

# Inner Sunset Green Benefit District: Donor Information

Prepared by Build Public  
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# I. GBD GOALS & YOUR DONATION

## Overview

The Inner Sunset is a diverse and engaged community with a history of spearheading neighborhood improvement projects, from undergrounding utility wires to establishing a weekly farmers' market. Since July 2016, a group of community leaders representing local residents, merchants and institutions in the Inner Sunset ("Formation Committee") has been leading the initiative to form a Green Benefit District (GBD). This neighborhood based assessment district would fund enhanced maintenance and capital improvements for Inner Sunset public spaces and sidewalks, above the City's existing baseline services. Importantly, a GBD would also help organize the community around shared interests and priorities, building political and social capital to advocate on behalf of the neighborhood. This is all the more critical considering that the Inner Sunset is at the intersection of four supervisorial districts. As such, community leaders seek to establish the GBD as a neighborhood scale platform to advocate for and implement a range of public benefit projects and services. The GBD would create a responsive local entity for advocacy, empowerment and investments in better community life. To bring this important and exciting neighborhood initiative to fruition, we need your support to help fund the district's formation.

## District Goals

The four primary goals of the proposed Inner Sunset Green Benefit District (GBD) are to:

- Improve daily maintenance of key neighborhood public spaces and sidewalks, above the existing baseline of city services;
- Catalyze capital "seed projects" to enhance existing public spaces and add new ones;
- Leverage the GBD's maintenance & management capacity (and reliable annual stream of revenue) to fund larger scale capital improvement projects, drawing from both public and private sources; and
- Establish a platform for neighborhood scale advocacy and empowerment.

## Formation Status

The district has yet to be formed. The Formation Committee has partnered with local nonprofit Build Public to guide the district formation process. Build Public helped form California's first ever GBD in the Dogpatch and NW Potrero Hill neighborhoods in 2015.<sup>1</sup> Since August 2016, Build Public has worked closely with the Formation Committee to conduct an extensive fact finding and community engagement campaign in the Inner Sunset, including:

- 16 Formation Committee & Co Chair meetings

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<sup>1</sup> [www.buidpublic.org](http://www.buidpublic.org) and [www.dnwphgbd.org](http://www.dnwphgbd.org)

- A “GBD Intro” public workshop with over 90 attendees
- 3 open houses targeting Inner Sunset merchants and residents
- A professionally designed online neighborhood survey to assess the neighborhood’s priorities and willingness to pay. Administered over six weeks in April–May 2017, 679 valid responses were received (19.5% response rate)
- A series of pop up sidewalk displays at key intersections throughout the Inner Sunset, in April–May 2017
- Tabling at community events, including the Farmers’ Market and Sunday Flea Market
- An interactive “Community Visioning” public workshop with over 50 attendees
- A strong web and social media presence with opportunities for digital feedback

Results from this robust outreach and from the neighborhood survey demonstrate strong support and interest in a potential GBD.

To fund the above work, Build Public has received \$11,400 from the Inner Sunset GBD Formation Committee, \$10,000 from Supervisor Breed, \$14,250 from Vision Zero SF Safe Speeds Campaign, and \$50,000 from Public Works. Based on our previous work to form the first GBD in the Dogpatch and Potrero Hill neighborhoods, we anticipate the full cost of Inner Sunset GBD formation to be \$216,350 (see Appendix A: Detailed GBD Formation Budget). Thus, the total remaining funds needed to successfully form a new GBD are approximately **\$130,700**.

## What Your Donation Supports

By making a refundable or tax deductible contribution<sup>2</sup> to the Inner Sunset GBD effort, you are supporting the important work of this grassroots, neighborhood based GBD Formation Committee and its formation partner Build Public to:

- Develop the GBD Management Plan, a written agreement reviewed and approved by the San Francisco City Attorney and ultimately voted on by the property owners. This Plan serves as the “Constitution” for the GBD, and defines the 10–15 year property tax assessment rate, the types of services and improvement projects to be funded, and the nonprofit governance structure of the GBD Management Board.
- Hire and work closely with a professional Assessment Engineer to determine a fair assessment rate for inclusion in Management Plan.
- Develop and administer a neighborhood wide petition campaign to all property owners in the proposed district, with the goal of receiving support from owners representing

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<sup>2</sup> Upon successful GBD formation, your contribution would be eligible for reimbursement from GBD assessment revenue. You may request that this reimbursement be converted into a permanent tax deductible donation to Build Public, on behalf of the GBD. If the community decides not to form the GBD, donors understand that their contribution would become a final tax deductible donation with no opportunity for reimbursement.

