



Dogpatch & NW Potrero Hill Green Benefit District GBD 101 Overview

6.15.211

Website: GreenBenefit.org

Organization Documents: [Google Drive](#)

Vision Statement: **Nurturing community through urban greening**

Mission Statement: **Using the power of local funding and governance, advocacy and volunteerism to create and care for green, resilient and vibrant urban spaces.**

GBD Stats

- First Chartered: July, 2015
- Area: 200 Acres/70 Blocks in 2 zones
- Assessment Base: 1702 Properties, 1358 distinct property owners

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What is a Benefit District?

A Benefit District is sort of like a large Home Owners Association. Property owners in a defined geographical location vote to assess themselves to fund the common good in the district. The funds are collected by the local municipality and turned over to a 501(c)(3) which is created for the purpose of expending the funds. Benefit Districts – called Commercial or Community Benefit Districts or Business Improvement Districts – typically help support commercial areas. To our knowledge, our Green Benefit District is the only entity in North America using this method to fund creation and maintenance of greenspaces

The Green Benefit District can exist because of 2 pieces of enabling legislation:

[The California Streets and Highways Code §536600 et seq. – Property and Business Improvement District Law of 1994](#) allows cities to fund business -related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that benefit from those improvements.

In 2004 the City and County of San Francisco augmented the California Property and Business Improvement District Law of 1994 with the passage of [Article 15 of the San Francisco Business and Tax Regulations Code](#).

Cities with CBD/BID programs include: New York, Los Angeles, San Diego, Chicago, Seattle, Houston, Washington D.C, and Boston.

There are currently 17 Benefit Districts in San Francisco in addition to the GBD.

- [Castro/Upper Market Community Benefit District](#)
- [Civic Center Community Benefit District](#)
- [Discover Polk Community Benefit District](#)
- [Downtown Community Benefit District](#)
- [The East Cut Community Benefit District](#)
- [Fisherman’s Wharf Community Benefit District](#)
- [Japantown Community Benefit District](#)
- [Lower Polk Community Benefit District](#)
- [Mid Market Community Benefit District](#)
- [Moscone Expansion District](#)
- [Noe Valley Community Benefit District](#)
- [Ocean Avenue Community Benefit District](#)
- [SoMa West Community Benefit District](#)
- [North of Market/Tenderloin Community Benefit District](#)
- [Tourism Improvement District](#)
- [Union Square Business Improvement District](#)
- [Yerba Buena Community Benefit District](#)

The GBD has joined the other districts in forming the **San Francisco Benefit District Alliance** with the intention of sharing information and pursuing joint advocacy on issues that affect our organizations, our missions, and our constituencies. This has been extremely beneficial as the other groups share a lot of information through the Office of Economic and Workforce Development. Our participation in the Alliance connects the GBD to resources, programs, information, resources, and best practices.

San Francisco Department of Public Works Oversight

The 1994 State Act requires that Benefit Districts be overseen by local government. All of the other 17 benefit districts in San Francisco are overseen by the Mayor's Office of Economic and Workforce Development. Because of its unique nature - particularly its emphasis on parks, the public realm, and capital improvements - the GBD is overseen by Public Works.

Our relationship with Public Works is encoded in our contract with Public Works: [Agreement for the Administration of the "Dogpatch & Northwest Potrero Hill Green Benefit District"](#) executed on November 17, 2015.

Our Public Works liaison is Ramses Alvarez.

Governing Documents

The GBD has 3 primary governing documents. All are available online on the GBD website ([Publications, Documents](#)) and in the GBD Google drive (Organization, [Government Documents](#) and [Bylaws](#))

- The [Management Plan](#), adopted by the SF Board of Supervisors at the formation of the organization and amended by that body in June of 2022, is the organization's charter. It governs assessment calculations, the use of those funds, the management structure of the organization, and the term of the GBD.
- The GBD's [Management Agreement](#) with its overseeing City agency, Public Works
- The GBD [bylaws](#)

As a quasi-governmental organization, the GBD is also required to comply with many guidelines that apply to City councils and commissions and that are designed to promote fairness and transparency, specifically:

- [Brown Act](#)
- [Sunshine Ordinance](#)

In general, board members should not gather or communicate as a quorum (a majority of the board, or 8 persons) and discuss GBD business. This includes emails, texts, tweet and other forms of communication that could be construed as internal discussion of a board matter. The public has the right to see and hear board deliberations.

