

File No. 180244

Committee Item No. 7

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight
Board of Supervisors Meeting:

Date: July 18, 2018

Date: _____

Cmte Board

- | | | |
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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input 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 checked="" 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <u>CBD Annual Report - FY2016-2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>CBD Financial Statements - June 30, 2017</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral FYI - March 20, 2018</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Prepared by: John Carroll

Date: July 13, 2018

Prepared by: John Carroll

Date: _____

1 [Fisherman's Wharf and Fisherman's Wharf Portside Community Benefit Districts - Annual
2 Report - FY2016-2017]

3 **Resolution receiving and approving the annual report for the Fisherman's Wharf**
4 **Community Benefit District and Fisherman's Wharf Portside Community Benefit District**
5 **for FY2016-2017, submitted as required by the Property and Business Improvement**
6 **District Law of 1994 (California Streets and Highways Code, Sections 36600 *et seq.*),**
7 **Section 36650, and the Districts' management agreements with the City, Section 3.4.**

8
9 WHEREAS, The Fisherman's Wharf Community Benefit District (the
10 "Fisherman's Wharf CBD") was established by the Board of Supervisors in 2005, and
11 the Fisherman's Wharf Portside Community Benefit District (the "Fisherman's Wharf
12 Portside CBD") was established by the Board of Supervisors in 2006, as described
13 below; and

14 WHEREAS, Both the Fisherman's Wharf CBD and the Fisherman's Wharf
15 Portside CBD are administered by the same owners' non-profit association, known as
16 the Fisherman's Wharf Association, as described below; and

17 WHEREAS, On June 7, 2005, in accordance with the Property and Business
18 Improvement District Law of 1994, California Streets and Highways Code
19 Sections 36600 *et seq.* (the "Act"), as augmented by Article 15 of the San Francisco
20 Business and Tax Regulations Code ("Article 15"), the Board of Supervisors adopted
21 Resolution No. 386-05 expressing the City's intent to form the Fisherman's Wharf CBD;
22 and

23 WHEREAS, On July 26, 2005, the Board of Supervisors adopted Resolution
24 No. 540-05 establishing the Fisherman Wharf's CBD for a period of 15 years
25 commencing with FY2005-2006; and

1 WHEREAS, On January 10, 2006, the Board of Supervisors adopted Resolution
2 No. 16-06 authorizing a contract with the Fisherman's Wharf Association for the
3 management and administration of the Fisherman's Wharf CBD (the "Fisherman's
4 Wharf CBD Management Contract") which is on file with the Clerk of the Board of
5 Supervisors in File No. 052026; and

6 WHEREAS, On October 24, 2006, in accordance with the Act, as augmented by
7 Article 15, the Board of Supervisors adopted Resolution No. 586-06 expressing the
8 City's intent to form the Fisherman's Wharf Portside CBD; and

9 WHEREAS, On December 12, 2006, the Board of Supervisors adopted
10 Resolution No. 696-06 establishing the Fisherman's Wharf Portside CBD for a period
11 of 14 years commencing with FY2005-2006; and

12 WHEREAS, On June 19, 2007, the Board of Supervisors adopted Resolution
13 No. 312-07 with the Fisherman's Wharf Association, authorizing a contract with the
14 Fisherman's Wharf Association for the management and administration of the
15 Fisherman's Wharf Portside CBD (the "Fisherman's Wharf Portside Management
16 Contract") which is on file with the Clerk of the Board of Supervisors in File No. 070838;
17 and

18 WHEREAS, On March 14, 2017, the Board of Supervisors approved the
19 Fisherman's Wharf CBD's and the Fisherman's Wharf Portside CBD's annual report for
20 FY2015-2016 in Resolution No. 077-17; and

21 WHEREAS, The Fisherman's Wharf Association has submitted for the Board's
22 receipt and approval an annual report for both the Fisherman's Wharf CBD and
23 Fisherman's Wharf Portside CBD for FY2016-2017 as required by Section 36650 of the
24 Act and Section 3.4 of the Fisherman's Wharf Management Contract and the
25 Fisherman's Wharf Portside Management Contract (the "Annual Report"), which is on

1 file with the Clerk of the Board of Supervisors in File No. 180244 and is incorporated
2 herein by reference as though fully set forth; and

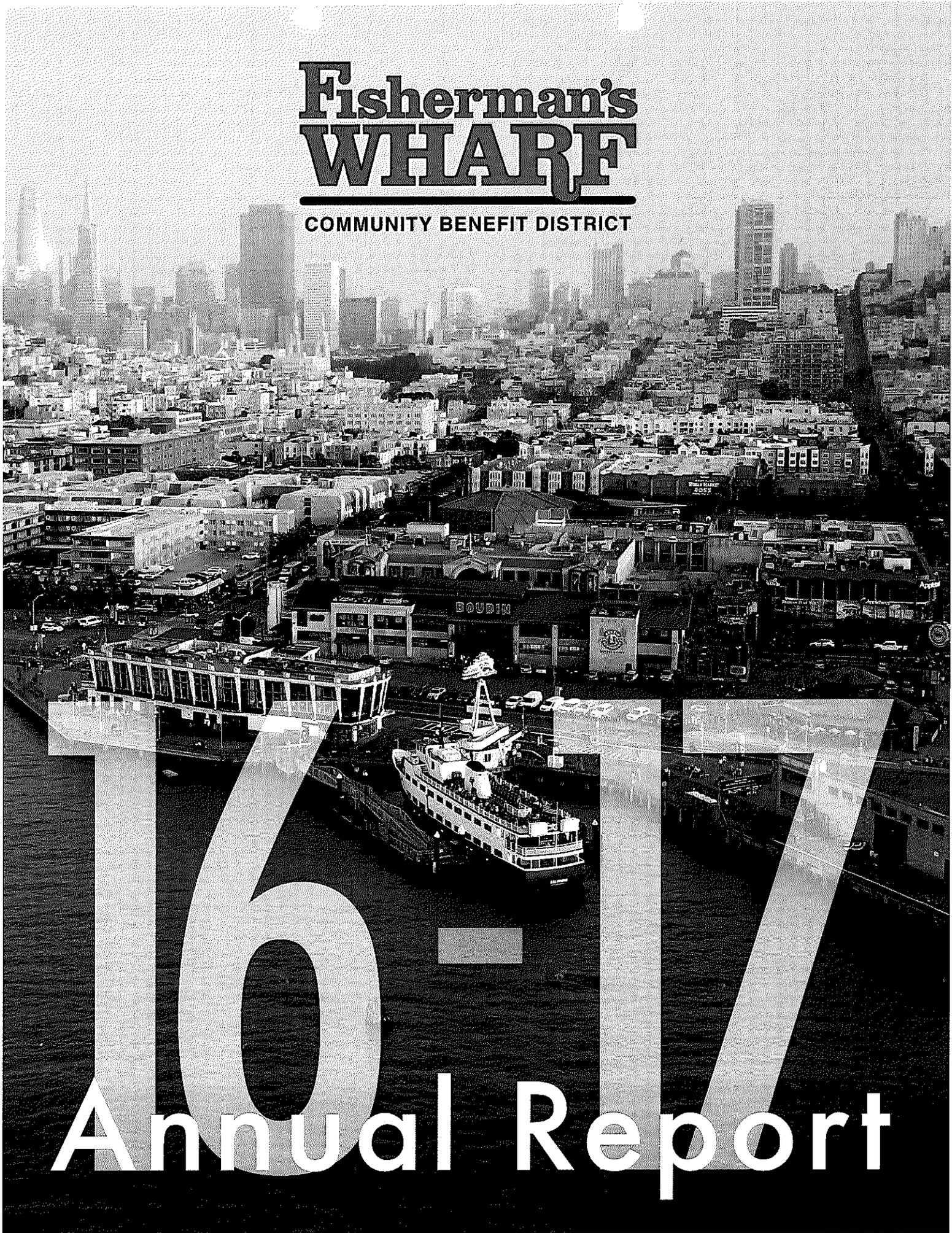
3 WHEREAS, Supporting documents, including, but not limited to, a transmittal
4 letter and memorandum report from the City's Office of Economic and Workforce
5 Development, dated February 13, 2018, and documentation from the Fisherman's
6 Wharf Association for the Annual Report is on file with the Clerk of the Board of
7 Supervisors in File No. 180244; now, therefore, be it

