



CASTRO/UPPER MARKET COMMUNITY BENEFIT DISTRICT

584 Castro Street #336; San Francisco CA 94114

www.CastroCBD.org 415/500-1181

Minutes of the Regular Monthly Board of Directors Meeting on July 10, 2014 Castro Community Meeting Room, 501 Castro Street, Second Floor, San Francisco, California

The meeting was called to order at 6:03 pm by President Alan Lau.

A quorum was present and was maintained throughout the meeting.

Directors Present: Joel Bubeck, President Alan Lau, Jim Laufenberg, Wendy Mogg, Secretary Pauline Scholten, Immediate Past President Gustavo Serina, Ken White; Treasurer Dennis Ziebell;

Directors Absent and Excused: Scott James, Tim Patriarca, Pat Sahagun

Directors Absent, not Excused: none

Staff, Guests Present: Executive Director Andrea Aiello, Consultant Ben Horne; Bookkeeper Alan Pex; Richard Magary (taking Minutes).

Members of the Public Present: Four (4) members of the public, including Luis Cuadra, Les Natali, Michael Petrelis and Mitch Hightower who signed in and/or identified themselves during introductions or public comment.

Brown Act Notice

Alan summarized California's Brown Act, as its rules apply to the CBD's board meetings. They include provisions that meetings are publicly noticed in advance and are open to the public; for public comment before any vote is taken on each agenda item and following committee reports; and for general public comment, scheduled as Item 7 on the agenda for this meeting, to be called in order but no later than 7:25pm. Guests who interrupt or are otherwise disruptive of the meeting will be given a verbal warning. If a second interruption or disruption by the individual(s) occurs at the meeting, they will be asked to leave.

A copy of the meeting agenda was publicly posted timely in advance, on-line at www.castrocbd.org and at the S.F. Public Library, 100 Larkin Street. A copy of the board package was available for public review at the meeting.

Introductions

Board members introduced themselves and noted any current, potential conflicts of interest. Guests were invited (but not required) to introduce themselves and to sign in.

Consent Agenda

None.

Board Meeting Minutes from June 12, 2014

After a call for public comment on the draft minutes (there was none), the minutes were **approved** (M-JL, 2nd-DZ).

Reports/Announcements

None

continued

Executive Director's Report

Andrea said that street trash, abuse of Recology bins, and stencil graffiti have been worse in recent weeks, now tempered somewhat by an arrest and continued cleaning efforts. The "Shop the Castro" social media campaign was successful, including generous participation by merchants with prize donations. First Building did a good cleanup job with extra staffing after Pink Saturday and Pride weekend. Steaming cleaning is scheduled soon. An extra cleaning person now will work the eastern end of the district on a trial basis. Andrea is working with NBS to complete detailed analysis of assessment changes/corrections by the SF Assessor's deadline. The new Ambassadors season is starting well. There's a social for the Ambassadors at Mudpuppy's (536 Castro) on July 23, 6-8pm. All board members encouraged to attend and express appreciation. Due to unexpected construction schedules with the Sidewalks Widening Project, Jane Warner Plaza won't be available and several *Live!* in the Castro concert dates in August-September must be cancelled. Concerts on July 13, 20, 27 will take place. After board discussion and a call for public comment, Michael Petrelis expressed concern about the changing nature of crowds attending Pink Saturday. It felt less safe and neighborhood-friendly this year. Andrea said that discussions are ongoing with The Sisters, who sponsor the event, law enforcement, etc.

Executive Committee Report

After a call for public comment (there was none), minutes of the Executive Committee's July 8, 2014 meeting were **approved** (M-DZ, 2nd-PSch).

Andrea explained some elements of the current assessments review process underway with support from NBS. They involve properties at corners, where a Market Street frontage assessment was calculated, but not for corresponding frontage for the same building(s) around the corner. All work on this assessment element may not be completed by the SF Assessor's July 31 deadline; accordingly our revenue estimates for this element may not be achieved.

Andrea described plans for new, expanded office space at 549-A Castro Street required by added staffing for the Retail Strategy and Castro Cares projects. Coldwell-Banker generously has offered continued use of their conference room for committee meetings. The plans call for sub-let of the 2nd floor to a writers' group led by board member, Scott James. There will be space to store First Building's janitorial equipment. The administrative overhead provisions in new contracts will help cover the rent cost. Occupancy of the new space on September 1 is planned; Andrea will schedule an informational walk-thru for board members.

Motion was made (M-PSch, 2nd-GS) to amend the 2014-15 budget as presented by the Executive Committee. After Board discussion and a call for public comment (there was none), the **motion was approved**.