30% of the proposed GBD budget. Submit results to the Board of Supervisors for approval.

- Work closely with Public Works and the Department of Elections to ensure the City initiated ballot process is well noticed, fair, and that property owners vote.
- Continue robust community outreach and engagement throughout the formation process to keep neighborhood stakeholders informed and engaged, including biweekly Formation Committee meetings during the Plan Development phase.
- Upon successful GBD formation by the SF Board of Supervisors, work with Formation Committee to outline establishment of GBD's nonprofit governance system, conduct neighborhood Board elections, and begin assessment collection and neighborhood improvements.

***Your tax-deductible, refundable contribution will help make the Inner Sunset GBD a reality within a year!***

## II. ABOUT THE FORMATION PROCESS

### What is a Green Benefit District?

A Green Benefit District (GBD) is an innovative tool that allows residents to directly invest in the enhancement of their neighborhood, above and beyond baseline City services. Authorized by state and local law (San Francisco Business Code Article 15A), a GBD is a neighborhood based property assessment district that allows property owners to assess their properties to collectively generate resources to invest in their neighborhood. Specifically, GBD funds can be used for a wide range of neighborhood improvements, from daily maintenance of and capital improvements to public realm areas sidewalks, parks, plazas, open spaces, gardens, and landscaped areas to neighborhood services, to even "deeper green" efforts such as district scale stormwater management and disaster resilience planning. GBDs enable neighborhood scale stewardship of shared public resources, complementing the City's baseline maintenance and operations programs.

GBDs are managed by a non profit organization governed by a board of directors that represent assessed property owners and key community stakeholders. A Management Plan spells out the scope and spending authority of each benefit district, and can only be changed by a subsequent vote by the assessed property owners. This transparent and grassroots management structure ensures that GBDs are held accountable to the community they serve and that GBD services are provided in an efficient, responsive and cost effective manner.

The first ever GBD was established by the Dogpatch and Potrero Hill neighborhoods in July 2015, guided by Build Public. For a relatively modest dollar per square foot assessment (\$0.04 \$0.09/sf), the GBD has substantially improved the long term maintenance of neighborhood parks and public spaces by spreading costs over a large area. For more information, visit [www.dnwph gbd.org](http://www.dnwph gbd.org).

### GBD Formation Timeline



- **PLANNING & FEASIBILITY ANALYSIS.** Community leaders explore whether and how a GBD could work for the Inner Sunset, conducting extensive community outreach and engagement. They conduct a professional survey to develop a more nuanced

understanding of the neighborhood's interests, priorities, and willingness to support a GBD. The survey results help to determine whether the initiative proceeds to the next step and if so, where the boundaries of the proposed GBD might be.

**The Inner Sunset GBD formation effort is currently at the end of the "Feasibility" phase, which has revealed strong support for a GBD.**

- **PLAN DEVELOPMENT.** The community must create a Management Plan that outlines the goals, boundaries, services and assessment methodology for their proposed district. This process includes an extensive public outreach and benefit evaluation process, to ensure that a GBD boundaries contains only parcels that will receive a special benefit from proposed services, activities and improvements. This plan must be approved by the City Attorney's office.
- **PETITION.** Next, the community launches a petition process to obtain a Board of Supervisors' approval to initiate a ballot. To be successful, the petition must be signed by at least 30% of property owners in the proposed district, weighted by individual property owners' contributions to the district budget.
- **BALLOT.** If the petition phase demonstrates sufficient support and the Board of Supervisors (BOS) approves, an assessment ballot proceeding is launched. The Department of Elections issues a ballot to the property owners within the proposed boundaries of a GBD, including copies of the Management Plan. For the district to be formed, a simple majority (50% plus one) of the returned weighted ballots must be in favor. If the vote hits this required mark, the Board of Supervisors will adopt an ordinance to officially establish the GBD.
- **DISTRCT ESTABLISHMENT.** Within six months of final BOS approval, the tax assessor will begin collecting the new assessment revenues and sending these monies to the new GBD non profit corporation, governed by a board of local property owners and other community stakeholders.

