



## ANNUAL REPORT

FY 2020/2021

**Discover Polk Community Benefit District**

[www.discoverpolk.org](http://www.discoverpolk.org) | PO Box 642097 | San Francisco, CA 94164



# TABLE OF CONTENTS

Executive Summary .....	3
Status and Progress of District Programs .....	4
Management and Operations .....	4
Neighborhood Cleanliness .....	4
Branding, Activation & Marketing .....	6
Events .....	6
Commercial Vacancies .....	6
Financial Summary Data .....	7
Financial Notes .....	8
Carryover Status .....	8
Other Notable Items .....	8
Description and Status of Each Contract to Provide Programs/Services .....	9
Preview of 2020 .....	10
Exhibits .....	11



NO PARKING  
ANYTIME

SUSHI NARA  
RESTAURANT

SWEET  
OYSTER DEPOT

SFA  
LUXURY

SFA  
LUXURY

WELCOME  
MIDDLE  
POLK

WELCOME  
MIDDLE  
POLK

Walgreens

AVAILABLE

OnTrac  
800.334.5000  
ontrac.com  
LICBC

iPhone  
NEWS

## EXECUTIVE SUMMARY

Discover Polk is a unique Community Benefit District in that seventy-eight percent (78%) of the parcels in the six-block long district are condominiums, and that there are 37 mixed-use buildings with residential rental units above the street level and two single-room occupancy hotels. There are three houses of worship and an eclectic mix of businesses, many of which have been on Polk Street for decades. Incorporated as a 501 (c)(3) in September 2018, Discover Polk CBD (“DPCBD”) was sanctioned by a City agreement on 20 November 2018, and received its first assessments in early January 2019.

Most of the Board of Directors were active in the feasibility and formation phase of DPCBD; they represent large and small property owners, business owners and other community stakeholders. Currently our Board meets bi-monthly and convenes regular working groups focusing on cleanliness & safety, streetscape, and marketing & communications.

Since the rise of COVID-19, DPCBD has dedicated much of its time and resources toward helping the district weather the pandemic’s impacts, and FY 20/21 very much fits that description. Mainly this entailed supporting our StreetPlus cleaning crews, addressing the myriad needs and questions from the merchant community, and continuing to respond to the concerns of residents and property owners.

Overall, FY 20/21 was an opportunity for the value of DPCBD to be shown in full effect to local stakeholders, and we believe that we emerged from this FY stronger, better organized, and ready to take on the challenges of the next year.