8 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
9 report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside
10 Community Benefit District for FY2016-2017.

Fisherman's WHARF

COMMUNITY BENEFIT DISTRICT

16-17 Annual Report



Dear Community Member,

As a member of the Fisherman's Wharf Community Benefit District (FWCBD), it has been a wonderful opportunity to watch and experience the evolution and growth of our organization. It has been an honor to be a part of the Board of Directors for the past nine years and to serve as president over the last year. Our organization has become the community's most powerful advocate and a generator of growth that we did not have before the FWCBD's inception 12 years ago.

The 2016 - 2017 fiscal year has been another exciting and successful year. I want to thank our committed staff members Troy Campbell, Laura Schaefer, Rachel Brown, Mike Castro and the Ambassador Team as well as the Fisherman's Wharf community and fellow board members. I have been very fortunate to serve as president and work with so many wonderful people.

Please read through this annual report and discover all that we have accomplished and how we are working to make Fisherman's Wharf an even greater place for our businesses, residents and visitors. I encourage all interested members of our community to get involved and help the growth and evolution of our organization.

Sincerely,
Jeff Sears, FWCBD President



Ambassadors

The FWCBD's Ambassador Program is a critical program for the district, offering needed support to property owners and merchants. The ambassadors not only assist visitors with directions and questions, but they also clean and remove graffiti in the district, collect litter, outreach to the district's street population, and aid law enforcement and the Port of San Francisco.

Hospitality Statistics - July 1, 2016 - June 30, 2017

1. Hospitality Assistance	13,192
2. Business Contacts Made	11,095
3. Directions Given	9,243
4. Street Performer Interaction	1,036
5. Escorts Provided	829
6. Motorists Directions Given	870

Cleaning & District Service Statistics - July 1, 2016 - June 30, 2017

1. Trash Removed (lbs.)	16,278
2. Pan & Broom Block Faces	5,135
3. Graffiti Removed	2,219
4. Graffiti Stickers Removed	2,074
5. Street Furniture Cleaned	1,560
6. Tree Grates Cleaned	1,925
7. Painting Enhancements	953

Safety/Compliance Statistics - July 1, 2016 - June 30, 2017

1. Sit/Lie	2,556
2. Public Disturbance/Panhandling	2,048
3. Drinking in Public	2,145
4. Camping/Sleeping	1,315
5. Illegal Dumping	822



Tree Lights at Joseph Conrad Square



SOBO & PIERsafe

- » Launched our Retail Strategy Task Force in January and hired Seifel Consulting to undertake the retail strategy study and produce the final report.
- » Published a detailed Leasing Report for commercial real estate brokers and property owners.
- » Built the new website fwretailstrategy.com to highlight progress and growth in the district as well as provide data and statistics to help inform property owners and real estate professionals.
- » Installed a new "Welcome to Fisherman's Wharf" sign at the Hyde Street Cable Car turnaround.
- » Refurbished the Fisherman's Wharf sign at the Taylor Street Cable Car turnaround.
- » Maintained and replaced the tree lights at Joseph Conrad Square.
- » Created and distributed new information packets for the district addressing rules, regulations, marketing opportunities and how to become more involved in the district.
- » Conducted monthly audit reviews in partnership with DPW and the Port of San Francisco to address streetscape items and cleanliness issues in the District.
- » Continued our partnership with Carducci & Associates and SF Rec. and Parks to approve the design for Joseph Conrad Square.
- » Partnered with the MTA and provided funding for a block long scrim installation at the Kirkland Bus Yard.
- » Purchased a Kubota car and pressure washer for the Ambassadors which now allows us the ability to offer sidewalk cleaning services to property owners.
- » The Executive Director served as Co-Chair for the district on Central Station's Community Police Advisory Board.
- » We held monthly SFPD Community Meetings attended by the SFPD Central Station Police Captain, the Deputy District Attorney and the Fisherman's Wharf beat officers.
- » Held our 3rd Annual Security and Safety Summit in the spring. The event provides the community with resources and education as well as fostering partnerships between SFPD, the District Attorney's Office, local merchants and private security companies located at the Wharf. A follow up Security Summit was held in November.
- » Held monthly PIERsafe Committee Meetings which focused on Wharf security, safety and emergency preparedness.
- » Weekly tests of the FishNet radio network that engages approximately 18 members that includes hotels, restaurants and other Fisherman's Wharf business interests.
- » Reprinted and distributed the 2016-2017 Essential Emergency Contacts wallet card.
- » Partnered with FOREAlert smart phone application to communicate with our constituents, and between our FWCBD Ambassadors and key district security personnel in real time - whether in an emergency, or proactively on a daily basis.
- » From July to October the Fisherman's Wharf CBD hired off duty SFPD officers to supplement our beat officers on busy weekends.
- » The FWCBD continued to produce and distribute the "Park Smart" campaign graphics (postcards, posters, web) for the citywide initiative to educate visitors to not leave valuables in their cars.
- » Through the efforts of our Ambassadors and continued community participation, the FWCBD works to get convictions and stay away orders for the top 3 worst criminal offenders at Fisherman's Wharf.
- » Hired a Risk Management Consultant, Dr. Peg Jackson, to lead our 2016 emergency preparedness table top exercise.
- » Hosted free NERT, Defensive Tactics, and Situational Awareness trainings.

Pedestrian Counts

The FWCBD maintained our Springboard pedestrian and car counting cameras in four locations along Jefferson Street to analyze and monitor foot fall and vehicular traffic in the Wharf.

To the right are the top 15 days for visitation based on footfalls* counted on Jefferson Street between July 1, 2016 to June 30, 2017.

*Footfalls equates to the total number of times people walk by one of the cameras.

