

From: Andrea Jadwin
To: [Goldberg, Jonathan \(DPW\)](#)
Cc: [Ike Kwon](#); [Mr. Al Minvielle](#); [Craig Dawson](#); [Naomi Porat](#); [Torral Patel](#); [Lauren Alpert](#)
Subject: Action Items from Co Chair Call on IS GBD Organization
Date: Friday, December 15, 2017 4:08:39 PM

Hi Jonathan,

I did my best to attempt explanation of the newest approach from the City Attorney's office to how we organize the IS GBD but we still have lots of questions and concerns.

Can you send us an email with a brief description of the latest recommendation on using an MOU model and why that is being suggested? We also need some clarification on why we can't treat the park institutions like UCSF and simply assess on some reasonable model of square footage vs the business license model?

The co chairs are in agreement that the basis for forming the GBD (in the first place) was to treat the park and the neighborhood as one, using the leverage and funding from both areas to push forward projects of mutual benefit to neighbors and visitors. Ike uses an example of 9th Avenue from Judah to Hagiwara Drive - we should treat the boulevard as a single, integrated project with pedestrian friendly lighting and safety features as well as wayfinding that helps people move between the park and our commercial district.

We need funding and governance that work together on a common vision that gets executed by all the city agencies including RPD but which is driven by an integrated plan. Otherwise we're stuck with what happens in the park and what happens outside the park - which to date has brought unsatisfactory results.

I know we're working towards a deadline. Our hope is that once we understand what the City Attorney's Office parameters are, we can work with the institution CFO's to bring forward a workable solution.

Is it possible to get the email together on Monday?

Thanks,

Andrea

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To: ["Andrea Jadwin"](#)
Cc: [Ike Kwon](#); ["Al Minvielle"](#); [Naomi Porat](#); [Craig Dawson](#); ["Toral Patel"](#); [Lauren Alpert](#)
Subject: RE: Action Items from Co Chair Call on IS GBD Organization
Date: Monday, December 18, 2017 2:14:00 PM

Hi Andrea,

At its core, the function of a Green Benefit District is to create a steady, dependable, and legally enforceable funding stream to support ongoing services and improvements. This is the primary purpose of the Management Plan & Engineer's Report: to spell-out the financing authority of a GBD. It is the primary purpose of the Board of Directors, Executive Director, District stakeholders to use this funding to implement and manage the desired set of services and improvements, in order to achieve the original vision that supported the creation of a GBD.

The origin of your first question, the MOU suggestion via the City Attorney's Office, is in response to some of the concerns echoed by institution CFOs, regarding control and governance of park-based assessment funds and projects. It also stems from the overall complexity of creating a GBD. Based off his past experience, the City Attorney suggested an MOU (not a recommendation) because special benefit assessment districts are usually created in areas with a significant number of assessed entities, both in opposition and in support of the District. Successful formation of a GBD will obligate all owners in the District to contribute, regardless whether or not they agree with the premise of the assessment levy. Since there are only 2 or 3 entities that would participate in a park institution GBD, he believes an MOU could achieve similar results versus the creation of a GBD in the park. An MOU would also strictly define roles and the use of funds on a project by project basis, addressing some of the concerns echoed by institution CFOs.

However, the City Attorney is not considering the political dynamics that exist within RPD or at the Board of Supervisors when weighing this suggestion. It is reasonable to assume that an Inner Sunset GBD would speak with greater authority if the park institutions are also assessed and participate in a comparable manner as the residential neighborhood. And a number of concerns from park institutions can also be addressed via the GBD model at a later date – either through the drafting of the GBD's Bylaws, or via the City-GBD Management Agreement (a contract that allows for City-collected assessment funds to be transferred to the Inner Sunset GBD).

