

File No. 190813

Committee Item No. 8

Board Item No. 20

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: October 17, 2019

Board of Supervisors Meeting:

Date: October 29, 2019

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <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 type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>OEWD Presentation – October 17, 2019</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Annual Report – Calendar Year 2017</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CPA Report – Calendar Year 2017</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>OEWD Memo – June 17, 2019</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral FYI – July 30, 2019</u> |

Prepared by: John Carroll

Date: October 11, 2019

Prepared by: John Carroll

Date: October 24, 2019

1 [Central Market Community Benefit District - Annual Report - 2017 Calendar Year]

2
3 **Resolution receiving and approving an annual report for the Central Market Community**
4 **Benefit District for calendar year 2017, submitted as required by the Property and**
5 **Business Improvement District Law of 1994 (California Streets and Highways Code,**
6 **Sections 36600, *et seq.*), Section 36650, and the District's management agreement with**
7 **the City, Section 3.4.**

8
9 WHEREAS, On September 12, 2006, pursuant to the Property and Business
10 Improvement District Law of 1994 (the "Act"), California Streets and Highways Code
11 Sections 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. 519-06, expressing the
13 City's intention to establish the Central Market Community Benefit District (the "Central Market
14 CBD"); and

15 WHEREAS, On October 31, 2006, the Board of Supervisors adopted Resolution
16 No. 631-06 establishing the Central Market CBD ("Resolution to Establish") for a period of
17 seven years, commencing FY2006-2007; and

18 WHEREAS, On June 19, 2007, the Board of Supervisors adopted Resolution
19 No. 313-07, authorizing an agreement with the owners' association for the
20 administration/management of the Central Market CBD, and a management agreement (the
21 "Management Contract") with the owners' association, the Central Market Community Benefit
22 District Corporation, 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. 070673; and

1 WHEREAS, On July 23, 2013, the Board of Supervisors adopted Resolution
2 No. 264-13 renewing and expanding the Central Market CBD for a period of 15 years,
3 commencing with FY2013-2014; and

4 WHEREAS, On February 4, 2014, the Board of Supervisors adopted Resolution
5 No. 019-14, authorizing an agreement with the owners' association for the
6 administration/management of the Central Market CBD, and a management agreement (the
7 "Management Contract") with the owners' association, the Central Market Community Benefit
8 District Corporation, was executed accordingly; and

9 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
10 of Supervisors in File No. 140038; and

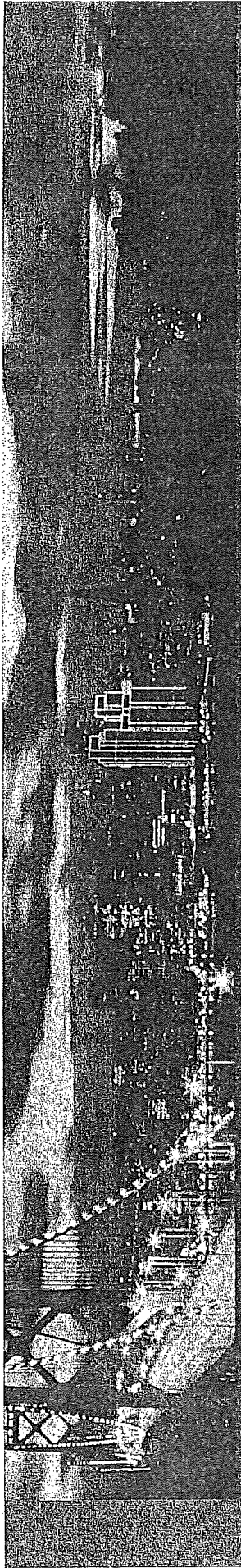
11 WHEREAS, On November 13, 2018, the Board of Supervisors approved the Central
12 Market CBD's annual reports for calendar year 2016 in Resolution No. 400-18; and

13 WHEREAS, The Central Market CBD has submitted for the Board's receipt and
14 approval the Central Market annual report for calendar year 2017 as required by
15 Section 36650 of the Act and Section 3.4 of the Management Contract; and

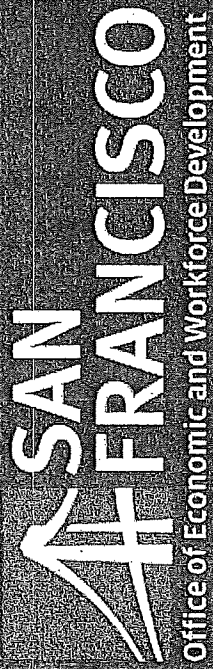
16 WHEREAS, The 2017 annual report is on file with the Clerk of the Board of
17 Supervisors in File No. 190813, and are incorporated herein by reference as though fully set
18 forth; and

19 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
20 memorandum report from the City's Office of Economic and Workforce Development, dated
21 June 17, 2019, and documentation from the Central Market CBD for the 2017 annual report
22 are on file with the Clerk of the Board of Supervisors in File No. 190813; now, therefore, be it

23 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
24 reports for the Central Market Community Benefit District for calendar year 2017.
25



Central Market Community Benefit District FY 2017-2018 Annual Report



Legislative Overview

**Community Benefit Districts (CBDs) /
Business Improvement Districts (BIDs) are
governed by:**

- State law
 - “1994 Act”
- Local law
 - “Article 15”



Review Process

This resolution covers the Annual Report for CY 2017

OEWD ensures that all CBDs/BIDs are meeting their management plans.

- OEWD staff conducts an annual review of Annual Reports and CPA Financial Reviews.
- OEWD provides the Board Supervisors with a summary memo.



CMCBD Formation

CMCBD	Type	Initial Assessment Budget*	FY 16-17 Assessment Budget**	Year Established	Year Renewed	Expires
	Property-Based	\$ 1,225,433.63	\$ 1,406,339.76	2006	2013	June 30, 2028

949

**budget identified in management plan*

***CMCBD is unique and operates on a calendar year budget, this FY is the most appropriate use for this reporting period*



CMCBD Operations

Staff

- Executive Director – Tracy Everwine

Service Areas

– Public Safety

- This program focuses on the overall safety of the Central Market district.
 - Contracts with MJM Management Group to staff Community Guides.
 - Hires 10 SFD 10B Officers.

– Cleaning and Maintenance

- This service area includes graffiti abatement, spot cleaning, sidewalk sweeping, and trash removal within the Central Market district. The organization contracts with MJM Management Group for Clean Team staff.

– Management & Economic Development

- This service area includes business attraction, retention, and expansion within the Central Market district. Additionally, it provides advocacy for the district as well day-to-day administration of the organization.

950



BENCHMARKS

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

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

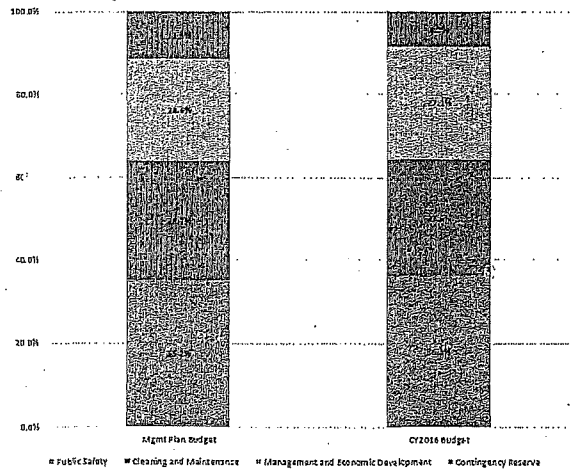
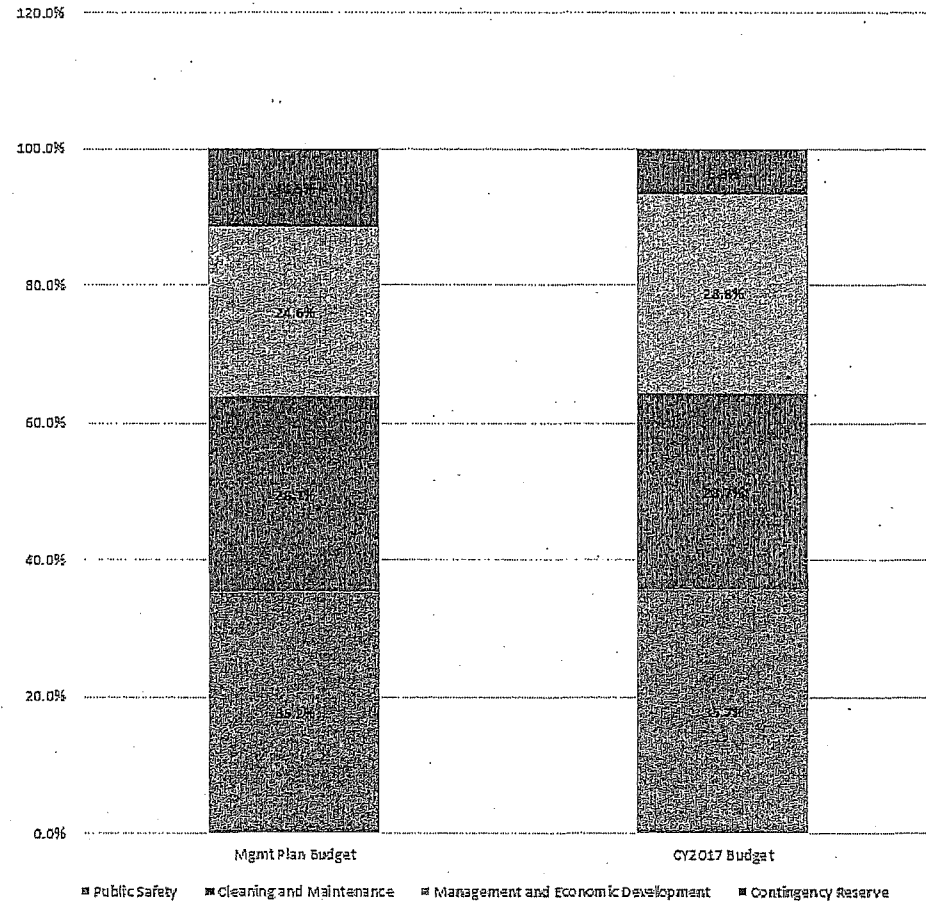
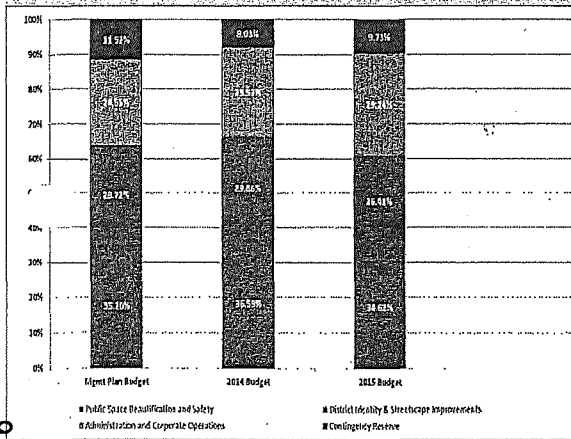
Benchmark 2 – Whether three and sixty eight hundredths percent (3.68%) of CMCBD's actuals came from sources other than assessment revenue.