1.	121,059	10/08/16	Saturday of Fleet Week
2.	115,618	09/04/16	Sunday of Labor Day Weekend
3.	107,517	07/23/16	Saturday in July
4.	105,585	09/17/16	Saturday in September
5.	104,380	07/30/16	Saturday in July
6.	101,366	10/01/16	Saturday in October
7.	101,104	08/13/16	Saturday in August
8.	100,053	08/20/16	Saturday in August
9.	98,891	09/24/16	SFFD 150th on Saturday
10.	98,878	08/06/16	Saturday in August
11.	98,070	09/03/16	Saturday of Labor Day Weekend
12.	95,651	08/27/16	Saturday in August
13.	95,248	09/05/16	Labor Day
14.	94,104	07/24/16	Sunday in July
15.	94,050	10/22/16	Wharf Fest Saturday



DISI & Marketing Accomplishments

Events

- » The FWCBD produced the 4th Annual Wharf Fest Steet Fair & Chowder Competition between 10 local restaurants who competed to win the title of either Judges' Choice or People's Choice. 683 tickets to the competition were sold and The FWCBD raised \$17,500 in sponsorship for the event.
- » The FWCBD provided event sponsorship for the 2016 4th of July Celebration and the 2016 Fleet Week airshow.
- » Produced two pub crawls that had a combined attendance of over 700 people.
- » Partnered with the St. Francis Yacht Club to produce the annual "Holiday Lighted Boat Parade."
- » Hosted 200 hotel concierge, Airbnb hosts and tourism influencers at the FWCBD produced Hospitality Trade Show & Neighborhood Walk on April 20, 2017. Forty businesses participated and the estimated ROI of the event was \$193,500 (over 3000%).
- » Produced The Wharf's PokéNIGHT, a district-wide event on Thursday, July 28. Forty businesses offered deals on attraction passes, drinks, food, and shopping. Over 2000 attended the event that had an estimated ROI of 450%.
- » Partnered with the FWMA on a district holiday party.

Promotions

- » Wrapped the base of the Crab Wheel Sign in an "Ugly Sweater" to both celebrate the holidays and to bring awareness to Project Homeless Connect and the "Share the Warmth" campaign.
- » Decorated the iconic Fisherman's Wharf Crab Wheel sign with lights for the holiday season.

- » Created a social media Valentine's Day campaign that followed the first date planning for Crabbecca (a crab) and Sean Leon (a sea lion) who 'met and were matched' on a dating app.

Print & Digital Media

- » Fisherman's Wharf Pocket Guide - Distributed to over 850 locations in California
- » Alaska Airlines - Full Page ad with six other Wharf businesses for their in-flight magazine
- » Via Magazine with a map of the district showing our top 15 attractions and points of interest
- » Produced and distributed rack cards for the following events: 4th of July, Fleet Week, Merrytime at the Wharf and the Summer of Love.
- » Received a \$120,000 Google Grant for Adwords which allows the FWCBD to create ad campaigns as well as boosting our search ranking on Google, our top referral search engine.
- » Partnered with the Ad Roll retargeting advertising platform to create a first-of-its-kind co-op retargeting program available to district businesses.
- » Added personalized itinerary planning technology to the website, powered by Utrip Pro.
- » Tracked the over 7,000 articles published about Fisherman's Wharf, that had a reach of 7 million people and an advertising value of \$66 million.

Newsletters

- » FWCBDetails - monthly community newsletter
- » What's Up Wharf? - quarterly consumer newsletter
- » Events & Meetings - quarterly travel industry newsletter

Advocacy & Other Accomplishments

Social Media & Website

- » VisitFishermansWharf.com | 253,900 Annual Users
- » Facebook.com/visitfishermanswharf | 42,169 Likes
- » Twitter - @TheWharfSF | 3,046 Followers
- » Instagram - @FishermansWhat | 2,472 Followers
- » The FWCBD is also the account administrator for the Fisherman's Wharf Yelp & Trip Advisor pages.



- » Fisherman's Wharf was awarded Trip Advisor's Certification of Excellence and the Experts' Choice Award from TripExpert.
- » Advocated for extending the Central Subway to the Wharf by partnering with SF Nextstop.
- » Built, maintained and promoted an "Online Job Fair" for district merchants during the months of April & June to assist with hiring seasonal employment at the Wharf.
- » Sponsorships by the FWCBD were provided to: Fleet Week, 4th of July Celebration, the Taste of Tei-Hi Fundraiser, FWMA Crab Feed Fundraiser, National Night Out, FWMA Golf Tournament and the Aquarium of the Bay.
- » The FWCBD received a \$25,000 grant from the Office of Economic and Workforce Development which has allowed the FWCBD to hire a consultant for a district retail strategy study and report.
- » Received a grant from OEWD to run a seasonal ambassador program for nearby Lombard Street. This program not only helps this tourist hot spot adjacent to Fisherman's Wharf but also provides additional funds for the FWCBD's ambassador program.
- » Continued advocacy, outreach and support for the Jefferson Street Phase 2 Project. The FWCBD continues to assist City departments in writing grants and seeking funding for construction.
- » The FWCBD was awarded a \$3,000 Neighborhood Justice Grant from District Attorney George Gascón to help promote the PARK SMART! message to district visitors.
- » Advocacy for the tourism industry through the Clean, Safe and Civil Sidewalk Coalition.

2016/17 Financials

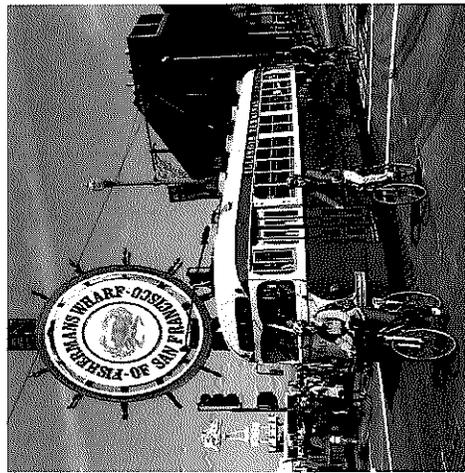
Landside + Portside

	Actual	Budget	Variance	% of	Actual	Budget	Variance	% of	Actual	Budget	Variance	% of
REVENUE												
Assessments/Landside	718,351	684,400	31,951	5%	718,351	684,400	31,951	5%	242,520	236,500	6,020	3%
Assessments/Portside	210,859	228,600	-10,541	-5%	210,859	228,600	-10,541	-5%	84,373	6,020	84,373	0%
Grants	182,493	0	182,493	100%	182,493	0	182,493	100%	5,003	0	5,003	0%
Special Projects/Combined	51,300	0	51,300	100%	51,300	0	51,300	100%	18,700	0	18,700	0%
Special Event/Sponsorship	19,783	12,000	7,783	65%	14,780	8,000	6,780	85%	52,125	18,700	33,425	179%
Interest/Sponsor/Other	347	0	347	100%	347	0	347	100%	384,070	259,300	124,770	48%
Donated Services	144,697	49,100	95,597	195%	92,572	30,400	62,172	205%	0	0	0	0%
TOTAL REVENUE	1,352,571	984,100	368,471	38%	975,572	774,800	200,772	26%	384,070	259,300	124,770	48%
EXPENSE												
Sidewalk, Operations & Beautification	221,409	199,000	22,409	11%	221,409	199,000	22,409	11%	220,842	169,800	51,042	30%
District Health & Streetscape Improvement	420,173	452,200	-16,973	-4%	391,332	282,600	108,732	41%	47,400	47,300	100	0%
Administration	184,749	184,600	149	0%	187,349	187,300	49	0%	52,125	18,700	33,425	179%
Special Projects/Combined	51,300	0	51,300	100%	51,300	0	51,300	100%	320,307	235,600	84,707	36%
Donated Services	1,322,331	49,100	95,597	195%	92,572	30,400	62,172	205%	43,653	23,700	19,953	84%
TOTAL EXPENSES	1,372,331	884,900	487,431	35%	901,992	649,300	252,692	39%	43,653	23,700	19,953	84%
NET INCOME	137,662	99,200	37,662	38%	73,508	75,500	-1,992	-3%	179,273	0	179,273	100%
16/17 CARRYOVER	829,225	0	829,225	100%	649,952	0	649,952	100%	179,273	0	179,273	100%

