

OCEAN AVENUE COMMUNITY BENEFIT DISTRICT
Strategic Plan 2021

*“Where Everybody Knows Your Name
And They Are Always Glad You Came.”*

January, 2021
Prepared by Urban Place Consulting Group, Inc.

INTRODUCTION & BACKGROUND

The Ocean Avenue Community Benefit District was established by property owners in 2010. The District was legally established in November of 2010 with services beginning in January 2011. The District has a 15-year term ending June 30, 2025.

Two important conditions were created with the establishment of the CBD that have had a material effect on the operations of the District. The first condition was the underfunding of the District. The management plan and the process to establish the District created an expectation of a high level of program and service delivery. The budget and assessment level were not established at a level that would provide for the level of programs and services expected by the community.

The second condition was created by the District not beginning programs and services in January 2011 as envisioned. The District did receive assessment income beginning in January 2011. By not starting services at the time of receiving the assessments a large surplus or reserve was created that has been carried forward each year. As of 7/1/2020 the reserve was \$176,491.

The District Management Plan defines the management of the CBD. *“The Ocean Avenue CBD will be managed by a new nonprofit 501c3 organization (the “CBD Management Corporation”) to be formed following the approval of the establishment of the Ocean Avenue CBD. The CBD Management Corporation serves as a private, nonprofit entity that is under contract with the City to administer or implement the improvements, services, and activities specified in the Management District Plan. The Board of Directors of the CBD Management Corporation must be comprised of at least 20% non-property owning businesses per the Business Improvement Districts Procedure Code. The CBD Management Corporation must comply with the Ralph M. Brown Act, commencing with Section 54950 of the Government Code, at all times when matters of the Ocean Avenue CBD are heard, discussed, or deliberated. The CBD Management Corporation will also comply with the California Public Records Act, commencing with Section 6250 of the Government Code, for all documents relating to the activities of the Ocean Avenue CBD.*

The powers and responsibilities for the CBD Management Corporation are as follows:

- Review improvements, services, and activities provided and establish priorities for the upcoming Fiscal Year*
- Implement the improvements, services, and activities specified in the Management District Plan by determining levels of improvements, services, and activities*
- Submit an annual report to Board of Supervisors*
- Coordinate with City staff regarding operational issues of the Ocean Avenue CBD*
- Hold meetings no less frequently than once per year”*

The Ocean Avenue Association (OAA) was established, as a non-profit 501 c-4, to be the CBD Management Corporation. In 2020 the OAA received non-profit 501 c-3 status, as a charitable non-profit.

OAA has been researching the possibility of conducting an early District Renewal Process prior to their mandatory termination date in 2025. As part of this process OAA received a grant from the Mayor’s Office of Economic and Work Force Development (OEWD) to prepare for an early District Renewal. As part of the grant:

“Grantee is tasked with exploring a renewal and expansion of the current Ocean Avenue CBD. In order to ensure that the Ocean Avenue CBD is in the best possible situation to succeed in its current and potential future iteration, Grantee shall complete a series of tasks designed to build their capacity and efficiency in managing the CBD.

Grant Task 3: Capacity Building

Grantee shall retain a professional services firm or consultant with expertise related to CBDs to provide operating support and prepare recommendations on alternative approaches to increase the organizational effectiveness of the CBD by:

- *conducting an operations audit*
- *conducting stakeholder outreach to determine the direction of the organization*
- *Preparing a final document which shall synthesize information learned in the previous tasks into a focused and actionable strategic plan.”*

In September, 2020, OAA contracted with Urban Place Consulting Group to fulfill Task 3 and produce a Strategic Plan for OAA.

METHODOLOGY

The contract between OAA and Urban Place Consulting defined the scope of work.

“Urban Place Consulting proposes to assist the Ocean Avenue Community Benefit District in a process to assess financial and organizational effectiveness and to craft a strategic plan for short-term, mid-term, and long-term goals. The following tasks will be completed. They are not serial in nature, but will be part of a process that addresses several tasks simultaneously.

Task One: Program Effectiveness/Operational Audit

As part of this task, the Consultant will conduct an operational audit to assess management structure, staffing needs, work programs, contracts, financial stability, and funding sources.

Task Two: Stakeholder Outreach

Task Two engages stakeholders to determine the direction of the organization. A survey of stakeholders will be conducted to gauge the community’s needs and awareness of the CBD and their programs. Individual meetings will be held with City staff, Board members, and key District stakeholders. A Board retreat will be conducted to create and/or reinforce the organization’s core purpose, vision, and goals. During the retreat, the Consultant will work with the Board to develop implementation strategies.

Task Three: Strategic Plan

Task Three synthesizes the information learned in the previous two tasks into a focused, actionable Strategic Plan.

Final Deliverables

A Strategic Plan, including the organization's goals and implementation steps to fulfill the goals. The strategic plan will look at short term, mid-term, and long term needs and will focus on the following areas:

- *Achieving financial stability and resource growth*
- *Improving program effectiveness*
- *Improving the organization's lobbying effectiveness and respect in the community*
- *Developing an effective management structure and appropriate Board/Staff relationships"*

During September, October, November and December Urban Place worked with OAA staff to:

- Research and develop an understanding of current programs
- Understand previous and current staffing levels. Conducted interviews with previous staff members.
- Obtain data on budget, work plan, grants, financial controls, annual reports, CPA review documents.
- Research Board operation
 - Researched board agendas and minutes for 2019 and 2020.
 - Attended board meetings in October, November, December 2020 and January 2021.
 - Conducted on-line survey of board members
 - Conducted phone interview of each board member.
- A 2-part Board Retreat was facilitated on December 1 and 8.

KEY FINDINGS

The findings in this section are organized into four broad categories: organizational, operational, financial and District renewal.