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

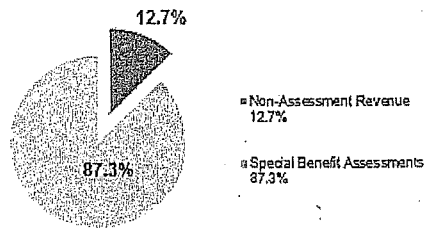


952

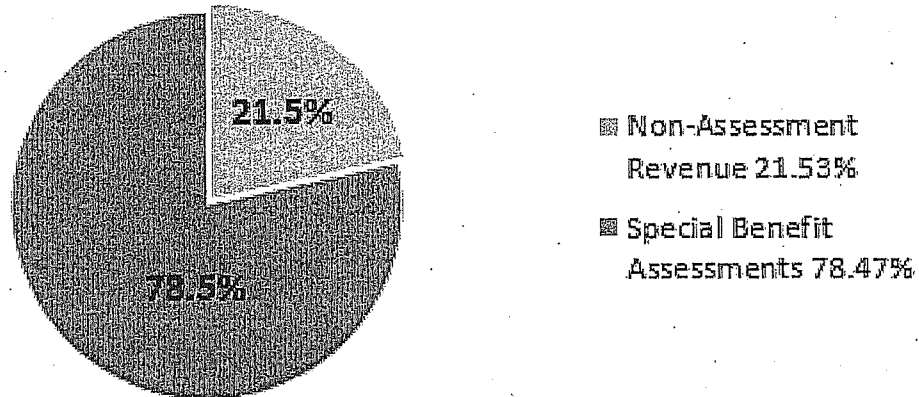


Assessment Revenue & Other Income

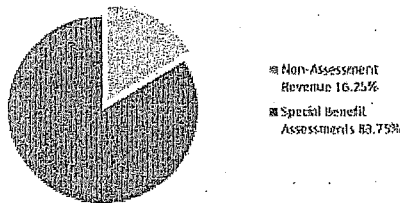
CY 2014



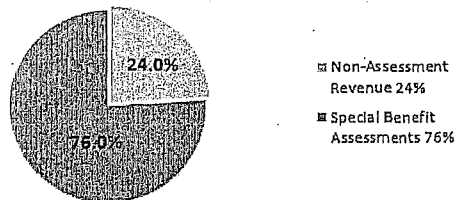
CY 2017



CY 2015



CY 2016



953



Budget vs Actuals

Service Category	CY 2014 Variance Percentage Points	CY 2015 Variance Percentage Points	CY 2016 Variance Percentage Points	CY 2017 Variance Percentage Points
Public Safety	-1.8%	+1.68%	-0.56%	-0.81%
Cleaning and Maintenance	+0.9%	+2.13%	-0.64%	-1.92%
Management and Economic Development	-1.2%	-4.27%	-1.75%	+1.52%
Contingency	+2.1%	+0.46%	+2.96%	+1.21%

954



Carryover

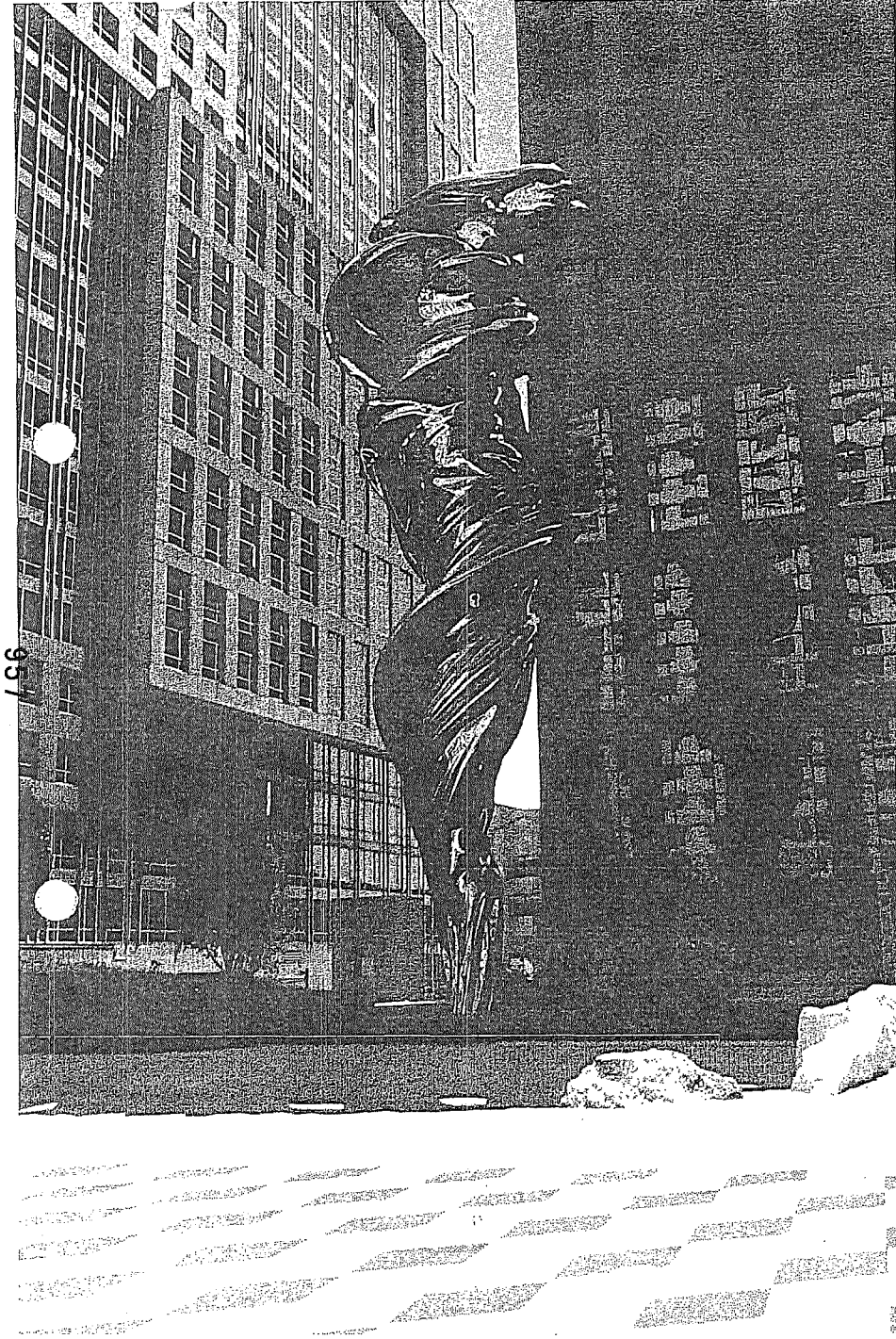
CY 2017 Carryover		Total
Assessment		
	Public Safety	\$142,343.24
	Contingency and Reserve	\$108,036.94
Total Carryover Disbursement for Future Years		\$250,380.18

Conclusion

CMCBD has performed well in implementing the service plan in the district:

- The organization did a commendable job of raising 21.5% in non-assessment revenue to support the district.
- The CBD organized and hosted its 7th annual “2 Blocks of Art” event, which featured more than 100 artists showcasing their work along 6th Street from Market to Howard
- Continues to partner well with community organizations and municipal organizations to fulfill the District management plan.
- Maintained an active board of directors and robust subcommittees.

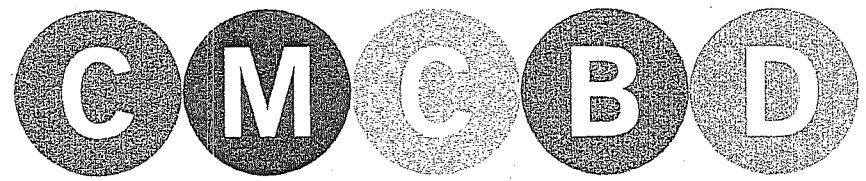




957

2017 Annual Report San Francisco

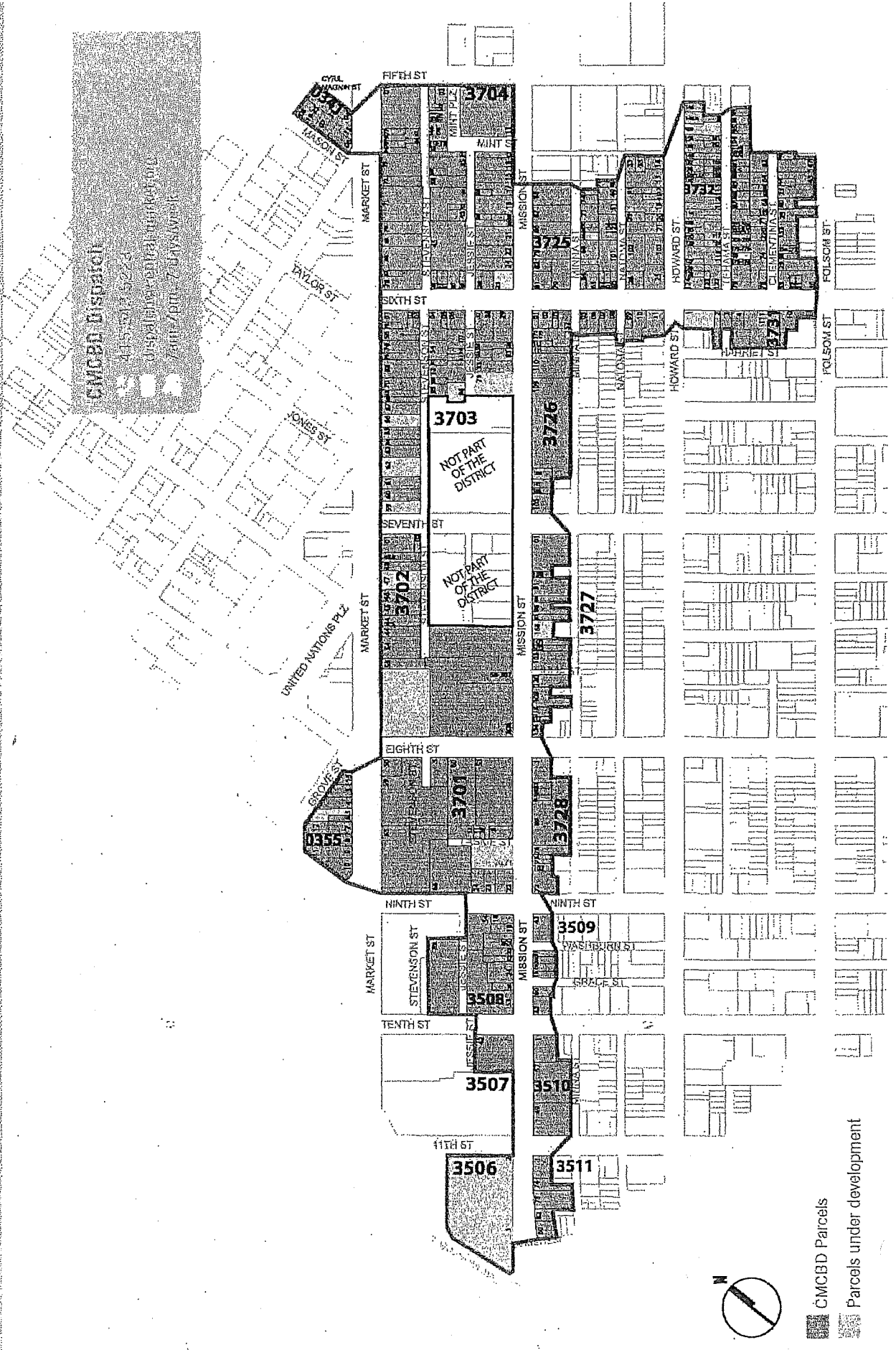
Board of Supervisors
Government Audit &
Oversight Committee