All GBD-related correspondence and records are subject to public information requests. Please use discretion, whether in person or in writing, when you are conducting GBD business. Officers, particularly, are encourage to use a GBD email for GBD correspondence.

We must remember that, like a City Supervisor or Commissioner, we are representatives of our community and are here to serve them.

Board of Directors

The GBD is currently governed by a 15-member board of directors.

Directors serve as a conduit to the community from the GBD and from the community to the GBD; they oversee the mission of the organization, its finances, and its Executive Director.

The board seat requirements in the GBD bylaws as amended in 2018 differ slightly from the criteria set out in the Management Plan, but were used to define the current board: Between 10 and 15 directors; split between the 2 zones according to assessment proportions, but with a minimum of 3 directors from any zone (i.e. NW Potrero Hill); 60% property owners; with at least half of those (30%) residing in the district; 40% non-property owners; half of those to be greenspace advocates; and 20% to be commercial or residential tenants.

Directors serve 3 year terms, and can serve no more than 2 consecutive terms. (In the case of interim appointments, a “term” is 1.5 to 3 years).

Committees

The GBD’s only permanent standing committee at this time is the Executive Committee, consisting of the President, Vice President, Treasurer, Secretary, and up to 2 at-large members appointed by the President. The EC leads GBD strategic planning, works with the ED to set the board agendas.

The board may approve the forming of additional committees.

Standing committees, which meet regularly for an ongoing purpose, must be compliant with the Brown Act (time, place and agenda of meeting posted 72 hours in advance, adherence to the agenda, ADA-compliance, etc.).

Ad hoc committees, formed for a specific, finite purpose (an event or project, for example), are not governed by the Brown Act.

In general, all committees exist to serve some function inherent to the GBD’s mission. Typically, committees are formed by board members willing to invest time and energy into a specific pursuit.

Non board members may serve on committees. But every committee should be led by a director.

All committees should

- o Be approved by the board
- o Keep records of their goals and proceedings
- o Refrain from committing funds on behalf of the GBD (solely a board or ED prerogative)
- o Coordinate activities with the ED
- o Report to the board periodically

Staff

Staff includes one full time Executive Director, a part time bookkeeper, Anh Han Wong, and a part time Administration Manager, Jessica Bay (pending).

The Board, particularly the President of the Board, oversees the Executive Director. The Executive Director oversees staff.

Records & Resources

Directors are encouraged to bookmark the GBD website – Greenbenefit.org – and the organization’s [Google Drive](#) in your browser for reference.

The website has links to the GBD’s governing documents, calendar, annual reports and project information. The drive houses the organization’s records, most of which are available for viewing by the directors.

Assessments

GBD Assessments are based on property use and square footage.

Commercial, residential, parking and vacant properties 100% -	\$0.0951 per sq ft
Industrial properties - 50%	\$0.0476 per sq ft
Parks, greenspace – 25%	\$0.0237 per sq ft
Inaccessible properties – 0%	\$0.0000 per sq ft

- The Management Plan requires that assessments be expended in the zone where they are collected (Dogpatch vs. NW Potrero Hill). At formation, the split was 80% Dogpatch-20% NW Potrero Hill. In 2021/22, based on the source of assessments, the split was 87%-13%. This is, again, due to the disproportionate amount of development in Dogpatch.
- The GBD Board may increase the property assessments up to 3% per year. But the GBD has not increased assessments since its founding in 2015.
- Nearly three-quarters of GBD property owners pay less than \$200 per year in GBD assessments, however some large property owners pay as much as \$30-40,000 per year.
- Assessments in 2015 totaled \$515,000. 2021/22 Assessments totaled \$692,000. The rise in assessments is due largely to development in Dogpatch, where single story industrial buildings are being replaced by multiple story residential (and, eventually, commercial) buildings that have significant increases in square footage and are assessed at the full rate.

Schedule

The GBD operates on the City and County’s fiscal calendar, July 1 through June 30.

Over the past years, the GBD has somewhat formalized a cadence of annual activities.

July

- Submission of the assessment report to the City Controller. (This report informs the City of changes to the tax rolls – new or altered buildings, changes of use, lot mergers, etc. We now use contractors for this work. Prep usually begins in May/early June.)

