Supervisors hereby approves the Proposed Boundaries Map
23 showing the boundaries of the District. The proposed District contains approximately 218
24 identified parcels located on approximately 10 whole or partial blocks.

1 Specifically, The Noe Valley CBD includes all parcels facing on both sides of 24th
2 Street between:

- 3 • Diamond Street (both sides) on the west
- 4 • Church Street (both sides) on the east
- 5 • Castro Street (both sides) between 24th Street and mid-way between Jersey Street
6 and 25th Street

7 Assessor Parcel Number that are contained in the Management District Plan, in order
8 to determine which specific parcels are included in the Noe Valley Community Benefit District.

9 Section 5. A public hearing on the renewal of the District, and the levy and collection of
10 assessments starting with FY2020-2021 and continuing through FY2034-2035, shall be
11 conducted before the Board of Supervisors sitting as a Committee of the Whole on
12 January 28, 2020 at 3:00 p.m., or as soon thereafter as the matter may be heard in the
13 Board's Legislative Chamber, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place, San
14 Francisco, California, 94102. At this public hearing, the Board of Supervisors will hear public
15 testimony regarding the proposed formation of the District, assessments, and boundaries of
16 the District, including testimony from all interested persons for or against renewal of the
17 District, the extent of the District, the levy of the assessments, the furnishing of specific types
18 of property-related services, improvements and activities, and other matters related to the
19 District. The Board of Supervisors may waive any irregularity in the form or content of any
20 written protest, and at the public hearing may correct minor defects in the proceedings. All
21 protests submitted by affected property owners and received prior to the conclusion of the
22 public testimony portion of the public hearing shall be tabulated to determine whether a
23 majority protest exists.

24 Section 6. The Board of Supervisors hereby approves the form of the Notice of Public
25 Hearing and Assessment Ballot Proceeding, and Assessment Ballot, which are on file with the

1 Clerk of the Board of Supervisors in File No. 191024; which are hereby declared to be a part
2 of this Resolution as if set forth fully herein.

3 Section 7. The proposed property-related services, improvements and activities for the
4 District include a Clean and Safe program, a Marketing and Economic Development program,
5 a Branding, Administration, and Contingency and Reserve.
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7 **Clean and Green:** Clean and Green program includes, but is not limited to, sidewalk
8 and gutter sweeping, sidewalk pressure washing, trash removal, graffiti and handbill removal,
9 greenscape management, and public space activation.

10 **Promotion of District:** Promotion of District programs includes, but is not limited to,
11 events, media relations, website maintenance, and district stakeholder outreach.

12 **Administration:** Administration includes, but is not limited to, a professional staff to
13 properly manage programs, communicate with stakeholders, to provide leadership, and
14 represent the community with one clear voice.

15 **Contingency/Reserve/City Fees:** Contingency/reserve/city fees include, but is not
16 limited to, a contingency reverse fund, and city fee collection fund that will allow the
17 administration staff to allocate assessment revenues to activities that may cost overruns or to
18 cover unforeseen expenses.

19 Section 8. Within the area encompassed by the proposed District, the City currently
20 provides services at the same level provided to other similar areas of the City. It is the intent
21 of the Board of Supervisors to continue to provide the area encompassed by the District with
22 the same level of services provided to other similar areas of the City; formation of the District
23 will not affect the City's policy to continue to provide the same level of service to the areas
24 encompassed by the District as it provides to other similar areas of the City during the term of
25 the District.

1 Section 9. The annual total assessments proposed to be levied and collected for the
2 first year of the District (FY2020-2021) is estimated to be \$246,750.00. The amount of the
3 total annual assessments to be levied and collected for years two through fifteen
4 (FYs 2021-2022 through 2034-2035) may be increased from one year to the next due to
5 changes to the consumer price index (CPI). Assessments may also increase based on
6 development in the District. The determination of annual adjustments in assessment rates will
7 be subject to the approval of the Noe Valley Community Benefit District Owners' Association.
8 Assessment rates may not increase more than that year's increase in the San Francisco,
9 Oakland, and San Jose area Consumer Price Index (CPI) or 5%, whichever is less.

10 Section 10. Environmental Findings. Following the approval of this Resolution, the
11 Planning Department shall determine whether the actions contemplated in this Resolution are
12 in compliance with the California Environmental Quality Act (California Public Resources
13 Code, Sections 21000 et seq.), and respond in writing to the Clerk of the Board of Supervisors
14 prior to the Board's public hearing on the renewal of the District on January 28, 2020 at 3:00
15 p.m.

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