# STATUS AND PROGRESS OF DISTRICT PROGRAMS

## MANAGEMENT AND OPERATIONS

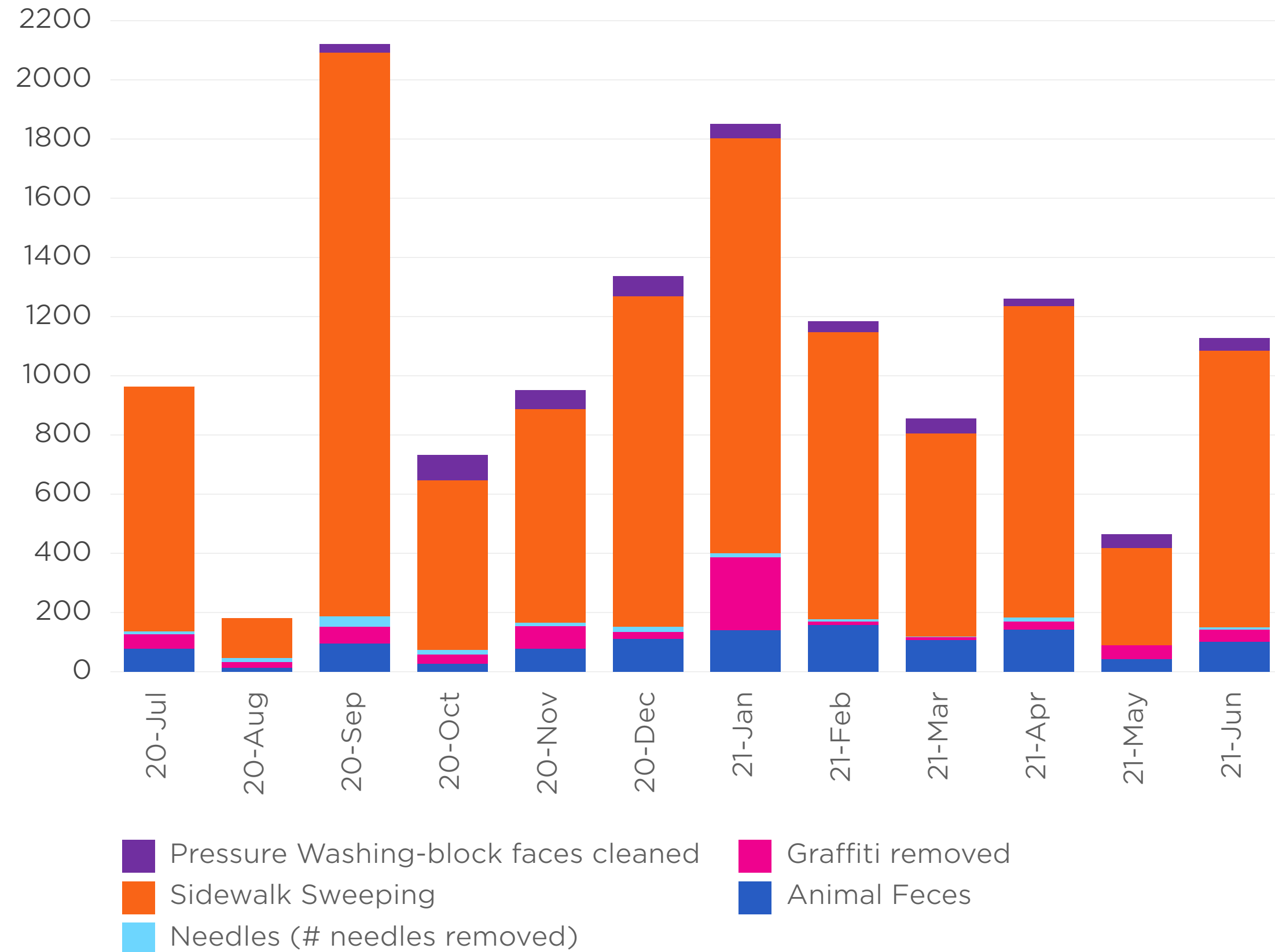
- Board & Staff
  - DPCBD saw the retirement of three (3) of its board members during FY 20/21, including its long serving Board President and Treasurer, who both moved out of San Francisco.
  - DPCBD elected a new Board President, Jake Levinson, and recruited four (4) new board members including a new Treasurer.
  - The Executive Management Team took over the responsibilities of CFO for the organization, working closely alongside the team of CPAs at Arellano CPA firm.
  - The board extended the contract for the Executive Management team, Tonic Nightlife Group (TNG), through January 2024 by a unanimous board vote.
- Operations
  - No significant changes in FY 20/21. Executive Management and Social Media Management continued unabated.
  - StreetPlus continued to operate continuously throughout FY 20/21. Their organization, just like many during that time period, suffered from difficulties in recruiting and retaining staff, but due to increased effort from their remaining staff, the overall cleanliness of the streets did not decline as will be outlined in their report below.

## NEIGHBORHOOD CLEANLINESS

- The COVID-19 pandemic caused an increase in homelessness activity as well a decrease in the presence of the public on the streets which both led to moderately larger amounts of trash and waste littered throughout the district.
- Simultaneously, StreetPlus was forced to manage pandemic-related staffing shortages, which meant a smaller core group of workers were forced to complete more cleaning in less time with fewer numbers.
- Despite these circumstances, the StreetPlus team managed to accomplish their cleaning, graffiti abatement, and steam cleaning/power washing goals consistently as is evidenced by the report below.
- The brand-new Big Belly trash cans (installed in June '20) were in full effect throughout FY 20/21 and helped to stem the issues caused previously by overflowing public waste receptacles.