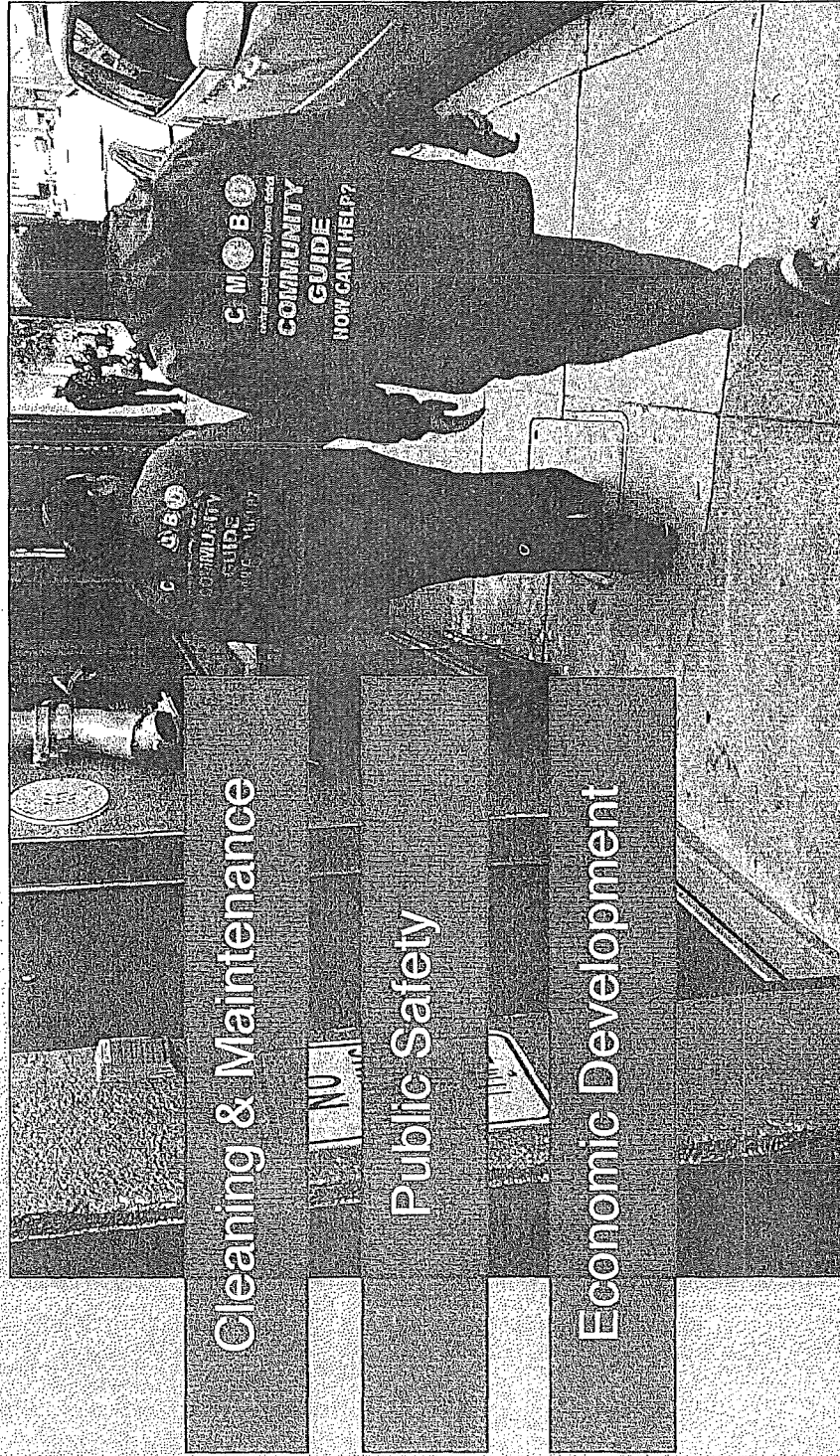
central market community benefit district

CMCBD 2017 District Map: 806 parcels, \$1.4M Annual Budget

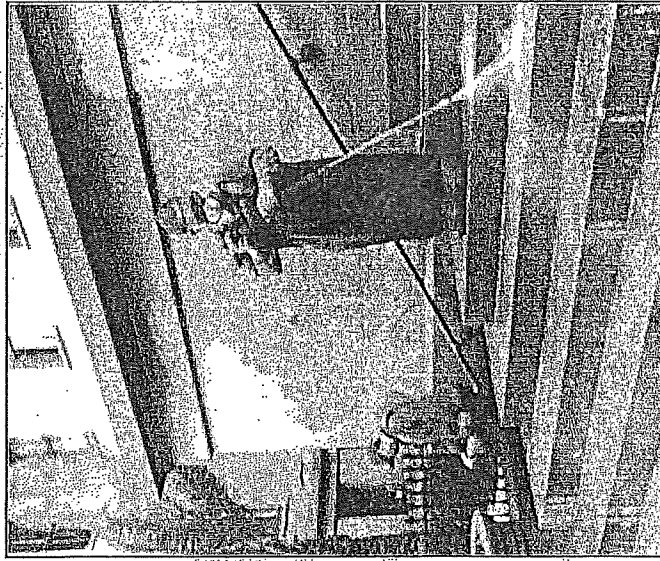
CMCBD Dispatch
 415.501.5323
 Dispatch@cmcbd.org
 7AM - 7PM, 7 Days a Week



CMCBD Services 7am-7pm, 7 days / week



C M C B D CLEANING & MAINTENANCE



2017 Annuals

Human and animal waste removals

1,320

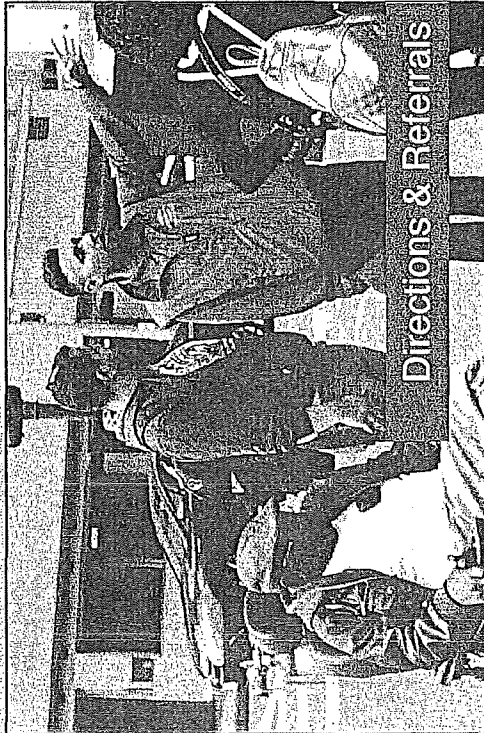
Graffiti tags removed

6,289

Sidewalk pressure washing

30,000 linear ft. washed quarterly

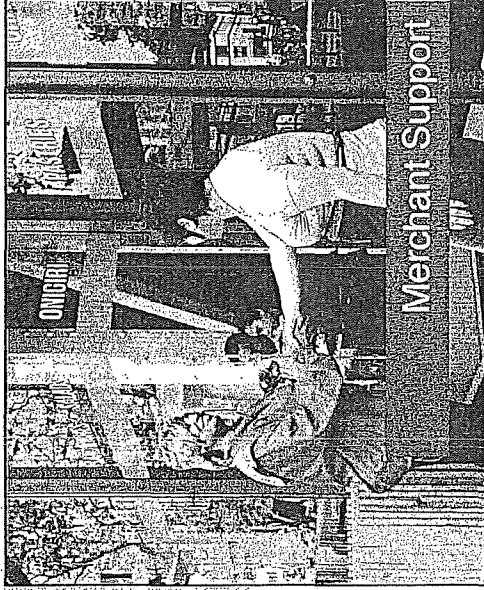
C M C B D PUBLIC SAFETY



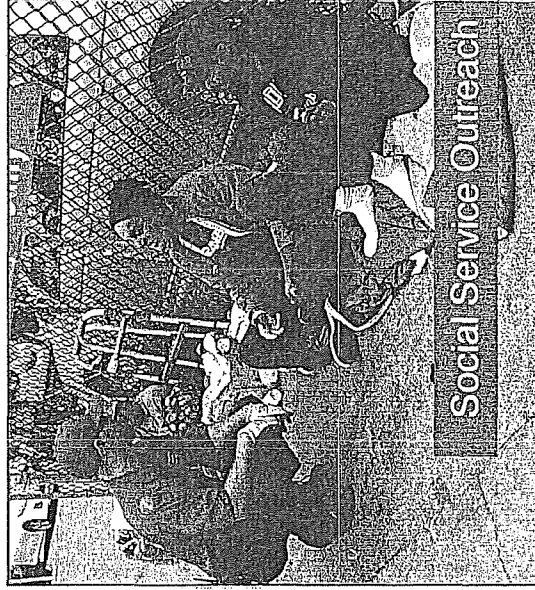
Directions & Referrals



Resident Support



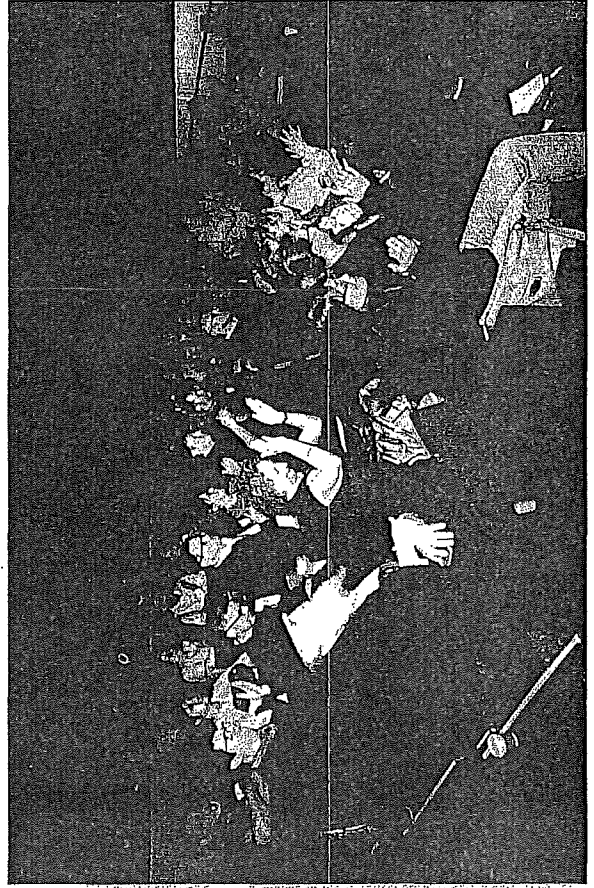
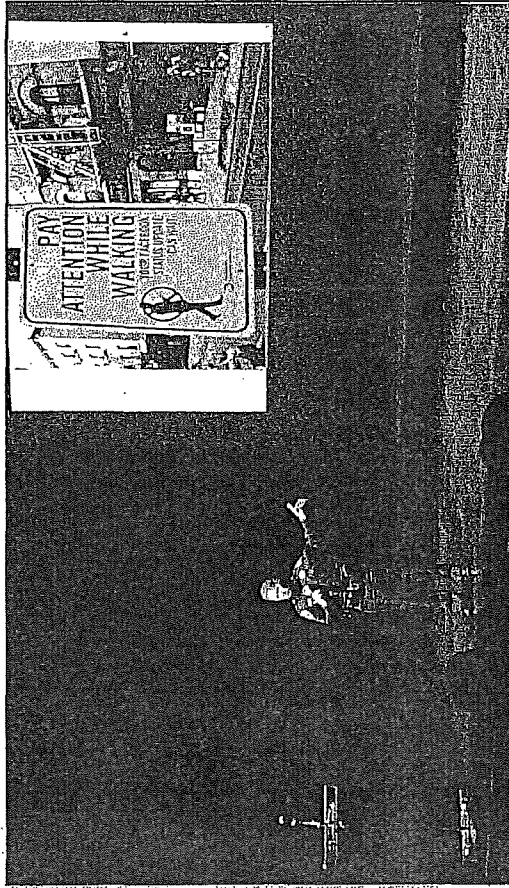
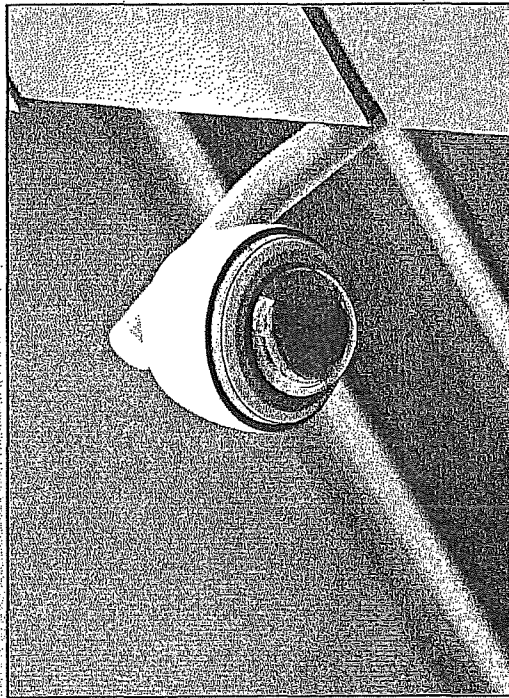
Merchant Support