### III. STUDY AREA

Note: This Study Area continues to be refined as neighbors canvass for support. Ultimately the GBD District Boundary may be smaller than this Study Area, based on areas of the strongest support and interest.





## IV. FORMATION BUDGET OVERVIEW

For Detailed GBD Formation Budget, please see Appendix A.

### Budget Summary by Phase

Phase	Cost	Timeline
1: Planning	\$21,400	Aug 2016 - Jan 2017
2: Feasibility	\$64,250 <sup>3</sup>	Feb - Jul 2017
3: Plan Development	\$75,000	Aug - Dec 2017
4: Petition	\$35,700	Jan - Apr 2018
5: Ballot	\$10,000	May - July 2018
6: District Establishment	\$10,000	Aug 2018
<b>TOTAL</b>	<b>\$216,350</b>	

### Projected Funding Sources and Uses

#### FUNDING SECURED TO DATE

<b>Community Fundraising</b>	
California Academy of Sciences	\$11,400
Supervisor Breed's Office	\$10,000
<b>Grants</b>	
Vision Zero SF Safe Speeds Award	\$14,250
Public Works Formation Assistance Grant	\$50,000
<b>Subtotal (Secured to Date)</b>	<b>\$85,650</b>
<i>Neighborhood Institutions Fundraising Goal</i>	<i>\$130,700</i>
<b>Total Funding Required for GBD Formation</b>	<b>\$216,350</b>

#### ANTICIPATED USES OF FUNDS

Materials – petition printing & mailing, outreach & workshop materials	\$22,750
Assessment Engineer (Kristen Lowell)	\$20,000
Technical Assistance & Workshop Consultant (Street Plans Collaborative)	\$15,750
Project Management & Community Engagement (Build Public)	\$157,850 <sup>4</sup>
<b>Total Funding Uses</b>	<b>\$216,350</b>
<b>Fundraising Need</b>	<b>\$130,700</b>

<sup>3</sup> Note: This figure excludes pro bono Planning and Feasibility Phase services rendered, including professional survey design and administration by Boston Research Technologies valued at \$30,000, and approximately 407 unfunded hours incurred by Build Public to date, valued at \$40,700

<sup>4</sup> Derived from Build Public's nonprofit hourly rate of \$100/hr and on hours estimated based on prior GBD formation experience

## V. PROPERTY OWNER CONTRIBUTION GOALS

### Inner Sunset Green Benefit District Fundraising Campaign - Major Property Owners and Institutions

Fundraising Goal: **\$130,700**

	Major Property Owner or Institution Name	Type	Building Area (sf)*	% of Total Area	Proposed Contribution Rate (\$/sf)	Proposed Contribution
1	University of California San Francisco (UCSF)	Non-profit	2,184,200	63%	\$0.02	\$43,684
2	California Academy of Sciences	Non-profit	310,000	9%	\$0.02	\$6,200
3	DeYoung Museum	Non-profit	293,000	8%	\$0.02	\$5,860
4	Avalon Bay Communities (Sunset Towers)	Major Owner	205,770	6%	\$0.10	\$20,577
5	Equity One Realty & Management (Parnassus Heights)	Major Owner	161,748	5%	\$0.10	\$16,175
6	Freezestore Fayette Street (Mt. Sutro Apts)	Major Owner	76,000	2%	\$0.10	\$7,600
7	Essex Portfolio (Park West Apts)	Major Owner	94,290	3%	\$0.10	\$9,429
8	Archdiocese of SF (St. Anne of the Sunset)	Non-profit	73,275	2%	\$0.02	\$1,466
9	Westlake Urban (Kirkham Heights)	Major Owner	70,120	2%	\$0.10	\$7,012
10	Park&Shop LLC (Safeway)	Corporate Sponsor				\$10,000
11	Wells Fargo	Corporate Sponsor				\$10,000
12	First Republic Bank	Corporate Sponsor				\$10,000
13	Bank of America	Corporate Sponsor				\$10,000
14	Sterling Bank	Corporate Sponsor				\$10,000
	<b>TOTAL</b>		<b>3,468,403</b>	<b>100%</b>		<b>\$168,002</b>