# STATUS AND PROGRESS OF DISTRICT PROGRAMS

• Statistical Summaries of Services Provided by StreetPlus & Big Belly for FY 20/21



Month	Animal Feces	Graffiti Removed	Needles (# Needles Removed)	Sidewalk Sweeping	Pressure Washing (Block Faces Cleaned)
20-Jul	77	49	10	826	0
20-Aug	13	18	14	135	0
20-Sep	94	57	35	1,906	28
20-Oct	27	31	14	574	86
20-Nov	77	77	11	722	64
20-Dec	110	24	17	1,117	69
21-Jan	139	247	13	1,404	47
21-Feb	157	13	7	969	38
21-Mar	106	10	2	687	50
21-Apr	142	27	14	1,051	27
21-May	43	46	0	329	46
21-Jun	100	42	7	936	42
<b>Total</b>	<b>1,085</b>	<b>641</b>	<b>144</b>	<b>10,656</b>	<b>497</b>



# STATUS AND PROGRESS OF DISTRICT PROGRAMS

## BRANDING, ACTIVATION & MARKETING

- The Executive Management Team initiated regular meetings of the Marketing & Communications Working Group with the Board.
- The team focused on growing DPCBD's "Master Comms List," releasing regular monthly newsletters, and building organic growth of DPCBD's social media platforms: Instagram, Facebook, and Twitter.
- Highlights in social media outreach included increasing our follower base by 807 accounts and cultivating an "engagement rate" of 7.8% average per post, which is well above the 3-5% average engagement rate of nonprofit social media accounts.

## EVENTS & PLACEMAKING

- Launched "Discover Polk Delivers," a program to help neighborhood restaurants add revenues. Discover Polk CBD promoted a menu of "to go" food and drink from a local business, and then volunteers from Discover Polk CBD helped to deliver the food and beverages to customers living in the neighborhood. The inaugural event took place in September featuring the Bell Tower and earned over \$2000 of revenue directly for the business.
- Partnered with local merchant, Studio Gallery, to organize and execute a district wide art show called "Delicious to Go". The show featured fine art works from local artists all with food themes and displayed the artwork in local businesses and vacant storefronts.

- The event raised over \$5000 for the San Francisco-Marin Food Bank through its charitable component.
- Hired Christmas Tree Lighting Pros to install holiday lights on almost all the trees throughout the Polk Street corridor. We also purchased two industrial strength GloBo projectors with holiday images that we positioned at opposite ends of the district projecting a large-scale holiday greeting on Maple Hall, as well as an image of cascading snowflakes on the Lombardi Sports building. The holiday lighting and images received overwhelmingly rave reviews from the community and garnered thousands of social media impressions on Instagram, Facebook, and Twitter. The tree lights have been shown effective outside of the holiday season and will remain year-round.

## COMMERCIAL VACANCIES AS OF 5/30/2021: (SEE ATTACHED AS EXHIBIT A)

- Eight (8) of these have been vacant for between one and six years. Five (5) of these eight (8) units are owned by two (2) property owners, neither of whom appears to be motivated to lease their properties.
- Two (2) of the thirty (30) vacancies have submitted applications to planning and are awaiting initial hearings

# STATUS AND PROGRESS OF DISTRICT PROGRAMS

## FINANCIAL SUMMARY DATA

### Statement of Operations (Actual vs. Budget)

for the fiscal year ended June 30, 2021

	Actual	Budget
<b>REVENUE AND SUPPORT</b>		
Assessments	636,222	654,820
Fundraising/In-Kind	18,745	37,000
Interest Income	0	0
<b>TOTAL REVENUE AND SUPPORT</b>	<b>655,067</b>	<b>691,820</b>
<b>EXPENSES</b>		
Clean & Safe Program	341,853	416,713
Beautification & Placemaking	44,654	12,882
Marketing, Business Support, Etc	27,260	16,950
Administration & Reserve	88,812	72,235
<b>TOTAL EXPENSES</b>	<b>502,488</b>	<b>518,779</b>
Change in Net Assets	152,579	173,041
Prior Year Net Assets (Carryover)	653,788	653,788
<b>TOTAL NET ASSETS</b>	<b>806,367</b>	<b>826,830</b>

### Statement of Financial Position

As of 6/30/2021

#### ASSETS

Cash and Cash Equivalents	815,733
Assessment and Other Receivables	16,907
Prepaid Expenses	3,000
Equipment, net	8,467
<b>TOTAL ASSETS</b>	<b>844,107</b>

