

File No. 160753 Committee Item No. 6
 Board Item No. 37

COMMITTEE/BOARD OF SUPERVISORS
 AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight Date July 21, 2016

Board of Supervisors Meeting Date AUGUST 2, 2016
 Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form |
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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>OEWD Ltr 05/23/16</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CCCBD Annual Rpt FY2014-2015</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CPA Rpt 05/10/16</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CCCBD Budget FYs 2014-2021</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral FYI 07/06/16</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>OEWD w/ CMC Central CBD PR-07/21/2016</u> |
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Completed by: Erica Major Date July 15, 2016
 Completed by: [Signature] Date 07/21/2016

1 [Civic Center Community Benefit District - Annual Report to the City - FY2014-2015]

2
3 **Resolution receiving and approving an annual report for the Civic Center Community**
4 **Benefit District for FY2014-2015, submitted as required by the Property and Business**
5 **Improvement District Law of 1994 (California Streets and Highways Code, Sections**
6 **36600, *et seq.*), Section 36650, and the District's Management Agreement with the City,**
7 **Section 3.4.**

8
9 WHEREAS, On November 2, 2010, pursuant to the Property and Business
10 Improvement District Law of 1994 (the "Act"), California Streets and Highways Code, Sections
11 36600 *et seq.*, as augmented by Article 15 of the San Francisco Business and Tax
12 Regulations Code, the Board of Supervisors adopted Resolution No. 514-10, expressing the
13 City's intention to establish the Civic Center Community Benefit District (the "Civic Center
14 CBD"); and

15 WHEREAS, On January 4, 2011, the Board of Supervisors adopted Resolution
16 No. 21-11 establishing the Civic Center CBD ("Resolution to Establish") for a period of 10
17 years, commencing FY2011-2012; and

18 WHEREAS, On October 18, 2011, the Board of Supervisors adopted Resolution
19 No. 443-11, authorizing an agreement with the owners' association for the
20 administration/management of the Civic Center CBD, and a management agreement (the
21 "Management Contract") with the owners' association, the Civic Center Community Benefit
22 District, Inc., was executed accordingly; and

23 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
24 of Supervisors in File No. 110969; and

1 WHEREAS, On April 28, 2015, the Board of Supervisors approved the Civic Center
2 CBD's annual reports for FYs 2011-2012, 2012-2013, and 2013-2014 in Resolution
3 No. 162-15; and

4 WHEREAS, The Civic Center CBD has submitted for the Board's receipt and approval
5 the Civic Center an annual report for FY2014-2015 as required by Section 36650 of the Act
6 and Section 3.4 of the Management Contract; and

7 WHEREAS, The annual report for FY2014-2015 is on file with the Clerk of the Board of
8 Supervisors in File No. 160753, and is incorporated herein by reference as though fully set
9 forth; and

10 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
11 memorandum report from the City's Office of Economic and Workforce Development, dated
12 May 23, 2016, and documentation from the Civic Center CBD for the annual report for
13 FY2014-2015 are on file with the Clerk of the Board of Supervisors in File No. 160753; now,
14 therefore, be it

15 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
16 report for the Civic Center Community Benefit District for FY2014-2015.
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MEMO

To: Supervisor Jane Kim, District 6; Supervisor London Breed, District 5

CC: San Francisco Board of Supervisors

From: Chris Corgas, Project Manager

RE: Civic Center Community Benefit District

Date: May 23, 2016

This is a memo summarizing the performance of the Civic Center Community Benefit District (CCCBD) and an analysis of their financial statements (based on their audit) for the period between July 1, 2014 and June 30, 2015.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Civic Center CBD has complied with the submission of all these requirements. OEWD staff reviewed these financial documents to monitor and report on whether they have complied with the rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the Civic Center's Community Benefit District management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2008.

Also attached to this memo are the following documents:

1. Annual Report
 - a. FY 2014-2015
2. CPA Financial Review Report
 - a. FY 2014-2015
3. Civic Center CBD Spenddown Plan from FY 2013 – 2014 Annual Report
4. Draft resolution from the Office of Economic and Workforce Development



Background

The CCCBD includes both privately and publicly owned properties. The district covers 35 blocks and includes approximately 289 parcels.

- January 4, 2011, the Board of Supervisors approved the resolution that established the Civic Center Community Benefits District for 10 years (Resolution # 21-11).
- October 18, 2011, the Board approved the contract for the administration and management of the Civic Center Community Benefit District (Resolution # 443-11).
- April 28, 2015, the Board of Supervisors approved the Annual Reports for FYs 2011-2012, 2012-2013, and 2013-2014 annual reports (Resolution # 162-15).

Basic Info about Civic Center CBD

Year Established	January 2011
Assessment Collection Period	FY 2011-2012 to FY 2020-2021 (July 1, 2011 to June 30, 2021)
Services Start and End Date	February 1, 2012 – June 31, 2021
Initial Estimated Annual Budget	\$691,964
Fiscal Year	July 1 – June 30
Executive Director	Donald W. Savoie
Name of Nonprofit Entity	Civic Center Community Benefit District Corporation

The current CBD website, <http://sfciviccenter.org/>, includes all the pertinent information about the organization and their programs, a calendar of events, their Management Plan, Mid-Year Report, Annual Report and meeting schedules.

Summary of Service Area Goals

Safety Program

The Safety Program supports both uniformed Ambassadors and activates the sidewalks and open space. CCCBD contracts with MJM Management Group to staff a team of Community Safety Ambassadors (CSAs). There is a daily assignment of four uniformed Community Service Ambassadors who support police and property owners in crime prevention, assist visitors with area information and provide street population/homeless with social services information and referrals. CSAs provide services for 12 hours a day, five days/week. The CBD also trains CSA team members to develop strong, supportive relationships with SFPD officers. The CCCBD Management Plan calls for 63.5% of the budget to be spent on the Safety Program.

Additional Evening Public Safety (Zone 2 only) -includes four uniformed Community Service Ambassadors to work for 200 evenings/year for 4 five hour shifts from 6:30pm - 11:30pm or the equivalent as deemed necessary by the district.

Cleaning Program and On-Call Graffiti Removal

This service area provides a uniformed maintenance worker to respond to maintenance calls to remove graffiti, wash down the sidewalk or pick up an accumulation of debris on the sidewalk 20 hours/week. This individual is supported by calls by the CBD staff to the Department of Public Works (DPW) to

coordinate delivery of the maintenance services that the City provides. In addition, Zone 3 deploys one maintenance worker providing daily sidewalk sweeping or steam cleaning and graffiti removal between 7:30 a.m. – 4:00 p.m. The CCCBD Management Plan allocates 11% of their funds to this service area.

Beautification

The Beautification program area includes streetscape improvements such as way finding signage and sidewalk lighting and capital enhancements. The program focuses on the greening of the streetscapes throughout district. One example of this effort is their hanging flower baskets at intersections and key entry points to the district. The CCCBD Management Plan allocates 11% of their funds to this service area.

Activation of Public Spaces (Zone 2)

This service area implements programs that support Civic Center Plaza's night time activation. Civic Center CBD coordinates with municipal agencies, community based organizations and local business owners to develop and provide planned night time based events.

Staff – Executive Director

CCCBD is staffed by a full-time Executive Director who serves as the focal point person and advocate for Civic Center CBD. In addition, the Executive Director produces a newsletter to district organizations, merchants, property owners, and members of the media. The CCCBD Management Plan calls for 15% of the budget to be spent on administration and corporate operations. The CCCBD board has fourteen (14) members, represented by residents, property owners, community organizations, non-profit arts organizations, government and educational institutions and businesses. The full board meets bi-monthly. All committees meet as needed. The six committees are detailed below:

- **Executive** – creates agendas for the board meetings and is comprised of the four corporate officers (Chair, Vice Chair, Treasurer, and Secretary).
- **Finance** - reviews financial reports, budgets and expenditures.
- **Capital Improvements and Planning** – discusses improvements, including signage beautification, furnishings, transportation and real estate development.
- **External Affairs** – reviews and comments on the policies, laws and the regulations that impact the CBD and the Civic Center. In addition, the committee manages and develops marketing strategies and public relations.
- **Safety** – discusses the overall safety of the district including police and criminal activity as well as data analysis of these statistics and news reports.
- **Services** – drafts the request for proposals for services contracts and manages the ongoing relationship between the CBD and their contracts.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

FY 2014-2015

Safety Program/Community Service Ambassadors

- Safety & Security Services:
 - Emergency Services; Quality of Life Crimes; Quality of Life Issues; General Neighborhood Issues.

Total Safety & Security Services: 9,177

- Visitor/Merchant Services:
 - Meet and Greet with merchants/residents; Assist Merchants; Directions.

Total Visitor/Merchant Services: 7,030

Cleaning Program and On-Call Graffiti Removal

- Litter and Trash Removal:
 - Overflowing Trashcan Topped Off; Shopping Cart Removal; Illegal Dumping/Reported/Dispatched/Clean-Up.
- Graffiti Issues:
 - Removed Sticker/Flyer; Graffiti and Sighting Removal.
- Request for CBD Services:
 - Painting Request; Scrub Request; Steam Cleaning Request; Sweep Request.

Total Cleaning/Maintenance Services Completed: 14,749

Activation of Public Places Zone 2 Only

The CBD presented its holiday musical event, "Holiday Fanfare," on weekends in December 2014. Spearheaded by the External Affairs Committee, "Holiday Lights and Fanfare" is a series of performances meant to activate neighborhood streets and bring holiday cheer to the residents and the thousands of visitors and arts patrons

Administration and Corporate Operations

- Partnered with City agencies and/or neighborhood groups on the following projects: "Coalition Impacts Parking, Transit, and Pedestrian Safety" study, the Better Market Street Project, and began planning the Summer Concert Series, which will be implemented in FY 15-16.
- Successful in promoting the CBD, its programs and services through direct contact via Facebook, Twitter and Instagram. We also automatically post news on sites that propel our articles to the top of search engines, such as Google+, LinkedIn, and Tumblr. The CCCBD continues to update and expand its website, sfciviccenter.org, with information about the CBD, resources, demographics, an enhanced calendar, and deeper integration with social media.