2016/17 Balance Sheet

CURRENT ASSETS		
Cash	82,416	
Assessments receivable	20,500	
Grant receivable	16,800	
Prepaid expenses	25,119	
OFFICE FURNITURE & EQUIPMENT	4,244	
IRRIGABLE ASSETS	24,600	
TOTAL ASSETS	\$959,629	
LIABILITIES & EQUITY		
Accounts Payable	49,465	
Assessments received in advance	8,400	
TOTAL CURRENT LIABILITIES	\$127,865	
NET ASSETS	831,764	
Invested in	18,000	
Reserve	813,764	
TOTAL FUND BALANCE	\$829,225	
TOTAL LIABILITIES & FUND BALANCE	\$959,629	

16/17 Budget Distribution	48%
DEBT	21%
SOBID	20%
ASBHM	20%
CONTRIBUTORY RESERVE	10%



500+ MILE MILE
FOR EVERYONE 22 13
 Alaska Airlines co-op advertisement

2017/18 Budget

	Landside	Portside	Total
REVENUE			
Assessments	706,468	230,810	937,278
Events / Sponsorships	11,220	3,750	15,000
Grants	38,720	11,250	49,970
Donated Services	30,400	18,700	49,100
TOTAL REVENUE	786,808	264,510	1,051,318
EXPENSE			
Sidewalk, Operations & Beautification	205,546	0	205,546
District Health & Streetscape Improvement	290,472	141,753	432,225
Administration	141,694	46,164	187,857
Donated Services	30,400	18,700	49,100
Contingency Reserve	70,847	23,082	93,929
TOTAL EXPENSES	738,959	249,699	988,658
BUDGET DISTRIBUTION			
DEBT	41%	70%	48%
SOBID	29%	0%	27%
ASBHM	29%	20%	20%
RESERVE	10%	10%	10%
16/17 CARRYOVER DISBURSEMENT FOR 17/18			
DEBT	246,432	101,501	347,933
SOBID	144,703	0	144,703
ASBHM	122,780	29,256	152,036
Contingency / Reserve	137,037	40,216	183,300
TOTAL CARRYOVER	649,952	179,273	829,225

Assessment Methodology

The District is funded through an annual assessment, for 15 years, from the property owners for both the landside and portside boundaries of the district. The FWGSD Board of Directors increased the Landside Assessments by the CN of 2.9% for the 2012-2013 fiscal year.

LANDSIDE CBD PROPERTY ASSESSMENTS

For the landside, there are four property variables that are used in determining individual assessments. The factors are:

1. Linear Frontage (sidewalk frontage)
2. Land area
3. Entire usable building square footage
4. Building use

There is a total of 2,151,139 square feet in gross lot size, 28,276 feet in linear frontage and 4,486,146 in building square footage. These benefit zones have been created in the District for calculating assessments.

Benefit Zone 1 includes roughly all parcels north of Bay/North Point between Park and Powell to Jefferson. The formula for calculating the assessment is:

$$\begin{aligned}
 & \$0.091612 \text{ per square foot of lot size} \\
 & + \$0.42296 \text{ per linear foot of lot frontage} \\
 & + \$0.07268 \text{ per square foot of building use (A, or B*) or} \\
 & + \$0.033368 \text{ per square foot of building use (C-E*) or} \\
 & + \$0.05 \text{ per square foot for residential (F*)}
 \end{aligned}$$

Note: See chart below for building categories.

Examples: A 5,000 square foot lot, with 50 feet of frontage and 4,000 square foot of usable retail or commercial building use:

$$\begin{aligned}
 5,000 \times 0.091612 &= \$458.06 \text{ in lot size} \\
 50 \times \$0.42296 &= \$21.148 \text{ in linear frontage, and} \\
 4,000 \times \$0.07268 &= \$290.72 \text{ in bldg sq footage (A or B)} \\
 \text{Total assessment} &= \$770.93 \text{ per year}
 \end{aligned}$$

Benefit Zone 2 includes parcels west of Park and east of Powell. Benefit Zone 2 parcels are assessed at the same rate as above but without a building factor assessment. The formula for calculating the assessment is:

$$\begin{aligned}
 & \$0.091612 \text{ per square foot of lot size} \\
 & + \$0.42296 \text{ per linear foot of lot frontage} \\
 & = \text{Total Assessment}
 \end{aligned}$$

Benefit Zone 3 includes the IWU* block bordered by Beach, Mason, Taylor and North Point. Parcels are assessed on the basis of linear frontage only. All residential parcels are assessed \$0.05 per square foot per year. The formula for calculating the assessment is:

$$\$0.42296 \text{ per linear foot of lot frontage (IWU Block)} = \text{Total Assessment}$$

* The IWU* is designated as Benefit Zone 3, because of its unique position in the district and was assessed upon its four sides of linear frontage only.

Building Use, by Landside CBD for Zone 1

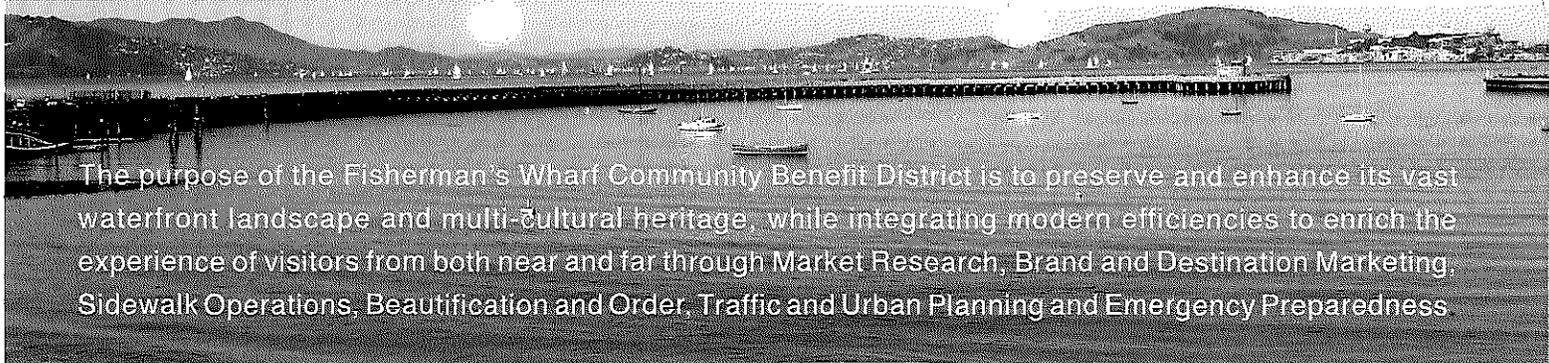
BUILDING USE CATEGORY	USE CODE
A	Retail stores, hotels, motels, visitor related parking structures
B	Office and Commercial uses, free standing parking structures
C	Industrial/Manufacturing/Distribution
D	Institutional (City, County, public utility, parks, etc.)
E	Church, non-profit, tax-exempt, affordable housing, rent-controlled housing
F	Multifamily housing, condos, apartments
G	Non-functional building structures

