FILE NO. 101318 RESOLUTION NO. 514-10

[Resolution of Intention to form the Civic Center Community Benefit District]

Resolution (1) declaring the intention of the Board of Supervisors to establish a property-based business improvement district (community benefit district) to be known as the "Civic Center Community Benefit District" and levy a multi-year assessment on identified parcels in the district, (2) approving the management district plan and engineer's report and proposed boundaries map for the district, (3) ordering and setting a time and place for a public hearing thereon, (4) approving the form of the Notice of Public Hearing and Assessment Ballots, (5) directing environmental findings, and (6) directing the Clerk of the Board of Supervisors to give notice of the public hearing and balloting as required by law.

WHEREAS, The Property and Business Improvement District Law of 1994 (California Streets and Highways Code sections 36600 *et seq.*, "1994 Act" or the "Act"), authorizes cities to establish property and business improvement districts within business districts to promote the economic revitalization and physical maintenance of such business districts; and

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

WHEREAS, Article 15 of the San Francisco Business and Tax Regulation Code ("Article 15") augments certain procedural and substantive requirements relating to the formation of property and business improvement districts and the assessments on real property or businesses within such districts; and

WHEREAS, The 1994 Act and Article 15 authorize the City to levy and collect assessments on real property within such districts for the purpose of providing improvements

and promoting activities and property-related services that specially benefit identified parcels of real property located within such districts; and

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

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

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

WHEREAS, The property owners who will pay 30 percent or more of the total amount of assessments on properties within the proposed district signed and submitted to the Clerk of the Board of Supervisors a petition (the "Petition") requesting that the Board of Supervisors establish a property-based community benefit district to be named the "Civic Center Community Benefit District," and to levy assessments on properties located in the proposed district to fund property-related services, activities and improvements within the district; and

WHEREAS, A Management District Plan entitled the "Civic Center Community Benefit District Management District Plan" containing information about the proposed district and assessments required by Section 36622 of the 1994 Act, including but not limited to maps showing all identified parcels located in the district, a description of the boundaries of the district, the name of the district, the amount of the proposed assessment for each identified parcel, the total annual amount chargeable to the entire district, the duration of the payments, the property-related services, activities and improvements to be funded by the assessments

for each year and the maximum cost thereof, the method and basis upon which the assessments are calculated in sufficient detail to allow each property owner to calculate the amount of the assessment to be levied against his or her property, a statement that no bonds will be issued, the time and manner of collecting the assessments, and a list of the properties to be assessed (including assessor parcel numbers), has been submitted to the Clerk of the Board of Supervisors, and amended on October 27, 2010; and

WHEREAS, A detailed engineer's report supporting the assessments within the proposed district, prepared by K. Dennis Klingelhofer, California Registered Professional Engineer No. C 50255, titled "Civic Center Community Benefit District, Engineer's Report," has been submitted to the Clerk of the Board of Supervisors, and amended on October 27, 2010; and

WHEREAS, A Proposed Boundaries Map has been submitted to the Clerk of the Board of Supervisors pursuant to California Streets and Highways Code §3110;

Now, therefore, be it

RESOLVED, That the Board of Supervisors declares as follows:

Section 1. Pursuant to Section 36621(a) of the 1994 Act and Article 15, the Board of Supervisors declares its intention to form a property and business improvement district to be designated as the "Civic Center Community Benefit District" (the "District") for a period of ten (10) years, and to levy and collect assessments against all identified parcels of real property in the District for a period of ten (10) years, commencing with fiscal year 2011-2012, subject to approval by a majority of the property owners in the District who cast assessment ballots, which ballots shall be weighted according to the proportional financial obligations of the affected properties. No bonds will be issued. District operations will commence on or about July 1, 2011, following collection of the assessments for fiscal year 2011-2012 and

disbursement of the assessment proceeds to the nonprofit owners' association that will administer the property-related services, activities and improvements in the District pursuant to Section 36651 of the 1994 Act and a written agreement with the City.

Section 2. The Board of Supervisors hereby approves the Management District Plan and District Assessment Engineer's Report, as each amended October 27, 2010, including the estimates of the costs of the property-related services, activities and improvements set forth in the plan, and the assessment of said costs on the properties that will specially benefit from such services, activities and improvements. A copy of the Management District Plan as amended and the District Assessment Engineer's Report as amended, are on file with the Clerk of the Board of Supervisors in File No. 101318. The Clerk of the Board shall make the Management District Plan, District Assessment Engineer's Report and other documents related to the District and included in the record before the Board of Supervisors available to the public for review during normal business hours, Monday through Friday 8:00 a.m. through 5:00 p.m., excluding legal holidays.

Section 3. The Board of Supervisors hereby approves the Proposed Boundaries Map showing the exterior boundaries of the District, which is on file with the Clerk of the Board of Supervisors in File No. 101318 and incorporated herein by reference. The proposed District contains approximately 654 identified parcels, located on approximately 35 whole or partial blocks in the City Hall and Civic Center Plaza Street area, including the adjacent portion of Market Street. The District is generally bounded: on the North by Turk Street; on the East by a varying boundary along Hyde, Larkin and Ninth Streets; on the South by and including the South side of Market Street; and on the West by the West side of Franklin Street. It also includes both sides of Grove, Ivy and Hayes Streets westward to Gough Street.

Within the Civic Center CBD there are three separate benefit zones, established to reflect different levels of service provided.

Zone 1 generally encompasses the North side of McAllister Street to the South side of Turk Street, from Larkin Street in the East (where it adjoins the Tenderloin Community Benefit District) to the properties on the West side of Franklin Street, and extending South to include the Ballet building midway in the block between Fulton and Grove Streets.