CCCBD Annual Budget Analysis

OEWD's staff reviewed the following budget related benchmarks for CCCBD:

- **BENCHMARK 1:** Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan (*Agreement for the Administration of the "Civic Center Community Benefit District", Section 3.9 – Budget*).
- **BENCHMARK 2:** Whether one percent (1%) of actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B) (6); Agreement for the Administration of the "Civic Center Community Benefit District", Section 3.4 - Annual Reports*).
- **BENCHMARK 3:** Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percent (*Agreement for the Administration of the "Civic Center Community Benefit District", Section 3.9 – Budget*).
- **BENCHMARK 4:** Whether CCCBD is indicating the amount of funds to be carried forward into the next fiscal year and designating projects to be spent in current fiscal year (*CA Streets & Highways Code, Section 36650(B)(5)*).

FY 2014-2015

BENCHMARK 1: Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan

ANALYSIS: CCCB met this requirement. See table below.

Service Category	Management Plan Budget	% of Budget	FY 2014-2015 Budget	% of Budget	Variance Percentage Points
Safety/CSAs	\$357,495	51.7%	\$398,403.26	60.91%	+9.24%
Cleaning Program	\$139,890	20.2%	\$132,286.06	20.22%	+0.01%
Beautification	\$22,876	3.3%	\$0	0.0%	-3.31%
Activation of Public Places	\$24,081	3.5%	\$6,625	1.01% %	-2.47%
Administration and Corporate Operations	\$140,702	20.3%	\$116,785.36	17.85%	-2.48%
Non-Assessment Funds	\$6,920	1.0%	\$0	0.0%	-1.00%
TOTAL	\$691,964	100.0%	\$654,099.68	100.0%	

BENCHMARK 2: Whether one percent (1%) of actuals came from sources other than assessment revenue

ANALYSIS: CCCB met this requirement. Assessment revenue was \$541,789.00 or 98.37% of actuals and non-assessment revenue was \$8,952 or 1.63% of actuals. See table below.

Revenue Sources	FY 2014-2015 Actuals	% of Actuals
Special Benefit Assessments	\$541,789.00	
Total assessment revenue	\$541,789.00	98.37%
Sponsorships/Contributions	\$8,000	1.45%
Donations	\$0	0%
Other	\$952.00	.17%
Total non-assessment revenue	\$8,952.00	1.63%
Total	\$550,741.00	100%

BENCHMARK 3: Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percentage points

ANALYSIS: *CCCBD met this requirement. See table below.*

Service Category	FY 2014-2015 Budget	% of Budget	FY 2014-2015 Actuals	% of Actuals	Variance Percentage Points
Safety/CSAs	\$398,403.26	60.91%	\$381,808.00	56.21%	-4.70%
Cleaning Program	\$132,286.06	20.22%	\$125,970.00	18.54%	-1.68%
Beautification	\$0	0%	\$0	0.0%	0%
Activation of Public Places	\$6,625.00	1.01%	\$34,518.00	5.08%	+4.07%
Administration and Corporate Operations	\$116,785.36	17.85%	\$136,983.00	20.17%	+2.31%
Non-Assessment Funds	\$0	0%	\$0	0.0%	0%
TOTAL	\$654,099.68	100.0%	\$679,279.00	100.0%	

BENCHMARK 4: Whether CCCBD is indicating the amount of funds to be carried forward into the next fiscal year and designating projects to be spent in current fiscal year

ANALYSIS: *CCCBD indicated carryforward funds but did not allocate these funds in their Annual Report. In 2015, OEWD requested a spenddown plan from CCCBD (attachment 3). This plan indicates how the CBD plans to spend down carryforward over a 7 year period beginning in FY 14-15. The CBD is currently ahead of their spenddown timeline schedule. See table below.*

FY 2014-15 Carryover Disbursement	\$380,074	To be used in FY 2015-2016	To be used in Future Years
Designated Projects			
10B Officers Program		\$50,000	\$129,462
Renewal Expenses			\$200,000
Other			\$612
Total Designated Amount	\$380,074	\$50,000	\$330,074

Findings and Recommendations

CCCBD has met most of the benchmarks as defined on page 4 of this memo, with the exception of Benchmark 4. OEWD will work with Civic Center CBD to ensure that their carryforward amount is included in future annual reports or financial reviews.

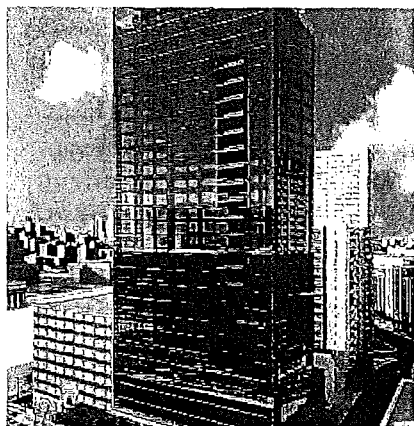
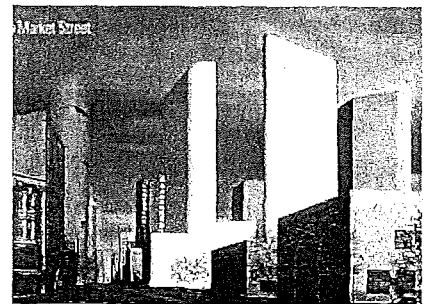
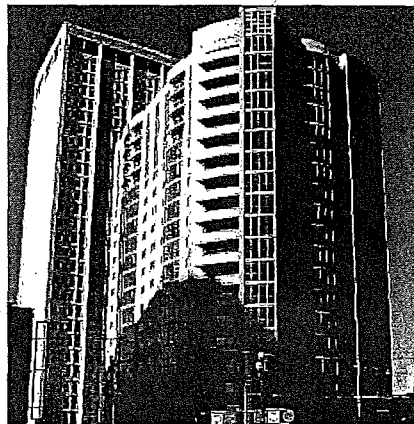
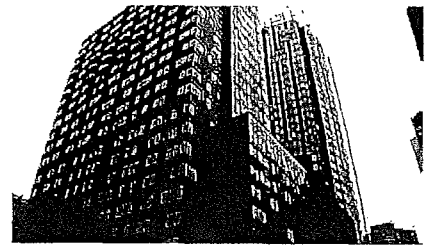
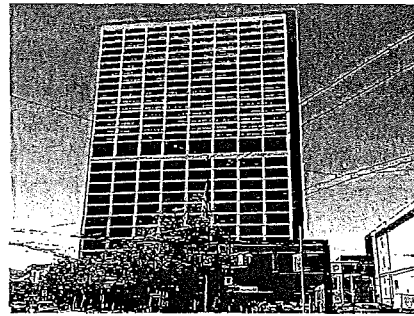
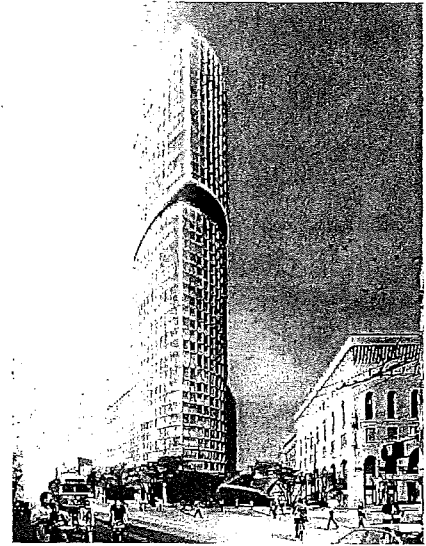
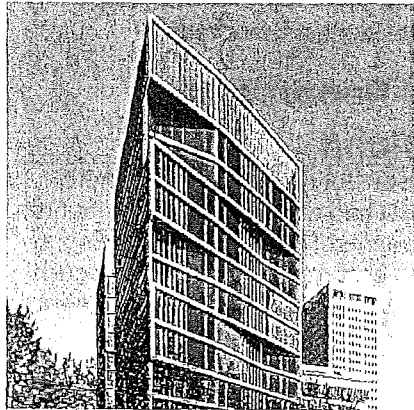
The CCCBD has performed well in implementing its spenddown plan (attachment 3). The CBD is currently \$103,538 ahead of where it planned to be at this point last year. The CBD should be commended for expeditiously working to bring down its carryforward. This occurred because the CBD used spenddown money to cover shortfalls caused by property owners not

Conclusion

CCCBD has performed well in implementing its service plan. CCCBD has continued to successfully sponsor and help implement events and programs in the district. CCCBD is a well-run organization with active board and committee members and will continue to successfully carryout its mission as a community benefit district.

Civic Center

Community Benefit District



Annual Report
2014-2015

History. Culture. Government.

It all happens in Civic Center.

The oldest new neighborhood in the City.

Current Multi-unit Housing, Projects in Process, and Proposed Housing

Left column, from top:
1554 Market, 150 Van Ness,
100 Van Ness

Middle column, from top:
77 Van Ness, Fox Plaza,
The Argenta, 101 Polk

Right column, from top:
One Oak, NEMA, Honda site,
Van Ness and Grove

Overview

The Civic Center Community Benefit District (CBD) started its fourth year of operations with several safety and cleaning programs solidly in place as the neighborhood continues to transform. This report summarizes those activities.