\* Data source: SF Assessor's Records

## VI. SAMPLE PROPERTY OWNER ASSESSMENTS

The per-square-foot assessment rate that District property owners would pay, should the GBD be formed, has not yet been determined. Establishing this rate requires robust analysis by a third-party assessment engineer, review and approval by the City Attorney’s Office, and ultimately the vote of District property owners. However, in efforts to provide a frame of reference for prospective donors, here is a sample rate structure derived from the community’s willingness to pay for neighborhood improvements and services. As described on page 12 of the “Inner Sunset GBD Neighborhood Needs Survey,” survey responses indicated that the willingness to pay for GBD projects and services was between \$225 - \$340 per residential property, and between \$700 - \$900 per commercial property. We calculated the average property size for residential and commercial parcels in the Inner Sunset based on City Assessor’s Office records,<sup>5</sup> then backed into hypothetical assessment rates that fell in the middle of these ranges. Using this method, a palatable sample assessment rate for the neighborhood might be \$0.135/sq.ft. for residential properties, and \$0.215/sq.ft. for commercial properties.<sup>6</sup> Applied to the ten largest property owners in the proposed District, this rate of \$0.135/sf would yield the following annual assessments:

	Major Property Owner Name	Building Area (sf)*	Est. Annual GBD Assm't (\$0.135/sf)
1	University of California San Francisco (UCSF)	2,184,200	\$294,867
2	California Academy of Sciences	310,000	\$41,850
3	DeYoung Museum	293,000	\$39,555
4	Avalon Bay Communities (Sunset Towers)	205,770	\$27,779
5	Equity One Realty & Management (Parnassus Heights)	161,748	\$21,836
6	Freezestore Fayette Street (Mt. Sutro Apts)	76,000	\$10,260
7	Essex Portfolio (Park West Apts)	94,290	\$12,729
8	Archdiocese of SF (St. Anne of the Sunset)	73,275	\$9,892
9	Westlake Urban (Kirkham Heights)	70,120	\$9,466
10	Park & Shop LLC (Safeway, formerly Andronico’s)	36,999	\$4,995
	<b>TOTAL</b>	<b>3,505,402</b>	<b>\$473,229</b>

\* Data source: SF Assessor's Records

<sup>5</sup> <http://prope.tymap.sfp.ca.gov/>

<sup>6</sup> The average residential parcel in the proposed District is approximately 2,700 square feet, which at the rate of \$0.135/sq. ft. results in an average annual assessment of \$275.95 for a residential property owner.

