RESOLUTION NO. 142-2004

Adopted December 7, 2004

AUTHORIZING A PERSONAL SERVICES CONTRACT WITH
NEW CITY AMERICA, INC., A CALIFORNIA CORPORATION,
FOR TWO YEARS IN AN AMOUNT NOT TO EXCEED $121,000 TO
INVESTIGATE THE FEASIBILITY OF FORMING ONE OR MORE
PROPERTY-BASED BUSINESS IMPROVEMENT DISTRICTS IN THE
FILLMORE JAZZ PRESERVATION DISTRICT AND JAPANTOWN;
WESTERN ADDITION REDEVELOPMENT PROJECT AREA A-2

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco ("Agency") has committed significant staff resources and public improvement funds to revitalize several neighborhoods in the Western Addition Redevelopment Project Area A-2 ("Project Area"), including Japantown and the Fillmore Jazz Preservation District ("Jazz District"). In Japantown, the Agency financially supported preservation activities. In the Jazz District, the Agency’s revitalization initiatives include: 1) completing $5 million in streetscape improvements; 2) retaining a streetscape maintenance contractor to ensure the ongoing attractive appearance of Fillmore Street; and 3) establishing the Fillmore Jazz District Promotions Office to actively promote and market the Jazz District.

2. As the Agency maintains its focus on activities that further establish and solidify the Jazz District, and other Western Addition communities, it is important, given the impending sunset of the Project Area, to prepare these communities for future self-sufficiency. Toward that end, staff has been exploring the feasibility of one or more Property-based Business Improvement Districts ("PBID") in these key Western Addition communities.

3. To aid staff’s PBID feasibility efforts, the Agency issued a Request for Qualifications ("RFQ") for a PBID consultant on April 21, 2004. The Agency received three Statements of Qualification ("SOQs"), all of which turned out to be incomplete and/or non-responsive. Therefore, the Agency re-issued the RFQ on July 6, 2004. Five firms submitted SOQs; two submittals were incomplete and/or non-responsive.

4. On August 12, 2004, an Agency-led selection panel, which included representatives from local merchants associations, property owners, and the Mayor’s Office of Economic and Workforce Development, interviewed the three firms that submitted timely and complete SOQs.
5. After careful consideration, the selection panel, based on selection criteria established in the RFQ, determined that New City America, Inc. (Marco Li Mandri, President) ("Consultant") was the most qualified, experienced respondent.

6. New City America, Inc. will hire a subcontractor, MJM Management Group (Mary McCue, President/CEO), to assist with certain aspects of this assignment.

7. Based on the recommendation of the selection panel and subsequent reference checks, the Agency has determined that the Consultant is highly qualified to provide PBID consulting services in the Jazz District and Japantown.

8. Agency staff and the Consultant have negotiated a Personal Services Contract ("Contract") for a maximum term of two years and a time-and-materials fee not to exceed $121,000. The Executive Director may exercise one six-month option to extend the term of this Contract, provided that the Consultant is not in default of this Contract and has performed its duties to the Agency’s satisfaction.

9. The Community Redevelopment Law (Health and Safety Code Section 33678) limits the expenditure of tax increment funds to redevelopment activities that "primarily benefit" the project area. The Agency requested the Consultant to explore the possibility of including in the PBID contiguous areas which are located in the former Western Addition Redevelopment Project Area A-1 ("A-1"). Thus, the Agency Commission must make a finding that funds spent on this consulting work is for a redevelopment purpose that "primarily benefits" the Project Area.

10. Economic development and revitalization which would result from the establishment of a PBID further the purposes of the Agency’s redevelopment activities in the Project Area. The Western Addition A-2 Redevelopment Plan calls for a strong commercial corridor on Fillmore Street. The Consultant would consider only those areas, if any, that: (1) are located in A-1; (2) are contiguous with the Project Area; and (3) contain businesses that are an integral part of the business communities, which run along Fillmore and Post Streets. Based on these considerations, staff believes that it is of primary benefit to the Project Area to allow the Consultant to explore whether such businesses exist adjacent to but outside the Project Area.

11. Additionally, when a PBID is formed, all assessments collected within its boundaries must be spent on special services provided within its boundaries. If the vast majority of a potential PBID is within the Project Area, then the Project Area receives the primary benefit of the special services provided and/or funded. Thus, for the reasons outlined above, the Agency Commission can make primary benefit findings pursuant to Community Redevelopment Law.

12. The Agency desires to enter into a Contract with New City America, Inc.
RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to enter into a Personal Services Contract with New City America, Inc., a California corporation, for a two-year term in an amount not to exceed $121,000 to investigate the feasibility of forming one or more Property-based Business Improvement Districts in the Fillmore Jazz Preservation District and Japantown, which Personal Services Contract is substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:

[Signature]

for James B. Morales
Agency General Counsel