PORTSIDE CBD PROPERTY ASSESSMENTS

The portside is comprised of retail, visitor, food, and beverage businesses, general merchandise, and other types of non-retail parking lots. These businesses are assessed on their entire frontage to be equal to all other businesses in the district. The rate is \$0.05 per square foot per year. The formula for calculating the assessment is:

$$\$0.05 \text{ per square foot of lot size} = \text{Total Assessment}$$

Example:
 Gross Sales \$1,000,000 - 0.014 = \$14,000 Assessment
 Your opportunity from this year is \$14,000. If you have a company or per person license (company or per person) are assessed based on the number of persons per year (equation or per person license company or per person) and company. The assessment range from \$180 to \$210,000.



The purpose of the Fisherman's Wharf Community Benefit District is to preserve and enhance its vast waterfront landscape and multi-cultural heritage, while integrating modern efficiencies to enrich the experience of visitors from both near and far through Market Research, Brand and Destination Marketing, Sidewalk Operations, Beautification and Order, Traffic and Urban Planning and Emergency Preparedness



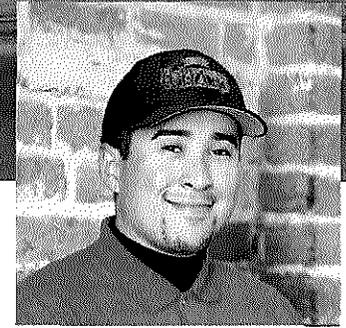
Troy Campbell
Executive Director



Laura Schaefer
Program Manager



Rachel Brown
Marketing & Communications Director



Mike Castro
Operations Manager

16/17 Board of Directors

PRESIDENT:

Jeff Sears, Blazing Saddles

VICE PRESIDENT:

Aline Estournes, NorthPoint Shopping Center

SECRETARY:

Sina von Reitzenstein, PIER 39

TREASURER:

Brandy Marts, The Franciscan Restaurant

ASST. SECRETARY:

Rodney Fong, The Wax Museum Building

ASST. TREASURER:

Al Casciato, Bovis Foods

IMMEDIATE PAST PRESIDENT:

John Cannizzaro, Jefferson Building, Inc.

BOARD MEMBERS:

David Berbey, Portco, Inc.

Gary Burns, Tarantino's

Molly Castles, Jamestown Properties

Hagen Choi, Tower Tours

Chris Connors, Merlin Entertainment

Tom Creedon, Scoma's

Mike Cunningham, Holiday Inn Express

Rebecca Delgado Rotman, Academy of Art University

Jacqueline Douglas, Wacky Jacky Sport Fishing

Tom Escher, Red and White Fleet

Michael Hirsch, The Sheraton Hotel

Carolyn Horgan, Blue and Gold Fleet

Brian Huber, MapWest

Paul Miller, Bistro Boudin

Kathy Paver, PIER 39

Frank Rescino, The Lovely Martha Sport Fishing

Tony Smith, Anchorage Square

Jason Williams, Hotel Zephyr

COMMUNITY REPRESENTATIVES:

Jay Edwards, Port of San Francisco

Lynn Cullivan, San Francisco Maritime N.H.P.

District Details & Facts

Year Established	2006, for 15 years
Total Assessed Properties	105 Landside
Total Assessed Businesses	56 Portside
Total Square Blocks	30
Geographic Size	143 Acres
Population	5,885
Jobs	8,334
Job Density	59 Jobs / Acre
Hotel Rooms	3200+
Daily Visitation (average)	24,000 people
Peak Visitation	150,000

- » Fisherman's Wharf is the number one destination in San Francisco and PIER 39 is the most visited attraction.
- » Fisherman's Wharf receives 10-12 million visitors annually.
- » 35% of visitors to Fisherman's Wharf are Bay Area residents.
- » Approximately \$65.6 million in revenue is generated annually to the City of San Francisco through rents to the Port of San Francisco, payroll, sales, property, hotel and parking taxes.
- » There are 11 parking garages and lots at Fisherman's Wharf that generate approximately \$14.2 million in parking revenue taxes that funds the Port and the MTA.

**Fisherman's
WHARF**
COMMUNITY BENEFIT DISTRICT

2801 Leavenworth Street, Suite B-16 San Francisco, CA 94133
415.673.3530 | info@visitfishermanswharf.com
www.VisitFishermansWharf.com - Visitor Site
www.FWCBD.com - Association Site

**Fisherman's Wharf Association
of San Francisco**

Financial Statements

June 30, 2017
(Reviewed)

Barlow & Hughan LLP
CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

JUNE 30, 2017

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

BOARD OF DIRECTORS
FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA

We have reviewed the accompanying financial statements of the FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO (a California mutual benefit corporation), which comprise the statement of financial position as of June 30, 2017, the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. 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 for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

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

Supplementary Information

The statement of functional expenses on page 11 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This 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.

Barlow & Hughan LLP

San Francisco, California
September 18, 2017

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2017

(See independent accountants' review report)

ASSETS

CURRENT ASSETS

Cash	\$862,416
Assessments receivable	20,630
Grant receivable	18,000
Prepaid expenses	<u>29,119</u>
	930,165

OFFICE FURNITURE AND EQUIPMENT - Net of accumulated depreciation (Note 3)	4,244
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INTANGIBLE ASSETS - Net of amortization (Note 4)	<u>24,620</u>
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\$959,029

LIABILITIES

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 49,403
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ASSESSMENTS RECEIVED IN ADVANCE	<u>80,400</u>
	129,803

NET ASSETS

UNRESTRICTED	811,226
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TEMPORARILY RESTRICTED	<u>18,000</u>
	<u>829,226</u>

\$959,029

See notes to financial statements.