Neighborhood in Transition

The Civic Center CBD's board members and executive director continue to work in partnership with private developers and City Departments as the Civic Center neighborhood experiences historic growth and changes over the next five years. Some of those changes will include:

- Ⓞ New residential buildings housing thousands;
- Ⓞ New state-of-the-art playgrounds in Civic Center Plaza;
- Ⓞ San Francisco School District to build new School for the Arts on Van Ness;
- Ⓞ Van Ness Bus Rapid Transit to transform the boulevard;
- Ⓞ Civic Center Public Realm Plan to steer growth and renovation of public spaces.

Election of New Officers

Following a nomination and election process outlined in the Management Plan, the board elected officers who assumed their duties on July 1, 2014. They are:

Chair - Bill Whitfield
Shorenstein Realty Services

Vice Chair - Tim Vrabel
The Emerald Fund

Treasurer - John Updike
San Francisco Real Estate

Secretary - Jennifer Norris
San Francisco War Memorial

In July 2015, we added Ruth Nott, from the San Francisco Opera, as a fifth member to the executive committee as a second vice chair.

Civic Center CBD Committees

- Ⓞ Executive - Bill Whitfield, Chair
- Ⓞ Finance - John Updike, Chair
- Ⓞ Capital Improvements & Planning - Jim Haas, Chair
- Ⓞ External Affairs - Sam Smith, Chair
- Ⓞ Services - Mary Conde and Tim Vrabel, Co-Chairs

Board Succession Planning

The board created a nominating committee to look at the current roster of the board and who will be retiring at the end of June 2016. We are looking at expanding the board's reach in both the arts community and the residential community.

CBD Financial Report and Contingency Fund

The fiscal year began on July 1, 2014. At the end of June 30, 2015, the CBD had a carry-over from its first three years of assessments. This carryover is used as a contingency fund to ensure that the CBD has cash flow and can operate until it receives its assessments in January 2015.

Our year-end figures indicate that we have currently, before the audit, a carry-over into FY 2016, of \$340,064.52. The staff of the Mayor's Office of Economic and Workforce Development has requested that we "spend down" our surplus funds in an organized approach over the next few years, which is why we have a negative Net Income.

Contracts with Third Parties

Services Contract

The Civic Center CBD is in the fourth, and last year, of its initial contract with MJM Management Group (MJMMG) to provide cleaning and safety services. The original contract was for two-years, with two (2) one-year options to extend, which the CBD chose to do.

We expanded the contract in August 2012 to allow for seven-day safety services. During the 2014-2015 year, we added support for a 10b officer position in partnership with the Central Market CBD. In summer 2015, we tested a pilot program with a greeter that worked near the elevators of the Civic Center Garage.

We have put together a sub-committee and an open call RFQ to begin the process of creating a new services contract to begin February 1, 2016.

Accountants

The CCCBD entered into an agreement with PKF Accountants to provide accounting, auditing and tax preparation services for the 2014-2015 year. They have conducted all our previous audits.

Office Space for CCCBD

The CBD is in the space it has occupied since December 1, 2012, at 234 Van Ness Avenue, Suite 1, San Francisco, CA 94102.

Administration and Governance

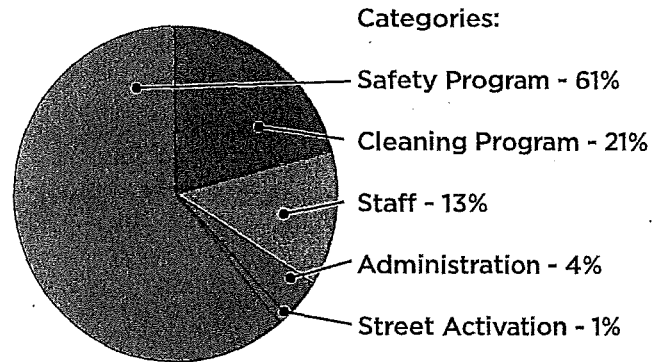
The annual operating budget for the year July 1, 2014 to June 30, 2015 was \$740,271.86, which is based on the total of the assessed properties in the district. The proposed service plan budget was developed based on the priorities that the stakeholders expressed through the surveys and Steering Committee meetings. All improvements and activities are allowed under the 1994 California Property and Business Improvement Act. These numbers are preliminary and the CCCBD will have the financial reports audited by PKF Accountants.

Statement of Profit and Loss July 1, 2014 through June 30, 2015

Income Categories	Actual
Assessments	\$527,691.72
Donations/Grants - EpicenterSF	\$9,000.00
Interest	\$271.88
Misc. Income	\$679.70
INCOME TOTALS:	\$538,643.30

Expense Categories	Actual
Staff - Salary, Taxes, Insurance	\$87,601.83
Administration	
Rent	\$9,000.00
Insurance	\$3,546.00
Equipment	\$1,917.79
Legal & Accounting	\$5,711.00
Postage	\$204.62
Printing	\$684.47
Supplies	\$1,679.12
Telephone, Telecommunications	\$867.97
Advertising	\$2,383.26
Memberships, Subscriptions	\$774.00
Other	\$1,415.30
Subtotal: Administration	\$28,183.53
Safety Program	
Ambassadors	\$309,870.20
Night Ambassadors	\$88,533.05
Cleaning & Graffiti Removal	\$132,286.06
Subtotal: Safety and Cleaning	\$530,689.32
Street Activation	\$6,625.00
Accounting Adjustment	\$1,000.00
EXPENSE TOTALS:	654,099.67
NET INCOME (Covered w/Contingency)*	(\$115,456.37)

CBD Expense Categories by Percentage



CBD Assets/Liabilities on June 30, 2015

Current Assets	
Checking Account.....	\$10,974.07
Savings Account	\$327,849.85

Fixed Assets	
Furniture, fixtures and equipment, net	\$1,900.60
Other Assets & Deposits.....	\$(750.00)

Total assets \$340,064.52

Liabilities and Equity	
Unrestricted Net Assets.....	\$455,520.89
Net Income	-\$115,456.37
Total Equity.....	\$340,064.52
Total Liabilities and Equity	\$340,064.52

* These figures indicate that we have currently, before the audit, a carry-over into FY 2016, of \$340,064.52. The staff of the Mayor's Office of Economic and Workforce Development has requested that we "spend down" our surplus funds in an organized approach over the next few years, which is why we have a negative Net Income.

Enhanced Safety Services Implemented

Increase in Construction Brings Increase in Assessments Revenue

The CBD's board members and executive director continued to provide, in conjunction with our provider, MJMMG, the daily safety and cleaning services that have been popular since our inception:

- Ⓞ 7-day-a-week cleaning and graffiti abatement;
- Ⓞ Daytime community ambassadors, and;
- Ⓞ Nighttime ambassadors that welcome arts patrons and new residents.

Due to increased assessments revenue generated by new construction, the CBD was able to add services this past year that proved to be beneficial as well.

SF Police 10b Program

The Civic Center CBD partnered with the Central-Market CBD to employ an off-duty police officer to work in our districts part-time through the SFPD's 10b program.

The officers work with the CCCBD Ambassadors and the CMCBD Community Guides to primarily address quality of life issues within the neighborhood and within the purview of SFPD, such as issuing citations for drinking, trespassing, permit violations, littering, and pedestrian safety infractions.

Civic Center Greeter

In June 2015, the CBD started an experiment to see if we could impact safety, both real and perceived, by adding one nighttime ambassador dedicated to the entrance and elevator area of the Civic Center Parking Garage.

Over the past year, the arts organizations have received complaints from patrons saying they feel unsafe when they walk back to their cars at night because of aggressive panhandling and the lack of other people in the area. The group feels that this is affecting people's willingness to park in the garage and it impacts traffic flow parking and congestion on busy nights as people circle the blocks looking for parking. After two months, the CBD will evaluate the program.

Beautification and Activation

The CBD's board members and executive director built upon the past successes of the holiday concerts to establish new ways to activate.

Holiday Concerts and Activation

The CBD presented again its holiday musical event, "Holiday Fanfare," on the weekends in December 2014. Spearheaded by the External Affairs Committee, "Holiday Lights and Fanfare" was a series of performances meant to activate neighborhood streets and bring holiday cheer to the residents and the thousands of visitors and arts patrons.

Performances featured the San Francisco Conservatory of Music Brass Quintet at various outdoor locations and times on the weekends in December. Each performance was meant to highlight cultural assets in the neighborhood, from the historic War Memorial Opera House, to the new SFJazz Center.

Summer Concert Series

The CBD is partnering with People in Plazas, MJMMG, and the Recreation and Parks Dept. to present a new summer concert series, for Civic Center Plaza. The lunchtime concerts will be every Wednesday from noon to 1:00 pm. starting in July 2015 and continuing through to the end of October.

Advocacy and Community Outreach

Board of Directors Present

Civic Star Awards

The Civic Center CBD held its 2015 Annual Meeting on June 25, 2015, at 100 Van Ness Avenue. As part of the meeting, the CBD board presented the second annual "Civic Star Awards."

Civic Star Award recipients are distinguished members in our community identified by the CCCBD Community Ambassadors for their contributions to improving the image, safety, beautification, and cleanliness of our neighborhood. (continued)

Community Outreach and Advocacy



As representatives of the residents, merchants, employees, property owners and visitors to our area, the CBD board thanked them for their outstanding citizenship this year.

The 2015 recipients of the Civic Star Awards received a crystal trophy and the appreciation of the community:

- Ⓞ Every Day Connect
- Ⓞ Steven Kwong, property manager

Coalition Impacts Parking, Transit and Pedestrian Safety

A group of interested parties organized by SFMTA and the Civic Center Community Benefit District has been meeting quarterly in an effort to improve the patron experience in the around the SF Performing Arts Center, as it relates to parking and traffic. We have conducted site surveys and consulted with representatives with knowledge about parking, taxi, traffic, garages, arts organizations, evening ambassadors and city administrators.