Organizational Findings

Organizational findings are divided here between findings internal and external to the organization.

Internal Findings

- The Board is undereducated on its legal and moral responsibility to the assessment payers and the City. There is a lack of a Board Handbook or document that defines the Board role, its legal responsibility and the organization's expectations of Board Members.
- The key issue is that the Board is not adequately meeting its fiduciary responsibilities either organizational or financial.

- There is a lack of participation by Board members at Board meetings. 2-3 Board members control the meetings and strongly influence board decisions. There is a lack of understanding and questioning of programs, finances and the Executive Director’s performance.
- There are communication challenges between the Board and the Executive Director. The Board is not clearly informed or kept up to date on the operations and programs of the CBD. (A good example of this is the contract with Urban Place to produce a strategic plan for the organization. The Executive Director consistently characterizes this as a program for CBD expansion and renewal, which it is not.)
- There is no Board/Staff developed annual work plan or agreed to annual goals for the organization.
- The Board does not hold the Executive Director accountable for meeting any annual organization goals.
- There is a lack of a thoughtful, professional transition/succession plan to replace the Executive Director who is scheduled to retire in June 2021.
- There is a lack of staff capacity to execute projects and programs beyond the CBD's core cleaning program. Only 22% of Board members rated the current staff structure as very effective.
- Only 33% of Board members rated the Board and Committee structure of the organization as having an effective structure. 33% rated it as “Somewhat Effective”, while 33% rated it as “Not So Effective”.
- At the November 2020 Board meeting: *“it was proposed to create a timeline for Dan Weaver’s succession plan to present at next Board Meeting. Propose having a new Executive Director by March 15 and have Dan can stay on as Chief Renewal Officer.”* There was further discussion of this issue at the January 2021 Board meeting, but no presentation of succession plan or job description for a new Executive Director.
- There is an inconsistency in the process to set Board agendas. Who sets the agenda? What is the role of the Executive Director, what is the role of the Board Chair? Why is the Secretary sometimes setting the agenda?

External Findings

- There is no clear focus or Board unity on the organization's purpose, vision and its relationship with other community organizations.
- Only 33% of the Board rated the organization as providing a strong leadership role in the Ocean Avenue community. 44% of the Board rated the leadership as “Sometimes” while 22% rated the leadership provided as “Weak or Rare”.
- There is a lack of consistent communication to the property owners, businesses and residents of the district.
- The Board was asked to set priorities by choosing from a list of activities. The two activities with the highest priority were:
 - Play a proactive role in changes that are coming to the Ocean Ave. community

- Play a significant role in district collaborations with other public and private partners.
- The organization has limited relationships with the property owners that pay the assessments to the District.

Operational Findings

- Only 22% of Board members rated the current staff structure of a full time Executive Director and two part-time contract staff as very effective. 67% rated it as “Somewhat Effective” and 11% rated it as not at all effective.
- Only 33% of Board members thought the organization has sufficient staff to manage its programs and fulfill its mission. 22% that there were “Somewhat Sufficient Staff” and 45% that there were “Not Very or Not Sufficient Staff”.
- On a scale of 1 to 10 with 10 as best, the Board rated the cleaning program as 7.4
- On a scale of 1 to 10 with 10 as best, the Board rated the landscape/beautification programs as 7.4
- There is not a consistent communication strategy to tell a positive story of the District and its programs.
- There is not a consistent marketing strategy to attract customers and investors to the District.
- There is a part-time consultant, funded solely from grant income, providing support to District businesses. When the board was asked what the core purpose of the organization was the most frequent answer was “To Support Business”
- The organization does not have a physical office to interact with stakeholders.
- The District is under-funded to achieve the programs and services envisioned in the District management plan. For a District of this size to provide the services and programs needed to make Ocean Avenue competitive with other neighborhood commercial districts a minimum budget would be in the \$500,000 to \$600,000 range.

Financial Findings

- The fiscal year 2020/21 budget which began July 1, 2020 was not reviewed and approved by the Board until January of 2021.
- There is a lack of a consistent distribution of timely financial reports to the Board. The Board does not receive an operation (budget to actual) report or a balance sheet or a cash flow projection on a consistent monthly basis.
- Contracts for services are not consistently reviewed and approved by the Board. An example is the current contract with Urban Place Consulting which according to the Board meeting minutes, was never presented for approval.
- There is a lack of consistent board review of grant funding and grant funds receivable. At the January 11, 2021 Board meeting an active grant report through 11/30/20 was distributed. Grant funding is 26% of the total 20/21 budget before reserves.
- There is a lack of consistent invoicing grantors for payment even though grant work has been completed and funds paid under the grants. As of 11/30/20 there is a grant receivable balance of \$127,950. There have been no grant funds received in the fiscal

year 20/21. An example of this issue is, as of January 11, 2021 the OAA has not submitted an invoice under the \$65,000 Reauthorizations Support grant which was initiated in July 2020. As of January 11, the OAA has paid out \$23,250, from reserves, for work in October, November and December under this grant.

- Lack of a Board approved financial policy document that defines the financial operations of the organization.
- There is an operating reserve (carry forward) of \$176,491 at 7/1/2020.

District Renewal Findings

- The District has a 15-year term ending June 30, 2025
- At the June 2019 Board meeting a “District Expansion Plan” was presented. A subcommittee of the board was established to oversee renewal and expansion. Minutes of Board meetings after June 2019 do not indicate any report from a renewal steering committee.
- January 2020 Board meeting Executive Director stated the OAA will work with NBS Consultants to prepare a draft management plan for renewal. Minutes don’t state a cost or source of funds for the NBS work. No contract was approved with NBS.
- August 2019 Board meeting: Weaver said that OAA staff has prepared surveys that will be sent out to existing and prospective property owners of the District to gauge interest in its early reauthorization and expansion. Weaver said that the prospective property owner survey will go out in the next ten days. The minutes of the Board meetings after August 2019 do not indicate that any results of the survey were shared with the Board.
- There is a verbal commitment from BART and MTA to support District expansion to include their stations. Unclear if there is a commitment at a financial level or a defined scope of work.
- Other than annual reports there is no consistent communication with property owner assessment payers about District services, programs or results.
- The District is underfunded. To provide the level of service needed to achieve the change needed, will take an increase of 50% to 60% in assessment revenue.