Barlow & Hughan LLP
CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF ACTIVITIES AND NET ASSETS

YEAR ENDED JUNE 30, 2017

(See independent accountants' review report)

	<u>Unrestricted</u>
REVENUES AND SUPPORT	
Special benefit assessments	\$ 960,871
Public support	360,521
Program services	<u>22,615</u>
	1,344,007
OTHER INCOME (EXPENSE)	
Special events - Net of expenses of \$27,377	(2,833)
Interest	347
Net assets released from restriction	<u>3,000</u>
	<u>1,344,521</u>
EXPENDITURES	
Program services	
Landside - District identity and street improvements	371,075
Landside - Street operations, beautification and order	221,409
Portside - District identity and street improvements	216,210
Lombard street visitor services	206,916
Support Services	
General and administrative expenses	<u>206,749</u>
	<u>1,222,359</u>
CHANGE IN NET ASSETS	122,162
FUND BALANCES - Beginning of year	<u>689,064</u>
FUND BALANCES - End of year	<u>\$ 811,226</u>

See notes to financial statements.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2017

(See independent accountants' review report)

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	
Assessments received	\$1,022,464
Cash paid to suppliers and employees	(1,086,930)
Cash received from programs and events	47,159
Grants received	218,824
Interest received	<u>347</u>
Net cash provided by operating activities	<u>201,864</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of equipment	<u>(3,372)</u>
NET INCREASE IN CASH	198,492
CASH - Beginning of year	<u>663,924</u>
CASH - End of year	<u>\$ 862,416</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES	
Value of in-kind contributions used for operations	<u>\$ 144,697</u>
RECONCILIATION OF CHANGE IN NET ASSETS	
TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Change in net assets	\$ 137,162
Items not requiring cash:	
Depreciation and amortization	6,865
Changes in assets and liabilities:	
Increase in assessments receivable	(20,630)
Increase in grants receivable	(15,000)
Decrease in accounts receivable	1,823
Increase in prepaid expenses	(21,916)
Increase in accounts payable and accrued liabilities	33,160
Increase in assessments received in advance	<u>80,400</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 201,864</u>

See notes to financial statements.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History and Operations

The Fisherman's Wharf Association of San Francisco (the Association) was incorporated in California on February 23, 2006 as a non-profit public benefit corporation. Its purpose is to provide services to the Fisherman's Wharf Landside and Portside Community Benefit Districts (the Districts). The members of the Landside District include the owners of all parcels of land subject to property tax assessments within the geographic area of Fisherman's Wharf as established on July 26, 2005 by the Board of Supervisors of the City and County of San Francisco. Members of the Portside District include the tenants who have leased property from the Port of San Francisco within the Portside District as established by the Board of Supervisors on December 3, 2006.

Upon formation of each District, its members were subject to multi-year special assessments imposed by the City under the Property and Business Improvement District Law of 1994. Under contracts with the City, the Association receives these special assessments and, in exchange, provides certain services to the members of the Districts. These services include supplemental security services to maintain order, the cleaning and maintenance of sidewalks, the removal of graffiti, the coordination of services provided to the homeless, neighborhood beautification and tree-planting programs, and the organization and funding of special events. The contracts with the City also require that the Association raise a specified level of private donations. Management believes that during the year ended June 30, 2017, the Association has complied with this requirement.

In addition to the special assessment funds, the Association relies on public support, grants, and service revenues to supplement the special assessments and provide services to the Districts and the neighboring areas. During the year the Association received a grant from the City to provide community services under the Lombard Street Visitor Services Program which serves an area adjacent to the Districts.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

History and Operations (Continued)

The annual special assessments imposed by the City will expire on December 31, 2020, unless the Districts are disestablished earlier by a majority vote of its members. The Association's contracts with the City will expire on December 31, 2021, but either would expire upon the disestablishment of the District to which it relates.

Basis of Presentation

The Association reports 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, based upon the existence or absence of donor-imposed restrictions.

Grants receivable at the end of the year are recognized as temporarily restricted. Income is also recognized as temporarily restricted if restrictions imposed by the donor will not be satisfied by the end of the current year. At June 30, 2017 the Association had no permanently restricted net assets.

Income is recognized when the special assessment imposed by the City becomes due and enforceable for collection by the City Assessor. The City and County of San Francisco serves as an agent in collecting and transmitting the assessments.

Assessments Receivable

Assessments billed but not transmitted by the City at year end are recorded as receivables, net of an allowance for doubtful accounts based on the Association's historical experience. At June 30, 2017 Management determined that all of the receivables were collectible and therefore no allowance for doubtful accounts was necessary.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Use of 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.

Income Tax Status

The Association qualifies as a tax-exempt organization and is therefore generally exempt from income taxes. Income taxes are payable, however, on revenue from sources unrelated to its tax exempt purpose. There were no such revenues during the year. There were no penalty or interest assessments by any government agency recorded in the financial statements during the year. In addition, the Association has not taken an unsubstantiated tax position that would require provision of a liability under Accounting Standards Codification Topic 740, "Income Taxes."

Donated Services

A number of volunteers have donated significant amounts of their time to the Association. These donated services are not reflected in the financial statements since they do not meet generally accepted criteria for recognition as contributed services.

A number of organizations have donated services and materials to the Association. The Association also received discounted rental and meeting space to carry on its activities. Management estimates the value of these donations during the year to be \$144,697. This amount was recognized as public support revenue and corresponding expenses were also recognized by the Association.

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Compensated Absences

Accumulated paid time off is accrued when earned. As of June 30, 2017 the liability for employees for compensated absences was \$6,634. The liability for compensated absences was included among the accrued liabilities of the Association.

2. CASH

Cash at June 30, 2017 consisted of the following:

Cash in checking account	\$172,252
Cash deposited in interest-bearing account	<u>690,164</u>
	<u>\$862,416</u>

3. OFFICE FURNITURE AND EQUIPMENT

Office furniture and equipment are stated at cost. Depreciation is provided using the straight-line method over five years. Depreciation charged to general and administrative expenses for the year ended June 30, 2017 was \$665.

Office furniture and equipment at June 30, 2017 consisted of the following:

Furniture and equipment	\$9,435
Less accumulated depreciation	<u>5,191</u>
	<u>\$4,244</u>

4. INTANGIBLE ASSETS

Intangible assets are stated at cost. Amortization is provided using the straight-line method over their estimated useful lives of between three and fifteen years. Amortization charged to general and administrative expenses for the year ended June 30, 2017 was \$6,200.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2017

(See independent accountants' review report)

4. INTANGIBLE ASSETS - (Continued)

At June 30, 2017 net intangible assets were comprised of the following:

Organization costs	\$ 83,551
Website development costs	35,000
Signage and logos	<u>9,432</u>
	127,983
Less accumulated amortization	<u>103,363</u>
	<u>\$ 24,620</u>

5. RISK AND UNCERTAINTIES

Special benefit assessments are received under a contract with the City and County of San Francisco and represent approximately 70% of the Association's total revenues. Under the terms of the contracts the City can suspend distributions and ultimately terminate the contracts if the Association fails to provide adequate services to the Districts. The contracts expire on December 31, 2021 but either could be terminated at an earlier date if the Fisherman's Wharf Community Landside or the Portside Benefit Districts were disestablished by a vote of more than 50% of the assessed members.

6. CONCENTRATIONS OF CREDIT RISK

At June 30, 2017 the Association had uninsured cash deposits with a bank totaling approximately \$659,000.