Social Service Outreach

CMCCBD PUBLIC SAFETY

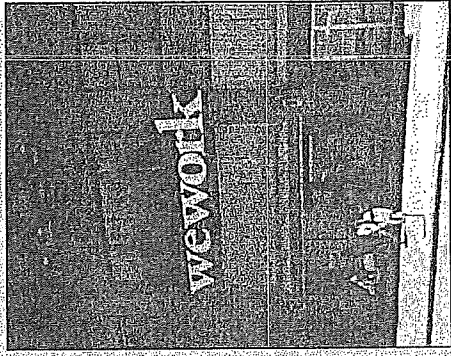
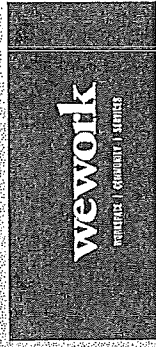
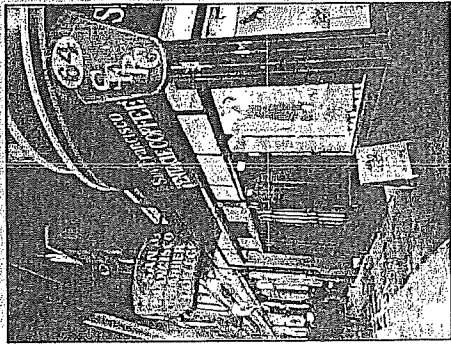
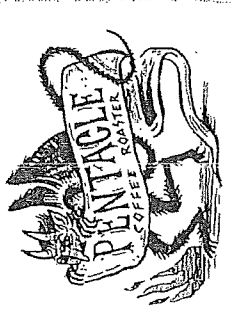
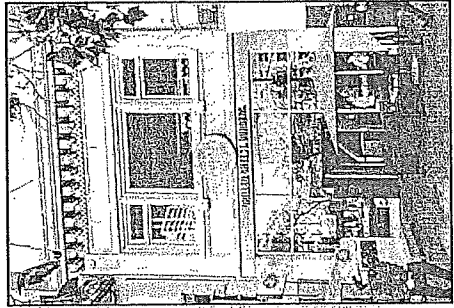
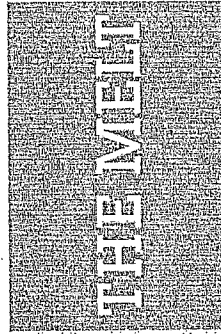
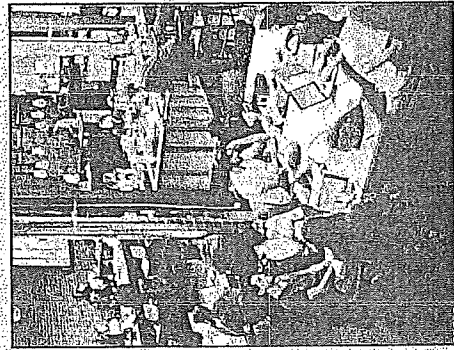
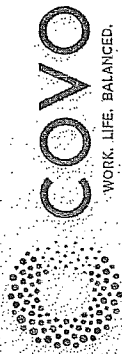
Cameras | Co-responder Safety Teams | Safety Summit





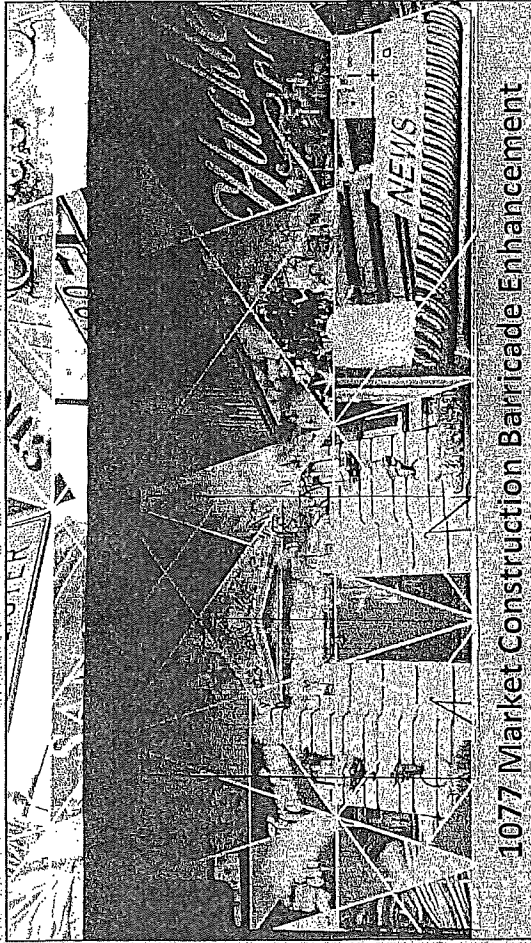
ECONOMIC DEVELOPMENT

**JOB
GOODS AND SERVICES
ACTIVE STOREFRONTS & SIDEWALK STEWARDS
SPECIAL EVENTS**

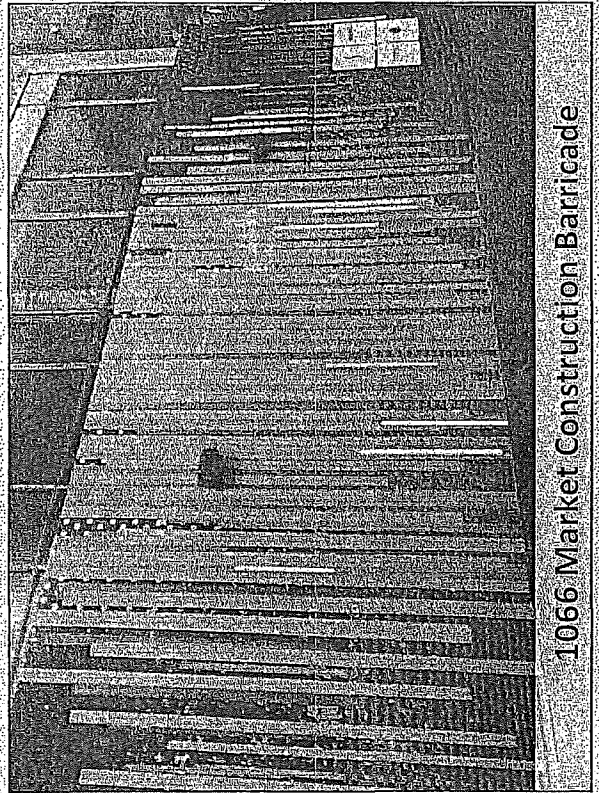




ECONOMIC DEVELOPMENT



1077 Market Construction Barricade Enhancement



1056 Market Construction Barricade

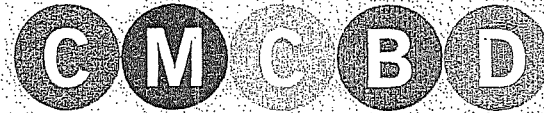


8th Annual 2 Blocks of Art Business & Community Event



965

THANK YOU!



central market community benefit district



Text:

dispatch@central-market.org



Call:

415.543.5223



Email:

dispatch@central-market.org



Service Hours:

7am-7pm, 7 days/week

2017 BOARD OF DIRECTORS

David Fariello
UCSF Citywide Case Management

Jim Sangiacomo
Trinity Properties

David Harrison
Palson Company

Matt Semmelhack
Mercer Restaurant Group

Ralph Lee
Hotel Whitcomb

Brian Smith
Huckleberry Bicycles

Sara McGhie
Alonzo King LINES Dance Center

Jane Well
Resident

Dipak Patel
Stay In SF

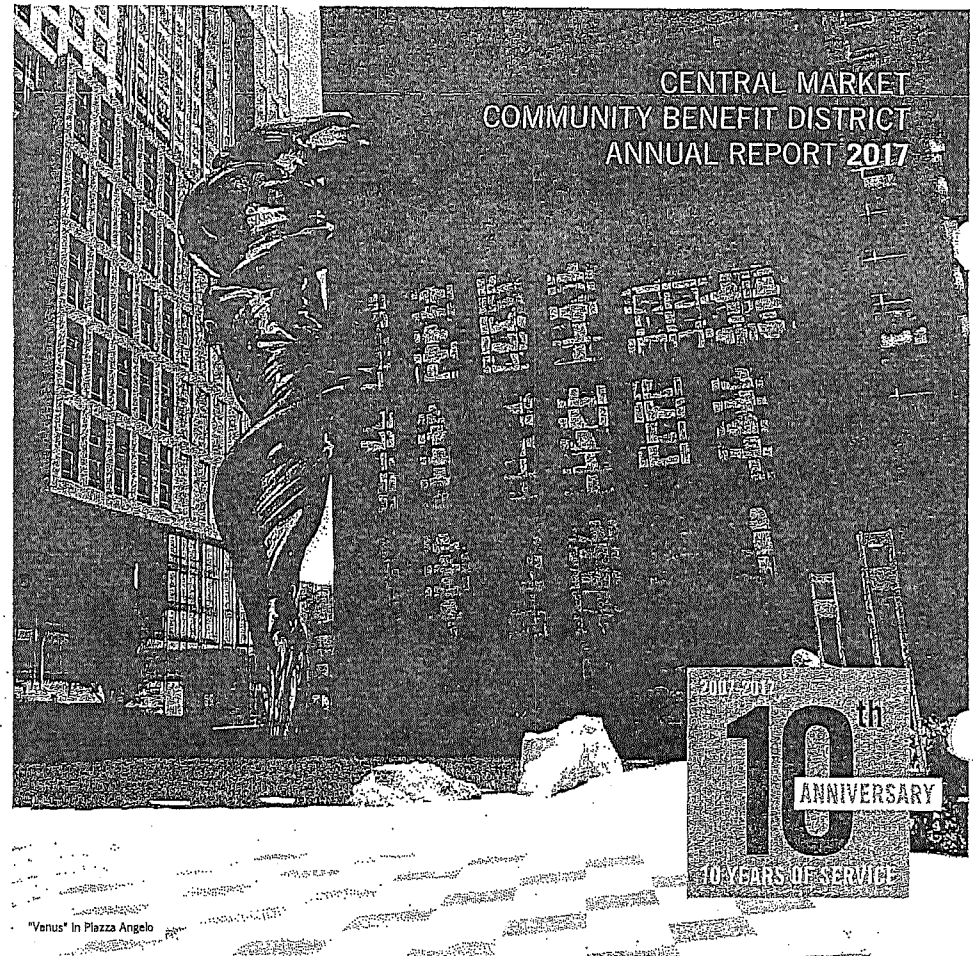
Bill Whitfield
Shorenstein Realty

Kyle Pickett
Urban Fabrick Inc.