RECOMMENDATIONS

The recommendations in this section are organized into the same four broad categories as the findings above: organizational, operational, financial and District renewal. The above findings illustrate a number of issues that need to be addressed by the organization.

We believe that the following recommendations, if followed, will allow the Ocean Avenue Association to become a professional, efficient and effective organization. This will provide the organizational foundation that will enable the OAA to provide strong leadership to the Ocean Avenue community.

Implementation of the recommendations will be critical in order to:

- Lead a successful renewal and expansion of the Community Benefit District.

- Expand and improve on District programs and services
- Continue to benefit from City grant programs.

Organizational Recommendations

Internal Recommendations

1. Each Board member has a responsibility to provide leadership. The participation of each Board member in driving the vision for the District and providing guidance and oversight of operations of the OAA is critical. It is not acceptable as a Board member to just attend meetings and listen. Asking questions and expecting answers is part of the fiduciary responsibility of each Board member.
2. Create a Board Handbook/Document that clearly defines the Board's role, its legal responsibilities and the role and expectations of each individual board member. The document should include expectations of Board member participation and attendance. A draft of this document may be prepared by staff or consultants, but the Board must be heavily invested in and approve the final document. The document does not need to be lengthy and complex, but should be clear and concise.
3. The Board Handbook/Document must be a part of each new Board member's orientation along with the Financial Policy Document.
4. In April/May of each year develop an annual work plan for the coming fiscal year. The plan should have a defined set of programs with operational expectations and goals. This plan is an integral part of the annual budget development process. A draft of this document may be prepared by staff, but the Board must be heavily invested in and approve the final document. (see Exhibit C)
5. At each Board meeting the Executive Director should be required to give an update on progress executing the work plan. It is the Board's responsibility to provide resources to and guidance on the work plan. It is also the Boards responsibility to hold staff accountable for achieving the work plan.
6. As identified in the findings, board survey and interviews, the current staff structure is not sufficient or effective in executing projects and programs. Following on the Board discussions at their November 2020 and January 2021 Board meetings it is recommended that the Board establish an ad-hoc committee to oversee the Executive Director transition. An ad-hoc committee is not subject to the Brown Act requirements.
7. The ad-hoc Executive Director Transition Committee should be charged with creating a detailed transition plan and timeline and reporting back to the Board within 30 days. The transition plan should contain, at a minimum, the following elements:
 - a. Executive Director job description
 - b. Minimum requirements of education, experience
 - c. Wage and benefit package

- d. Recruitment plan. (where, how will we recruit, budget for recruitment)
 - e. Timeline of process
 - f. Selection criteria and process
8. As part of the Executive Director transition the Board must define:
- a. Current Executive Director role during transition period, options are:
 - i. Maintain current level of responsibility and income.
 - ii. Reduced, part-time, level of responsibility and income.
 - iii. Consult to the OAA with specific defined responsibilities and payment.
 - b. Who will be responsible for managing the transition process.
 - i. Current Executive Director will manage the process
 - ii. New, part-time staff will manage the process
 - iii. Consultant will manage the process
9. Agenda setting: The normal process for setting the Board agenda in a CBD organization starts with the Executive Director/staff creating a draft agenda. The draft agenda is reviewed by the Chair of the Board to provide input and approval. No changes can be made to the agenda without the approval of both the Chair and the Executive Director.
10. Currently there are two standing committees, the Street Life Committee and the Small Business Committee. It is recommended that the Board analyze the purpose, need and goal of each committee. Part of the analysis is understanding staff resource allocation to support the committee. This strategic plan is recommending two temporary ad-hoc committees. The District Renewal Steering Committee and the Executive Director Transition Committee. Our experience with CBDs has shown us that a small number of standing committees is much more efficient. We would not recommend creating a third standing committee for the OAA and maybe eliminating one of the current committees. We do believe in forming Task Forces, ad-hoc committees, with a limited life and narrow focus around specific issues.

External Recommendations

1. At the Board retreat the board was asked “As you think about the Vision for Ocean Ave what three words stand out?” The word that was most often mentioned was **Destination**. Community, Progress and Art were also mentioned by many Board members. As part of this discussion Urban Place provided the following “Draft Framework” as a way for the Board to develop unity and focus on vision and purpose. Also this tool can be used to demonstrate OAA vision, purpose and programs to the community.



Where everybody knows your name and they're always glad you came.

The above framework is a draft and needs additional board input and refinement. The purpose is to illustrate, in a clear way, why the organization is in business, *“To create a unique, sustainable, destination”*.

The framework defines the three major areas of work, *“Business, Neighborhood and Community”*. It also further defines the type of programs/services that are needed in each work area. This, in an illustrative way, is the elevator speech of what the Ocean Avenue Association and Ocean Avenue Community Benefit District are and do.

2. The issue of providing strong leadership in the community is not changed by words, but by actions. As the OAA works through the Executive Director transition and implements the recommendations in this plan the perception and reality of the OAA’s leadership will strengthen. The OAA will be able to play a more proactive role in the changes that are coming to the community.
3. It is strongly recommended that OAA develop a consistent communication strategy that targets the property owners, business owners and community. It is the Board’s responsibility to provide resources to and guidance on the communication strategy. It is also the Boards responsibility to hold staff accountable for implementing the strategy.