Regarding your second question:

- **We also need some clarification on why we can't treat the park institutions like UCSF and simply assess on some reasonable model of square footage vs the business license model?**

Your question asks about two separate and distinct issues:

- 1) **treat the park institutions like UCSF and simply assess on some reasonable model of square footage**
- 2) **vs the business license model**

For issue 1), it is feasible to treat park institutions like UCSF and assess on building square footage. However, park institutions are both on the same lot – Golden Gate Park – so we can't honestly

quantify lot square footage like UCSF. In addition, the Inner Sunset GBD's costs assigned to linear frontage – sidewalk cleaning and security – are not services that can be provided inside Golden Gate Park. UCSF is also comparable to the rest of the Inner Sunset neighborhood in that it owns the property on the Parnassus Campus, i.e., the City can send UCSF a property tax bill. This is in contrast with the GG Park institutions, who do not own their property. As such, the City cannot send the institutions a property tax bill (if the City tried, the bill would be delivered to RPD instead).

For issue 2), a property-based assessment can only use property characteristics: lot size, building square footage, linear frontage, property use, etc. etc. A business-based assessment can use all the factors in a property-based assessment district, PLUS miscellaneous business-based factors, such as number of employees, gross revenues, visitor counts, etc. etc. The City enforces property-based assessments by imposing a lien on any property with delinquent assessment. The City enforces business-based assessments by adding the special assessment fees onto the annual business registration for that business entity registered within the City and County of San Francisco.

Since we cannot send the institutions a property tax bill, how can they participate in an Inner Sunset GBD? They can:

- 1) Form a business-based assessment District in the park, where an assessment amount is determined by one or some of the factors listed in the example above (including building square footage). Institutional assessments are collected every year when the institutions renew their business license registration.
- 2) Determine a set amount for park institutions to contribute to an Inner Sunset GBD, or park institutions contract with the Inner Sunset GBD to deliver a specific set of improvements, after the formation of the neighborhood-based Inner Sunset GBD. This is MOU idea.

Lastly, back to your final point:

- **We need funding and governance that work together on a common vision that gets executed by all the city agencies including RPD but which is driven by an integrated plan. Otherwise we're stuck with what happens in the park and what happens outside the park - which to date has brought unsatisfactory results.**

This is entirely understood and the ultimate goal of the Inner Sunset GBD formation effort. It is envisioned that the two funding streams – one from the park, one from the neighborhood – will be used by 1 representative organization to execute the shared common vision for the area. This is the same model used by Fisherman's Wharf CBD, which has 2 funding streams/2 separate Community Benefit Districts, unified and jointly managed by 1 organization and staff. However, it is important to note that getting 2000+ Inner Sunset property owners on-board will take significantly more time versus getting the support of 2 or 3 park-based institutions. Thus, the creation and formation of each funding stream (i.e, Management Plan & Engineer's Report) can occur on separate timelines, with generalized references to the creation of 1 organization to manage the services and improvements of both Districts.

This last detail will become more clear as Toral fleshes out the draft Management Plan for co-Chair review.

I understand this is an overload of information to provide via email. Prior to our next in-person meeting, please don't hesitate to call or reach out with additional questions or for clarifications regarding the subject matter above.

Kind regards,
Jonathan

Jonathan Goldberg
Green Benefit District
Program Manager

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From: Andrea Jadwin [mailto: [REDACTED]]
Sent: Friday, December 15, 2017 4:09 PM
To: Goldberg, Jonathan (DPW) <jonathan.goldberg@sfdpw.org>
Cc: Ike Kwon <ikwon@calacademy.org>; Mr. Al Minvielle < [REDACTED] > Craig Dawson < [REDACTED] > Naomi Porat < [REDACTED] > Toral Patel <toral@buildpublic.org>; Lauren Alpert <lalpert@calacademy.org>
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Subject: Re: Action Items from Co Chair Call on IS GBD Organization
Date: Monday, December 18, 2017 7:15:40 PM

Jonathan, thank you for the summary. Now it's up to us (the co chairs) to work with Ike, Patty and the CFO's to construct a package that works for the neighborhood and the City Attorney.

Our goal is to move quickly so given the holidays, we will do what we can to move forward.

Thanks,

Andrea

On 12/18/17, Goldberg, Jonathan (DPW) <jonathan.goldberg@sfdpw.org> wrote:

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