central market community benefit district

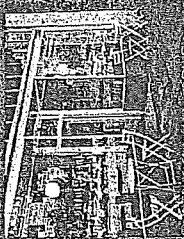
901 Market Street, Suite 490 | San Francisco, CA 94103
(415) 957-5985 | Info@central-market.org | central-market.org



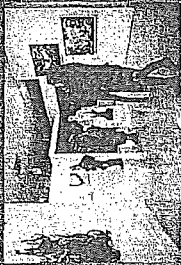
"Venus" In Piazza Angelo

2017 ACHIEVEMENTS

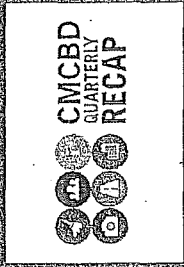
Business Attraction, Retention & Expansion



2 Blocks of Art



Quarterly Recaps



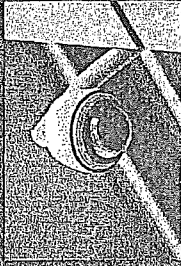
Clean Team



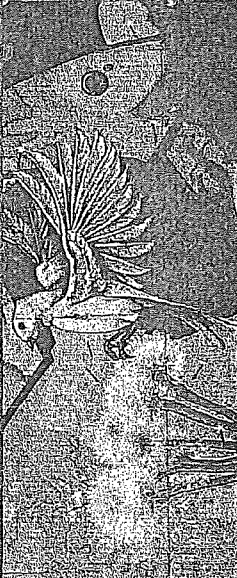
Safety Teams



Security Camera Program



Summer Nights Arts Series



10 YEARS OF SERVICE

Dear CMCBD Stakeholder,

For the past 10 years we have made Central Market a better place. Our services have helped property owners keep their properties clean, safer, and at a positive contribution to a healthier, more vibrant and cohesive neighborhood.

CMCBD cleaning services help maintain residential and commercial ground-floor facades, storefronts, and sidewalks (not required to be maintained by the City) benefiting owners, tenants, employees and visitors alike.

We strive to attract, retain and stabilize small businesses and community service organizations, and we continue to educate new residents, businesses and employees on best practices for success in the District.

We have also helped care for people in need, in addition to providing training for pedestrians. CMCBD Antisocials also will focus in need of medical attention or social service support, providing referrals, escorts and calls for emergency services as needed.

What's more, since our second term began in 2014, we have exceeded our annual general benefit fundraise goal of \$3.65M by raising an average of 1.6M per year, allowing us to provide even more cleaning, maintenance, safety and economic development services throughout the District.

Please continue to access CMCBD services via:

Dispatching:
dispatch@centralmarketdc.com
(202) 543-5223

Hours: 7am - 7 days per week

Email: info@centralmarketdc.com to receive CMCBD Quarterly Recaps, including service status, District News and information.

Visit our website at: centralmarketdc.com for program information and other District resources.

Sincerely,
CMCBD Board of Directors



CMCBD Board Members left to right: Bill Whitefield, Jim Sanglecomm, Phillip Garbis, Jane Weil, Kyle Pickett, Ralph Lee, David Harrison and Dikar Paul.

THE DISTRICT

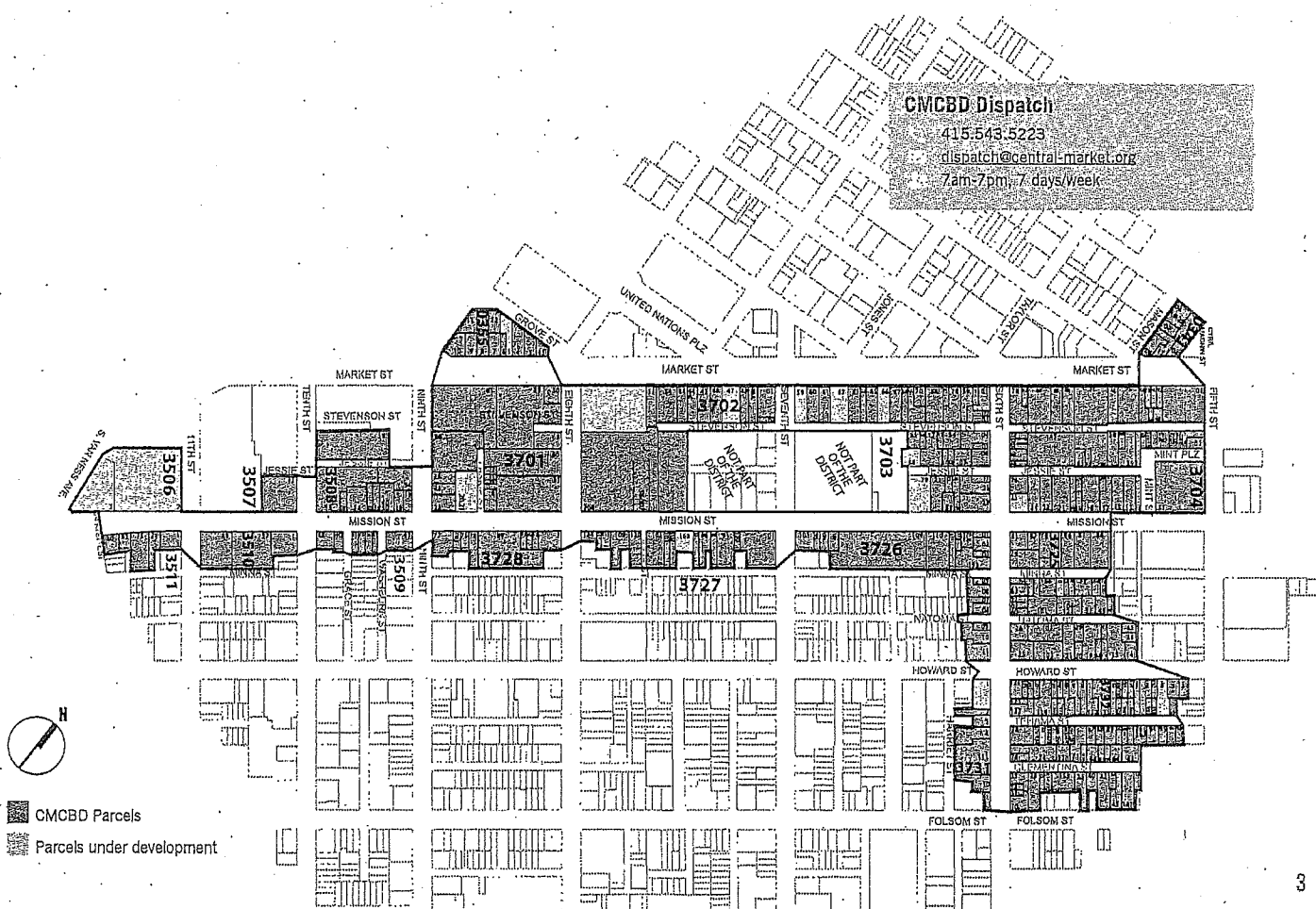
Centrally located along mid-Market Street, the CMCBD's 98 acres include parts of Civic Center, SOMA, Tenderloin and Union Square neighborhoods. With over 900 existing parcels and several new residential and commercial real estate development projects underway, CMCBD is San Francisco's most dynamic property-based Improvement district.

Home to two of downtown San Francisco's busiest transit stations—Powell Street and Civic Center—early morning commuters, late night theater-goers, residents and International tourists enjoy convenient access to the City's Municipal Railway (Muni) and Bay Area Rapid Transit (BART). The highly-trafficked area requires balancing the needs of the District with a specialized approach, and great attention to detail.

CMCBD services were key in 2017. Sidewalks and storefronts continued to endure the impacts of real estate development sites (active and not) and requests for pedestrian safety and social service interventions rose dramatically. In addition to dispatching crews 7am to 7pm 7 days a week, CMCBD continued to ensure the City fulfilled its contractual obligation to maintain baseline cleaning, maintenance and public safety services.

Economic Development efforts included the attraction and retention of businesses and non-profit organizations, and marketing and promotional activities that illuminated the District's robust amenities. The following pages contain the year's programming highlights, initiatives and outcomes.

Please visit CMCBD's website for more current and in depth information at central-market.org.



CLEANING, MAINTENANCE & PUBLIC SAFETY

Clean Team

While it is the responsibility of the street maintenance and public works departments to maintain the cleanliness of the streets, the Clean Team provides the public with the ability to report and report on litter and debris. The Clean Team is a group of volunteers who are trained to clean up litter and debris on the streets. The Clean Team is a group of volunteers who are trained to clean up litter and debris on the streets. The Clean Team is a group of volunteers who are trained to clean up litter and debris on the streets.

Community Ambassadors

Community Ambassadors are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public.

100-011111 Program

The 100-011111 Program is a program that provides support and assistance to the public. It is a program that provides support and assistance to the public. It is a program that provides support and assistance to the public. It is a program that provides support and assistance to the public.

Safety Team

The Safety Team is a group of volunteers who are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public.

Mid-Market Business Association Business Safety Team

The Mid-Market Business Association Business Safety Team is a group of volunteers who are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public. They are trained to provide support and assistance to the public.





Work Cafe Center



Public Coffee



The Mail

ECONOMIC DEVELOPMENT

Business Attraction, Retention, & Expansion

CVB's walls-to-walls initiative for District 5 aims to attract, retain, and expand businesses in the area. CVB has been successful in attracting new businesses to the area, including the opening of a new restaurant, a new retail store, and a new service business. CVB has also been successful in retaining existing businesses in the area, including the opening of a new branch of an existing business and the expansion of an existing business. CVB has also been successful in expanding existing businesses in the area, including the opening of a new branch of an existing business and the expansion of an existing business.