On most evenings, those without a performance at Bill Graham Civic Auditorium, the Civic Center Garage has many available parking spaces and the Performing Arts Garage has few if any spaces. This causes traffic jams, pedestrian hazards and frustration for all even those merely trying to drive past the performing arts buildings on Franklin.

Better Market Street Project

The Better Market Street Project is an initiative between city agencies and community partners to improve and enhance one of the oldest streets in San Francisco. The Better Market Street Project is an opportunity for the City to collect and analyze comments on how to improve and reinvigorate this public realm. The Civic Center CBD is represented on the Citizens Advisory Council by board member Jim Haas and executive director Donald Savoie.

Van Ness Avenue Bus Rapid Transit (BRT)

The Van Ness Avenue Bus Rapid Transit (BRT) is a signature project of the SFCTA's Prop K transportation sales tax program. The project calls for dedicated bus lanes separated from traffic from Lombard to Mission streets which will be used by Muni's 49 and 47 lines and Golden Gate Transit. The dedicated lanes will flank center landscaped

medians along Van Ness Avenue. All door boarding, elimination of most left turns, transit signal priority, and traffic signal optimization will help reduce bus travel time on the corridor by as much as 33 percent.

Partnering with Community Stakeholders

In addition to the various committees, CCCBD staff and board members also worked with important stakeholders in the Civic Center:

- Ⓞ Supervisor Jane Kim and staff
- Ⓞ Supervisor London Breed and staff
- Ⓞ Mayor's Office of Economic and Workforce Development
- Ⓞ Central Market Partnership
- Ⓞ CBD/BID Consortium of San Francisco
- Ⓞ San Francisco Ballet
- Ⓞ San Francisco Opera
- Ⓞ San Francisco Symphony
- Ⓞ San Francisco Conservatory of Music
- Ⓞ Hayes Valley Neighborhood Association
- Ⓞ Recreation and Parks Staff
- Ⓞ San Francisco Police Department
- Ⓞ San Francisco Travel

Website - sfciviccenter.org

The CCCBD continues to update and expand its website, sfciviccenter.org, with information about the CBD, resources, demographics, an enhanced calendar, and deeper integration with social media.

Social Media

We have been successful in promoting the CBD, its programs and services through direct contact via Facebook, Twitter and Instagram. We also automatically post news on sites that propel our articles to the top of search engines, such as Google+, LinkedIn, and Tumblr.

- f www.facebook.com/sfciviccenter
- t www.twitter.com/civiccenter
- 📷 www.instagram.com/sfciviccenter
- g+ plus.google.com/+SFCivicCenterorg
- in www.linkedin.com/company/civic-center-community-benefit-district
- t <http://sfciviccenter.tumblr.com/>

Service Accomplishments and Results



Month	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Totals	Monthly Average
Safety & Security Services														
Emergency Services														
Ambulance	3	0	5	5	0	0	0	0	3	4	0	2	22	2
Fire	0	0	0	0	0	0	1	1	0	0	0	0	2	0
Police	35	42	51	51	10	11	22	22	22	35	48	45	394	33
Quality of Life/Crimes														
Aggressive Panhandling	21	37	52	73	39	19	41	20	62	140	88	47	639	53
Sleeping/Camping/Trespassing	227	270	428	452	418	702	659	421	731	591	595	959	6,453	538
Drunk and Disorderly	28	19	91	41	26	40	54	71	76	93	68	28	635	53
Illegal Vendors	16	7	114	13	5	12	7	14	19	20	20	15	262	22
Suspicion of Drug Deal	19	8	5	8	5	1	20	1	2	4	14	115	202	17
Quality of Life/Issues														
Mentally Disturbed	11	17	55	8	4	9	17	28	7	22	4	8	190	16
Indecent Exposure	33	15	1	0	0	0	1	1	4	3	1	1	60	5
Social Services Referrals	5	6	13	11	4	8	12	17	4	9	2	5	96	8
(HOT TEAM)	2	3	15	10	0	0	4	5	4	10	10	10	73	6
(MAP)	0	0	7	0	0	0	0	0	0	0	0	0	7	1
General Neighborhood Issues														
Demonstration	1	3	5	3	10	6	1	1	2	7	10	2	51	4
Noise Complaint	0	1	4	5	0	0	7	0	0	0	10	7	34	3
Safety Hazard	7	10	15	1	2	4	14	5	3	3	0	25	89	7
Construction	4	5	5	9	12	6	3	7	2	5	7	7	72	6
Total Safety & Security Services	412	439	866	690	535	818	865	614	941	946	877	1,276	9,177	765
Visitor/Merchant Services														
Meet & Greet with Merchants/Residents	428	455	611	540	59	168	302	103	541	631	405	275	4,518	377
(Calls) Assist Merchants	12	11	125	218	15	46	51	100	102	95	59	65	899	75
Directions	40	48	348	99	68	102	73	44	235	303	134	119	1,613	134
Total Visitor/Merchant Services	480	514	1,084	857	142	316	426	247	878	1,029	598	459	7,030	586
Cleaning/Maintenance Services														
Litter and Trash Removal														
Overflowing Trashcan Topped	4	7	10	11	2	4	8	2	3	2	5	10	68	6
Shopping Cart Removal	2	3	2	2	20	17	13	33	5	4	5	5	111	9
Illegal Dumping Reported/Dispatched/Clean-Up	16	31	84	331	82	126	22	133	205	274	197	276	1,777	148
Graffiti/Issues														
Removed Sticker/Flyer	5	23	41	41	24	54	59	57	57	23	17	16	417	35
Graffiti Sighting/Removal	141	126	355	236	256	216	185	200	254	150	140	165	2,424	202
Request for CBD Services														
Painting Request Completed	25	28	35	42	0	0	51	200	254	150	140	165	1,090	91
Scrub Request Completed	109	154	30	572	123	145	189	499	919	1,200	824	1,287	6,051	504
Steam Cleaning Request Comp.	2	5	3	4	0	0	4	5	5	0	5	3	36	3
Sweep Request Completed	166	193	214	182	148	21	229	246	248	578	204	401	3,020	252
Total Cleaning/Maint. Services	470	523	724	1,221	655	773	760	1,375	1,950	2,381	1,537	2,528	14,749	1,229
Overall Totals	1,362	1,778	2,724	2,968	1,394	1,907	2,409	2,236	3,769	4,356	3,012	4,063	30,956	2,580
Non-Classified Activities														
Cardboard	44	29	32	183	65	75	46	106	129	268	187	288	1,452	121
311	164	105	118	93	7	34	57	55	53	48	17	15	766	64
Shoplifting	0	0	0	0	0	0	3	0	0	1	5	5	14	1
Needles Sighting/Removal	25	17	83	101	58	115	169	75	321	191	203	255	1,613	134
Non-emergency	22	14	11	97	5	6	55	22	22	46	25	20	345	29
Other	4	0	0	25	4	8	23	0	0	0	0	0	64	5
Trash Liners	0	0	0	6	0	0	1	0	0	0	0	5	12	1
Total Non-Classified Activities	259	165	244	505	139	238	352	258	525	554	457	588	4,266	356
GRAND TOTALS	1,621	1,943	2,968	3,473	1,533	2,145	2,761	2,494	4,294	4,910	3,469	4,651	35,222	2,935

Data compiled by MJMMG



Civic Center Community Benefit District

Civic Center Community Benefit District
234 Van Ness Avenue, Suite 1
San Francisco, CA 94102

Phone: (415) 626-1819
Fax: (415) 626-4029
info@sfciviccenter.org

2014-2015 Board of Directors

Chair
Bill Whitfield
Shorenstein Realty Services

Vice Chair
Tim Vrabel
The Emerald Fund

Treasurer
John Updike
San Francisco Real Estate

Secretary
Jennifer Norris
San Francisco War Memorial

Sarah Ballard
Dept. of Recreation and Parks

Katie Nicely
San Francisco Symphony

Anthony Boas
San Francisco Honda

Ruth Nott
San Francisco Opera

Mary Conde
Another Planet Entertainment

Sam Smith
San Francisco Conservatory of Music

Jim Haas
Resident/Neighborhood Advocate

Annette Turner
Judicial Council of California

Roberto Lombardi
San Francisco Public Library

Patricia Unterman
Hayes Street Grill

Janan New
San Francisco Apartment Assoc.

Past Chair
David Harrison
Patson Companies

Ex-Officio
Donald W. Savoie
CBD Executive Director

Civic Center CBD Committees

- Ⓞ Executive - Bill Whitfield, Chair
- Ⓞ Finance - John Updike, Chair
- Ⓞ Capital Improvements and Planning - Jim Haas, Chair
- Ⓞ External Affairs - Sam Smith, Chairs
- Ⓞ Services - Mary Conde and Tim Vrabel, Co-Chairs

CBD Dispatch for Services

For non-emergency cleaning and ambassador services, call dispatch at (415) 781-4700, or email dispatch@sfciviccenter.org

Learn more about Civic Center CBD programs and services at:

sfciviccenter.org

Special Thanks!