## APPENDIX A: Detailed GBD Formation Budget

TASK		COST	LABOR <sup>7</sup>	MATERIALS
<b>Phase 1:</b>	<b>Planning</b>	<b>\$21,400</b>	<b>\$21,400</b>	
1.1	Organize Formation Committee & Co-Chairs	\$3,000	\$3,000	
1.2	Develop preliminary scope, study area & participant base	\$6,000	\$6,000	
1.3	Conduct Walk Tour	\$1,500	\$1,500	
1.4	Conduct Community Meeting	\$2,400	\$2,400	
1.5	Solicit City & community support	\$2,500	\$2,500	
1.6	Develop website & collateral	\$3,000	\$3,000	
1.7	Initiate fundraising efforts	\$3,000	\$3,000	
<b>Phase 2:</b>	<b>Feasibility</b>	<b>\$64,250</b>	<b>\$58,900</b>	<b>\$5,350</b>
2.1	Draft property owner, business, stakeholder databases	\$3,500	\$3,500	
2.2	Conduct needs assessment survey	\$11,750	\$7,250	\$4,500
2.3	Conduct stakeholder outreach & develop materials	\$20,450	\$19,900	\$550
2.4	Conduct Visioning Workshop	\$7,450	\$7,250	\$200
2.5	Develop preliminary service list & cost estimates	\$2,500	\$2,500	
2.6	Develop GBD Vision Plan	\$12,125	\$12,125	
2.7	Conduct Community Meeting (Report Back)	\$4,475	\$4,375	\$100
2.8	Revise district boundary map	\$2,000	\$2,000	
<b>Phase 3:</b>	<b>Plan Development</b>	<b>\$75,000</b>	<b>\$74,500</b>	<b>\$500</b>
3.1	Draft Service Plan	\$2,000	\$2,000	
3.2	Stakeholder outreach & engagement	\$30,500	\$30,500	\$500
3.3	Draft Management Plan	\$5,000	\$5,000	
3.4	Draft Engineer's Report	\$20,000	\$20,000	
3.5	Assessment database	\$5,000	\$5,000	
3.6	Public Works review	\$1,500	\$1,500	
3.7	Revised Management Plan & Engineer's Report	\$3,000	\$3,000	
3.8	Public Works & City Attorney review & approval	\$3,000	\$3,000	
3.9	Ongoing communications with community	\$5,000	\$5,000	
<b>Phase 4:</b>	<b>Petition</b>	<b>\$35,700</b>	<b>\$20,500</b>	<b>\$15,200</b>
4.1	Develop petition campaign strategy (timeline, outreach, tracking)	\$2,000	\$2,000	
4.2	Develop & mail petition package (cover letter, petition, maps)	\$18,000	\$3,000	\$15,000
4.3	Review of petition package by City Attorney	\$1,500	\$1,500	
4.4	Property owner outreach	\$5,200	\$5,200	\$200
4.5	Receive completed petitions & track results	\$3,000	\$3,000	
4.6	Present at Government Administration Office (GAO)	\$1,500	\$1,500	
4.7	Present at Board of Supervisors (BOS) hearing	\$1,500	\$1,500	
4.8	Community & City Coordination	\$3,000	\$3,000	

<sup>7</sup> Labor costs are based on Budget Public's nonprofit hourly rate of \$100/hr

<b>Phase 5: Ballot</b>		<b>\$10,000</b>	<b>\$9,300</b>	<b>\$700</b>
5.1	Develop ballot campaign strategy (timeline, outreach, tracking)	\$1,500	\$1,500	
5.2	Develop ballot package & submit to Department of Elections	\$2,000	\$2,000	\$500
5.3	Track and project ballot returns	\$1,000	\$1,000	
5.4	Property owner outreach	\$2,200	\$2,000	\$200
5.5	Solicit support from neighborhood, City agencies & City Hall	\$1,000	\$1,000	
5.6	Final BOS Hearing and close of ballot period	\$1,000	\$1,000	
5.7	Community & City Coordination	\$1,300	\$1,300	
<b>Phase 6: District Establishment</b>		<b>\$10,000</b>	<b>\$9,000</b>	<b>\$1,000</b>
6.1	Resolution of Establishment signed by Mayor & Clerk of the Board	\$1,000	\$1,000	
6.2	Appeal period to challenge the establishment of the GBD	\$1,000	\$1,000	
6.3	Establish non-profit entity to represent property owners	\$5,000	\$5,000	\$1,000
6.4	Commencement of GBD services	\$2,000	\$2,000	
<b>TOTAL FORMATION BUDGET</b>		<b>\$216,350</b>		



**APPENDIX B:**  
**Inner Sunset Green Benefit District**  
**Refundable Contribution Commitment Form**

Name:

Company:

Amount:

I / we understand that my donation is considered a refundable contribution, and as such, I/we have the option to be reimbursed by the GBD for the original donation amount after successful GBD formation, or to request that the reimbursement be converted into a permanent tax deductible donation to Build Public on behalf of the GBD. I understand that Build Public is a 501(c)3 nonprofit that is acting as fiscal sponsor for the Inner Sunset GBD formation effort, and as such, is holding all contributions and grants in a restricted account for use on the Inner Sunset GBD formation effort. If the community decides not to form the GBD, I/we understand that the refundable contribution would become a final tax deductible donation with no opportunity for reimbursement.

Print Name:

Signature:

Date:

Please make check payable to Build Public Inc., a 501(c)(3) nonprofit corporation.

Build Public Inc.  
315 Linden St.  
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