New business openings in and around the district in 2017 included:

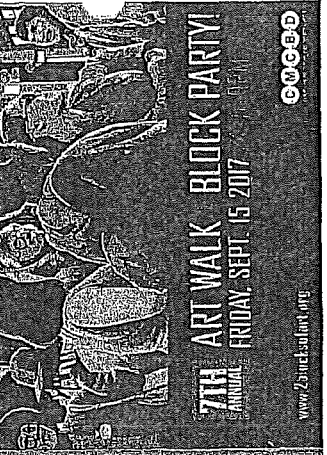
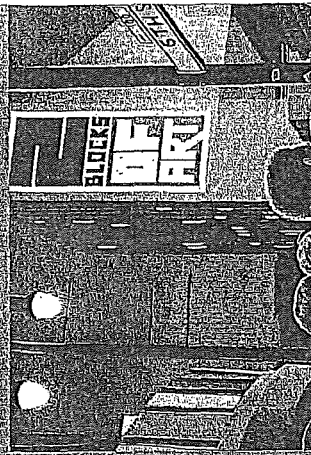
- District 5
- District 6
- District 7
- District 8
- District 9
- District 10
- District 11
- District 12
- District 13
- District 14
- District 15
- District 16
- District 17
- District 18
- District 19
- District 20
- District 21
- District 22
- District 23
- District 24
- District 25
- District 26
- District 27
- District 28
- District 29
- District 30
- District 31
- District 32
- District 33
- District 34
- District 35
- District 36
- District 37
- District 38
- District 39
- District 40
- District 41
- District 42
- District 43
- District 44
- District 45
- District 46
- District 47
- District 48
- District 49
- District 50

2 Blocks of Art

On October 13, 2017, Blocks of Art returned to the Street for the second year. Organized by CVBDD, the event featured more than 100 artists showcasing their work in galleries, salons, restaurants, hotels, and small businesses along 21st Street from 14th to 16th.



JAM Gallery



7TH ANNUAL ART WALK BLOCK PARTY

FRIDAY, SEPT. 15, 2017



www.21streetart.org

2017 GOLDEN BRICK AWARD

Trinity Plaza was awarded the 2017 CMCBD Golden Brick Award for Plaza Angelo, the District's newest, privately-owned, public space at the corner of Bl and Market. The art-filled plaza, built by Trinity's owner, the Sangacomo Family, is a landscape of surprises, according to artist Lawrence Argent. Argent designed the 92-foot sculpture "Venus," which stands just ten feet shy of the Statue of Liberty and is San Francisco's latest piece of public art. It serves as the Plaza's focal point.

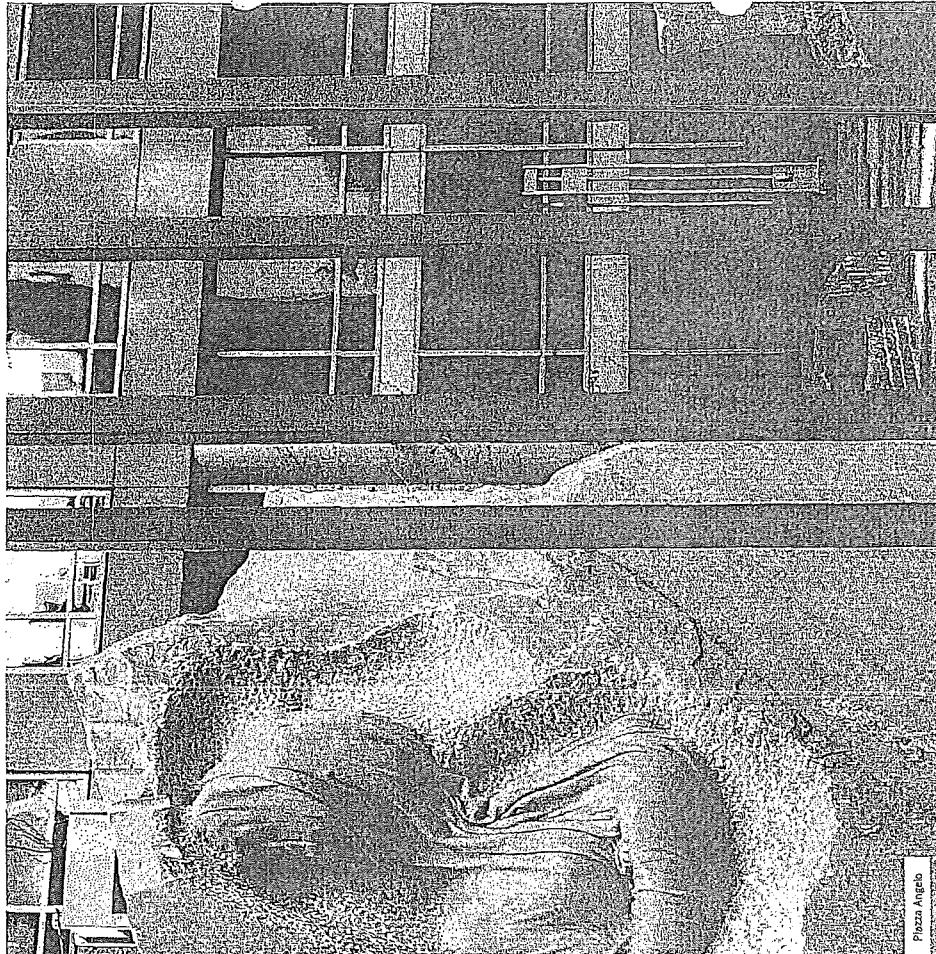
"Venus" is surrounded by numerous other artworks in marble and glass. Lush landscaping and retail spaces, crowned by residential towers, create the urban oasis on all sides. Perimeter retail spaces offer new goods, services and jobs in the community and foot traffic in the area has increased significantly from locals and visitors coming to see the Plaza's amenities, art and architectural achievements. This year's award was presented by Jill Manton from the San Francisco Arts Commission to Yvonne Sangacomo representing Trinity Properties.



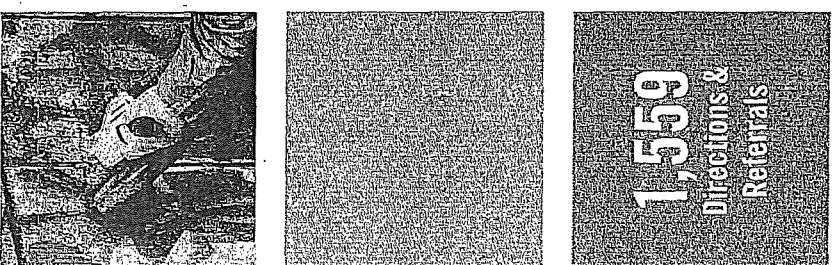
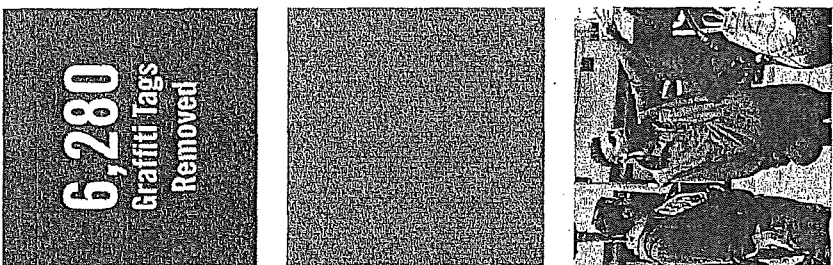
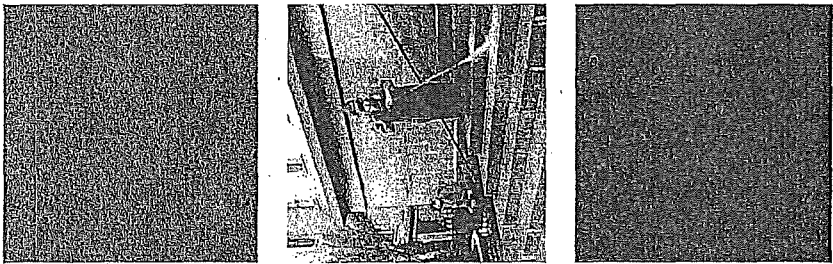
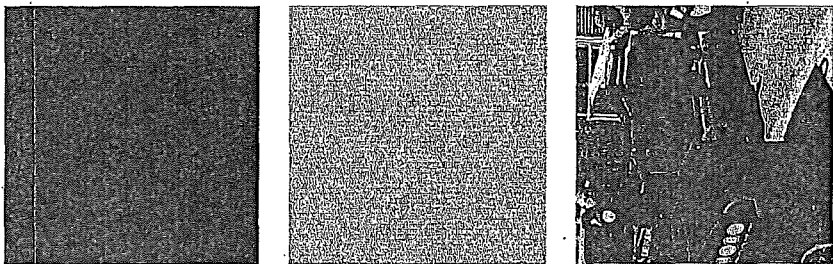
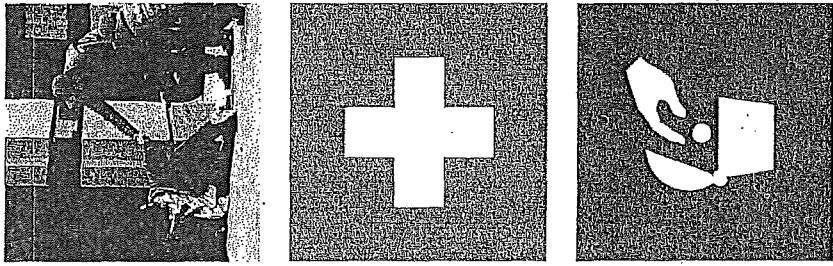
Plaza Angelo Grand Opening Celebration



CMCBD Board member Jane Wall with Yvonne Sangacomo and CMCBD Executive Director Tracy Everwine



Plaza Angelo



6,280
Graffiti Tags
Removed

1,559
Directions &
Reterrals

FINANCIALS

Assessment Methodology

The method of apportioning benefit to parcels within the District reflects the proportional special benefit associated with property from the District services provided. The improvement is based upon the various property characteristics for each parcel (each parcel's linear street frontage, lot area, number of building square feet, etc.) and has been used as the normal assessment variable for that benefit. This calculation is a significant factor in determining the annual assessment rate for each parcel. The District Management Board is authorized to:

2017 CMCBD Budget & Balance Sheet

INCOME	BUDGET	ACTUAL
Assessments	\$1,406,339	\$1,448,739
Non-Assessment	\$176,250	\$514,281
Income: Fundraising/ In-kind		
Interest Income	\$100	\$189
Total Income	\$1,582,689	\$1,963,210

EXPENSE	BUDGET	ACTUAL
Cleaning and Maintenance	\$403,737	\$363,290
Public Safety	\$602,454	\$473,590
Management and Economic Development	\$405,074	\$411,281
Non-Assessment Expense: Fundraising/ In-kind	\$176,350	\$465,399
Total Expense	\$1,487,615	\$1,713,560

ASSETS	BUDGET	ACTUAL
Cash and Cash Equivalents		\$861,161
Accounts Receivable		\$216,180
Security Deposits		\$2,190
Total Assets		\$1,079,531

LIABILITIES	BUDGET	ACTUAL
Accounts Payable		\$297,018
Accrued Expenses		\$30,274
Total Liabilities		\$327,292

NET ASSETS	BUDGET	ACTUAL
Unrestricted		\$752,259
Total Liabilities & Net Assets		\$1,079,531

CARRY OVER	BUDGET	ACTUAL
Contingency & Reserve		\$501,462
Net Assets		\$250,797
Total Carry Over		\$752,259



MARKETING & PROMOTION

Quarterly Recaps

CMCBD continues to provide a wide range of services and information to residents and businesses in the area. The District's comprehensive recap of the year's events, milestones and available data is available on the website. The District's website also provides information on the 2017 District's activities and financial performance. The District's website is a valuable resource for residents and businesses. Please contact us if you have any questions or need more information.