The Civic Center CBD would like to thank the following for their support of the CBD and its programs:

- | | |
|--|--|
| MJMMG | West Coast Property Management |
| Ⓞ Services provider for the Civic Center CBD | Ⓞ Discounted office space for the CBD office |
| AAA Flag and Banner | San Francisco Ballet |
| Ⓞ Production and installation of street poll banners | Ⓞ Photo for CCCBD street pole banners |
| Mucho | Joel Puliatti |
| Ⓞ Design and identity work for the Civic Center CBD | Ⓞ Photos of the San Francisco War Memorial |

CIVIC CENTER COMMUNITY BENEFIT DISTRICT

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2015**

INTRODUCTORY SECTION

CIVIC CENTER COMMUNITY BENEFIT DISTRICT

BOARD OF DIRECTORS

JUNE 30, 2015

BOARD OF DIRECTORS

Bill Whitfield, Chair
Tim Vrabel, Vice Chair
John Updike, Treasurer
Jennifer Norris, Secretary
Sarah Ballard
Anthony Boas
Mary Conde
Jim Haas
Katie Nicely
Roberto Lombardi
Annette Turner
Janan New
Katie Nicely
Ruth Nott
Sam Smith
Anette Turner
Patricia Unterman
David Harrison

MANAGEMENT

Donald Savoie, Executive Director

CIVIC CENTER COMMUNITY BENEFIT DISTRICT

Financial Statements
For the Year Ended June 30, 2015

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Civic Center Community Benefit District
San Francisco, California

We have audited the accompanying financial statements of the Civic Center Community Benefit District (a nonprofit organization), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. The prior year comparative statements have been derived from Civic Center Community Benefit District's 2014 financial statements, which were audited by other auditors, whose unmodified opinion is dated January 6, 2015.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Civic Center Community Benefit District as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Pleasant Hill, California

Original Date

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2015
WITH COMPARATIVE AMOUNTS AS OF JUNE 30, 2014

	2015	2014
ASSETS		
Current Assets:		
Cash and cash equivalents (Note 3)	\$338,824	\$454,457
Accounts receivable	89,205	95,230
Total Current Assets	428,029	549,687
Non-Current Assets:		
Prepaid expenses	750	750
Furniture and equipment, net of accumulated depreciation of \$16,982 and \$13,985, respectively (Note 2D)	2,996	5,993
Total Non-Current Assets	3,746	6,743
Total Assets	\$431,775	\$556,430
LIABILITIES		
Current Liabilities:		
Accounts payable	\$47,302	\$43,419
Accrued vacation (Note 2E)	4,399	4,399
Total Liabilities	51,701	47,818
NET ASSETS (Note 2A)		
Unrestricted	380,074	508,612
Total Net Assets	380,074	508,612
Total Liabilities and Net Assets	\$431,775	\$556,430

See accompanying notes to financial statements.

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015
WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2014

	2015	2014
UNRESTRICTED SUPPORT AND REVENUES		
Assessments	\$541,789	\$714,467
Contributions	8,000	9,800
Other	952	3,560
	550,741	727,827
PROGRAM EXPENSES		
Cleaning and graffiti removal	125,970	124,990
Safety	381,808	381,808
Activation	34,518	15,270
	542,296	522,068
SUPPORT SERVICES		
Facilities and equipment	8,000	9,000
Payroll and related	87,119	85,810
Legal and accounting	5,711	6,721
Bad debt expense	20,122	83,132
Other	13,034	9,889
Depreciation	2,997	8,422
	136,983	202,974
Total Expenses	679,279	725,042
CHANGE IN NET ASSETS	(128,538)	2,785
Net Assets, beginning of year	508,612	505,827
Net Assets, end of year	\$380,074	\$508,612

See accompanying notes to financial statements.

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
STATEMENT CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>(\$128,538)</u>	<u>\$2,785</u>
Adjustments to reconcile to net cash provided by (used for) operating activities:		
Depreciation	2,997	8,422
Bad debt expense	20,122	83,132
(Increase) in accounts receivable	(14,097)	(67,319)
Increase (decrease) in accounts payable	3,883	(496)
Increase in accrued expenses	<u>1,390</u>	<u>1,390</u>
Cash Flows (Used) Provided by Operating Activities	<u>(115,633)</u>	<u>27,914</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Adjustments to reconcile to net cash provided by (used for) investing activities:		
Purchase of furniture and equipment	<u>(9,800)</u>	<u>(9,800)</u>
Cash Flows (Used) by Investing Activities	<u>(9,800)</u>	<u>(9,800)</u>
Net (increase) decrease in cash and cash equivalents	(115,633)	18,114
Cash and cash equivalents, beginning of year	<u>454,457</u>	<u>436,343</u>
Cash and cash equivalents, end of year	<u><u>\$338,824</u></u>	<u><u>\$454,457</u></u>

See accompanying notes to financial statements.

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

NOTE 1 – REPORTING ENTITY

A. General

The Civic Center Community Benefit District (District) was incorporated on June 1, 2011. The District is a 501(c)(3) nonprofit public benefit special assessment district conceived and organized by a group of concerned Civic Center property owners, arts organizations, government entities and other stakeholders (Members). Funding is provided primarily from special assessments from Members that are collected by the City and County of San Francisco and remitted to the District, pursuant to an administration agreement, dated July 1, 2011.

The goal of the District is to improve coordination and communication around the management, image, safety, beautification and cleanliness of the greater Civic Center area for the benefit of patrons, residents, employees, merchants, property owners and other visitors within the District. The District provides community service ambassadors to assist the public with information and direct them to destinations within the area, made possible by training on local geography, area venues, business, transportation systems, and other useful information. They also provide a vital role in promoting the Civic Center as safe and friendly. The District also provides teams to respond to maintenance calls to remove graffiti, wash sidewalks or pick up an accumulation of debris on the sidewalk, seven days a week.

B. Programs

Civic Center Greeter – The District added one nighttime ambassador dedicated to the entrance and elevator of the Civic Center Parking Garage. The arts organizations have received complaints from patrons saying they feel unsafe when they walk back to their cars at night because of the lack of other people in the area. The District believes that this is impacting people’s willingness to park in the garage and it impacts traffic flow, congestion and pedestrian safety on busy nights as people circle the blocks looking for parking.

10-B Police Officer Program – The District partnered with the Central Market Community Benefit District to employ an off-duty police officer to work in our District part-time through the SFPD’s 10-B Program. The officers work the District Ambassadors and Community Guides to primarily address quality of life issues within the neighborhood and within the purview of SFPD, such as issuing citations for drinking, trespassing, permit violations, littering and pedestrian safety infractions.

Community Service Ambassadors – The team of Community Service Ambassadors are a key element of the District. Their function is to assist the public with information and direct them to destinations within the area, made possible by training on local geography, area venue and businesses, transportation systems, and other useful information. The Ambassadors are goodwill ambassadors who assist the public in navigating the District with a welcoming and informed presence. They also play a vital role in promoting the Civic Center area as safe and friendly. They are easily visible and identifiable by their uniforms that will be unique to this District. Their presence is a deterrent to misdemeanor crime, and they have a communication system to enable them to report conditions or observations of criminal activity immediately through the District dispatch to the SFPD.

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

NOTE 1 – REPORTING ENTITY (Continued)

Cleaning and Graffiti Team – The service provide for uniformed maintenance workers to respond to maintenance calls to remove graffiti, wash down the sidewalk or pick up an accumulation of debris on the sidewalk. They are aided by calls by the District staff to the Department of Public Works to coordinate delivery of the maintenance service that the City provides.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation and Financial Statement Presentation

The financial statements of the District have been prepared on the accrual basis of accounting. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the District and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets that are not subject to donor imposed stipulations.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the District and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions, if any. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. At June 30, 2015, the District had no temporarily restricted net assets.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the District. Generally, the donors of these assets permit the District to use all or part of the income earned on any related investments for general or specific purposes. At June 30, 2015, the District had no permanently restricted net assets.

B. Support and Revenues

The District relies on member assessments which are invoiced in advance, deferred on the statement of financial position and recognized monthly on a straight-line basis. All contributions are recorded upon receipt, and are considered to be available for unrestricted use unless specifically restricted by the donor.

The District and the City and County of San Francisco entered into an administration agreement whereby, on the District's behalf, the City and County of San Francisco will levy and collect the assessments from the Members through the Members' secured property tax bills. For payments received in conjunction with the first and second installment of secured property taxes, the City and County of San Francisco will remit those funds to the District on or before January 10th and May 10th, respectively. Delinquent assessments will be remitted to the District at least once during the final quarter of the fiscal year and from time to time, at the discretion of the Controller of the City and County of San Francisco.

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable generally consists of amounts due from Members and are stated at the amount the District expects to collect. When necessary, the District provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to the allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. The allowance for doubtful accounts was \$103,254 and \$0 at June 30, 2015 and 2014, respectively.

D. Furniture and Equipment

Furniture and equipment is stated at cost. Donated assets are recorded at their estimated fair market values at date of donation. Depreciation is computed over the estimated useful lives of the respective assets, ranging from 2 to 3 years, on a straight-line basis. Expenses for maintenance, repairs and minor renewals are charged against operations as incurred.

E. Accrued Vacation

Accrued vacation is comprised of unpaid vacation. Vacation is accrued as earned and sick leave is not accrued since it does not vest. All accrued vacation is considered to be a current liability. The balance at June 30, 2015 and 2014 was \$4,399 and \$4,399, respectively.

F. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. Income Taxes

The District is exempt from income tax under Section 501(c)(3) of U.S. the Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the District qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The District paid no taxes on unrelated business income in the years ended June 30, 2015 or 2014.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that the District does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the District's tax returns will not be challenged by the taxing authorities and that the District will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the District's tax returns remain open for federal income tax examination for three years from the date of filing.

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Advertising Costs

Advertising costs, if any, are expensed as incurred.

I. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect the management's judgment about the assumptions that market participants would use in pricing the asset or liability.

J. Reclassification

Certain amounts in the 2014 financial statements were reclassified to be comparable with the 2015 presentation. There was no effect on previous reported change in net assets.