#### LIABILITIES & NET ASSETS

##### LIABILITIES

Accounts Payable	37,740
<b>TOTAL LIABILITIES</b>	<b>37,740</b>

##### NET ASSETS

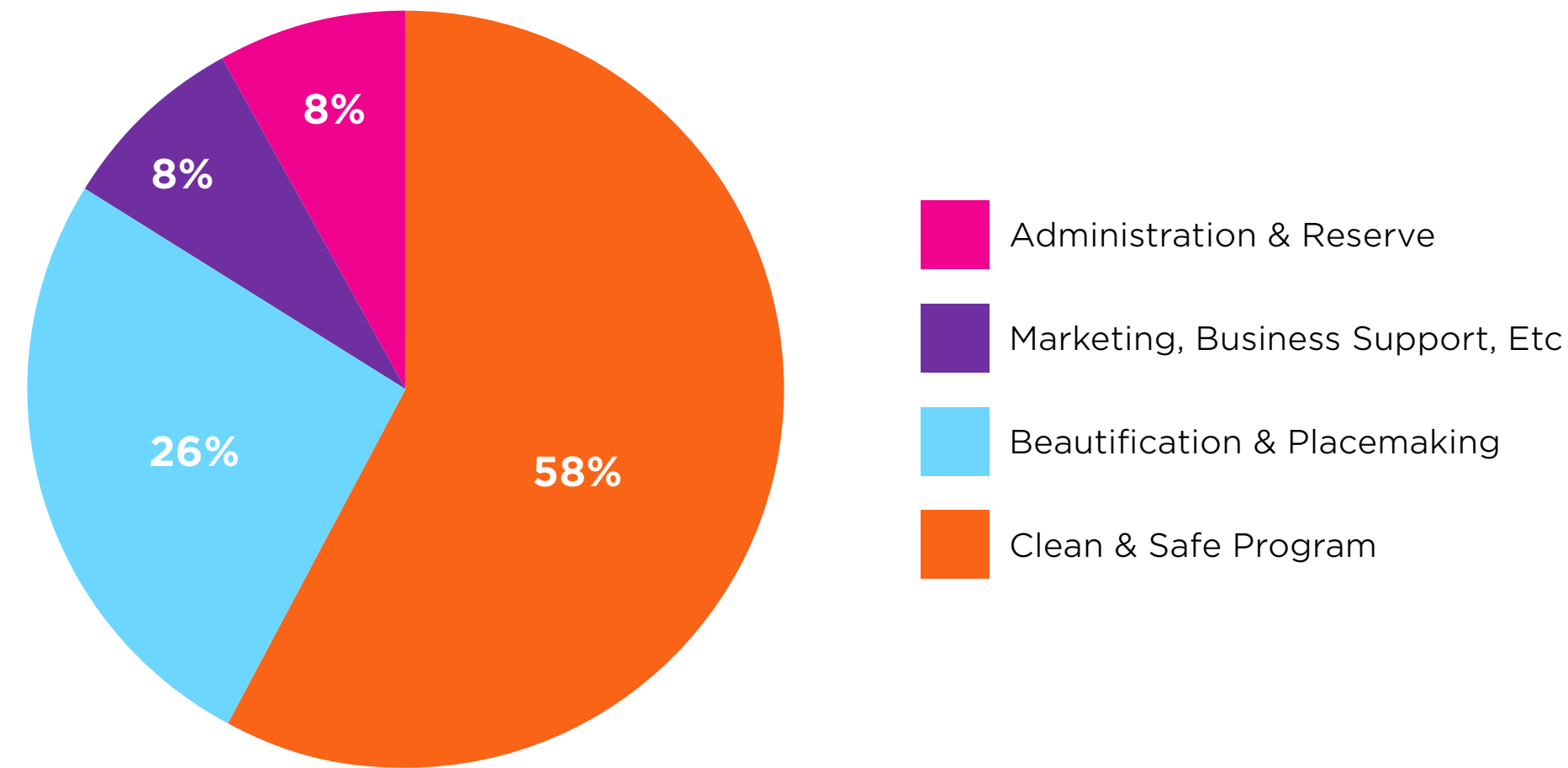
Without Donor Restrictions	794,704
With Donor Restrictions	11,663
<b>TOTAL NET ASSETS (CARRYOVER)</b>	<b>806,367</b>





# STATUS AND PROGRESS OF DISTRICT PROGRAMS

## FINANCIAL SUMMARY DATA



## FINANCIAL NOTES

### Benchmark 1 – Budget Vs Management Variance

- Revenues and expenses followed very closely to plan for the fiscal year. Assessment revenues were lower than expected due to the COVID-19 crisis but were offset partially by lower-than-expected expenses.