Motion (M-PSch, 2nd GS) was made to authorize the Executive Director to sign (after approval of the final lease agreement by the Executive Committee) a 3-year lease agreement, with the option to renew for a second 3 years, for offices at 549-A Castro Street for \$3,800.00/month and to enter into a subtenant lease with Scott James, Castro Writers Grotto, JBA, Inc. for \$2,500.00/month plus 66% of utilities for the upstairs portion of the space. After board discussion and a call for public comment (there was none), the **motion was approved**.

Andrea provided an update and finalized details of the proposed grant agreement with the City for "extras" included in the Castro Street Sidewalks Widening project. This "grant agreement" simply is the method the City uses to accept the funds that have already been approved to fund the decorative crosswalks, history walk and the celebratory lights .

Motion was made (M-AL, 2nd-JL) to approve a grant agreement with the City and County of San Francisco to fund elements of the current Castro Street Sidewalks Widening project. They include celebratory lighting (\$74,360), decorative crosswalks (\$37,500), and historic etchings in the sidewalk (\$10,000), for a total of \$121,860.00 as indicated in the amended agreement. After board discussion and a call for public comment (there was none), the **motion was approved**.

Andrea outlined the proposed “Castro Cares” project that also was described in the board package and is being developed by the Castro Quality of Life Committee. The CBD will manage the project, with a total budget of \$334,000. Funding sources include \$100,000 from the S.F. Mayor’s Office, \$15,000 in the current CBD budget, plus added funds from prospective grants and from “subscription” donations to be solicited from local businesses and residents.

Motion was made by the Committee (no second required) to accept \$100,000.00 from the City & County of San Francisco for Castro Cares. During board discussion, an **amendment to the motion** was made (M-GS, 2nd-JL), to authorize Andrea to negotiate an agreement for the Castro Cares project, pending the Executive Committee’s satisfaction with further project details and contingencies. Following board discussion, there was a call for public comment. Mitch Hightower asked for clarification of project goals, and noted the need to define project specifics. Michael Petrelis asked for (and was given) clarification regarding earlier community meetings on the topic. Alan Pex asked what liability is being incurred with the project. After further board discussion, the **amended motion then was approved.**

Motion was made by the Executive Committee (no second required) that the CBD will charge a minimum of 10% overhead as part of all future grants received. After board discussion and a call for public comment (there was none), the **motion was approved.**

Andrea gave an update on plans for the fall board retreat. Andrea noted that Ken has volunteered to be on the retreat planning committee, and she asked for another volunteer, Wendy agreed to join this ad hoc planning group.. The committee’s recommendations will be discussed at the August board meeting.

Finance Committee Report

After a call for public comment (there was none), minutes of the Finance Committee’s May 21 and July 7, 2014 meetings were **approved** (M-DZ, 2nd-PSch).

Motion was made by the Committee (no second required) to keep six (6) months of operating expenses in reserve with the understanding that these funds are fungible and, if needed, the Board can use these funds with a plan to replace and/or use a line of credit which should be set up as soon as possible. After board discussion and a call for public comment (there was none), the **motion was approved.**

Dennis said that, as delegated in June by a board vote, the Finance Committee conducted further search and interviews (a total of 6 companies were approached) and the Executive Committee recommends the selection of Chek Tan and Company, CPAs to conduct the CBD’s annual review and tax preparation for a total of \$5000. Andrea reviewed the scope of work for Ben Horne and Alan Pex .

Land Use Committee Report

Wendy reported on the Committee’s process and recommendation for the proposed “Hamburger Mary’s” “formula retail” restaurant at 531 Castro Street. Support is recommended in this case, since the business will not carry all the same signage of other Hamburger Mary’s and the signage etc will be more SF specific, also noted that Hamburger Mary’s still does seem to be gay-themed, and is appropriate for this neighborhood. Project sponsor, Les Natali also made comments asking for support.

Motion was made by the Committee (no second required) that the CBD support the proposed Hamburger Mary’s project, as described in the draft letter dated June 13, 2014 to Cindy Wu at San Francisco Planning Commission which was in the board package. After board discussion, there was a call for public comment. Mitch Hightower said he supports the project. After further discussion, the **motion was approved.**

General Public Comment

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At this point in the meeting it was 7:25pm, the scheduled time for general public comment. Michael Petrelis spoke about issues in his campaign for District 8 Supervisor in the November 4 election, and handed out materials.

District Identity and Streetscape Improvement Committee Report

The DISI's report regarding changes in the Live! in the Castro schedule was covered in the Executive Director's Report (see above).

Adjournment

The meeting was adjourned at 7:30 pm.

Minutes taken and prepared by Richard Magary

Date Approved August 14, 2014



Pauline Scholten, Secretary