August

- o Annual CPA Financial Review begins with close of books around August 15. (A full audit is required for organizations with over \$2M in income.)

September

- o Annual report data for the previous year due to Public Works by 9/30

October

- o Recruitment of new directors
- o Preparation of the annual report

November

- o Annual report mails
- o Recruitment of new directors

December

- o Recruitment of new directors
- o Annual Directors gathering (usually in lieu of the December board meeting)

January

- o Mailer to property owners in the district informing them of the upcoming election, how they can register and vote, save the date for the annual Members & Friends event and the annual meeting.
- o Board candidate registration
- o Midyear report due to Public Works by January 31

February

- o Candidate registration

March

- o Annual Members & Friends Event (not held during COVID)
- o Election of Directors

April

- Empaneling of new board members
- Annual meeting (required)

May

- Conflict of Interest forms due from all board members
- Board training (Brown Act, Sunshine ordinance, Board best practices, GBD 101, etc.)
- First reading of the draft budget for the following year
- Renew service provider contracts in advance of the new fiscal year.

June

- Approval of the budget for the following year
- Preparation of the assessment report to the City Controller
- Executive Director annual review

GBD Formation

In general, the process of creating a benefit district includes:

- The property owners in the proposed district petition their local civic legislative body. For the GBD, and all San Francisco benefit districts, this is the SF Board of Supervisors.
- The Board of Supervisors formally initiated the formation process in three steps:
 - Resolution initiating proceedings to form the assessment district and ordering of the preparation of the assessment engineer's report.
 - Resolution of Intent to form the assessment district, approval of the report in draft form, ordering the mailing of notices and ballots to owners of property subject to the assessment, and setting the location, date, and time of the public hearing and tabulation of ballots.
 - If supported by the tabulation of ballots, Resolution confirming the assessments and the ordering of charges to be placed on the property tax bills in the district.
- The [assessment engineer's report](#), the most critical piece of information for a constituent participating in the process, was prepared. It defines the boundaries and the period of operation of the district. It quantifies and separates special (to the district) and general (to visitors, guests, the public at large) benefits, and provides a method of assessment with a proportional rate schedule showing the assessment charge against each property.
 - o Boundaries: The GBD as originally proposed stretched from Dogpatch to NW Potrero Hill. Potrero Hill residents in the center of the proposed district objected to and threatened to block formation of the GBD. The boundaries were redrawn to exclude the
 - o General Benefit: For the GBD, pollsters were positioned in district greenspaces and took note of the point of origin for those who were using the amenities. Persons from outside the district accounted for 6.79% of users, and this was established as the GBD's General Benefit. Therefore, the GBD must pay for 6.79% of Maintenance and Capital costs with non-assessment funds, to relieve district property owners of the financial responsibility for providing general benefits to those from outside the district.
 - o The engineer's report also outlines how assessments are to be calculated. Only governmental agencies are authorized to levy taxes. Property taxes are calculated based on property value. Assessments must use a different form of valuation. For the GBD, assessments are based on the square footage and use of a property.
 - o Commercial, residential, parking and vacant properties are charged the full rate .
 - o Industrial properties are charged at 50% rate, to encourage the retention of light industrial and because the inhabitant per square foot ratio is low.

- o Parks, greenspace are charged at 25% rate, as they contribute to as well as impact the district.
 - o Inaccessible properties, Caltrans freeway verges mostly, are not charged.
- Notices and ballots were mailed to owners of property within the boundaries of the assessment district subject to the assessment charge.
- A public hearing was held to allow all interested parties to speak to the Board of Supervisors about the proposed assessment district. All returned ballots were tabulated and results announced. Property owner votes were weighted based on the amount of their assessments: the greater the assigned amount of the assessment, the greater the say in the results of the tabulation. The weighted votes in favor of forming the district exceeded those against formation and the district was formed, requiring all property owners, whether they voted for or against formation, to pay an assessment.
- The Green Benefit District was created as a 501(C)(3) and an interim board was selected.
- The GBD was chartered in 2015 to operate through July 1 of 2025.

Graphic standards

The GBD uses an open source font, Open Sans. For documents, usually Regular font in 10.5 pt. The GBD logo should not be altered in any way.

Any graphic materials – flyers, posters, mailers, letters, badges, etc. – should be approved by the ED for branding consistency.