Zone 2 generally encompasses the Civic Center Plaza, the Asian Art Museum, the Main Library, Bill Graham Auditorium, Symphony Hall, the Opera House, the War Memorial Building, the Performing Arts Garage, plus properties along Grove, Ivy and Hayes Streets West to Gough Street, and properties on both sides of Van Ness Avenue extending South to Market Street.

Zone 3 generally encompasses Polk Street South of Lech Walesa Street, Fox Plaza, Fell Street, Hickory Street, Oak Street West to Franklin Street, and both sides of Market Street from Ninth Street to Franklin Street.

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 Civic Center Community Benefit District, and in each zone.

Section 4. A public hearing on the establishment of the District, and the levy and collection of assessments starting with fiscal year 2011-2012 and continuing through fiscal year 2020-2021, shall be conducted before the Board of Supervisors on January 4, 2011 at 3:00 p.m., or as soon thereafter as the matter may be heard in the Board's Legislative Chambers, Second Floor, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, 94102. At this public hearing, the Board of Supervisors will hear public testimony regarding the proposed formation of the District, assessments, boundaries of the District, including testimony from all interested persons for or against establishment of the District, the extent of the District, the levy of the assessments, the furnishing of specific types of property-

related services, improvements and activities, and other matters related to the District. The Board of Supervisors may waive any irregularity in the form or content of any written protest, and at the public hearing may correct minor defects in the proceedings. All protests submitted by affected property owners and received prior to the conclusion of the public testimony portion of the public hearing shall be tabulated to determine whether a majority protest exists.

Section 5. The Board of Supervisors hereby approves the form of the Notice of Public Hearing and Assessment Ballot which are on file with the Clerk of the Board of Supervisors in File No. 101318.

Section 6. The proposed property-related services, improvements or activities for the District include several programs. Programs will be refined by the CBD management corporation board based on evaluation of need and effectiveness, and availability of additional resources.

I. Programs common to all three Zones are as follows:

A. Safety Program -- Daytime Community Service Ambassadors: Four uniformed Community Service Ambassadors (CSAs) will serve throughout all three Zones five days per week during daytime, with overlapping shifts. The CSAs are currently scheduled to operate from 7:30 a.m. to 7:30 p.m.

B. Advocacy: For all three Zones, multi-faceted Advocacy will be provided by the Executive Director. The Executive Director will coordinate a process for regular exchange of information among Civic Center stakeholders, develop a website, and produce a regular newsletter directed towards District merchants, organizations, property owners, and members of the media. Advocacy will also include participating in community meetings, coordinating information between City agencies and Civic Center stakeholders related to events and issues affecting the area, speaking at hearings, and raising additional resources and investments.

C. Beautification: For all three Zones, capital improvements such as wayfinding signage, sidewalk lighting and other streetscape improvements will be provided. Flower baskets/other greening throughout the District will be provided, using both assessment and non-assessment funds.

D. Daily Cleaning and Maintenance: For all three Zones, Daily Cleaning and Maintenance will be provided by on call maintenance services for graffiti removal, washing down sidewalks, and similar services, for a total of 20 hours per week.

E. Administration: The District will have an Executive Director, and provide dispatch and related administrative functions.

II. Programs for Zone 2, in addition to those listed under 6.I. above, are:

F. Safety Program -- Evening Community Service Ambassadors: Four uniformed Community Service Ambassadors will serve Zone 2 during evening hours, for 200 evenings per year or an equivalent. The evening CSA shifts are currently scheduled for 6:30 p.m. – 11:30 p.m.

G. Public Space and Sidewalk Activation: Public Space and Sidewalk Activation will be provided in Civic Center Plaza, Fulton Mall, and on sidewalks throughout Zone 2, through activities such as free music performances or performing arts.

III. Programs for Zone 3, in addition to those listed under 6.I. above, are:

H. Daily Cleaning and Maintenance: Daily Cleaning and Maintenance will be provided by one maintenance worker to sweep sidewalks and remove graffiti; the shift is currently scheduled for 7:30 a.m. – 4:00 p.m. daily. (This is in addition to the 20 hours per week on call maintenance services for tasks such as graffiti removal and washing down sidewalks, provided throughout the three Zones.)

Section 7. Within the area encompassed by the proposed District, the City currently provides services at the same level provided to other similar areas of the City. It is the intent

of the Board of Supervisors to continue to provide the area encompassed by the District with the same level of services provided to these other similar areas of the City. 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 during the duration of the District.

Section 8. The annual assessment proposed to be levied and collected for the first year of the District (fiscal year 2011-2012) is estimated to be $729,482. The amount of the annual assessment to be levied and collected for years two through ten (fiscal years 2012-2013 through 2020-2021) may be increased from one year to the next by a percentage that does not exceed either the change in the Consumer Price Index for All Urban Consumers in the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area, or three percent (3%), whichever is less.

Section 9. Environmental Findings. The Planning Department shall determine whether the actions contemplated in this Resolution are in compliance with the California Environmental Quality Act (California Public Resources Code sections 21000 *et seq.*), and respond in writing to the Clerk of the Board of Supervisors.

Section 10. The Clerk of the Board is directed to give notice of the public hearing as provided in California Streets and Highways Code Section 36623, California Government Code Section 53753, California Constitution Article XIIID Section 4, San Francisco Charter Section 16.112, and San Francisco Administrative Code Section 67.7-1.

City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 101318 **Date Passed:** November 02, 2010

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October 27, 2010 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

October 27, 2010 Budget and Finance Committee - RECOMMENDED AS AMENDED

November 02, 2010 Board of Supervisors - ADOPTED

Ayes: 10 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi
Noes: 1 - Daly

File No. 101318

I hereby certify that the foregoing Resolution was ADOPTED on 11/2/2010 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Gavin Newsom

November 5, 2010
Date Approved