7. SUBSEQUENT EVENTS

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were available to be issued.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

ADDITIONAL INFORMATION

Barlow & Hughan LLP
CERTIFIED PUBLIC ACCOUNTANTS

MEMO

To: Supervisor Aaron Peskin, District 3
CC: San Francisco Board of Supervisors
From: Chris Corgas, Senior Program Manager
RE: Fisherman's Wharf Community Benefit District (Landside and Portside)
Date: February 13, 2018

This is a memo summarizing the performance of the Fisherman's Wharf Community Benefit District (FWCBD) for both "Landside" and "Portside" and an analysis of their financial statements (based on their audit) for the period between July 1, 2015, and June 30, 2016.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Fisherman's Wharf CBD has complied with the submission of all these requirements. OEWD staff, with assistance from the Controller's Office, 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 Fisherman's Wharf Association management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2005 for Landside and 2006 for Portside.

Also attached to this memo are the following documents:

1. Annual Report
 - a. FY 2016 - 2017
2. CPA Financial Review Report
 - a. FY 2016 - 2017
3. Draft resolution from the Office of Economic and Workforce Development



Background

The Fisherman's Wharf Community Benefit District includes two districts - the "Landside" property-based district includes 127 parcels and "Portside" business-based district includes 58 parcels.

Landside:

- July 26, 2005: the Board of Supervisors approved the resolution that established the property-based district called the Fisherman's Wharf Landside Community Benefit District for 15 years (Resolution # 540-05).
- January 10, 2006: the Board approved the contract for the administration and management of the Fisherman's Wharf Community Landside CBD (Resolution # 16-06).
- March 14, 2017: the Board approved the Annual Report for the Fisherman's Wharf Landside CBD (Resolution # 077-17).

Portside:

- December 12, 2006: the Board of Supervisors approved the resolution that established the business-based district called the Fisherman's Wharf Portside Community Benefit District for 14 years (Resolution # 696-06).
- June 19, 2007: the Board approved the contract for the administration and management of the Fisherman's Wharf Portside CBD (Resolution # 312-07).
- March 14, 2017: the Board approved the Annual Report for the Fisherman's Wharf Portside CBD (Resolution # 077-17).

Basic Information about Fisherman's Wharf CBD

Year Established	Landside 2005 Portside 2006
Assessment Collection Period	Landside: FY 2005-06 to FY 2019-20 (July 1, 2005 to June 30, 2020) Portside: FY 2006-07 to FY 2019-20 (July 1, 2006 to June 30, 2020)
Services Start and End Date	Landside: January 1, 2006 – December 31, 2020 Portside: January 1, 2007 – December 31, 2020
Initial Estimated Annual Budget	Landside: \$622,615 Portside: \$187,113
Fiscal Year	July 1 – June 30
Executive Director	Troy Campbell
Name of Nonprofit Owners' Association	Fisherman's Wharf Association of San Francisco

The current CBD website <http://www.fwcbd.com>, includes all the pertinent information about the organization and its programs, a calendar of events, its Management Plan, Mid-Year Report, Annual Report and meeting schedules. It should also be noted that the organization also manages the site <http://www.visitfishermanswharf.com> that is designed specifically for visitors to the district.

Summary of Service Area Goals

District Identity and Street Improvements (DISI)

District Identity and Street Improvements service includes marketing and public relations and street enhancements for the district. The Laneside CBD Management Plan calls for 41% of the budget to be spent on DISI while the Portside CBD Management Plan calls for 70% of the budget to be spent in this service area.

Street Operations, Beautification and Order (SOBO)

Street Operations, Beautification and Order service area includes street maintenance, beautification, and safety and emergency preparedness. FWCBD contracts with Costless Maintenance Service Company (CMSC) Block by Block to provide removal of litter from sidewalks seven days a week year round, annual sidewalk steam cleaning, ongoing power washing and removal of graffiti within 72 hours. Security in the district is provided by two SFPD 10B officers SIX days a week from July to early October. Three full-time and one part-time ambassador provide assistance with directions and questions, communication with law enforcement and the Port of San Francisco, and outreach to homeless on the wharf. The Laneside CBD Management Plan calls for 29% of the budget to be spent on SOBO while the Portside CBD Management Plan does not allocate funds for this service area.

Administration and Corporate Operations

The Laneside and Portside CBD Management Plan calls for 20% of the budget to be spent on administration and corporate operations. The FWCBD is staffed by a full-time Executive Director who serves as the point person and advocate for the Fisherman's Wharf CBD. FWCBD board has twenty-five (25) board members who represent the diverse property and business owners in the district. In addition, there are two non-voting community representatives on the board that include the National Park Service, the Fishing Industry, and the Port of San Francisco. The board meets the fourth Thursday of the month. Each committee requires at least one board member serve on the committee or as the chair. The five committees include:

- **Marketing/District Identity & Streetscape Improvements** - The Marketing/District Identity & Streetscape Improvements committee works to promote visitation to Fisherman's Wharf and meets the second Tuesday of the month.
- **PIERSafe** - The PIERSafe committee works to create a safety and emergency preparedness for businesses and residents in the Fisherman's Wharf community and meets the first Thursday of the month. Fisherman Wharf CBD regularly holds trainings, meetings and drills to ensure safety for merchants, workers and visitors on the wharf.
- **Sustainability/Zero** - The Sustainability/Zero Waste committee works to assist businesses and residents in reaching the City's goals of becoming 100% sustainable by the year 2020 and meets every two months.
- **Street Operations, Beautification and Order (SOBO)** - The SOBO committee works to ensure a clean and safe commercial district and meets the second Tuesday of the month.
- **Transportation Improvement** - The Transportation Improvement committee works to help mitigate traffic congestion and improve vehicle and pedestrian safety and meets every two months.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

FY 2016 - 2017

District Identity and Street Improvements (DISI)

- Secured \$120,000 Google Adwords Grant aimed at boosting CBD search ranking in Google
- Promoted the “12 Days of Wharfmas” through the FWCBD’s Facebook page
- Completed a refresh of our branding and updated all print and digital marketing collateral and materials

Street Operations, Beautification and Order (SOBO)

Note: The FWCBD 2014-15 Annual Report developed standardized metrics for measuring program performance.