Operational Recommendations

It is clear from the board survey and the board interviews and our observations that the current staff structure isn't as sufficient or as effective as it needs to be in order to address Ocean Avenue issues and implement programs. Many Board members commented on how much better the operation was when Neil and Alex were staff members. It is difficult with the Executive Director position in transition to make permanent, long-term changes to staffing. The following are distinct work areas that need to be adequately staffed:

- Communication and Marketing
- Business Development and Support
- Renewal Process
- Executive Director Transition
- Administration
- Advocacy

It is recommended that:

1. The Board create either one full time new interim position or two-part time new interim positions. The new interim position/positions would be responsible for Communication/Marketing and Business Development/Support. This position/s could also provide support in the areas of administration, renewal process and Executive Director transition. The new Executive Director will make the decision whether this position/s remain interim or become permanent.
2. The Board create a job description/scope of work for each position/s that includes outcome expectations.
3. The Board create a wage and benefit package for each position/s. The new position/s should be funded by a combination of CDBG grant funding and Carry Over reserves.
4. The Board include in the 2021/2022 budget funding for an office. Having a place that business owners, property owners and the community can interface with OAA staff will be very valuable in the renewal process. An office is also valuable in developing the communication/marketing program and business support program.
5. The clean and beautification programs received a rating of 7.4 out of 10. Although there are good reasons to rebid the cleaning program, we recommend not rebidding the clean program until after a successful renewal. In the next 6 months to a year you will be transitioning to a new Executive Director, renewing the CBD, implementing strategic plan recommendations and expanding the Communication/Marketing and Small Business Support programs. We don't recommend adding another major project to that list.

Financial Recommendations

The Board is responsible for the financial integrity of the Ocean Avenue Association. The Board has a fiduciary responsibility to see that the organization has a set of financial policies that provide transparency and accountability. A set of policies that clearly define the staff and board roles, limitations and expectations in all financial matters. It is recommended:

1. The Board adopt an organization financial policy. Elements of the policy at a minimum shall be:

- a. A detailed fiscal year budget must be approved and adopted prior to the start of the fiscal year.
- b. At each board meeting the board members will receive a current financial report (see Exhibit A). Current is defined as of the close of the previous month. The report will have three parts:
 - i. Operating report showing actual to budget for the previous month and year to date.
 - ii. Balance sheet showing all assets and liabilities including grants receivable.
 - iii. Cash flow forecast, updated on a monthly basis, for the fiscal year.
- c. Check signing policy to define who can sign checks. Checks over a set limit should require two signatures.
- d. Contract policy defining who approves contracts. It is recommended that the board must approve all contracts above a set limit. Allow the Executive Director to approve small administration contracts. As part of the approval process the Board shall define who may execute contracts.
- e. Define Board and staff's responsibility in annual financial review and State and Federal tax filings.
- f. Procedure for bank statements and account reconciliation
- g. Grant policy, defining:
 - i. Internal grant submission approval.
 - ii. Internal grant award and contract approval process
 - iii. Grant accounting and administration
- h. Credit card, travel and expense policy
- i. Purchasing policy
- j. Payroll policy

District Renewal Recommendations

It is recommended that the Board approve starting the process to renew the Ocean Avenue Community Benefit District with the goal to renew the District prior to its sunset in 2025. The recommended goal is to complete the renewal process no later than June of 2022. The renewed District budget, programs and boundaries would take effect in January 2023. The recommendation for early renewal is based upon:

- The current District is underfunded and does not have the resources to address the issues and meet the needs of the Ocean Avenue commercial corridor.
- District expansion to the east would provide a better corridor experience and bring the BART and Muni stations into the District.
- The District Management Plan needs to be updated to reflect the current program and service needs of the District.

It is recommended that the Board:

1. Empower the District Renewal Steering Committee, established by the Board, to provide oversight and guidance to the renewal process and make recommendations to the Board on renewal issues. (See Exhibit D)

2. The Board instruct the Renewal Steering Committee to return to the Board within 30 days with a renewal strategy and implementation plan. The plan at a minimum should contain:
 - a. Defined Steps and Timeline to achieve the goal of completing the process in June 2022. (See Exhibit B)
 - b. A definition of staff allocation needed to lead and manage the process.
 - c. A budget and recommended source of funds for the costs of renewal.
3. The Board approve the Steering Committee plan and provide resources to and guidance on the renewal of the District. It is also the Boards responsibility to hold staff accountable for implementing the renewal plan.

Next Steps

Short Term 30 to 60 days

1. Board formally accept the strategic plan recommendations.
2. Board acknowledge that they will need help to implement the recommendations and seek advice from OEWD, Chris Corgas, on possible funding and consultant recommendations.
3. Board make decisions on Executive Director transition. (See recommendations 7 & 8 Internal Organization Recommendations.)
4. Board make decision on additional staffing. (recommendation 1, 2, & 3 Operations Recommendations)
5. Board agree to the development of a marketing and communication plan (recommendation 3, External Organization Recommendations)
6. Board agree to use the current budget allocation of \$5000 in advertising and the \$5000 in public art, plus \$15,000 from operating reserve to create a \$25,000 communication and Marketing budget.
7. Board agree to use up to \$30,000 from operating reserve plus the CBDG small business grant to fund additional staffing in current fiscal year.
8. Board adopt a financial policy
9. Board begin implementation of District Renewal recommendations

Mid Term 60 days to 120 days.

1. Develop a work plan for 2021/22 fiscal year.
2. Develop a budget for 2021/22 fiscal year
3. Contract with consulting firm to lead renewal process.