### Expense

- Overall expenses for the fiscal year are under budget by \$16,285.

### Clean & Safe

- Clean & Safe expenses are significantly under the budget by

\$74,860 due to understaffing issues at StreetPlus mostly related to the COVID-19 crisis.

### Beautification & Placemaking

- Beautification & Placemaking expenses are \$31,682 higher than budgeted. This is a result of paying the lighting company to install tree lights throughout the district. A large portion of this expense will be offset by a grant which was awarded to DPCBD by SF OEWD, but will not be reimbursed until FY 2021-2022.

### Marketing & Business Support

- Marketing & Business Support expenses are \$10,310 over the budgeted plan due to hiring a social media manager.

### Admin & Reserve

- Admin & Reserve expenses are \$16,577 over the budgeted plan due to a renegotiation of the Executive Management contract to include additional funds to cover healthcare for Executive Management Team.

### Carryover Status

- DPCBD has a carryover of \$806,367

### Other Notable Items

- DPCBD proceeded with fiscal caution throughout the COVID-19 crisis due to uncertainty on the impact of the pandemic on assessment revenues. Thankfully, the crisis did not impact assessment revenues significantly. The Board of Directors and Executive Management team plan to allocate more of the reserve funds toward meeting the district's objectives in FY2021-2022.



# DESCRIPTION AND STATUS OF EACH CONTRACT TO PROVIDE PROGRAMS/SERVICES

## StreetPlus

DPCBD entered its second year of a three (3) year Maintenance and Hospitality Services agreement on dated December 1, 2019 with StreetPlus. StreetPlus has been consistently meeting its prescribed qualitative and quantitative goals despite suffering from major staffing issues due to the COVID-19 crisis.

## Executive Management Team (Tonic Nightlife Group)

DPCBD entered a new, three (3) year contract with Tonic Nightlife Group to provide services as the Executive Management Team on February 1, 2021 with automatic renewal for successive one (1) year terms and sixty (60) day termination clauses for both parties. Tonic Nightlife Group will continue with the same scope of services; the only major changes being an increase in their yearly fundraising commitment to \$25,000 annually (from \$20,000) and a higher remuneration to cover healthcare costs for the Executive Management Team.

## Social Media & Marketing Manager

DPCBD continued a month-to-month contract with Social Media & Marketing Manager, Sabastion Archibald-Kimmel, to provide social media and marketing management. Sabastion's scope of work includes but is not limited to regularly updating content on social media platforms (Instagram, Facebook, Twitter); engaging with users on said platforms to answer questions and grow base; compiling, designing and sending a monthly newsletter to master marketing list; and assisting Executive Management Team with any marketing or design related projects.



# PREVIEW OF FY 2021/2022

DPCBD will focus its efforts in the next fiscal year toward helping the district recover from the effects of the COVID-19 pandemic. With significant cash reserves, some of which DPCBD is obligated to spend on behalf of the district, DPCBD will ramp up their efforts at placemaking and partnerships with SF OEWD to promote the brand of the district.

DPCBD will also continue to explore options for making the district safer and cleaner.

