



Dear Central Market Street and Tenderloin Area Business,

Thank you for your interest and commitment to the Central Market Street and Tenderloin Area. This memo provides detailed directions for applying for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion, as well as all of the necessary forms for your initial application and a renewal affidavit for subsequent years.

If you have any questions at all, please don't hesitate to reach out. We're here to help.

Best Regards,
Office of Economic and Workforce Development
centralmarketapplications@sfgov.org
(415) 554-6969

PROCESS

STEP 1 Application

Complete and submit the attached Application for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion (first form to follow these instructions) to the Office of Economic and Workforce Development (OEWD) for review and evaluation on or before **November 3, 2014 for the 2014 tax year**. The application is available online at: http://www.oewd.org/Central_Market_Tax_Credit.aspx. E-mail the completed and signed application to:

Email: centralmarketapplications@sfgov.org
Phone: (415) 554-6969

You will receive a confirmation email that your application has been received.

STEP 2 Enroll in First Source Hiring Program

Businesses wishing to claim the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion must participate in the City's First Source Hiring Program. Businesses must complete the "Non-Construction First Source Employer's Projection of Entry Level Positions" form (second form to follow these instructions) and submit it to OEWD along with the Application for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion. Businesses must also enter into a First Source Hiring

Agreement with the First Source Hiring Administration (FSHA) before being eligible for the exclusion. FSHA will contact you to complete this agreement after your initial application is submitted. Businesses must resubmit the Non-Construction First Source Employer's Projection of Entry Level Positions form on or before December 31st of every year after the year the application is first approved.

STEP 3 Review and Letter of Eligibility

OEWD will notify applicants of receipt of the application within 10 business days of receipt of a complete application. If you do not receive this confirmation within 10 business days, please contact OEWD immediately. If the applicant has a payroll expense greater than \$1 million annually, OEWD will refer the applicant to the City Administrator's Office to initiate a Community Benefits Agreement (CBA). For applicants with a payroll expense greater than \$1 million annually, OEWD will contact the applicant within 10 business days of receipt of the application to schedule a preapproval meeting. Applicants requiring the execution of a CBA will be issued a Letter of Eligibility after the successful completion of a CBA with the City Administrator's Office.

STEP 4 Timely File Payroll Expense Tax Return

If the application is approved, OEWD will notify the Office of the Treasurer & Tax Collector of the name of the qualified business. The qualified business must timely file an annual Payroll Expense Tax return with the Tax Collector regardless of the amount of tax liability shown on the return after claiming the exclusion provided for in this program.

Please note that pursuant to Section 906.3(a) of the Business and Tax Regulations Code, only payroll expense attributable to a fixed place of business within the Central Market Street and Tenderloin Area may be eligible for an exclusion from the Payroll Expense Tax.

STEP 5 File Declaration in Support

File a Declaration in Support of the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion with the Office of the Treasurer & Tax Collector within ten days of receiving your Letter of Eligibility. A declaration form will be provided to you at the time the Letter of Eligibility is issued. This form is also available online at: <http://sftreasurer.org/business-form-central>.

STEP 6 Confirmation of Filing

No confirmation will be sent if an applicant's exclusion is accepted as part of the applicant's Payroll Expense Tax filing/payment to the Office of the Treasurer & Tax Collector. However, if the business is not on the approved list from OEWD, or if the Tax Collector denies the exclusion, the business will receive a notice of deficiency from the Office of the Treasurer & Tax Collector.

STEP 7 Renewal

In the years after a successful application, there are three pieces of documentation required annually for a renewal:

1. The qualified business must file an annual "Affidavit for Renewal of the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion" (third document to follow these instructions) with OEWD AND the Office of the Treasurer & Tax Collector affirming that they continue to meet the eligibility criteria on or before December 31 of every year after the tax year for which the application is first approved.
2. Businesses must also file with OEWD the "Non-Construction First Source Employer's Projection of Entry Level Positions" form by December 31 for each year they claim the exclusion.
3. Finally, if a business is required to enter into a CBA with the City Administrator's Office, the Agreement covering the next calendar year must be executed with the City Administrator's Office by December 31st of the tax year following the tax year for which the exclusion is claimed.