- Safety & Security Services:
 - Escorts provided – 829
 - Street Performer Conflict Resolution – 1,036
 - Quality of Life – Sit/Lie – 2,556
 - Drinking in Public – 2,145
 - Illegal Dumping – 822
- Visitor/Merchant Services:
 - Hospitality Assistance – 13,192
 - Directions Given – 10,133
 - Business Contacts Made – 11,095
- Cleaning/Maintenance Services
 - Trash Collected (lbs) – 16,278
 - Graffiti/Stickers Removed – 4,293
 - Pan and Broom Block Faces Covered - 5,135
 - Street Furniture Cleaned – 1,560
 - Tree Grates Cleaned – 1,925

Administration and Corporate Operations

- Awarded Trip Advisor’s Certification of Excellence and TripExpert’s Experts’ Choice Award
- Built, maintained, and promoted an “Online Job Fair” for district merchants to assist with seasonal employment demands
- Advocated for extending Central Subway to Fisherman’s Wharf by partnering with SF Nextstop

FWCBD Annual Budget Analysis

OEWD’s staff reviewed the following budget-related benchmarks for FWCBD:

- **BENCHMARK 1:** Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan (*Agreement for the Administration of the “Fisherman’s Wharf Community Benefit District”, Section 3.9 – Budget; Agreement for the Administration of the “Fisherman’s Wharf Portside Community Benefit District”, Section 3.9 - Budget*)

- **BENCHMARK 2:** Whether five percent (5%) of Landside’s actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the “Fisherman’s Wharf Community Benefit District”, Section 3.4 - Annual Reports*)
- **BENCHMARK 3:** Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percent (*Agreement for the Administration of the “Fisherman’s Wharf Community Benefit District”, Section 3.9 – Budget; Agreement for the Administration of the “Fisherman’s Wharf Portside Community Benefit District”, Section 3.9 - Budget*)
- **BENCHMARK 4:** Whether FWCBD is indicating the amount of funds to be carried forward into the next fiscal year and designating projects to be spent in current fiscal year (*CA Streets & Highways Code, Section 36650(B)(5)*)

FY 2016-2017

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

ANALYSIS: FWCBD met this requirement for Portside; FWCBD met this requirement for Landside. See tables below.

Landside

Service Category	Management Plan Budget	% of Budget	FY 2016 - 2017 Budget	% of Budget	Variance Percentage Points
District Identity and Streetscape Improvements	\$255,000.00	40.96%	\$295,640.00	40.79%	-.17%
Public Rights of Way and Sidewalk Operations	\$181,130.00	29.09%	\$208,950.00	28.83%	-.26%
Administrative and Corporate Operations	\$125,000.00	20.08%	\$144,710.00	19.97%	-0.11%
Contingency Reserve	\$61,485.00	9.88%	\$75,500.00	10.42%	+0.54%
Special Projects	\$-	0.00%	\$-	0.00%	0.00%
TOTAL	\$622,615.00	100%	\$724,800.50	100%	

Portside

Service Category	Management Plan Budget	% of Budget	FY 2016 - 2017 Budget	% of Budget	Variance Percentage Points
District Identity and Streetscape Improvements	\$130,979.00	70.00%	\$182,935.50	70.55%	+.55%
Administrative and Corporate Operations	\$37,423.00	20.00%	\$52,665.00	20.31%	+0.31%

Contingency and Reserves	\$18,711.00	10.00%	\$23,700.00	9.14%	-0.86%
TOTAL	\$187,113.00	100%	\$259,300.00	100%	

BENCHMARK 2: Whether five percent (5%) of Landside’s actuals came from sources other than assessment revenue

ANALYSIS: *FWCBD met this requirement. Assessment revenue was \$718,351.27 or 73.64% of actuals and non-assessment revenue was \$257,150.05 or 26.36% of actuals. See table below.*

Revenue Sources	FY 2016 - 2017 Actuals	% of Actuals
Assessments Revenue	\$718,351.27	
Total Assessment (Special Benefit) Revenue	\$718,351.27	+73.64%
Other	\$51,330.00	+5.26%
Grants	\$98,120.88	+10.06%
Earned Revenue	\$-	0.00%
Contributions and Sponsorships	\$14,779.82	+1.52%
Donations	\$92,572.40	+9.49%
Interest Earned	\$346.95	+0.04%
Total Non-Assessment (General Benefit) Revenue**	\$257,150.05	+26.36%
Total	\$975,501.32	100.00%

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

ANALYSIS: *FWCBD met this requirement for Landside; FWCBD met this requirement for Portside. See table below.*

Landside

Service Category	FY 2016-2017 Budget	% of Budget	FY 2016 - 2017 Actuals	% of Budget	Variance Percentage Points
District Identity and Streetscape Improvements	\$295,640.00	40.79%	\$475,404.16	48.82%	+8.03%
Public Rights of Way and Sidewalk Operations,	\$208,950.00	28.83%	\$221,408.82	22.74%	-6.09%
Administrative and Corporate Operations	\$144,710.00	19.97%	\$153,849.05	15.80%	-4.17%
Contingency Reserves	\$75,500.00	10.42%	\$71,835.00	7.38%	-3.04%

Special Projects	\$-	0.00%	\$51,330.00	0.00%	+5.27%
TOTAL	\$724,800.50	100.00%	\$973,827.03	100.00%	

Portside

Service Category	FY 2016 - 2017 Budget	% of Budget	FY 2016-2017 Actuals	% of Budget	Variance Percentage Points
District Identity and Streetscape Improvements	\$182,935.50	70.55%	\$267,466.54	77.61%	+7.06%
Administrative and Corporate Operations	\$52,665.00	20.31%	\$52,900.43	15.35%	-4.96%
Contingency Reserve	\$23,700.00	9.14%	\$24,252.00	7.04%	-2.10%
TOTAL	\$259,300.00	100%	\$200,867.26	100.00%	

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

ANALYSIS: FWCBD met this requirement. *There is a period between when the City collects assessment payment and when the City disburses the funds to the CBD. As a result, a CBD typically has a fund balance at the end of the fiscal year that is equal to about 6 months of their annual budget. See table below.*

Landside

FY 2016-17 Carryover Disbursement	\$636,452.00
SOBO	\$144,705.00
DISI	\$232,910.00
Administration	\$121,780.00
Contingency	\$137,057.00
Total Designated amount for Future Years	\$636,452.00

Portside

FY 2016-2017 Carryover Disbursement	\$174,773.00
Designated Projects for FY 2017-18	
DISI	\$97,001.00
Administration	\$29,526.00

Contingency	\$48,246.00
Total Designated amount for Future Years	\$174,773.00

Findings and Recommendations

For the fiscal year in review, Fisherman’s Wharf CBD met all benchmarks mentioned on pages 4 and 5 of this memo. Based off reported metrics, the CBD experienced increases in the amount of graffiti, trash, and safety concerns compared to the previous annual report. FWCBD, once again, hosted successful events and has partnered with the broader community to make the Wharf area a destination for locals.

FWCBD expires on June 30, 2020. OEWD recommends the Executive Director and the governing board begin outlining and preparing for their renewal campaign. OEWD will assist the district with this planning process.

Conclusion

Fisherman’s Wharf CBD has performed well in implementing the service plan of both the Landside and Portside areas. Fisherman’s Wharf CBD has continued to successfully market and produce events such as 4th of July, Fleet Week, and Wharfest. Fisherman’s Wharf CBD has an active board of directors and committee members; and OEWD believes the Fisherman’s Wharf CBD will continue to successfully carry out 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
Todd Rufo, Director, Office of Economic and Workforce Development

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

DATE: March 20, 2018

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Peskin on March 13, 2018:

File No. 180244

Resolution receiving and approving the annual report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside Community Benefit District for FY2016-2017, 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 Districts' management agreements with the City, Section 3.4.

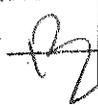
If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

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

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

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 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. Question(s) submitted for Mayoral Appearance before the BOS on

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

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

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

Sponsor(s):

Subject:

The text is listed:

Signature of Sponsoring Supervisor:

For Clerk's Use Only