## Management & Operations

- StreetPlus
  - Work to achieve and maintain full staffing levels
  - Compile statistically significant data on cleanliness issues to better inform decisions by the Board and Executive Management Team on allocation of resources and advocacy

## Clean & Safe

- Increase the number of graffiti abatement authorizations for private properties
- Utilize StreetPlus cleaning data to better target cleanliness “hotspots” and direct resources/advocate, accordingly
- Continue to foster relationship with SFPD Northern Station Captain and other leaders to address safety concerns and increase police presence in the district

## Marketing & Communications

- Grow communications list across all channels and increase engagements
- Build “historical archive” of written, photographed, and filmed material of district for use in further communications
- Full rebranding of DPCBD identity
- New website to reflect rebranding
- Contract with professional content developers (e.g. photographers, videographers, etc.) to upgrade online materials

## Streetscape & Events

- Plan and execute three district-wide events: Fleet Week, Holiday, and Bluegrass Festival
- Commission 3-5 large scale, professionally done murals to buildings in the district
- Continue to add lights to trees in the district to increase lighting levels
- Contract with City to have DPCBD branding on the banners on the lamp posts in the district
- Partner with Academy of Art University to add student generated artwork to local parklets

## EXHIBIT A – SUMMARY OF COMMERCIAL VACANCIES

APN	ADDRESS	USE	SQFT	FORMER USE	OWNER
0573-012	2050 Van Ness Ave	Residential Hotel (Mixed Use)	950	Molte Cose (Retail)	Polk/Washington Association LLC
0573-011	2030 Polk St	Commercial	700	Manicurist (merry manicures)	Karen Quan Revoc Tr
0573-012	2056 Polk St	Residential Hotel (Mixed Use)	800	Retail	Raymond G & Lorraine Choy
0574-012	1650 Pacific Ave	Commercial	7,762	TRX Gym/Corp	Griffith 1995 Credit Shelter
0574-018	1548 Broadway	Residential (Mixed Use)	2,500	SignoGraphics	David Lipshultz
0574-005	2023 Polk St	Residential (mixed Use)	1,400	n/a	Rose Wing Properties
0595-005	2000 Van Ness Ave	Office Building	1,965	Retail	H E I R Property Holdings LLC
0595-008	2050 Van Ness Ave	Commerical	12,242	Restaurant	2050 Van Ness LLC
0596-021	1906 Polk St	Commercial	1,030	Optometrist (Posinelli)	Peter Gumina
0597-015	1800 Polk St	Residential (mixed Use)	1,900	It's a Grind (coffee Shop)	Raymond Li Tom
0597-015	1804 Polk St	Residential (mixed Use)	800	Fregosi Paints	Raymond Li Tom
0597-029	1850 Polk St	Commercial Condo	2,000	Town School Closet	1850 Polk Street Properties
0597-054	1812 Polk St	Commercial Condo		Escape Room	Karina Vaysman
0598-010A	1946 Van Ness Ave	Industrial	7,405	Bakery	1946 Van Ness Avenue LLC
0598-010B	1940 Van Ness Ave	Commerical	3,130	Cross Fit Gym	Stephen Honnert
0598-014/015	1801 Polk St	Commercial Condo	2,100	Dry Cleaners	Polk/Washington Association LLC
0619-002	1735 Polk St	Mix Flat & Store	5,227	Restaurant	Nguyen Venture LLC
0619-005	1701 Polk St	Residential (mixed Use)	650	Retail (Smith)	Wai-Man Lee
0619-005	1713 Polk St	Residential (mixed Use)	1,103	Florist	Wai-Man Lee
0619-012	1860 Van Ness Ave	Residential (mixed Use)	1,179	n/a	WVN Association
0619-150 ?	1810 Van Ness Ave	Commercial Condo	2,583	Gym	Channers Inc
0620-019	1742 Polk St	Residential (mixed Use)	1,680	Retail (Terrasol)	Devpac LLC
0620-019	1738 Polk St	Residential (mixed Use)	1,680	Modern Design	Devpac LLC
0621-013	1608 Polk St	Residential (mixed Use)	5,600	Restaurant	1688 Sacrametno Street LLC
0621-013	1610 Polk St	Residential (mixed Use)	1,000	Salon	1688 Sacrametno Street LLC
0621-022	1640 Polk St	Commercial	8,330	Grocery (Big Apple)	Joe & Annie Eng
0622-002	1639 Polk St	Residential (mixed Use)	1,400	Restaurant (Panchos)	Tooran G Khayam-Bashi
0643-001	1553 Polk St	Commercial	950	Retail	Housser Family Trust
0643-002	1541 Polk St	commercial	3,300	Church	Moskowitz Family Trust
0644-016	1538 Polk St	Residential Hotel (Mixed Use)	900	Dry cleaner (Anytime)	Wai-Man Lee