NOTE 3 - CASH AND CASH EQUIVALENTS

The District's cash and cash equivalents are comprised of cash in banks, which is insured by the Federal Depository Insurance Corporation up to \$250,000, and is reported using the Level 1 fair value measurement. The District has not experienced any losses in such accounts. Management believes the District is not exposed to any significant risk related to cash.

NOTE 4 - OPERATING LEASE

The District rents office space subject to an operating lease beginning December 1, 2011, for \$750 per month, plus common area maintenance charges. The lease term is month-to-month, subject to termination by either party. Rent expense, including common area maintenance charges totaled over \$8,000 and \$9,000 for the years ended June 30, 2015 and 2014, respectively, and is included with facilities and equipment expense on the Statement of Activities.

NOTE 5 - OUTSIDE SERVICE CONTRACT

The District contracts with MJM Management Group to provide ambassador, janitorial, maintenance, and other services on the District's behalf. At June 30, 2015 and 2014, MJM charges were \$542,296 and \$507,778, respectively.

CIVIC CENTER COMMUNITY BENEFIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2015

NOTE 6 – SUBSEQUENT EVENTS

The District evaluated subsequent events for recognition and disclosure through ~~DATE~~, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since June 30, 2015 that require recognition or disclosure in such financial statements.

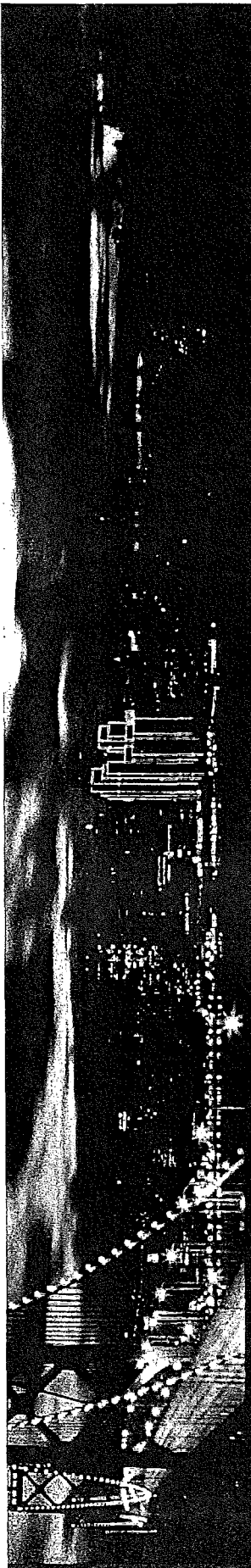
Civic Center CBD Spend-down Budget

Designated Project	End of FY 2014	FY 2014-15	FY 2015-16	FY 2016-17
10 B Officers Program		\$ 25,000	\$ 50,000	\$ 50,000
CBD Renewal Expenses		\$ -	\$ -	\$ -
TOTAL	\$508,612.00	\$ 483,612	\$ 433,612	\$ 383,612

FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	TOTAL
\$ 50,000	\$ 50,000	\$ 50,000	\$ 30,000	\$ 125,000
\$ -	\$ -	\$ -	\$ 200,000	\$ -
\$ 333,612	\$ 283,612	\$ 233,612	\$ 3,612	\$ 383,612

2341

160753

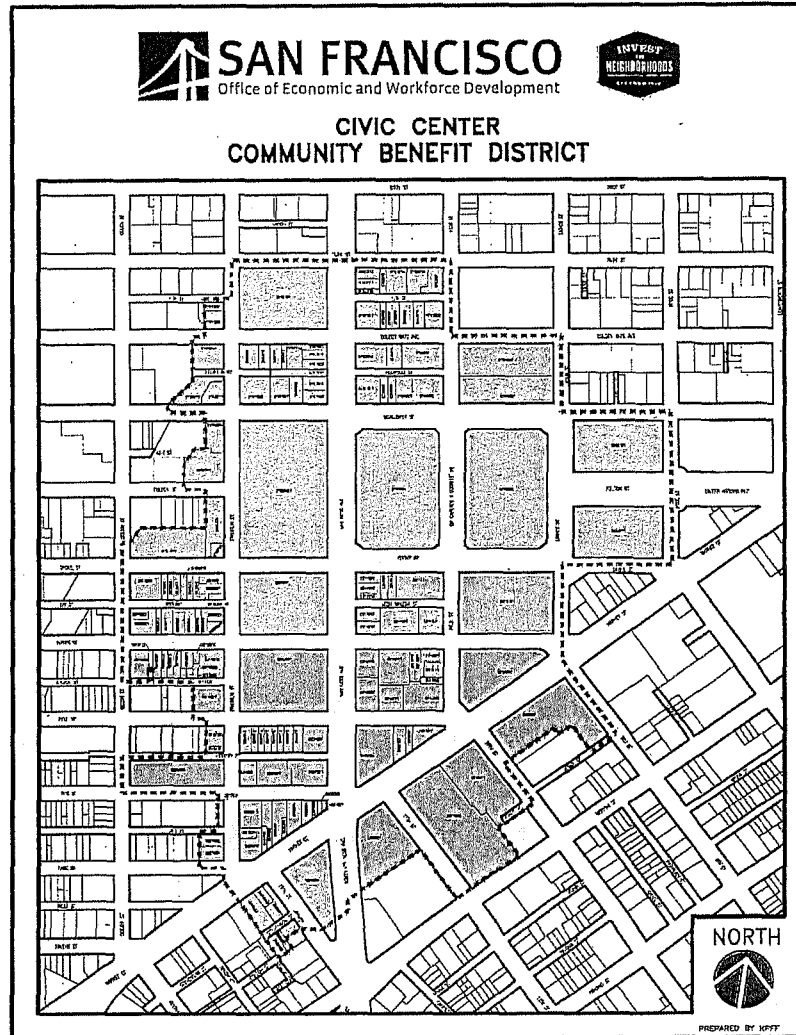


Civic Center Community Benefit District

SAN FRANCISCO
Office of Economic and Workforce Development

Parcel Map

2343



YBCBD Formation

YBCBD	Type	Assessment Budget*	Year Established	Expires
	Property-Based	\$ 691,964	2011	June 30, 2021

**budget identified in management plan*

2344

NVCBD Operations

- **Staff**

- Executive Director – Don Savoie

- **Service Areas**

- **Safety Program/CSAs**

- This program supports both uniformed Ambassadors and activates the sidewalks and open space.
 - Contracts with MJM Management Group to staff a team of Community Safety Ambassadors

- **Cleaning Program**

- This program area is allocated for cleaning and on-call graffiti removal.
 - Provides a uniformed maintenance worker to respond to maintenance calls to remove graffiti, wash down the sidewalk or pick up an accumulation of debris on the sidewalk 20 hours/week

- **Beuatification**

- This program area includes streetscape improvements such as way finding signage and sidewalk lighting and capital enhancements.

- **Activation of Public Places**

- This service area implements programs that support Civic Center Plaza's night time activation.

BENCHMARKS

OEWD's staff reviewed the following budget related benchmarks for Civic Center CBD:

Benchmark 1 – Whether the variance between the budget amounts for each service category was within 10 percentage points from the management plan.

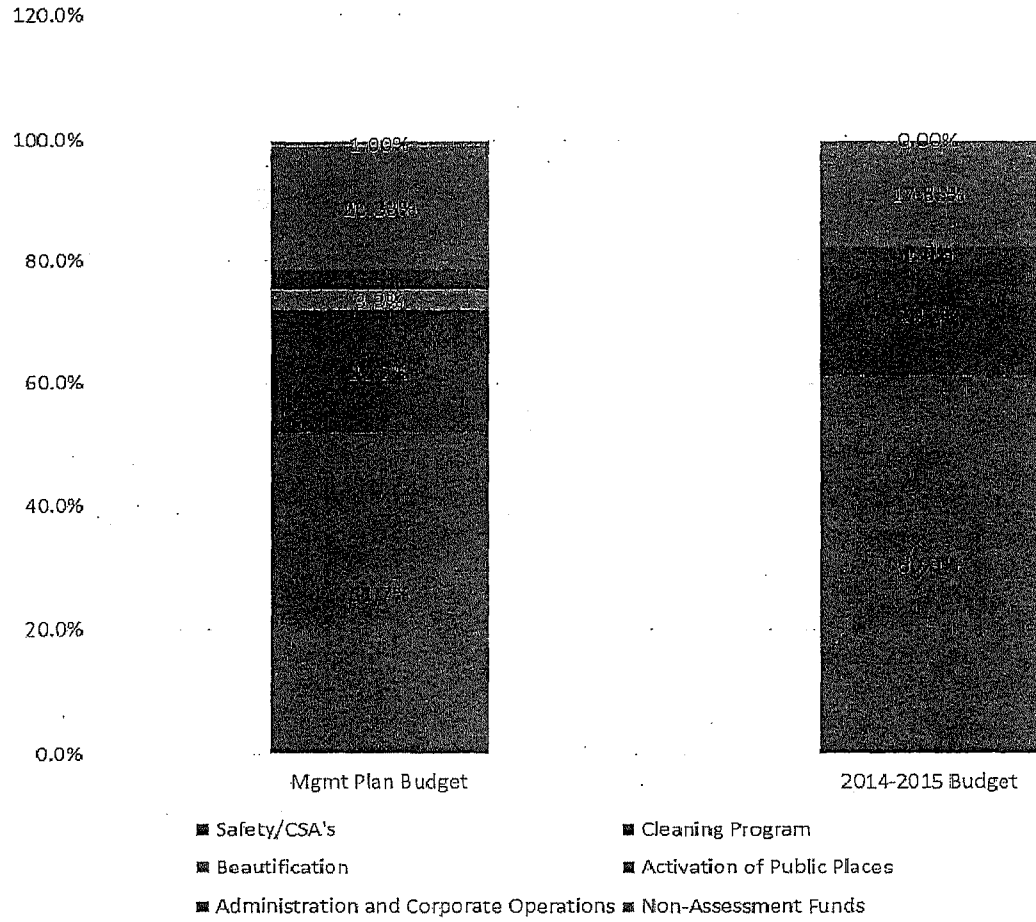
Benchmark 2 – Whether one percent (1%) of CCCBD's actuals came from sources other than assessment revenue.

