Resolution establishing a property-based business improvement district to be known as the "Civic Center Community Benefit District," ordering the levy and collection of assessments against property located in that district for ten years commencing with FY 2011-2012, subject to conditions as specified, and making environmental findings.

WHEREAS, Pursuant to the Property and Business Improvement Law of 1994, California Streets and Highways Code Sections 36600 et seq. (the "Act"), as augmented by Article 15 of the San Francisco Business and Tax Regulations Code ("Article 15"), the Board of Supervisors adopted Resolution No. 514-10 on November 2, 2010, entitled "Resolution declaring the intention of the Board of Supervisors to establish a property-based business improvement district to be known as the "Civic Center Community Benefit District (CBD)," to order the levy and collection of a multi-year assessment, and setting a time and place for a public hearing thereon" (the "Resolution of Intention"); and,

WHEREAS, The Resolution of Intention for the Civic Center Community Benefit District (the "Civic Center CBD" or "District"), among other things, approved the Civic Center Community Benefit District Management District Plan (the "District Management Plan") as amended October 27, 2010, the detailed District Assessment Engineer's Report as amended October 27, 2010, the Boundaries Map, and the form of the Assessment Ballots and the Notice of Public Hearing, that are all on file with Clerk of the Board of Supervisors in File No. 101318; and,

WHEREAS, The Board of Supervisors caused notice of a public hearing concerning the proposed formation of the Civic Center CBD, and the proposed levy of assessments
against property located within the District for a period of ten years, for fiscal years 2011-2012 through 2020-2021; and,

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

WHEREAS, An amended Management District Plan dated December 14, 2010 was filed with the Board on December 14, 2010, containing information about the proposed district and assessments as required by California Streets and Highways Code §36622; and,

WHEREAS, An amended detailed Engineer's Report dated December 14, 2010 was filed with the Clerk of the Board on December 14, 2010, as prepared by K. Dennis Klingelhofer, California Registered Professional Engineer No. C 50255, titled "Civic Center Community Benefit District Engineer's Report," supporting the assessments within the proposed district; and,

WHEREAS, An amended Proposed Boundaries Map was submitted to the Clerk of the Board of Supervisors pursuant to California Streets and Highways Code §3110, on December 14, 2010; and,

WHEREAS, the December 14, 2010 amended Management District Plan and amended Engineer's Report and amended Proposed Boundaries Map filed with the Clerk of the Board changed the October 27, 2010 versions of those documents that were previously approved by the Board of Supervisors, by removing the residential parcels at 601 Van Ness Avenue (commonly known as Opera Plaza) from the proposed District, and reducing the proposed assessments and expenditures, reducing the description and list of covered Assessor's parcels, and reducing the boundary of the map for the proposed District, accordingly.

WHEREAS, A public hearing concerning the proposed formation of the Civic Center CBD and the proposed levy of assessments within such District was held on January 4, 2011

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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,

WHEREAS, At the public hearing, the testimony of all interested persons for or against the proposed formation of the District, the levy of assessments on property within the District, the extent of the District, and the furnishing of specified types of improvements, services and activities within the District, was heard and considered, and a full, fair and complete meeting 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 Civic Center 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 reasonable cost of the proportional special benefit conferred on that parcel; now therefore be it

RESOLVED, That the Board of Supervisors declares as follows:

Section 1. MANAGEMENT DISTRICT PLAN, DISTRICT ASSESSMENT ENGINEER'S REPORT, AND BOUNDARIES MAP. The Board hereby approves the Management District Plan and District Assessment Engineer’s Report as each last amended
December 14, 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. The Board also hereby approves the Boundaries Map as amended December 14, 2010, showing the exterior boundaries of the District. A copy of the Management District Plan, the District Assessment Engineer’s Report, and the Boundaries Map, as each last amended December 14, 2010 are on file with the Clerk of the Board of Supervisors in File No. 101527, which is hereby declared to be a part of this Resolution as if set forth fully herein.

Section 2. FINDING OF NO MAJORITY PROTEST. The Board of Supervisors 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 to the formation of Civic Center Community Benefit District. All objections or protests both written and oral, are hereby duly overruled.

Section 3. ESTABLISHMENT OF DISTRICT. Pursuant to the Act and Article 15, a property-based business improvement district designated as the "Civic Center Community Benefit District" is hereby established.

Section 4. DESCRIPTION OF DISTRICT. The Civic Center Community Benefit District shall include all parcels of real property within the district. The proposed District contains approximately 203 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: from the North side of McAllister Street to the South side of Golden Gate between Larkin and Polk Streets; the South side of Turk Street from Polk Street to Van Ness Avenue; from Larkin Street on the East (where it adjoins the Tenderloin Community Benefit District), to the properties on the West side of Franklin Street, extending South to include Parcel No. 792-031 (commonly known as "the Ballet Building") midway in the block between Fulton and Grove Streets, and extending North to Elm Street.

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 the areas along 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.

Section 5. 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 assessments proposed to be levied.

Section 6. SYSTEM OF ASSESSMENTS. (a) Annual assessments will be levied to pay for the activities to be provided within the District, commencing with fiscal year 2011-2012, and continuing for ten (10) 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 2011-2012 shall be $685,044 (as shown in the Management District Plan and Engineer's Report, each dated December 14, 2010). The amount of assessments to be levied and collected in fiscal years two (2) through ten (10) 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-Oakland-San Jose Consolidated Metropolitan Statistical Area, or three percent (3%), whichever is less.

(c) The method and basis of levying and collecting the assessment shall be as set forth in the Management District Plan. The levy of the assessments shall commence with fiscal year 2011-2012. Each year the assessment shall be due and payable in two equal installments. The first installment shall be due on November 1 of each fiscal year during the life of the District, and shall become delinquent on December 10 of that fiscal year. The second installment shall be due on February 1 of each fiscal year during the life of the District, and shall become delinquent on April 10 of that fiscal year. Nonpayment of the assessment 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.

Section 7. USE OF REVENUES. 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 6.1. 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 6.1. 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 8. 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 7, as provided in California Streets and Highways Code §36614.5 and §36650. Any such entity shall hold the funds it receives from the City and County of San Francisco ("City") in trust for the improvements, services and activities set forth in Section 7. Any such entity that holds funds in trust for purposes related to the contract shall deliver, at no expense to the City, a balance sheet and the related statement of income and cash flows for each fiscal year, all in reasonable detail acceptable to City, reviewed by a Certified Public Accountant (CPA); this review shall include a statement of negative assurance from the CPA. In addition, or alternatively, the Controller or the Office of Economic and Workforce Development may in their discretion require the private entity to deliver, at no expense to the City, an annual independent audit report by a Certified Public Accountant of all such funds. The CPA review and/or 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 Office of Economic and Workforce Development shall be the City agency responsible for coordination between the City and the District.

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

**Section 10. 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 11. LEVY OF ASSESSMENT.** The adoption of this Resolution and recording 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 12. 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.

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Section 13. 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. 101318, which is hereby declared to be a part of this Resolution as if set forth fully herein.
Resolution establishing a property-based business improvement district to be known as the "Civic Center Community Benefit District," ordering the levy and collection of assessments against property located in that district for ten years commencing with FY2011-2012, subject to conditions as specified, and making environmental findings.

January 04, 2011 Board of Supervisors - ADOPTED
Ayes: 6 - Alioto-Pier, Chiu, Chu, Dufty, Elsbernd and Maxwell
Noes: 5 - Avalos, Campos, Daly, Mar and Mirkarimi

I hereby certify that the foregoing Resolution was ADOPTED on 1/4/2011 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved

January 7, 2011