Financial Reporting

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

Service Category/Budget Line	Management Plan Budget	Management Plan Budget	Actual from Gen. Benefit (if applicable)	% of Budget	FY 2017 Budget	Actual from Gen. Benefit (if applicable)	% of Budget	Variance %	Source
SA 66 - Central Market CBD - Public Safety	\$ 431,393.73		\$ 35,209	31.25%	\$ 501,454.27	\$ 473,980.44	26.00%	-0.83%	
SA 66 - Central Market CBD - Cleaning and Maintenance	\$ 357,000.00		\$ 28,725	15.51%	\$ 403,737.88	\$ 369,100.50	19.84%	-1.92%	
SA 66 - Central Market CBD - Management and Economic Development	\$ 300,885.66		\$ 24,555	24.55%	\$ 405,074.08	\$ 413,281.81	22.58%	-3.02%	
SA 66 - Central Market CBD - Contingency and Reserve	\$ 141,165.24		\$ 11,025	6.01%	\$ 95,073.53	\$ 106,036.84	7.97%	5.93%	
			\$ -		\$ -	\$ -			
			\$ -		\$ -	\$ -			
TOTAL	\$ 1,229,444.63		\$ 116,310.00	100.00%	\$ 1,446,348.76	\$ 1,356,199.69	100.00%		

BENCHMARK 2: General Benefit Requirement

Revenue Source	FY 2017 Actual	% of Actual	Source
Assessment Revenue	\$ 1,444,739.76	78.47%	
Total Assessment (Special benefit) Revenue			
Contributions and Sponsorships			
Grants			
Donations			
Interest Earned			
Earned Revenue			
Other			
Total Non-Assessment (General Benefit) Revenue	\$ 397,605.00	21.53%	
Total	\$ 1,842,344.76	100.00%	

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

SA 66 - Central Market	FY 2017 Budget	Amount from Assessment	Amount from Gen. Benefit (if applicable)	% of Budget	Budget from Budget	Actual	Amount from Assessment	Amount from Gen. Benefit	% of Actual	% of Actual (Total Budget)	Variance (Assessment)	Variance Total Budget	Source
SA 66 - Central Market CBD - Public Safety	\$ 501,454.27	\$ 501,454.27	\$ -	31.25%	\$ 473,980.44	\$ 473,980.44	\$ 455,177.67	\$ 18,802.77	26.00%	26.00%	-0.83%	-5.75%	
SA 66 - Central Market CBD - Cleaning and Maintenance	\$ 403,737.88	\$ 403,737.88	\$ -	15.51%	\$ 369,100.50	\$ 369,100.50	\$ 370,132.07	\$ -1,031.57	19.84%	19.84%	-1.92%	-5.57%	
SA 66 - Central Market CBD - Management and Economic Development	\$ 405,074.08	\$ 405,074.08	\$ -	24.55%	\$ 413,281.81	\$ 413,281.81	\$ 417,614.61	\$ -4,332.80	22.58%	22.58%	-3.02%	-3.02%	
SA 66 - Central Market CBD - Contingency and Reserve	\$ 95,073.53	\$ 95,073.53	\$ -	6.01%	\$ 106,036.84	\$ 106,036.84	\$ 114,018.61	\$ -7,981.77	7.97%	7.97%	5.93%	-0.08%	
General Benefit	\$ 176,350.00	\$ -	\$ 176,350.00	0.00%	\$ -	\$ 465,392.89	\$ -	\$ 465,392.89	0.00%	25.45%	0.00%	24.41%	
	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -					
	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -					
TOTAL	\$ 1,545,649.76	\$ 1,406,337.66	\$ 116,350.00	100.00%	\$ 1,400,000.00	\$ 1,423,595.16	\$ 1,356,199.69	\$ 67,395.47	100.00%	100.00%			

BENCHMARK 4: Whether CBD 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

FY 2017 Carryover Disbursement	Source	Spent down Through
Special Assessment Project		
SA 66 - Central Market CBD - Public Safety	\$ 17,419.74	
SA 66 - Central Market CBD - Cleaning and Maintenance	\$ 1,031.57	
SA 66 - Central Market CBD - Management and Economic Development	\$ 4,332.80	
SA 66 - Central Market CBD - Contingency and Reserve	\$ 7,981.77	
0		
Special Project Total	\$ 30,806.88	
Total Designated Amount for FY 2018	\$ 249,643.16	

**CENTRAL MARKET COMMUNITY
BENEFIT CORPORATION**

REVIEWED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2017**

This Page Left Intentionally Blank

**CENTRAL MARKET COMMUNITY
BENEFIT CORPORATION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Table of Contents

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Activities	3
Statement of Cash Flows	4
Notes to Financial Statements	5
SUPPLEMENTAL INFORMATION	
Schedule of Functional Expenses	12

This Page Left Intentionally Blank



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Central Market Community Benefit Corporation
San Francisco, California

We have reviewed the accompanying statement of financial position of Central Market Community Benefit Corporation (a California nonprofit benefit organization) as of December 31, 2017, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services issued by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with generally accepted accounting principles in the United States of America. We believe that the results of our procedures provide a reasonable basis for our report.

Accountant's Conclusion

Based on our review, we are not aware of any material modification that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States.

Supplementary Information

The supplementary information included in the Schedule of Functional Expenses is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Maze & Associates

Pleasant Hill, California
May 14, 2018

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

1

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W mazeassociates.com

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

STATEMENT OF FINANCIAL POSITION

December 31, 2017

ASSETS

Current Assets:

Cash and cash equivalents (Note 3)	\$359,720
Cash restricted for contingencies and reserve (Note 3)	501,462
Account receivable	216,181
Security deposits	<u>2,190</u>

Total Assets 1,079,553

LIABILITIES

Current Liabilities:

Accounts payable	297,018
Accrued expenses	<u>30,274</u>

Total Liabilities 327,292

NET ASSETS (Note 2G)

Unrestricted 752,261

Total Net Assets \$752,261

See accountant's review report and notes to financial statements.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

CHANGE IN UNRESTRICTED NET ASSETS:

Support and Revenues

Local property assessments	\$1,448,740
General benefit non-assessment revenue (General benefit non-assessment expense includes carryover funds used of \$116,865)	514,281
Investment income	189
	<hr/>
Total Support and Revenues	1,963,210

Expenses

Program:	
Cleaning and maintenance	362,988
Public safety	467,119
Management and economic development	415,259
General benefit non-assessment expense	610,539
	<hr/>
Total Expenses	1,855,905
Change in Unrestricted Net Assets	107,305
Unrestricted Net Assets, Beginning of Year	644,956
	<hr/>
Unrestricted Net Assets, End of Year	\$752,261

See accountant's review report and notes to financial statements.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2017

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$107,305
Adjustments to reconcile support and revenue over expenses to net cash provided (used) by operating activities:	
Increase/decrease in:	
Accounts receivable	(216,181)
Other assets	66,534
Security deposits	(315)
Accounts payable	214,906
Accrued expenses	(15,899)
Deferred revenue	<u>(906,263)</u>
Total adjustments	<u>(857,218)</u>
Net cash used by operating activities	<u>(749,913)</u>
Net (decrease) in cash	(749,913)
Cash and cash equivalents, beginning of year	<u>1,611,095</u>
Cash and cash equivalents, end of year	<u><u>\$861,182</u></u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

No taxes or interest were paid by the Corporation during 2017

See accountant's review report and notes to financial statements.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

NOTE 1 – ORGANIZATION AND PROGRAMS

A. Reporting Entity

Central Market Community Benefit Corporation (CMCBC) or (the Organization) is a California nonprofit, community-based organization incorporated in February 2007, to provide programs and services to improve the overall cleanliness, safety and economic development of the Central Market district in San Francisco, California.

Funding is provided primarily from special assessments collected from every property owner in the district through the City and County of San Francisco. The annual budget for CMCBC is allocated into the following spending categories: 28.7% cleaning and maintenance, 35.2% public safety, 24.6% management and economic development and 11.5% contingency.

B. Programs

Cleaning and Maintenance – CMCBD public realm services include: graffiti abatement, sidewalk sweeping and pressure washing, landscape maintenance and reporting of issues to the Department of Public Works.

Public Safety – CMCBD's Community Guides program provides way-finding assistance, social service outreach and serves as eyes and ears on the street deterring and reporting crime. CMCBD also provides a uniformed SFPD 10b Police Officer to support CMCBD field staff. 10b Officers work alongside CMCBD staff to address crime and quality of life issues within the neighborhood.

Management and Economic Development – Management oversees the Organization's operations and advocates for more responsive City services. Economic development efforts support District business attraction, retention and expansion; and marketing and special events that enhance District awareness and vitality.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS.
For the Year Ended December 31, 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor or payor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. The Organization considers that all contributions for long-lived assets have implied time restrictions and classifies this support as temporarily restricted until the purpose restriction is met. When a restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

B. Income Taxes

The Organization 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 Organization 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 Organization paid no taxes on unrelated business income for the year ended December 31, 2017.

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 Organization 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 Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Organization's tax returns remain open for federal income tax examination for three years from the date of filing.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Estimates

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

D. Statement of Cash Flows

For purposes of the statement of cash flows, the Organization considers all highly liquid debt investments purchased with an initial maturity of three months or less to be cash equivalents.

E. Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted based on management's estimates.

F. Support and Revenue Recognition

Support and revenue are recognized when the donor or grantee makes a promise to give to the Organization that is, in substance, unconditional. Support that is restricted by donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

G. Net Assets Classifications

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets: Unrestricted net assets include expendable resources over which the CMCBC Board of Directors has discretionary control and are used to carry out operations in accordance with its bylaws. Included in unrestricted net assets are funds used to account for fixed asset acquisitions, improvements and related activities.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Temporarily Restricted Net Assets: Temporarily restricted net assets include resources expendable only for those purposes specified by the donor or grantor. The restrictions are satisfied either by the passage of time or by actions of the Organization.

Permanently Restricted Net Assets: Permanently restricted net assets include resources subject to donor-imposed stipulations that they be maintained permanently by the Organization.

H. 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.

I. Advertising

The Organization follows the policy of expensing advertising costs as incurred.

NOTE 3 – CASH AND CASH EQUIVALENTS

As of December 31, 2017, the Organization's cash is summarized as follows:

Cash in bank	<u>\$861,182</u>
--------------	------------------

Of the \$861,182 total cash and cash equivalents above, \$501,462 has been set aside as restricted for contingencies and reserve, in accordance with the Organization's management plan with the City and County of San Francisco.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2017

NOTE 4 – RETIREMENT PLAN

The Organization sponsors a defined contribution plan for its full-time employees. The Organization contributed \$7,563 to the plan during the year ended December 31, 2017.

NOTE 5 – ASSESSMENT REVENUE

The Organization receives assessment revenues from the San Francisco City and County on behalf of members in the assessment district as a part of the County tax roll. Conversely, the Organization does not have control over unpaid assessments. The City and County may not be able to collect on unpaid assessments. As such, revenue is only recorded when received.

As of December 31, 2017, the Organization had outstanding assessments of \$8,304 for fiscal year 2017.

NOTE 6 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events for recognition and disclosure through May 14, 2018 the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2017 that require recognition or disclosure in such financial statements.