Summary

The findings and recommendations of this strategic plan may seem negative and overly burdensome. The reality is the recommendations represent the minimum best practices that have been adopted by organizations, similar to the OAA, to successfully management Community Benefit Districts. Implementation of the recommendations will insure that the Board of Directors fulfills its organization and financial fiduciary responsibility. It also insures that the requirements of the OAA contract with the City/County of San Francisco are fulfilled.

Exhibit A

Sep 2018

Total

	Actual	Budget	Variance	Actual	Budget	Variance	Budget 2018/19
7014 Renewal Expense	238.70		238.70	238.70	0.00	238.70	\$ 500.00
7015 Renewal Consultant	5,000.00	5,000.00	0.00	15,000.00	15,000.00	0.00	\$ 60,000.00
Total 7013 CBD Renewal	\$ 5,238.70	\$ 5,000.00	\$ 238.70	\$ 15,238.70	\$ 15,000.00	\$ 238.70	\$ 107,500.00
7025 Other Professional Fees	0.00	0.00	0.00	0.00	0.00	0.00	
Total 7000 Professional Fees	\$ 9,405.36	\$ 14,166.66	\$ (4,761.30)	\$ 29,447.93	\$ 32,499.98	\$ (3,052.05)	
8000 Operations							
8005 Rent	3,708.00	3,754.25	(46.25)	11,124.00	11,262.75	(138.75)	\$ 45,051.00
8006 Office Cleaning & Maintenance		500.00	(500.00)	0.00	1,500.00	(1,500.00)	\$ 6,000.00
8010 Utilities		250.00	(250.00)	283.80	750.00	(466.20)	\$ 3,000.00
8015 Office Supplies	450.19	333.33	116.86	1,153.98	1,000.03	153.95	\$ 4,000.00
8020 Printing and Copying	563.80	500.00	63.80	1,223.21	1,500.00	(276.79)	\$ 6,000.00
8025 Telecommunications	96.06	166.66	(70.60)	272.28	499.98	(227.70)	\$ 2,000.00
8030 Insurance	1,016.88	650.00	366.88	2,574.98	1,950.00	624.98	\$ 7,800.00
8035 Meeting Expenses		83.33	(83.33)	0.00	250.03	(250.03)	\$ 1,000.00
8040 Postage and Shipping		83.33	(83.33)	0.00	250.03	(250.03)	\$ 1,000.00
8050 Dues and Memberships		0.00	0.00	3,530.00	1,000.00	2,530.00	\$ 1,000.00
8055 Equipment and Furniture	350.00	0.00	350.00	700.00	500.00	200.00	\$ 1,500.00
8065 Taxes, Fees, and Permits	31.01	0.00	31.01	31.01	150.00	(118.99)	\$ 150.00
8067 Marketing/Communication	5,939.63	5,000.00	939.63	13,589.90	15,000.00	(1,410.10)	\$ 60,000.00
8070 Bank Service Charges		6.66	(6.66)	0.00	20.06	(20.06)	\$ 80.00
8075 Board Expenses		83.33	(83.33)	0.00	250.03	(250.03)	\$ 1,000.00
8085 Miscellaneous	910.50	83.33	827.17	2,619.00	250.03	2,368.97	\$ 1,000.00
Total 8000 Operations	\$ 13,066.07	\$ 11,494.22	\$ 1,571.85	\$ 37,102.16	\$ 36,132.94	\$ 969.22	\$ 140,581.00
Total Expenses	\$ 167,172.10	\$ 184,554.61	\$ (17,382.51)	\$ 491,591.08	\$ 527,314.11	\$ (35,723.03)	\$ 2,131,305.72
Net Operating Income	\$ (30,955.25)	\$ (30,716.89)	\$ (238.36)	\$ (98,018.90)	\$ (102,369.55)	\$ 4,350.65	\$ (400,381.40)
Net Income	\$ (30,955.25)	\$ (30,716.89)	\$ (238.36)	\$ (98,018.90)	\$ (102,369.55)	\$ 4,350.65	\$ (400,381.40)

Tuesday, Oct 09, 2018 05:08:26 PM GMT-7 - Accrual Basis

**North of Market - Tenderloin Community Benefit District
Balance Sheet
As of September 30, 2018**

	September	August
ASSETS		
Current Assets		
Bank Accounts		
0001 Value Bus 001 Payroll	22,228.97	42,294.18
1005 Bank of San Francisco	190,780.63	220,642.36
1020 Bank of SF Money Market	135,402.63	135,391.51
Total Bank Accounts	\$ 348,412.23	\$ 398,328.05
1200 Accounts Receivable	0.00	0.00
1250 Assessments Receivable Current Year	1,129,137.16	1,129,137.16
Total 1200 Accounts Receivable	\$ 1,129,137.16	\$ 1,129,137.16
Total Accounts Receivable	\$ 1,129,137.16	\$ 1,129,137.16
Other Current Assets		
1400 Prepaid Expenses	32,340.32	32,340.32
1550 Delinquent Taxes Receivable	126,145.26	126,145.26
Total Other Current Assets	\$ 158,485.58	\$ 158,485.58
Total Current Assets	\$ 1,636,034.97	\$ 1,685,950.79
Fixed Assets		
Total Fixed Assets	\$ 0.00	\$ 0.00
Other Assets		
1700 Security Deposits	10,500.00	10,500.00
Total Other Assets	\$ 10,500.00	\$ 10,500.00
TOTAL ASSETS	\$ 1,646,534.97	\$ 1,696,450.79
LIABILITIES AND EQUITY		
Current Liabilities		
2000 Accounts Payable	216,263.75	139,299.57
Total Accounts Payable	\$ 216,263.75	\$ 139,299.57
Other Current Liabilities		
2400 Accrued Vacation Liability	0.00	0.00
2600 Other Current Liabilities	0.00	0.00
2601 Deferred Income	846,853.91	940,948.66
Total 2600 Other Current Liabilities	\$ 846,853.91	\$ 940,948.66
Total Other Current Liabilities	\$ 846,853.91	\$ 940,948.66
Total Current Liabilities	\$ 1,063,117.66	\$ 1,080,248.23
Total Liabilities	\$ 1,063,117.66	\$ 1,080,248.23
Equity		
3001 Opening Net Assets	793,311.21	793,311.21
3100 Unrestricted Net Assets	-111,875.00	-111,875.00
Net Income	-98,018.90	-65,233.65
Total Equity	\$ 583,417.31	\$ 616,202.56
TOTAL LIABILITIES AND EQUITY	\$ 1,646,534.97	\$ 1,696,450.79

Cash Flow Forecast TLCBD FY 18/19

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
Net Cash (cash+A/R-A/P)	\$ 535,116.81	\$ 466,023.80	\$ 416,271.80	\$ 384,345.85	\$ 272,678.85	\$ 151,011.85
Assessment Income	\$ 38,642.00	\$ -	\$ -	\$ -	\$ -	\$ 660,000.00
Safe Passage Vision Zero Grant	\$ -	\$ 12,938.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Safe Passage Safe Routes to School	\$ 7,267.61	\$ 7,267.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
OEWD Safe Passage Grant	\$ -	\$ -	\$ 6,920.42	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00
Safe Passage MTA/Walk SF	\$ 900.00	\$ 2,000.00	\$ -	\$ -	\$ -	\$ -
Safe Passage Safe Routes II	\$ -	\$ 3,632.00	\$ -	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Sub Total Safe Passage Income	\$ 8,167.61	\$ 25,837.00	\$ 16,920.42	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00
OEWD Transition Grant	\$ -	\$ -	\$ 2,500.00	\$ 5,000.00	\$ -	\$ 5,000.00
OEWD Camera Grant	\$ -	\$ -	\$ 30,000.00	\$ -	\$ -	\$ -
OEWD Micro, staff, safety	\$ -	\$ -	\$ -	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00
Sub Total OEWD	\$ -	\$ -	\$ 32,500.00	\$ 20,000.00	\$ 10,000.00	\$ 15,000.00
St. Francis Foundation	\$ 30,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Sutter Health	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Grant Income	\$ 1,239.00	\$ 150.00	\$ 2,671.63	\$ 10,000.00	\$ 10,000.00	\$ -
Sub Total Non-Gov Grants	\$ 31,239.00	\$ 150.00	\$ 2,671.63	\$ 10,000.00	\$ 10,000.00	\$ -
Change in A/P (Decrease)	\$ 12,045.00	\$ 76,465.00	\$ 76,964.00	\$ -	\$ -	\$ -
Earned Income (admin fees, interest)	\$ 3,738.38	\$ 7,459.00	\$ 6,190.00	\$ -	\$ -	\$ 10,000.00
Total Cash Available	\$ 628,948.80	\$ 575,934.80	\$ 551,517.85	\$ 434,678.85	\$ 313,011.85	\$ 856,344.85
Operating Expense	\$ 162,925.00	\$ 159,663.00	\$ 167,172.00	\$ 162,000.00	\$ 162,000.00	\$ 162,000.00
Non Operation expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash End of Month	\$ 466,023.80	\$ 416,271.80	\$ 384,345.85	\$ 272,678.85	\$ 151,011.85	\$ 694,344.85

Cash Flow Forecast TLCBD FY 18/19

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Net Cash (cash+A/R-A/P)	\$ 694,344.85	\$ 572,677.85	\$ 451,010.85	\$ 329,343.85	\$ 207,676.85	\$ 536,009.85
Assessment Income	\$ -	\$ -	\$ -	\$ -	\$ 460,000.00	\$ -
Safe Passage Vision Zero Grant	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Safe Passage Safe Routes to School	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
OEWD Safe Passage Grant	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00
Safe Passage Safe Routes II	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Sub Total Safe Passage Income	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00
OEWD Transition Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OEWD Camera Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OEWD Micro, staff, safety	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Sub Total OEWD	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
St. Francis Foundation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sutter Health	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Grant Income	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ -	\$ 10,000.00
Sub Total Non-Gov Grants	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ -	\$ 10,000.00
Change in A/P (Decrease)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earned Income (admin fees, interest)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Available	\$ 734,677.85	\$ 613,010.85	\$ 491,343.85	\$ 369,676.85	\$ 698,009.85	\$ 576,342.85
Operating Expense	\$ 162,000.00	\$ 162,000.00	\$ 162,000.00	\$ 162,000.00	\$ 162,000.00	\$ 162,000.00
Non Operation expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash End of Month	\$ 572,677.85	\$ 451,010.85	\$ 329,343.85	\$ 207,676.85	\$ 536,009.85	\$ 414,342.85

Cash Flow Forecast TLCBD FY 18/19

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
Net Cash (cash+A/R-A/P)	\$ 414,342.85	\$ 282,675.85	\$ 161,008.85	\$ 164,341.85	\$ 42,674.85	\$ (78,992.15)
Assessment Income	\$ -	\$ -	\$ 120,000.00	\$ -	\$ -	\$ 800,000.00
Safe Passage Vision Zero Grant	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Safe Passage Safe Routes to School	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
OEWD Safe Passage Grant	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00	\$ 8,333.00
Safe Passage Safe Routes II	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00
Sub Total Safe Passage Income	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00	\$ 20,333.00
OEWD Transition Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OEWD Camera Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OEWD Micro, staff, safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub Total OEWD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
St. Francis Foundation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sutter Health	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Grant Income	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Sub Total Non-Gov Grants	\$ -	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ -
Change in A/P (Decrease)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Earned Income (admin fees, interest)	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 10,000.00
Total Cash Available	\$ 434,675.85	\$ 313,008.85	\$ 316,341.85	\$ 194,674.85	\$ 73,007.85	\$ 751,340.85
Operating Expense	\$ 152,000.00	\$ 152,000.00	\$ 152,000.00	\$ 152,000.00	\$ 152,000.00	\$ 152,000.00
Non Operation expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash End of Month	\$ 282,675.85	\$ 161,008.85	\$ 164,341.85	\$ 42,674.85	\$ (78,992.15)	\$ 599,340.85

Exhibit B

The goal is to renew the CBD by July of 2022 the following timeline will need to be met.

