# City and County of San Francisco

## Certified Copy

## Resolution

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

170565 **[ Resolution of Intention - Japantown Community Benefit District ]**

**Sponsor:** Breed

Resolution declaring the intention of the Board of Supervisors to establish a property-based business improvement district (community benefit district) known as the "Japantown Community Benefit District" and levy a multi-year assessment on all parcels in the district; approving the management district plan and engineer's report and proposed boundaries map for the district; ordering and setting a time and place for a public hearing of the Board of Supervisors, sitting as a Committee of the Whole on July 25, 2017, at 3:00 p.m.; approving the form of the Notice of Public Hearing and Assessment Ballot Proceeding, and Assessment Ballot; directing environmental findings; and directing the Clerk of the Board of Supervisors to give notice of the public hearing and balloting as required by law.

5/23/2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

5/26/2017 Mayor - APPROVED

STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

CLERK'S CERTIFICATE

I do hereby certify that the foregoing Resolution is a full, true, and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the offical seal of the City and County of San Francisco.

June 02, 2017
Date

for Angela Calvillo
Clerk of the Board

[Resolution of Intention - Japantown Community Benefit District]

**Resolution declaring the intention of the Board of Supervisors to establish a property-based business improvement district (community benefit district) known as the "Japantown Community Benefit District" and levy a multi-year assessment on all parcels in the district; approving the management district plan and engineer's report and proposed boundaries map for the district; ordering and setting a time and place for a public hearing of the Board of Supervisors, sitting as a Committee of the Whole on July 25, 2017, at 3:00 p.m.; approving the form of the Notice of Public Hearing and Assessment Ballot Proceeding, and Assessment Ballot; directing environmental findings; and 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"), 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 Regulations 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 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 special benefits 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 ("Petition") requesting that the Board of Supervisors establish the property-based community benefit district known as the "Japantown Community Benefit District," and 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 "Japantown Community Benefit District Management Plan" ("Management District Plan") containing information about the proposed district and assessments required by Section 36622 of the 1994 Act–including but not limited to a map showing all 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

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)–is on file with the Clerk of the Board of Supervisors in File No. 170565, which is hereby declared to be a part of this Resolution as if set forth fully herein; and

WHEREAS, A detailed engineer's report supporting the assessments within the proposed district, prepared by Thomas E. Lowell, California Registered Professional Engineer No. 13398, and entitled "Japantown Community Benefit District Engineer's Report" ("Engineer's Report") is on file with the Clerk of the Board of Supervisors in File No. 170565, which is hereby declared to be a part of this Resolution as if set forth fully herein; and

WHEREAS, A Proposed Boundaries Map, submitted pursuant to California Streets and Highways Code Section 3110, is on file with the Clerk of the Board of Supervisors in File No. 170565, which is hereby declared to be a part of this Resolution as if set forth fully herein; 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 establish the property and business improvement district known as the "Japantown Community Benefit District" ("District") for a period of ten and one half (10 1/2) years, and to levy and collect assessments against all parcels of real property in the District for 10 of those years, commencing with fiscal year ("FY") 2017-2018, 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 are expected to commence on or about January 1, 2018, following collection of the assessments for FY2017-2018 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. Nonpayment of assessments will 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. All delinquent payment of assessments will be subject to interest and penalties. The City Treasurer and Tax Collector will enforce imposition of interest and penalties and collection of assessments pursuant to the 1994 Act, Article 15 and the San Francisco Business and Tax Regulation Code Article 6, as each may be amended from time to time.

Section 3. The Board of Supervisors hereby approves the Management District Plan and Engineer's Report, 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. The Clerk of the Board shall make the Management District Plan, 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 4. The Board of Supervisors hereby approves the Proposed Boundaries Map showing the boundaries of the District. The proposed District contains approximately 67 identified parcels located on approximately 7 whole or partial blocks.