This Page Left Intentionally Blank

SUPPLEMENTAL INFORMATION

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2017

	<u>Totals</u>
Cleaning and Maintenance	
Cleaning and Maintenance Support	\$345,917
Cleaning Maintenance Indirect Expense	17,071
Total Cleaning and Maintenance Expense	<u>362,988</u>
Public Safety	
Community Guides	348,812
Dispatch Services	43,462
10B Officers	45,625
Security Camera	2,565
Uniforms	5,094
Public Safety Indirect Expense	21,561
Total Public Safety Expense	<u>467,119</u>
Total Program Expense	<u>830,107</u>
Management and Economic Development	
Rent	26,620
Office Supplies	6,662
Accounting and Auditing Fees	34,302
Legal Fees	4,375
Marketing and Promotion	30,921
Marketing and Promotion Indirect Expense	1,580
Other Indirect Expense	3,243
Economic Development	
Economic Development	48,500
Economic Development Indirect Expense	2,465
Staff	
Salaries	200,545
Payroll Taxes	19,853
Health and Other Fringe Benefits	26,450
Workers' Compensation	3,353
Payroll Fees	6,240
Recruitment Fees	150
Total Management and General	<u>415,259</u>
Total Expenses (A)	<u><u>\$1,245,366</u></u>

(A) - Total Expenses does not include contingencies and reserve and general benefit non-assessment expenses



Office of Economic and Workforce Development

City and County of San Francisco: Office of Mayor London N. Breed
Economic and Workforce Development: Joaquín Torres, Director

MEMO

To: Supervisor Matthew Haney, District 6
CC: San Francisco Board of Supervisors
Chris Corgas, OEWD Senior Program Manager
From: Helen Mar, OEWD Project Manager
RE: Central Market Community Benefit District
Date: 6/17/2019

This is a memo summarizing the performance of the Central Market Community Benefit District (CMCBD) and an analysis of their financial statements (based on their audit) for the period between January 1, 2017 and December 31, 2017.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Central Market 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 Central Market Community Benefit District's Management Contract with the City; and their Management Plan as approved by the Board of Supervisors in 2014.

Also attached to this memo are the following documents:

1. Annual Reports
 - a. CY 2017
2. CPA Financial Review Reports
 - a. CY 2017
3. Draft resolution from the Office of Economic and Workforce Development

Background

The District is generally described as from the West side of 5th Street to the East side of South Van Ness Avenue, and from the South side of Market Street to the South Side of Mission Street. In addition, one block North of Market between Cyril Magnin and Mason, and one block North of Market between Grove and Larkin are included. Also, properties along Sixth Street between Market and Folsom Streets, along



with the properties on adjacent streets and alleys East and West of Sixth Street (to varying distances) are included. The District contains 807 parcels, including the former US Mint building and Mint Plaza.

- July 23, 2013: the Board of Supervisors approved the resolution that established (renew and expand) the property-based district called the Central Market Community Benefit District (Resolution #264-13).
- February 4, 2014: the Board of Supervisors approved the contract for the administration and management of the Central Market Community Benefit District (Resolution # 019-14).
- February 3, 2015: the Board of Supervisors approved CMCBD's Annual Reports for CYs 2011, 2012, and 2013 (Resolution # 034-15).
- June 7, 2016: the Board of Supervisors approved CMCBD's Annual Report for CY 2014 (Resolution # 230-16).
- September 20, 2016: the Board of Supervisors approved Resolution modifying the Management District Plan and Engineer's Report to remove the district-wide cap on annual assessment revenues levied on properties located in the property-based business improvement district (community benefit district) known as the "Central Market Community Benefit District;" and making environmental findings (Resolution # 402-16).
- May 9, 2017: the Board of Supervisors approved CMCBD's Annual Report for CY 2015 (Resolution # 170-17).
- November 13, 2018: the Board of Supervisors approved the CMCBD's Annual Report for CY 2016 (Resolution # 400-18).

Basic Info about Central Market CBD

Year Established	2006
Year Renewed	2013
Year Modified	2016
Assessment Collection Period	2013 - 2027
Services Start and End Date	January 1, 2014 - December 31, 2028
Initial Estimated Annual Budget	\$1,225,433.63
Calendar Year	January 1 – December 31
Executive Director	Tracy Everwine
Name of Nonprofit Entity	Central Market Community Benefit District Corporation

The current CBD website, <http://www.central-market.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

Public Safety

The District's approach focuses on customer service hospitality, crime prevention and social service outreach. Key programs include: Community Guide ambassadors, SFPD 10B Officers, community meetings and public safety seminars.

Cleaning and Maintenance

Cleaning and maintenance services include enhanced cleaning and maintenance services within the public right-of-ways (above and beyond) the baseline level of service provided by the City of San Francisco.

Management and Economic Development

Management includes day-to-day management of the organization and advocacy for District needs with various City departments ensuring good and timely service. Economic Development activities such as business attraction, retention and promotion encourage non-residential properties to maximize their development and land use.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

CY 2017

**Note: In collaboration with the Mayor's Office of Economic and Workforce Development, CMCBD has developed standardized metrics for measuring program performance.*

Public Safety

- Public Safety Services (*partial list*):
 - Completed 6,622 camping and trespassing interventions
 - Provided 1,559 directions and referrals
 - Partnered with Mid-Market Business Association to deploy a special summer of Safety Team three times a week for the months of July, August and September along Market Street, Tenderloin, and SoMa blocks

Cleaning and Maintenance

- Cleaning and Maintenance Services (*partial list*)
 - Collected 28,679 needles
 - Removed 6,280 graffiti tags, stickers, and flyers
 - 1,320 human/animal waste clean-ups
 - 1,198 social service interventions
 - Pressure washed 30,000 linear feet of sidewalk per quarter

Management and Economic Development

- Effectively collaborated with neighboring CBDs and multiple City agencies
- Regularly posted on retail vacancies on CMCBD's website and available spaces were shown to a number of prospects
- Provided lease renewal assistance and physical improvement project assistance to new and existing businesses

- Provided free advertising and lease negotiation services for owners and tenants
- Helped attract 11 new retail businesses to the District: Dosa Allee, DOUGH & CO, FedEx, Kagawa-Ya Udon Noodle Co., Mai Adachi, Mateo's Taqueria, Peet's Coffee, Pentacle Coffee, Saint Frank Coffee, Street Taco, The Melt
- Held the 7th annual "2 Blocks of Art" art walk promoting local art and District businesses

CMCBD Annual Budget Analysis

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

- **BENCHMARK 1:** Whether the variance between the budget percentages for each service category were within 10 percentage points of the percentages in the Management Plan (*Agreement for the Administration of the "Central Market Community Benefit District", Section 3.9 – Budget*).
- **BENCHMARK 2:** Whether three and sixty eight hundredths percent (3.68%) of actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the "Central Market Community Benefit District", Section 3.4 – Annual Reports*).
- **BENCHMARK 3:** Whether the variance between the budget expenses and actual expenses within a calendar year was within 10 percent (*Agreement for the Administration of the "Central Market Community Benefit District", Section 3.9 – Budget*).
- **BENCHMARK 4:** Whether CMCBD is indicating the amount of funds to be carried forward into the next calendar year and designating projects to be spent in that calendar year (*CA Streets & Highways Code, Section 36650(B)(5)*).

CY 2017

BENCHMARK 1: Whether the variance between the percentage amounts for each service category were within 10 percentage points of the percentages identified in the Management Plan.

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

Service Category	Original Management Plan Budget	% of Budget	CY 2017 Budget	% of Budget	Variance Percentage Points
Public Safety	\$431,382.73	35.20%	\$502,454.27	35.73%	+0.53%
Cleaning and Maintenance	\$352,000.00	28.73%	\$403,737.88	28.71%	-0.02%
Management and Economic Development	\$300,885.66	24.55%	\$405,074.08	28.80%	+4.25%
Contingency and	\$141,165.24	11.52%	\$95,073.53	6.76%	-4.76%

Reserve					
TOTAL	\$1,225,433.63	100%	\$1,406,339.76	100%	

BENCHMARK 2: Whether three and sixty eight-hundredths percent (3.68%) of actuals came from sources other than assessment revenue.

ANALYSIS: CMCBD met this requirement. See table below.

Revenue Sources	CY 2017 Actuals	% of Actuals
Special Benefit Assessments	\$1,448,739.76	
Total assessment revenue	\$1,448,739.76	78.47%
Total General Benefit (non-assessment) revenue	\$397,605.00	21.53%
Total	\$1,846,344.76	100%

Non-assessment revenue applied to 3.68% General Benefit requirement

BENCHMARK 3: Whether the variance between the budget amount and actual expenses within the calendar year were within 10 percentage points.

ANALYSIS: CMCBD met this requirement. See table below.

Service Category	CY 2017 Budget	% of Budget	CY 2017 Actuals	% of Actuals	Variance Percentage Points
Public Safety	\$502,454.27	35.73%	\$473,590.44	34.92%	-0.81%
Cleaning & Maintenance	\$403,737.88	28.71%	\$363,290.50	26.79%	-1.92%
Management and Economic Development	\$405,074.08	28.80%	\$411,281.81	30.33%	+1.52%
Contingency and Reserve*	\$95,073.53	6.76%	\$108,036.94	7.97%	+1.21%
TOTAL	\$1,406,339.76	100%	\$1,356,199.69	100%	

*Contingency and Reserve may be redeployed throughout future years to meet the needs of the CBD.

BENCHMARK 4: Whether CMCBD is indicating the amount of funds to be carried forward into the next calendar year and designating projects to be spent in that calendar year.

ANALYSIS: CMCBD met this requirement. See table below.

	Total
CY 2017 Carryover	
Public Safety	\$142,343.24
Contingency and Reserve	\$108,036.94
Total Carryover Disbursement for CY 18 and Future Years	\$250,380.18

Findings and Recommendations

Within the review period of CY 2017, the Central Market CBD met 4 out of the 4 expectations and requirements as set by the California Street and Highways Code Section 36650-36651 as found on page 4 of this memo; the Agreement for the Administration of the "Central Market Community Benefit District; and the Agreement for the Administration of the "Central Market Community Benefit District."

Central Market CBD was able to raise a significant amount of General Benefit revenue from non-assessment sources. At approximately 21.53%, they greatly exceeded their General Benefit requirement by close to 17.85%.

The CBD organized and hosted its 7th annual "2 Blocks of Art" event, which featured more than 100 artists showcasing works in storefronts, galleries, restaurants, hotels, and small businesses along 6th Street from Market to Howard.

Conclusion

Central Market CBD has performed well in implementing their service plan. Central Market CBD has continued to successfully implement the service areas stated in their management plan and seized opportunities to leverage and add value to its work through fundraising, grants and collaborative partnerships. Central Market CBD has an active Board of Directors and committee members; and OEWD believes the Central Market CBD will continue to successfully carryout its mission and service plans.

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
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
Joaquin Torres, Director, Office of Economic and Workforce Development

FROM: John Carroll, Assistant Clerk, Government Audit and Oversight
Committee, Board of Supervisors

DATE: July 30, 2019

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Haney on July 23, 2019:

File No. 190813

Resolution receiving and approving an annual report for the Central Market Community Benefit District for calendar year 2017, 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 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
J'Wel Vaughan, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development
Chris Corgas, Office of Economic and Workforce Development

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

Time stamp
2013 JUL 19 PM 3:58
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 [] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Topic 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 the Imperative Form.

Sponsor(s):

Haney

Subject:

Central Market Community Benefit District - CY 2017 Annual Report to the City.

The text is listed:

Resolution receiving and approving annual reports for the Central Market CBD for calendar year 2017, 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.

Signature of Sponsoring Supervisor: []

For Clerk's Use Only