February, March 2021	Board approve renewal plan, engage consultant team
April, May, June 2021	Steering committee meetings with consultant team. Outreach to district property owners to get input.
July 2021	All decisions on elements of the management plan must be made. <ol style="list-style-type: none">1. Boundaries2. Programs3. Budget4. Assessment Methodology
August 2021	Consultant team produces management plan and engineer's report.
September 2021	Management plan and engineer's report submitted to City for approval.
October 2021	Petition Drive begins
February 2022	Petition Drive ends 30% achieved
March 2022	City Council Meeting, accept petition results, set public hearing date and start ballot process.
May 2022	Public Hearing, tabulate ballot, pass establishment ordinance.
June 2022	Submit assessment roll to County Assessor
January 2023	Renewed Services Begin

**Exhibit C
Work Plan**

**Committee for Downtown Yakima
Downtown Yakima Foundation
2007 Draft Work Plan**

Operation Downtown Renaissance

***“To lead and implement the renaissance of
downtown; making it the premiere gathering place
of central Washington.”***

Core purpose of the Committee for Downtown Yakima

January 31, 2007

Creating the Environment for Investment in Downtown

The proposed work plan for 2007 builds on the 2006 work plan and continues the work in the three crucial elements, economic development, communication and improving the downtown user experience. Each of these elements is crucial to achieving the goal of making Yakima the *Premier Gathering Place of Central Washington*. The work plan defines specific programs to be implemented within each of the elements.

The main difference between the 2007 work plan and 2006 is the shift of emphasis and priority from communication and improving the user experience to economic development. Also a new area of work was added focusing on developing long term funding sources.

2007 WORK PLAN IN SUMMARY

I. Economic Development

A. Strategic Development Implementation Plan: Develop consensus and support among public and private stakeholders to implement the plan.

B. Retail: Develop programs to support existing Downtown retail. Develop strategic retail implementation plan to attract new retail to Downtown.

C. Office: Develop programs to support existing office tenants and attract new office tenants to Downtown. Retain public uses City/County/State in Downtown.

D. Residential Core: Facilitate the rehabilitation of upper floors in existing buildings to residential use. Facilitate new dense residential development on existing vacant downtown sites. Work to remove barriers and attract financial resources.

F. Residential Neighborhood: Work with City and property owners to focus available resources on improving the downtown neighborhoods. Create a demonstration block and if necessary Downtown Yakima Foundation to act as a non-profit developer.

II. Communication: Develop consistent communication on many levels to overcome the negative perception of Downtown and to communicate the positive change, the Renaissance that is occurring in Downtown.

III. Improving the User Experience

A. Maintenance: Implement a downtown maintenance and beautification program throughout the core of downtown.

B. Safety: Develop programs and resources to focus on downtown safety issues. Create a safe environment that will overcome the negative perception and will attract users and businesses back to downtown.

C. Parking: Assume responsibility for parking in the downtown core, including management, maintenance and improvements. Establish Downtown Parking Authority and Downtown Parking Enterprise Fund.

D. Physical Environment: Create a pedestrian friendly experience that attracts users to gather in downtown and connects the convention center to all the downtown attractions.

C. Access: Improve automobile circulation to and within downtown. Increase on street parking options.

D. Community Gathering: Facilitate and encourage more community events in Downtown.

IV. Developing Long Term Funding

A. PBIA Renewal and Expansion: Work with the downtown property owners and businesses to develop consensus for renewing and expanding the current Parking and Business Improvement Area.

B. State B&O Tax Program: Achieve certification of the Committee for Downtown Yakima and Downtown Yakima as qualified participants in the State Main Street Program B&O tax rebate.

C. Grant and Foundation Funding: Explore the possibilities of accessing grants and foundation funding to finance programs.

2007 WORK PLAN IN DETAIL

I. Economic Development

A. Retail Development Programs

1. Retain and strengthen existing retail
 - a. Form Downtown Retail Subcommittee, of the Committee for Downtown Yakima, to encourage retail business participation in creating and implementing retail support programs.
 - b. Create downtown business directory (see communication plan)
 - c. Improve and update retail page on web site. (see communication plan)
 - d. Support the creation of more downtown events. Improve the linkage between events and downtown businesses.
 - e. Create co-op marketing opportunities for downtown businesses.
 - f. Identify existing barriers or issues facing retail businesses and develop programs to address the issues.
2. Develop new retail in downtown.
 - a. Develop strategic retail implementation plan to attract new retail to downtown.
 - b. Update database of properties that provide retail space, track occupancy rates.
 - c. Proactively recruit new retail businesses to downtown.

B. Office Development Programs

1. Develop programs to address the needs of tenants and office workers based upon a survey and inventory of office tenants currently in downtown.
2. Work with the County to:
 - a. Retain existing County uses in downtown
 - b. Create a development plan for County property in downtown.
3. Update the database of properties that provide office space, track occupancy rates.
4. Develop program to proactively recruit new office tenants to downtown.

C. Core Residential Development Programs

1. Develop upper floor residential
 - a. Sponsor a residential development seminar bringing outside experts and local property owners and developers together.
 - b. Work with the City to define issues and barriers to rehab construction and develop programs to address the issues.
 - c. Create a demonstration project.
 - d. Identify funding sources

2. Facilitate the development of a residential master plan for downtown.
 - a. Identify potential development sites.
 - b. Create development guidelines for new development

D. Residential Neighborhood Development

1. Develop a partnership with the City to focus resources on the downtown neighborhoods.
2. Identify public and private sources of funds to invest in the neighborhoods.
3. Create a property improvement program for owners.
 - a. Low interest/grant loan program
 - b. Architecture/construction consulting program

Proactively seek developers and owners to work in downtown neighborhood.

II. Communication

Communication Programs

1. Media Relations
 - a. Press releases
 - b. Media kit
 - c. Write and place stories
2. Monthly Update
 - a. One page
 - b. E-mailed
 - c. Board and close friends
3. Quarterly Newsletter
 - a. Two pages, probably grow to four pages, grow to by-monthly
 - b. Continue partnership with Yakima Herald & hand delivered
 - c. Board, City/County employees, elected officials, downtown businesses, downtown property owners.
4. Speaking Circuit – on going
 - a. Service Clubs
 - b. Non-profit boards
 - c. Business meetings
5. Web Site – Continue improving and updating
 - a. Home page
 - b. What's happening downtown page
 - c. Directory of businesses and services page
 - d. Economic development page
 - e. Links to other downtown organizations
6. Business/Services Directory
7. Downtown Annual Meeting
8. Market/Opinion Research
9. Market/Facilitate Special Events

III. Improving the Downtown User Experience

A. Maintenance Programs

1. Develop and manage year round downtown maintenance program
2. Develop and implement downtown landscape and beautification program

B. Safe Programs

1. Seasonal Ambassador Program
2. Encourage and support the police department in its efforts to expand its force.
3. Encourage community policing/walking patrol downtown.

C. Pedestrian Experience Physical Improvements

1. Support the Downtown Futures Initiative and its expansion to the Westside.
2. Work to improve all aspects of the pedestrian experience.
 - a. Inventory existing conditions
 - b. Create a data base with those conditions and begin reporting to appropriate city departments for repair.
3. Improve the pedestrian lighting in Downtown
 - a. Inventory lighting on the sidewalks, alleys and parking lots.
 - b. Work to Increase lighting where necessary.
 - c. Encourage up-lighting of historic buildings and lighting inside businesses.
 - d. Investigate granting and other funding sources with local utility company.
4. Increase the number of sidewalk dining venues.
5. Façade Improvement Program
 - a. Work with City agencies and historic preservation and downtown property owners to encourage more façade improvements.

D. Community Gathering Programs

1. Work with other organizations to facilitate the creation of new events in downtown.
2. Work with existing event producers to grow and expand the current line up of events.
3. Act as a liaison between event producers and public agencies to streamline event production.

D. Parking/Access Programs

1. Assume responsibility for daily management of parking in downtown.
2. Transition YDA to a Downtown Parking Commission
3. Establish Downtown Parking Enterprise Fund in City budget, retain parking revenue for parking improvements.
4. Work with City agencies to reduce the number of one way streets in downtown.

IV. Developing Long Term Funding

- D. PBIA Renewal and Expansion:** Work with the downtown property owners and businesses to develop consensus for renewing and expanding the current Parking and Business Improvement Area.
- E. State B&O Tax Program:** Achieve certification of the Committee for Downtown Yakima and Downtown Yakima as qualified participants in the State Main Street Program B&O tax rebate.
- F. Grant and Foundation Funding:** Explore the possibilities of accessing grants and foundation funding to finance programs.

Staffing

In order to implement the above programs the following professional staff will be in place.

Interim Executive Director, Steve Gibson & Rena Leddy

Urban Place Consulting will continue to fulfill the role of executive director although at a reducing rate over the next 12 to 18 months. Urban Place will continue to guide the implementation of the downtown vision as well as lead staff development and funding development. It is the goal of Urban Place to develop the staff and funding to a level that will allow the Committee and its programs to continue to grow without the on going involvement of Urban Place.

Deputy Executive Director, Sean Hawkins

The Deputy Executive Director has experience in working with property owners, developers and real estate professionals. The Deputy Executive Director will take the lead in further developing City and County partnerships. The Deputy Executive Director will be responsible for leading all elements of the Economic Development work plan including:

- Retail Development
- Office Development
- Residential Core Development
- Neighborhood Development

In addition the Deputy Director will work closely with the Director of User Experience and the Urban Place staff to implement elements of the Improving the User Experience work plan and Communication work plan. It is expected that the Deputy Director will become the Executive Director within 9 to 18 months. Full time, on site.

Director of User Experience, Mandi Ellison

The Director of User Experience has experience in communications, marketing and promotions including the development of professional-quality promotional materials and securing relationships with media personnel. The Director has excellent public speaking, computer, writing, and communication skills. The Director will be responsible for the following elements of the work plan:

- Developing the User Experience, Maintenance, Safety, Pedestrian Use
- Communication – All aspects, across all elements of the work plan.
- Community Gathering
- Retail Subcommittee, retail support programs

In addition the Director of User Experience will work closely with the Development Director and the Urban Place staff to implement elements of the Economic Development work plan. Full time, on site.

Exhibit D

Steering Committee Role CBD Renewal

1. Make recommendation to the Board on:
 - a. Boundaries/expansion
 - b. Benefit Zones, if any
 - c. Term of district
 - d. Annual assessment increase rules
 - e. Budget, programs, services
 - f. Assessment methodology
 - g. Assessment rates
2. Approve draft Management Plan and Engineers Report, make recommendation to Board
3. Lead the sells effort on the petition campaign and ballot campaign
4. Participate at Board of Supervisors Hearings, if needed.