Benchmark 3 - Whether the variance between the budget amounts for each service category was within 10 percentage points from the actuals.

Benchmark 4 - Whether CBD is indicating the amount of funds carried over from the current fiscal year and designating projects to be spent in the upcoming fiscal year.

Management Plan vs. Annual Budgets

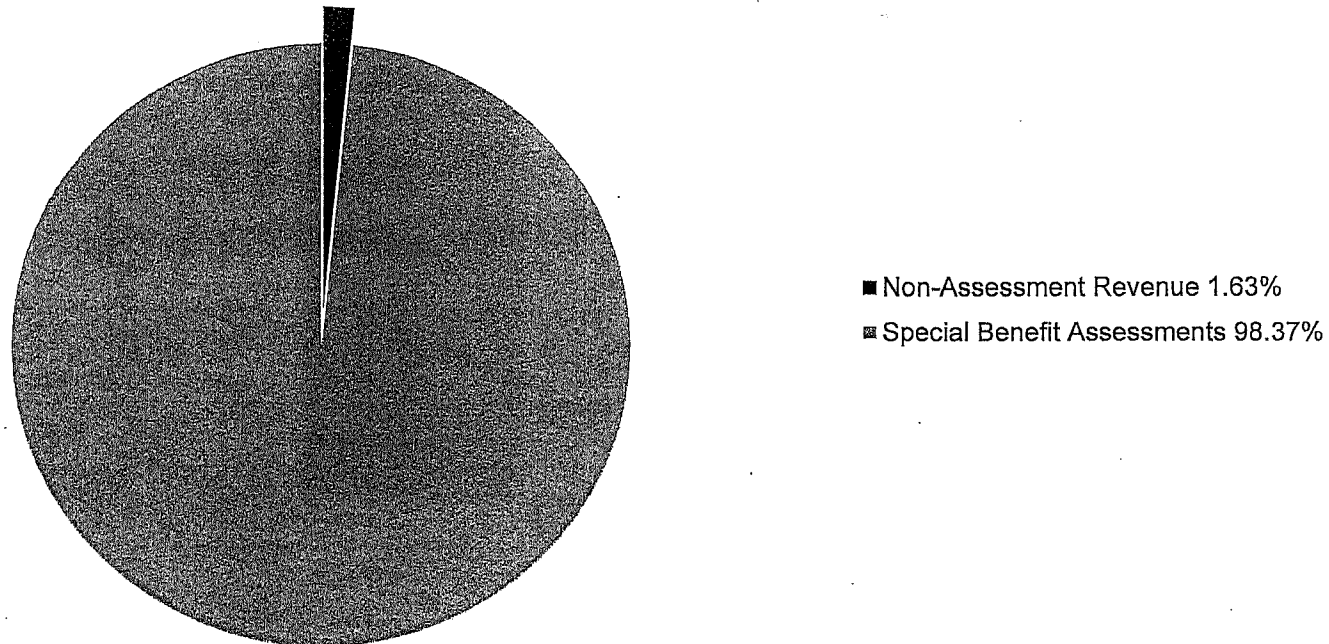
FY 2014-2015 Management Plan Budget vs. FY Budget



2347

Assessment Revenue & Other Income

FY 2014 -2015



2348

Budget vs Actuals

Service Category	FY 2014-2015 Variance % Points
Safety/CSAs	-4.70%
Cleaning Program	-1.68%
Beautification	0%
Activation of Public Places	+4.07%
Administration and Corporate Operations	+2.31%
Non-Assessment Funds	0%

Carryover

FY 14-15 Carryover Disbursement	\$380,074	To be used in FY 15-16	To be used in future years
Designated Projects			
10B Officer Program		\$50,000	\$129,462
Renewal Expenses			\$200,000
Other			\$612
Total Designated Amount	\$380,074	\$50,000	\$330,074

2350

Findings

- **CCCBD generally met all requirements set forth by their Management Agreement with the City and State code.**
- **CCCBD should include their carryover spenddown plan in their annual report.**
- **CCCBD made significant progress in spending down their FY 13-14 carryforward amount**

2351

Conclusion

Civic Center CBD has performed well in implementing the service plan in the district:

- **Marketed and produced public activation events, such as “Holiday Lights and Fanfare.”**
- **Increased their opportunities in partnering with community stakeholders and numerous municipal agencies for the implementation of public activation projects in FY 14-15 and planning for FY 15-16.**
- **Maintained an active board of directors and several sub committees**

2352



Report to General Audit and Oversight Committee

FY 2014 – 2015

Active Committees

- Executive Committee
- Finance Committee
- Services Committee
- Capital Improvements & Planning Committee
- External Affairs Committee
- Nominations Committee (ad-hoc)
- Parking and Traffic Committee (ad-hoc)

2354

Partner Organizations

- MJMMG, Services Provider
- Central Market CBD, 10-B Safety Program
- Living Innovation Zone Task Force
- Office of Economic & Workforce Development
- SF Department of Planning
- SF Department of Recreation and Parks
- SFMTA
- Civic Center Arts Organizations
- San Francisco CBD-BID Consortium
- San Francisco Travel

Grants

Invest in Neighborhood Grants – EpicenterSF

This grant was used to operate and further develop the EpicenterSF website and transition it to a new host and manager.

2356



Civic Center: A Neighborhood in Transition

The Civic Center neighborhood will continue to experience historic growth and change over the next five years. Some of those changes include:

- New residential buildings housing thousands;
- New state-of-the art playgrounds in Civic Center Plaza;
- San Francisco School District to build new School for the Arts on Van Ness;
- Van Ness Bus Rapid Transit to transform the boulevard;
- Civic Center Public Realm Plan
- The HUB Public Realm Plan

2357



FY 2014-2015

Events + Highlights: Services

- Commitment to continue the use of 10-b Officers on a permanent basis, sharing costs with Central Market.
- Conducted a trial period in June and July 2015, deploying our Civic Center Greeter, a uniformed ambassador, assigned from 6:00 to 11:00 pm, five nights a week, to the elevator entrance at the underground parking garage in Civic Center. He proved to be so popular that we have made the service permanent.
- Staff was fully trained before deployment and receive monthly training refreshers on issues such as de-escalation of potentially violent events.

2358



FY 2014-2015

Services Provider: MJMMG

Events + Highlights: Services

- Daily Services (over the course of one year):
 - Made 110 social service referrals
 - Got medical attention for 190 in mental health distress
 - Assisted with 850 drunk and disorderly complaints
 - Removed 1,700 needles
 - Removed 2,800 graffiti tags
 - Cleaned up 1,700 illegal dumpings
 - Conducted Meet & Greet with 4,500 merchants & residents
 - Gave directions to 1,600 visitors

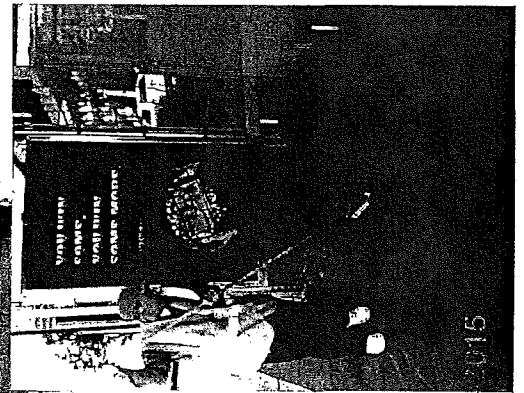
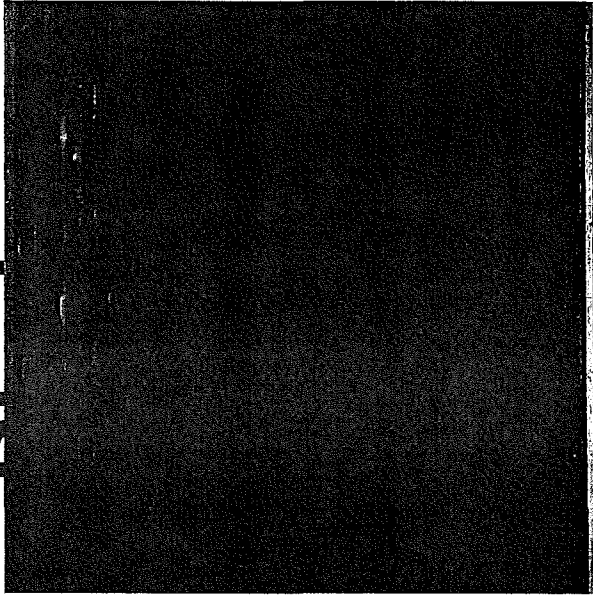
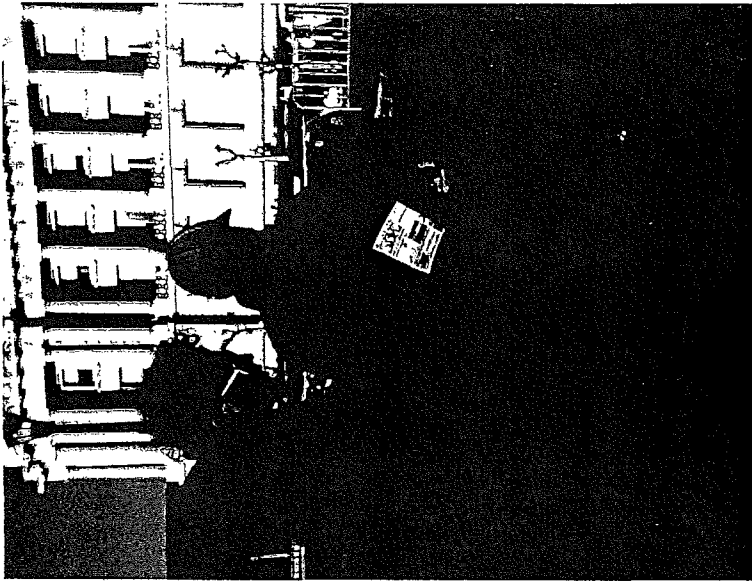