Specifically, the exterior District boundaries are:

- All parcels in the blocks bounded by Geary Boulevard, Fillmore Street, Post Street and Laguna Street.
- Parcels on the north side of Post Street between Laguna Street and halfway to Webster Street, APN 0685-012. APNs 0685-(052-101) are not included in the CBD boundary as they constitute a residential condominium project and will not specially benefit from any of the CBD activities.
- Parcels on the east and west side of Buchanan Street between Post Street and halfway to Bush Street. Parcels in the interior block of Buchanan/Sutter/Laguna/Post (APNs 0686-031,039,042,044,054,056,058,059) are included in the boundary as they are a contiguous use and under same ownership as APN 0686-038.
- The parcels north of APNs 0676-(72,73) and 0675-051 on Buchanan Street are residential parcels that will not specially benefit from any of the CBD activities, so therefore, are not included in the CBD boundary.

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 Japantown Community Benefit District.

Section 5. A public hearing on the establishment of the District, and the levy and collection of assessments starting with fiscal year 2017-2018 and continuing through fiscal year 2026-20227 shall be conducted before the Board of Supervisors sitting as a Committee of the Whole on July 25, 2017 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, and 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 6. The Board of Supervisors hereby approves the form of the Notice of Public Hearing and Assessment Ballot Proceeding, and Assessment Ballot, which are on file with the Clerk of the Board of Supervisors in File No. 170565 and are hereby declared to be a part of this Resolution as if set forth fully herein.

Section 7. The proposed property-related services, improvements and activities for the District include Public Safety, Cleaning and Maintenance, Parks and Greenspace, Communication and Development, and Management.

**Environmental Enhancements.** Environmental enhancements includes, but is not limited to, sidewalk sweeping, graffiti removal, pressure washing of sidewalks, safety patrols of the district, business and visitor contacts, outreach with street populations, weed removal, landscaping, seasonal holiday decorations, wayfinding and directional signage, temporary and permanent public art installations, and capital improvements.

**Economic Enhancements.** Economic enhancements includes, but is not limited to, marketing of the District, business attraction, District branding, District communications, and business technical assistance.

**District Coordinator, Administration, and Reserve.** District coordinator, administration, and reserve includes, but is not limited to a staff that will oversee the administration of the District and the management of office expenses including accounting,

rent, utilities, office supplies, insurance, legal, and other professional services related to District activities.

Section 8. Within the area encompassed by the proposed District, the City currently provides a baseline level of services in the areas encompassed by the District. It is the intent of the Board of Supervisors to continue to provide the area encompassed by the District with a baseline level of services; formation of the District will supplement the services in the areas encompassed by the District and will not affect the City's policy to continue to provide a baseline level of service to the areas encompassed by the District.

Section 9. The annual total assessments proposed to be levied and collected for the first year of the District (FY2017-2018) is estimated to be $393,750.00. The amount of the total annual assessments to be levied and collected for years two through ten (FYs 2018-2019 through 2026-2027) shall be determined by the methodology set forth in the Engineer's Report and Management Plan, and 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 (the "CPI"), or three percent (3%), whichever is less.

Section 10. Environmental Findings. Following the approval of this Resolution, 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 prior to the Board's public hearing on the establishment of the District on July 25, 2017, at 3:00 p.m.

Section 11. 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:** 170565 **Date Passed:** May 23, 2017

Resolution declaring the intention of the Board of Supervisors to establish a property-based business improvement district (community benefit district) known as the "Japantown Community Benefit District" and levy a multi-year assessment on all parcels in the district; approving the management district plan and engineer's report and proposed boundaries map for the district; ordering and setting a time and place for a public hearing of the Board of Supervisors, sitting as a Committee of the Whole on July 25, 2017, at 3:00 p.m.; approving the form of the Notice of Public Hearing and Assessment Ballot Proceeding, and Assessment Ballot; directing environmental findings; and directing the Clerk of the Board of Supervisors to give notice of the public hearing and balloting as required by law.

May 17, 2017 Government Audit and Oversight Committee - RECOMMENDED

May 23, 2017 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Farrell, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

File No. 170565

**I hereby certify that the foregoing Resolution was ADOPTED on 5/23/2017 by the Board of Supervisors of the City and County of San Francisco.**

**Angela Calvillo**
**Clerk of the Board**

**Mayor**

5/26/17
**Date Approved**