Businesses are allowed to claim the exclusion for a maximum of six years from the later of May 20, 2011 or the date they commenced business in the Central Market Street and Tenderloin Area, and may not claim the exclusion past tax year 2019. For taxpayers with an annual payroll expense of \$1 million or less, a renewal confirmation letter will be issued after receipt of a renewal affidavit and a Non-Construction First Source Employer's Projection of Entry Level Positions form.

For taxpayers with an annual payroll expense of over \$1 million, a renewal confirmation letter will be issued after receipt of a renewal affidavit, a Non-Construction First Source Employer's Projection of Entry Level Positions form, and a fully executed CBA covering the calendar year following the year for which the exclusion is being claimed.

CONTACT INFORMATION

Program Overview and Central Market Street Liaison

Ellyn Parker
Project Manager
City and County of San Francisco
Office of Economic and Workforce Development
Phone: (415) 554-5185
Email: ellyn.parker@sfgov.org

Program Qualification and Review

City and County of San Francisco
Office of Economic and Workforce Development
Phone: (415) 554-6969
Email: centralmarketapplications@sfgov.org

First Source Hiring Program and Workforce Division Services

City and County of San Francisco
Office of Economic and Workforce Development
Phone: (415) 701-4848
Fax: (415) 701-4897
Email: business.services@sfgov.org

Tax Filings

Monica Lau
Supervisor, Business Tax
City and County of San Francisco
Office of Treasurer and Tax Collector
PO Box 7425
San Francisco, CA 94120
Phone: (415) 554-7354
Email: monica.lau@sfgov.org

Community Benefit Agreements

Andrew Dayton
City and County of San Francisco
Office of the City Administrator
Phone: (415) 554-7583
Email: andrew.dayton@sfgov.org



APPLICATION FOR THE CENTRAL MARKET STREET AND TENDERLOIN AREA PAYROLL EXPENSE TAX EXCLUSION FOR TAX YEAR 20__

This application must be submitted to the Office of Economic and Workforce Development by email to the contact listed below no later than November 3, 2014 for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion for tax year 2014. After the initial application is approved, the company must submit an Affidavit for Renewal of the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion no later than December 31st of every tax year thereafter for which the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion will be claimed.

Please type or print neatly using blue or black ink. Form must be signed to be valid.

Section 1. Company Information

TAXPAYER:		CONTACT PERSON:	
LOCATION(S) IN CENTRAL MARKET/TENDERLOIN PAYROLL EXPENSE TAX EXCLUSION AREA (incl. DBA/LOC) (Street Address, City, Zip):			
MAILING ADDRESS (if different from above) (Street Address, City, Zip):			
TELEPHONE:	FAX:	EMAIL:	
NAICS CODE(S):		BUSINESS ACCOUNT NUMBER:	

Section 2. Eligibility Information

Please Note: The value of your exclusion will be based upon a base year calculation as described in section 906.3 of the Business and Tax Regulations Code. All calculations are subject to Treasurer and Tax Collector review.

Taxpayer is located within the Central Market Street and Tenderloin Area, as described on the reverse of this application. YES NO

Please indicate Taxpayer's block and lot numbers. Block ____ Lot ____

Note: You can look up your block and lot number at www.tinyurl.com/blocklotlookup

What was the date that the lease, rental or purchase agreement was signed by the Taxpayer for the Taxpayer's location(s) in the Central Market Street and Tenderloin Area, as described on the reverse of this application? _____

Taxpayer has a total payroll expense of over \$1 Million. YES NO

Note: Any business with over \$1 Million in total payroll expense must complete a Community Benefit Agreement with the San Francisco City Administrator's Office in order to qualify for the exclusion. If you have marked 'yes' in this field, you will be contacted by the Office of Economic and Workforce Development upon receipt of your application.

Taxpayer is participating in San Francisco's First Source Hiring Program YES NO

Note: All businesses that claim the exclusion must make good faith efforts to participate in San Francisco's First Source Hiring Program. As an indication of good faith effort, the business must complete and submit the "Non-Construction First Source Employer's Projection of Entry Level Positions" form included in the application packet and must enter into a First Source Hiring Agreement with the First Source Hiring Administration. You will be contacted by the First Source Hiring Administration upon receipt of your application to enter into a First Source Hiring Agreement.

Total number of Taxpayer employees in the Central Market Street and Tenderloin Area of San Francisco in this payroll expense tax year? _____
Employees

Section 3. Verification

I, _____, declare that I have personal knowledge of the facts and information contained in this application and attachments. I believe them to be true and accurate and if called upon to testify, I could and would testify competently to the contents of this application and its attachments. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature _____

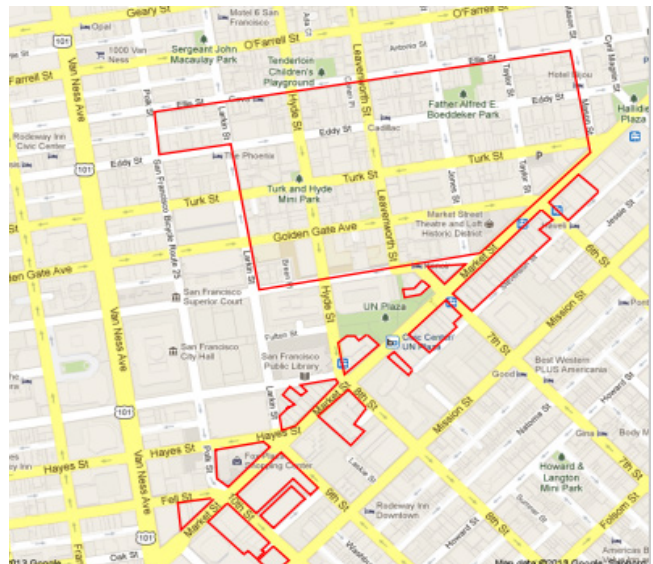
Date _____

Name _____

Title/Business _____

Submit to: Please submit this application or any questions to:
City and County of San Francisco
Office of Economic and Workforce Development
t: (415) 554-6969 | centralmarketapplications@sfgov.org

As defined in Business and Tax Regulations Code section 906.3(b)(1): "Central Market Street and Tenderloin Area" means the area located in downtown San Francisco, generally including: parcels fronting the south side of Market Street from Eleventh Street to Sixth Street; a portion of the parcels fronting the south side of Market Street from Sixth Street to Fifth Street (odd numbered addresses from 999 to 933 Market Street); parcels fronting the north side of Market Street from Van Ness Avenue to Eighth Street; 875 Stevenson Street; and parcels in the area bordered by: Ellis Street, from Polk Street to Mason Street (south side only); Mason Street, from Ellis Street to Market Street (west side only); Market Street, from Mason Street to Charles J. Brenham Place (north side only); Charles J. Brenham Place, from Market Street to McAllister Street (east side only); McAllister Street, from Charles J. Brenham Place to Larkin Street (north side only); Larkin Street, from McAllister Street to Eddy Street (east side only); Eddy Street, from Larkin Street to Polk Street (north side only); and Polk Street, from Eddy Street to Ellis Street (east side only). The exclusion applies exclusively to the following Assessor's Lots: the entirety of Blocks 0331, 0332, 0333, 0334, 0335, 0336, 0337, 0338, 0339, 0340, 0342, 0343, 0344, 0345, 0346, 0347, 0348, 0349, 0350, and 0740; Block 0813, Lots 7, 8, 9 and 10; Block 0835, Lots 1, 2 and 3; Block 3701, Lots 50 and 59; Block 3702, Lots 1, 45, 46, 47, 48, 48A, and 53; Block 3703, Lots 1, 56, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 70, 74, 75, 76, 78 and 88; Block 3704, Lots 70, 69, 68, 67 and 78; Block 3507, Lots 39 and 41; Block 3508, Lots 1 and 39; Block 0355, Lots 3, 4, 5, 6, 7, 8, 9, 10 and 15; Block 0351, Lots 1, 22, 39, 41, 46, 47, 49 and 51.





FIRST SOURCE HIRING PROGRAM

Non-Construction First Source Employer's Projection of Entry Level Positions Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion Applicant

By signing this form, employers agree to participate in the San Francisco Workforce Development System established by the City and County of San Francisco, and comply with the provisions of the First Source Hiring Program pursuant to Chapter 83 of the San Francisco Administrative Code. As an indication of good faith efforts to comply with First Source, the employer must complete and submit this form to the Office of Economic and Workforce Development along with the Application for Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion by November 3 for new applicants and by December 31 of each tax year thereafter for renewals.

Entry Level Position means a non-managerial position in the Central Market Street and Tenderloin Area that requires either no education above a high school diploma or certified equivalency, or less than two (2) years of training or specific preparation.

Note: If an **Entry Level Position** becomes available during the tax year, the employer must notify the First Source Hiring Administration according to the terms of the First Source Hiring Agreement required for employers applying for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion. For information regarding First Source requirements contact: The Business Services Team at 415-701-4848.

NAME OF EMPLOYER:		HR CONTACT PERSON:	
ADDRESS (Street Address, City, State, Zip):			
TELEPHONE:	FAX:	EMAIL:	

Signature of authorized employer representative

Date

Complete the following chart for employees in the Central Market Street and Tenderloin Area

Entry-Level Position Title	Number Currently Filled	Number Currently Available	Number Projected to Become Available in the Next 12 Months	Estimated Date of Next Available Position



Submit to:

Please email this form SIGNED to:

City and County of San Francisco
Office of Economic and Workforce Development
t: (415) 554-6969 | centralmarketapplications@sfgov.org

What is the First Source Hiring Program?

The intent of First Source is to connect economically disadvantaged individuals participating in San Francisco's workforce development programs with entry level jobs that are generated by the City's investment in contracts or public works; by business activity that requires approval by the City's Planning Department or permits by the Department of Building Inspection; or by entities seeking the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion.

How does First Source work?

- Applicants who are determined by the Office of Economic and Workforce Development to be eligible to receive the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion will be required to sign a First Source Hiring Agreement before receiving a Letter of Eligibility. A sample of the First Source Hiring Agreement can be found at www.oewd.org/Central_Market_Tax_Credit.aspx.
- Successful applicants are required to post their entry level positions with First Source and offer the City the first opportunity to refer qualified candidates to those positions. Entry level positions are defined as those non-managerial positions in the Central Market Street and Tenderloin Area that require no education above a high school diploma (or equivalency) OR less than 2 years of specific training or work experience.
- While the ordinance does not require an employer to hire a specific candidate, it does require that employers make a good faith effort to hire referrals from the City's workforce development system.

How to contact First Source?

You can contact First Source by calling the Business Services Team at (415) 701-4848; or by emailing business.services@sfgov.org.



AFFIDAVIT FOR RENEWAL OF THE CENTRAL MARKET STREET AND TENDERLOIN AREA PAYROLL EXPENSE TAX EXCLUSION FOR TAX YEAR 20____

This affidavit must be submitted to the Office of Economic and Workforce Development and to the Office of the Treasurer and Tax Collector by December 31 of each tax year for which the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion will be claimed following the tax year for which the initial Application for the Central Market Street and Tenderloin Area Payroll Expense Tax Exclusion was approved. Affidavits sent after the December 31st deadline will be denied for that tax year.

Please type or print neatly using blue or black ink. Form must be signed to be valid.

Section 1. Company Information

TAXPAYER:		CONTACT PERSON:	
LOCATION(S) IN CENTRAL MARKET/ TENDERLOIN PAYROLL EXPENSE TAX AREA (incl. DBA/LOC) (Street Address, City, Zip):			
MAILING ADDRESS (if different from above) (Street Address, City, Zip):			
TELEPHONE:	FAX:	EMAIL:	
NAICS CODE(S):		BUSINESS ACCOUNT NUMBER:	

Section 2. Eligibility Information

Taxpayer continues to be located in the Central Market Street and Tenderloin Area, as described on the reverse. YES NO

Please indicate Taxpayer's block and lot numbers. Block____ Lot____

Note: You can look up your block and lot number at www.tinyurl.com/blocklotlookup

Taxpayer is participating in San Francisco's First Source Hiring Program. YES NO

If more than \$1 Million in total payroll expense, Taxpayer has or plans to execute a Community Benefits Agreement with the City Administrator's Office by December 31st. YES NO N/A

Total number of individuals hired in this tax year: _____
No. Hired

Total number of individuals who were referred by the San Francisco Workforce Development System: _____
No. Referred

Duration of employment for each individual hired during the year: (Please complete on reverse)

Duration of employment for each individual hired during this payroll expense tax year:

Employee ID	Date of Hire (MM/YY)	Duration of Employment

Section 3. Verification

I, _____, declare that I have personal knowledge of the facts and information contained in this affidavit and attachments. I believe them to be true and accurate and if called upon to testify, I could and would testify competently to the contents of this affidavit and its attachments. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signature

Date

Name

Title/Business

Submit to: Please email this affidavit or any questions to:
City and County of San Francisco
Office of Economic and Workforce Development
t: (415) 554-6969 | centralmarketapplications@sfgov.org

You must ALSO mail a paper copy of this document to:
City and County of San Francisco
Office of the Treasurer and Tax Collector
PO Box 7425 [for UPS/FedEx] Room 140
San Francisco, CA 94102 1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

As defined in Business and Tax Regulations Code section 906.3(b)(1): "Central Market Street and Tenderloin Area" means the area located in downtown San Francisco, generally including: parcels fronting the south side of Market Street from Eleventh Street to Sixth Street; a portion of the parcels fronting the south side of Market Street from Sixth Street to Fifth Street (odd numbered addresses from 999 to 933 Market Street); parcels fronting the north side of Market Street from Van Ness Avenue to Eighth Street; 875 Stevenson Street; and parcels in the area bordered by: Ellis Street, from Polk Street to Mason Street (south side only); Mason Street, from Ellis Street to Market Street (west side only); Market Street, from Mason Street to Charles J. Brenham Place (north side only); Charles J. Brenham Place, from Market Street to McAllister Street (east side only); McAllister Street, from Charles J. Brenham Place to Larkin Street (north side only); Larkin Street, from McAllister Street to Eddy Street (east side only); Eddy Street, from Larkin Street to Polk Street (north side only); and Polk Street, from Eddy Street to Ellis Street (east side only). The exclusion applies exclusively to the following Assessor's Lots: the entirety of Blocks 0331, 0332, 0333, 0334, 0335, 0336, 0337, 0338, 0339, 0340, 0342, 0343, 0344, 0345, 0346, 0347, 0348, 0349, 0350, and 0740; Block 0813, Lots 7, 8, 9 and 10; Block 0835, Lots 1, 2 and 3; Block 3701, Lots 50 and 59; Block 3702, Lots 1, 45, 46, 47, 48, 48A, and 53; Block 3703, Lots 1, 56, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 70, 74, 75, 76, 78 and 88; Block 3704, Lots 70, 69, 68, 67 and 78; Block 3507, Lots 39 and 41; Block 3508, Lots 1 and 39; Block 0355, Lots 3, 4, 5, 6, 7, 8, 9, 10 and 15; Block 0351, Lots 1, 22, 39, 41, 46, 47, 49 and 51.