FY 2014-2015

Services Provider: MJMMG



Events + Highlights: Services



FY 2014-2015

Highlights: Creating Partnerships

- Serving as a coalition builder, the CBD has brought the major Arts groups and venues (Symphony, Ballet, Opera, SF Jazz, Bill Graham Civic, Conservatory of Music, War Memorial) together with MTA to tackle district issues:
- Parking for Patrons and Employees
- Improving Public Transit options (BART-MUNI)
- Traffic Congestion and Safety
- Pedestrian Safety

2361

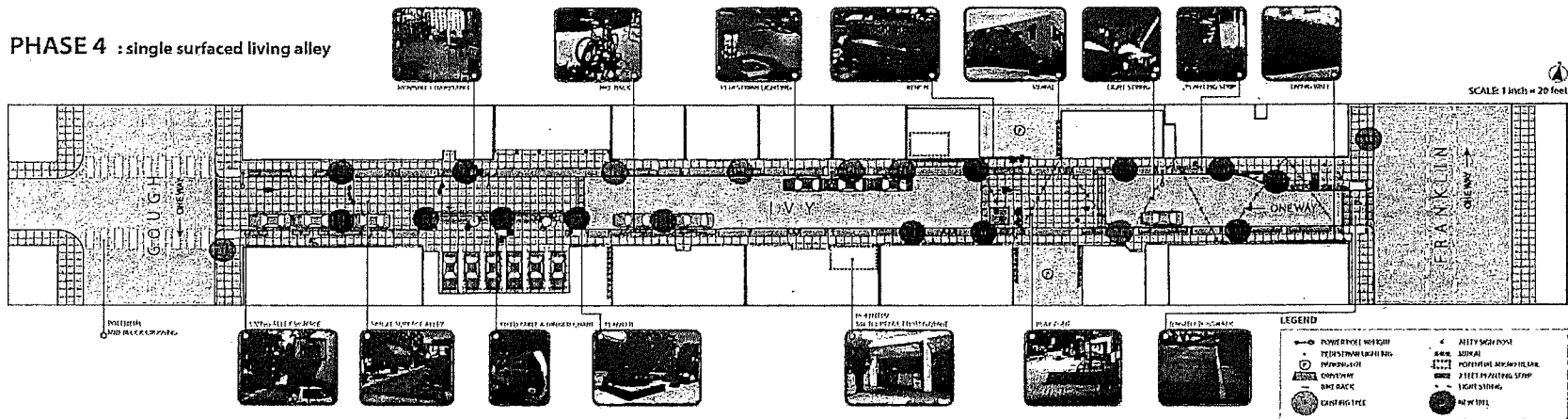


FY 2014-2015

Highlights: Enhancing Partnerships

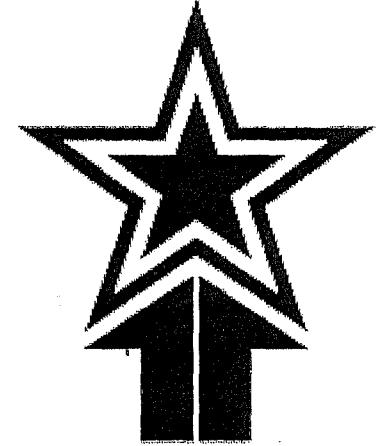
- Working with property and business owners, the CBD helped create the Ivy Street Living Alley project which was approved for a Community Challenge Grant in FY 2005.

2362

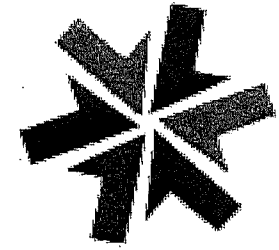


Events + Highlights: Civic Stars

- Awards are given to people in the community who help the CBD team with their responsibilities
- In 2015, we honored property manager Steven Kwong and homeless outreach team, Every Day Connect.



Projects + Visions: Holiday Concerts

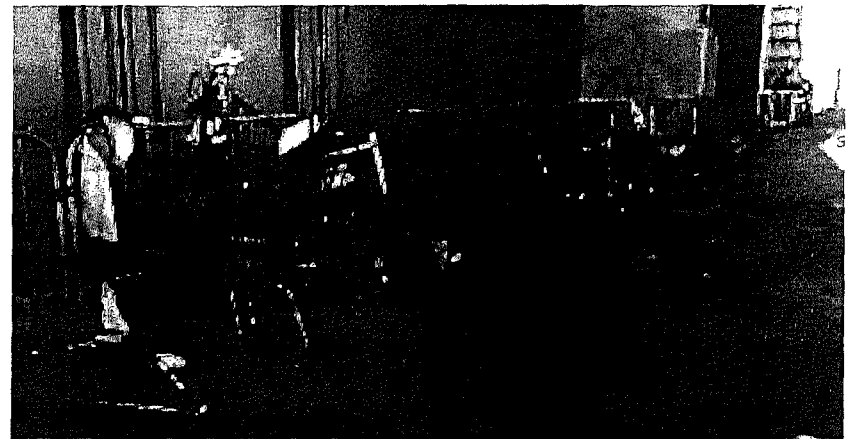


- Debuted in 2013
- CBD produced six weekend concerts at different locations in the neighborhood to activate the space as people attend various holiday events.



Challenges: Ongoing Cleanliness

- Bill Graham Civic Auditorium will collect many abandoned items daily that need to be removed
- Lack of monitored bathroom facilities
- Drought has impacted cleaning schedules.



Challenges: Safety and Perceptions

- The walk at night from Civic Center Garage to arts venues seems daunting and deters parking in garage. The trial period when we had the night time greeter proved to be a hit.
- The Grove Street corridor to the BART Station is dark and also seems unwelcoming.
- Lack of wayfinding has people feeling lost. We are working with MTA on the parking garage.

2366



**Civic
Center**
Community
Benefit District

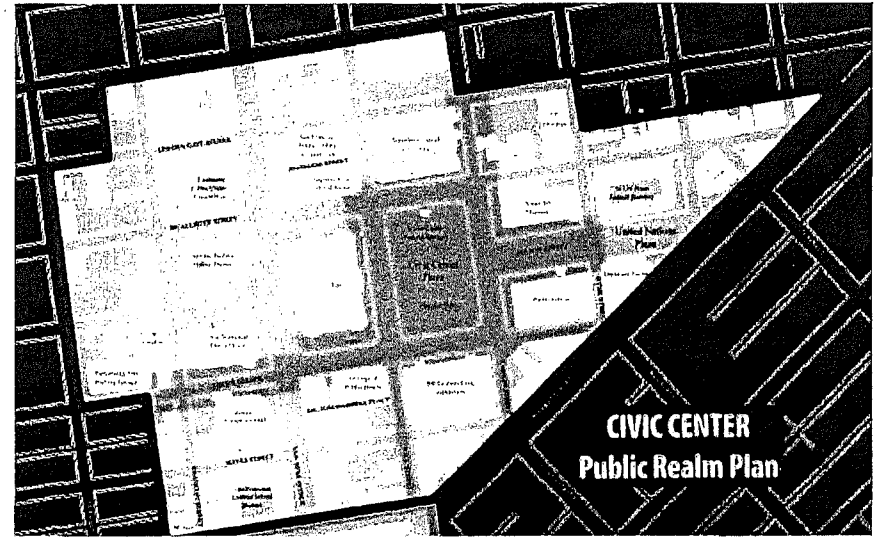
FY 2014-2015

Challenges: Beautification Project

- To find a beautification project to spearhead that is not impacted or made moot by existing or planned activities (i.e. Van Ness BRT)
- Pedestrian Friendly Crosswalks at vital spots:
 - Franklin and Grove
 - Franklin and Hayes
- Make BART and Van Ness Stations more welcoming.

2367

Opportunities: Public Realm Plan



- The Planning Department is investing resources on developing a master public realm plan for Civic Center.
- The CBD has been approach as a natural community partner to help with the outreach and planning process.



**Civic
Center**
Community
Benefit District

FY 2014-2015

Thank You



BOARD of SUPERVISORS



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San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller
Todd Rufo, Director, Office of Economic and Workforce Development

FROM: Erica Major, Assistant Clerk, Government Audit and Oversight Committee,
Board of Supervisors

DATE: July 6, 2016

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Kim on June 28, 2016:

File No. 160753

Resolution receiving and approving an annual report for the Civic Center Community Benefit District for FY2014-2015, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, *et seq.*), Section 36650, and the District's Management Agreement with the City, Section 3.4.

If you have any additional comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c:

Todd Rydstrom, Office of the Controller
Ken Rich, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development

Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [] inquires"
- 5. City Attorney request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Question(s) submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.

Sponsor(s):

Kim, Breed

Subject:

[Civic Center Community Benefit District - Annual Report for FY 2014-2015]

The text is listed below or attached:

[Empty box for text listing]

Signature of Sponsoring Supervisor:



For Clerk's Use Only:

