

File No. 101575

Committee Item No. 10  
Board Item No. \_\_\_\_\_

**COMMITTEE/BOARD OF SUPERVISORS**  
AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 1/12/11

Board of Supervisors Meeting

Date \_\_\_\_\_

**Cmte Board**

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget Analyst Report
- Legislative Analyst Report
- Introduction Form (for hearings)
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Award Letter
- Application
- Public Correspondence

**OTHER (Use back side if additional space is needed)**

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Completed by: Gail Johnson  
Completed by: \_\_\_\_\_

Date 1/7/11  
Date \_\_\_\_\_

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.



1 [Annual Reports - Fillmore Jazz Community Benefit District]

2  
3 **Resolution regarding Fillmore Jazz Community Benefit District annual reports to the**  
4 **City: receiving and approving the District's Annual Reports for District FYs**  
5 **2007, 2008, and 2009, which include the District's proposed budget for District FY2010,**  
6 **as submitted pursuant to Section 36650 of the Business Property and Community**  
7 **Benefit Act of 1994 (California Streets and Highways Code §§36600 et seq.) and Section**  
8 **3.4 of the District's management contract with the City.**

9  
10 WHEREAS, on June 27, 2006, pursuant to the Property and Community Benefit Law of  
11 1994, California Streets and Highways Code Sections 36600 et seq. (the "Act"), as  
12 augmented by Article 15 of the San Francisco Business and Tax Regulations Code ("Article  
13 15"), the Board of Supervisors adopted Resolution No. 389-06 "Resolution of Intention to form  
14 the Fillmore Jazz Community Benefit District (BID)" ("Resolution of Intention"); and,

15 WHEREAS, on August 15, 2006 the Board of Supervisors adopted Resolution  
16 No. 462-06 "Resolution to Establish the Fillmore Jazz Community Benefit District" (Resolution  
17 to Establish) for a period of 5 years commencing with fiscal year 2006-2007, with services  
18 commencing January 1, 2007 (BOS File No. 061149); and,

19 WHEREAS, on May 1, 2007 the Board of Supervisors adopted Resolution No. 219-07  
20 "Contract with Owners' Association for Administration of Fillmore Jazz Community Benefit  
21 District" (BOS File No. 070465); now, therefore, be it

22 RESOLVED, that the Board of Supervisors declares as follows:

23  
24 //

25 //

1           **Section 1. RECEIPT AND APPROVAL OF THE FILLMORE JAZZ COMMUNITY**  
2 **BENEFIT DISTRICT'S ANNUAL REPORTS TO THE CITY.**

3           The Board hereby receives and approves the Fillmore Jazz Community Benefit  
4 District's Annual Reports for District Fiscal Years 2007, 2008, and 2009, which include the  
5 District's proposed budget for District Fiscal Year 2010.

6           Supporting documents for these annual reports are on file with the Clerk of the Board  
7 of Supervisors in File No. 101361, and include a transmittal letter and memorandum report  
8 from the City's Office of Economic and Workforce Development dated December 13, 2010,  
9 and documentation from the Fillmore Jazz District Community Association of San Francisco.

10           These annual reports are submitted pursuant to Section 36650 of the Business  
11 Property and Community Benefit Act of 1994 (California Streets and Highways Code §§36600  
12 *et seq.*), and pursuant to Section 3.4 of the District's Management Contract with the City  
13 (*i.e.*, Section 3.4 of the City's agreement/contract with the nonprofit property owners'  
14 association Fillmore Jazz District Community Association of San Francisco for management  
15 and administration of the Fillmore Jazz Community Benefit District), which is on file with the  
16 Clerk of the Board of Supervisors in File No. 070465 (re Resolution No. 219-07).

December 13, 2010

Supervisor Ross Mirkarimi  
San Francisco Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, Ca 94102-4689

Dear Supervisor Mirkarimi,

We are submitting this packet on the Fillmore Jazz District Community Benefit District (Fillmore CBD) for your review. Per their contract with the City, we are requesting that you introduce a resolution to approve the annual reports and financial statements of the Fillmore CBD for FY 2007, FY 2008 and FY 2009 and their organizational budget for FY 2010. The Fillmore CBD operates on a Jan. 1 – Dec. 31 fiscal year. We also ask that you schedule a public hearing through the appropriate committee to take testimony on the work of the CBD for the past three years.

Included in this packet:

- 1) Draft resolution from the City Attorney
- 2) Memo summarizing the accomplishments of the CBD
- 3) Summary and analysis of their financial statements
- 4) Annual Reports from FY 2007, FY 2008 and FY 2009
- 5) CPA Reviews for FY 2007, FY 2008 and FY 2009

Per their contract with the City, Fillmore CBD is required to submit the following reports:

- 1) Mid-year report (due July 31<sup>st</sup>, on two quarters of work)
- 2) Annual Report (due January 31<sup>st</sup>, 30 days after the end of their fiscal year)
- 3) Unaudited Financial Statements and Budget for the following year (due January 31<sup>st</sup>, 30 days after the end of fiscal year)
- 4) CPA Financial Review or Audit (due April 30<sup>th</sup>, 120 days after the end of fiscal year)

Fillmore CBD has complied with almost all of these requirements. They did not submit mid-year reports for the past three years but have agreed to do so from now on. Attached please find a memo that summarizes their accomplishments and challenges for the past three years and a summary and analysis of their financial statements (based on their financial reviews). 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 Fillmore CBD management contract with the City; and their Management Plan approved by the Board of Supervisors in 2006.

OEWD's staff report reviewed the following budget related benchmarks for Fillmore CBD:



- 1) Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget of the previous fiscal year – *Fillmore CBD did not meet this requirement for all the fiscal years covered in this report. Table 1 on page 8 provides a comparison of their annual budget per service category. The CBD's 2010 proposed budget is in line with their original Management Plan in all service categories.*
- 2) Whether five percent of their income came from sources other than assessment revenue – *Fillmore CBD helped raise other funds that benefitted the CBD and the district. However, many of these funds were not directly provided to the CBD and are not reflected in their annual CPA Financial Review. Please see Table 2 on page 9 for more information.*
- 3) Whether the variance between budget amount and actual expenses within a fiscal year was within 10 percent – *This analysis is explained on pages 5-7 of this report. Please see Table 3 on page 10.*
- 4) Whether the annual budget indicates the amount of funds carried over from the previous fiscal year – *Fillmore CBD met this requirement for all the fiscal years covered in this report. Please see Tables 3 and 4 on pages 10 and 11.*
- 5) Whether a spending plan for carryover funds was provided in the annual budget – *Fillmore CBD met this requirement for all the fiscal years covered in this report. Please see Tables 3 and 4 on pages 10 and 11.*

The Board of Supervisors will need to vote on the attached resolution to approve the 2007, 2008 and 2009 Fillmore CBD annual reports and financial statements as well as their organizational budget for 2010. Their 2010 annual report will not be due to OEWD until January 31, 2011 and their CPA Financial Review for FY 2010 will be due on April 30, 2011. OEWD will come back to the Board of Supervisors next year to request approval of the CBD's work in FY 2010.

Please contact me anytime at 415-554-6936 for any questions you may have about GUSBID or the materials we have provided.

Thank you for your continuing support of the Fillmore CBD. We look forward to working with you throughout this process.

Sincerely,

Lisa Pagan  
Project Manager  
OEWD Community Benefit District/Business Improvement District  
Technical Assistance Program



## MEMO

To: SF Board of Supervisors  
From: Lisa Pagan and Trina Villanueva, OEWD  
RE: Fillmore Jazz District Community Benefit District  
Date: December 13, 2010

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The Fillmore Jazz District Community Benefit District (Fillmore CBD) includes 303 parcels and is located on Fillmore Street, bounded by Post Street, Webster Street, Golden Gate Avenue and Steiner Street. It was formed in 2006 with the intention of promoting the district to visitors and locals as a premier entertainment destination with top-notch restaurants.

The mission of the Fillmore CBD is to bring together property owners, businesses and residents to enhance the Fillmore mixed-use commercial district. Activities include cleaning, streetscape improvements, sidewalk maintenance, marketing and branding services.

### Background

- On August 17, 2006, the Board of Supervisors approved the establishment of the Fillmore Jazz District Community Benefit District (Resolution # 462-06).
- May 8, 2007, the Board approved the contract for the administration and management of the district (Resolution # 219-07).
- The CBD began receiving assessment funds following the execution of their contract for administration and management of the district and began providing services thereafter.

### Basic Info about Fillmore Community Benefit District

Year Established – August 2006

Assessments Collected – FY 2006-07 to FY 2010-2011 (July 1, 2006 – June 30, 2011)

Services Start and End Date – January 1, 2007 – December 31, 2011

Initial Estimated Annual Budget -- \$327,488

Fiscal Year – January 1<sup>st</sup> – December 31<sup>st</sup>

Part-Time Executive Director – Jeff Eichenfield

Name of Nonprofit Entity – Fillmore Jazz District Community Association of San Francisco

Each year the CBD is required to submit a mid-year report, an annual report and a CPA Financial Review or Audit. Fillmore CBD has complied with almost all of these requirements. They did not submit mid-year reports for the past three years but have agreed to do so from now on. Attached please find a memo that summarizes their accomplishments and challenges for the past three years and a summary and analysis of their financial statements (based on their financial reviews). 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 Fillmore CBD management contract with the City; and their Management Plan approved by the Board of Supervisors in 2006.

OEWD's staff report reviewed the following budget related benchmarks for Fillmore CBD:

- 1) Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget of the previous fiscal year – *Fillmore CBD did not meet this requirement for all the fiscal years covered in this report. Table 1 on page 8 provides a comparison of their annual budget per service category. The CBD's 2010 proposed budget is in line with their original Management Plan in all service categories.*
- 2) Whether five percent of their income came from sources other than assessment revenue – *Fillmore CBD helped raise other funds that benefitted the CBD and the district. However, many of these funds were not directly provided to the CBD and are not reflected in their annual CPA Financial Review. Please see Table 2 on page 9 for more information.*
- 3) Whether the variance between budget amount and actual expenses within a fiscal year was within 10 percent – *This analysis is explained on pages 5-7 of this report. Please see Table 3 on page 10.*
- 4) Whether the annual budget indicates the amount of funds carried over from the previous fiscal year – *Fillmore CBD met this requirement for all the fiscal years covered in this report. Please see Tables 3 and 4 on pages 10 and 11.*
- 5) Whether a spending plan for carryover funds was provided in the annual budget – *Fillmore CBD met this requirement for all the fiscal years covered in this report. Please see Tables 3 and 4 on pages 10 and 11.*

### **Summary of Accomplishments and Challenges 2006-2009**

#### **Sidewalk Operations, Beautification and Order (SOBO)**

The Fillmore CBD's Management Plan calls for about half of the budget to be spent in the Sidewalk Operations, Beautification and Order service category. For the past three fiscal years (FY 2007, FY 2008 & FY 2009), the CBD has spent the largest portion of their funds in this service category, complying with their Management Plan.

#### **Street Maintenance:**

The CBD originally contracted with CleanScapes to do the street cleaning, graffiti removal, trash removal and maintenance for the district. This contract lasted for three fiscal years (FY 2007, FY 2008 & FY 2009). After conducting a Request for Qualifications (RFQ) process in November 2009, the CBD Board selected GMG Janitorial Inc. to do the cleaning services including daily sidewalk sweeping, trash removal and reporting to 311 Customer Service Center, weekly hot and cold power washing and twice-weekly graffiti removal. Their contract began in January 2010.

#### **Beautification:**

For many years, one of the major complaints in the neighborhood was the lack of lighting in the district. The previous street lamps that were installed by the SF Redevelopment Agency on Fillmore Street did not illuminate the area enough and did not conform to DPW's standards. To help this situation, in 2008 the CBD purchased and installed decorative string holiday lights along Fillmore Street from Post to Golden Gate and kept them up year round.

In 2009 the CBD refurbished and repaired these decorative string street lighting. During the holidays, the lighting linked the CBD area to the Upper Fillmore Street District who also had decorative string tree lights. DPW has recently informed the CBD that the holiday lights need to be upgraded to "commercial" grade and can only remain on the trees for three months during the holiday season to protect their health. Leaving the lights year-round negatively impacts the trees because of "girdling." In 2009, following the expiration of the redevelopment area, the sick, dead or missing trees were replaced with



new trees all street trees on Fillmore are now under DPW care. The CBD has to decide if they have the funds to replace and upgrade the decorative lights this holiday season.

### **District Identity and Streetscape Improvements (DISI)**

The CBD has increased spending in the District Identity and Streetscape Improvement service category over the past three years. The Management Plan calls for 15% of the budget to be spent on DISI projects. In 2007, the CBD spent 8% of their budget on sponsorship of events that promoted the district. In 2008, the CBD again spent 8% of their budget on this service category but focused on marketing and promoting the district and building up their website. In 2009, the CBD received outside grants to help them achieve their marketing and promotions goals and spent 24% of their budget on DISI activities.

#### District Identity:

The CBD's District Identity activities started in 2007 when they provided charitable donations to organizations and sponsoring special events aimed at bringing people to the CBD area and promoting the district. In 2008, the CBD hired Chen Design Associates who provided a logo design for their business cards, letterhead and envelopes. They also developed the CBD's website ([www.fillmorejazzcbd.org](http://www.fillmorejazzcbd.org)). This website was eventually upgraded.

In 2009, the CBD hired a marketing team including Traina PR & Associates to market the District, attract more people to the neighborhood and bring more businesses to the area. The firm conducted a branding study and survey of various stakeholders to solidify the name of the district as "The Fillmore." They also developed a comprehensive three-year marketing plan; created a new logo, a new website ([www.thefillmoredistrict.com](http://www.thefillmoredistrict.com)) and new branding tagline "Heart and Soul of San Francisco." The CBD conducted a public relations blitz to travel and entertainment writers and placed advertising in various media outlets online and in print.

In December 2009, the CBD contracted with a part-time person, Meaghan Mitchell to assist with marketing services. As a result, the CBD has launched a district Facebook site (over 2000 fans) and Twitter site (over 900 followers) and hosted a special orientation reception with Open Top Bus Tours for 29 hotel concierges at the Jazz Heritage Center. With the new logo, the CBD installed 100 street banners to identify and promote the neighborhood.

In 2009, the CBD sponsored events such as the Jazz'z Neo Soul Festival, the 26<sup>th</sup> Annual Fillmore Jazz Festival, the 6<sup>th</sup> Annual Black Family Dad, the 2<sup>nd</sup> Annual Cool Black Ball and the African American Art & Culture Complex 8<sup>th</sup> Annual Holiday Fair. In addition, the CBD's website provides marketing for these events as another way of supporting them. The CBD is committed to continuing support for special events that will attract visitors to the district and promote the area. The CBD created an application process for groups requesting special event assistance during the 2010 fiscal year. However, they are unable to fund any requests at this time based on their projected budget shortfall. The CBD is committed to supporting special events in the future when they raise additional funds.

In 2009, the Fillmore CBD entered into a four-year agreement with Steven Restivo Event Services, LLC, the producer of the annual Fillmore Jazz Festival. The agreement entails providing the CBD with \$7500 worth of goods and services. The Festival producer provided the CBD with ten complimentary booths and two tables to be used by neighborhood nonprofit organizations, small businesses and artists. The Festival also hired local residents to work and local artists to perform and are paid directly as part of the \$7500. This agreement is not reflected in the financial statements of the CBD in 2009. This should have been counted as in-kind/donated services as it helped promote the district.

### Streetscape Improvements:

According to their 2007 annual report, there were a number of issues that needed immediate attention that the CBD strongly advocated be repaired including the paver sidewalks on Fillmore Street that were buckling due to tree root growth, the sidewalk light fixtures that were damaged, the shattered glass panels on the "Blue Bridge" over Geary Street, the broken trash bins, and lastly, the report noted that a number of trees along Fillmore Street were dead or severely damaged. All of these issues were addressed by the award of a \$1.8 million capital improvement project by SFRA that was the result of an advocacy campaign by the Fillmore CBD, OEWD and Supervisor Mirkarimi.

In 2008 the CBD worked with DPW to review the designs and materials for the streetscape improvement projects and they monitored the progress made by DPW and SFRA to complete all the needed streetscape repairs and maintenance. In 2009 DPW installed new pedestrian sidewalk light poles, new trash cans, replaced damaged and sick street trees and repaved the sidewalk within the Fillmore commercial district.

The Fillmore CBD was awarded a total of \$31,337 in Community Challenge Grants in 2008 including close to \$5000 for plants and incidentals to improve the Gene Suttle Plaza and about \$27,000 for street furniture and greening of the Lower Fillmore area. Due to the leadership changes at the CBD and not having an Executive Director for over a year, the Community Challenge Grant was never implemented. The CBD was recently informed that they lost this grant. The CBD will have to re-apply for grant funds from the Community Challenge Grant program.

### **Administrative and Corporate Operations**

This is the area the Fillmore CBD has struggled with the most. In the initial years the CBD experienced serious challenges managing and supervising its staff, challenges with board and staff relationships and a very difficult time controlling their regular public board meetings. In 2008, following a series of public disputes between certain members of the board and between certain board members and staff, OEWD and Supervisor Mirkarimi insisted the CBD get organizational development training and assistance. OEWD provided the CBD with a direct services grant with CompassPoint Nonprofit Services for 12 months of organizational development training. This training has paid off and additional follow-up technical assistance is recommended to insure the continued growth of the organization, for the on-going health of its relationships with the public, the board of directors and the CBD staff and contractors. In addition to the OEWD funded technical assistance, the CBD hired CompassPoint to assist with their executive director search.

The Fillmore CBD was established in August 2006 and services began in January 2007. For the first six months, the Board oversaw the CBD's activities which were primarily street cleaning and maintenance. The Board hired Neil Trama as the Executive Director in May 2007. He set up the office, dealt with all the contracts, convened the board and conducted all other administrative duties.

At the July 2008 meeting, the CBD's board suspended Mr. Trama and he later filed a complaint with the California Labor Commission for retaliatory suspension and unsafe working conditions. The CBD retained legal counsel to deal with this issue. A settlement was agreed to in April 2010 and the CBD paid the former employee per the settlement agreement.

An interim Executive Director, Jeff Einchenfield, was hired in July 2009 with the assistance of CompassPoint Nonprofit Services to oversee the CBD's programs. The Board also engaged CompassPoint to assist in the permanent Executive Director search and with organizational and board development training via the OEWD direct services grant. With CompassPoint's assistance, in November

2009, the Board held an all-day retreat and training where they discussed their vision and priorities for the next 18 months. The Board agreed that they were committed to renewing the CBD after it expires on June 30, 2011.

The CBD Board consisted of eight members for the past year. They created a Board Development committee and developed a Board Recruitment plan which they presented at their March 24, 2010 meeting. This recruitment plan includes outreach, candidate orientation, the application and elections process and orientation and training for new board members.

The CBD recently held board elections on Oct. 27, 2010. They expanded the board to 12 members – 6 property owners, 3 merchants and 3 community members.

Compass Point provided OEWD with a report on their work with the CBD and a copy of a board development binder they produced for the CBD Board. Please see the attached summary provided by CompassPoint. Some of their recommendations include:

- Continuing board development trainings to further strengthen the board especially when they have new members;
- Developing board orientation meeting and ensuring that all board members are assigned to a committee;
- Continuing to develop board committees for effective governance; and
- Taking advantage of training opportunities particularly in the areas of governance, community outreach and fundraising.

CompassPoint also provided recommendations on the qualities and skills needed for a successful permanent Executive Director for the CBD. Please see the attachment called "Leadership Agenda."

#### **CBD Annual Budget Analysis**

The CBD fiscal year is from January 1<sup>st</sup> – December 31<sup>st</sup>. OEWD staff reviewed their financial statements using their CPA Financial Reviews for FY 2007, FY 2008 and FY 2009. The following is a summary of their financial activity for the past three years.

#### **FY 2007**

During their first full year of operation, the Fillmore CBD received \$302,684 in revenues and expended \$210,129. They spent a majority of their expenses (\$132,710) in SOBO. The CBD spent \$16,550 (8%) of their total expenses on DISI through sponsorship of events and spent \$60,869 (29%) of their total expenses on administrative costs such as salaries, insurance, contracts and set up costs. They spent less than budgeted for DISI because they were just ramping up and more than the budgeted amount for Administrative costs due to initial one-time office set up costs. At the end of their fiscal year, the CBD had net assets<sup>1</sup> of \$92,555 and \$108,930 in cash available.

The CBD received \$1733 from investment income, 1% of their total revenue. The rest of their funding came from assessment funds.

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<sup>1</sup> Net Assets are the difference between the organization's total assets and its total liabilities on the balance sheet indicating the net financial worth for the organization.

#### FY 2008

In 2008, the CBD received \$299,814 in assessment funds and \$1903 from investment income. They expended \$337,350 -- \$178,260 (53%) in SOBO; \$25,502 (8%) on DISI and \$133,588 (40%) on administrative costs mainly due to their employment related complaint and legal fees. As of December 31, 2008, the CBD had net assets of \$56,922 and \$96,123 in cash available.

While the CBD was awarded \$31,337 in Community Challenge Grants and a \$25,000 grant from OEWD for marketing, neither one of these government grants were listed as income in their 2008 CPA Review because they did not implement projects with these funds in 2008. As a result, they spent less than budgeted for DISI and only had one percent of their income come from sources other than assessment funds.

The Fillmore CBD was instrumental to advocating for funds from the SF Redevelopment Agency for major streetscape improvements. While the \$1.8 million for capital improvements were not provided directly to the CBD, they deserve a lot of credit for bringing these much needed funds to the district.

#### FY 2009

In 2009, the CBD projected a budget of \$462,981. The CBD's proposed budget assumed income from other sources including \$101,337 in grants for marketing and board development from OEWD, the Community Challenge Grant and a marketing grant from SFRA.

According to their 2009 CPA financial review, the CBD received revenue from assessment funds, earned interest and grants. They directly received a \$25,000 grant from OEWD for marketing (*Note: Their CPA Financial Review shows that the CBD received \$16,000 in grants because the CPA firm allocated the other \$9000 as assessment revenue. OEWD has advised the CBD that this should be corrected. The CPA firm will correct this in the FY 2010 financial review*).

The CBD also benefited from other grants that they did not directly receive including a \$15,000 grant from OEWD for CompassPoint to do board development and training and assistance on the Executive Director search. The funds were paid directly to CompassPoint by OEWD. SFRA also provided a \$30,000 grant for marketing but these funds also went directly to the firm, Traina PR & Associates who completed the branding work for the CBD. The CBD lost their Community Challenge Grant of \$31,337 in 2009 because they did not implement a project with these funds. The CBD also entered into an agreement with Steven Restivo Event Services, LLC, the producer of the annual Fillmore Jazz Festival. The agreement entails providing the CBD with \$7500 worth of goods and services. While their financial review only shows \$25,000 in grants, they actually raised another \$52,500.

They spent less than budgeted for DISI because they didn't implement their Community Challenge grant while they spent more than budgeted for Administrative expenses again due to their legal fees for the personnel related complaint and settlement. The CBD spent \$57,734 in legal fees in 2009.

According to the CPA Review, the CBD received \$329,311 in revenue and expended \$379,585 in 2009. They expended \$169,991 (45%) in SOBO; \$89,246 (24%) on DISI and \$120,348 (32%) on administrative costs mainly due to their legal fees and settlement. Using \$50,274 of the carryover funds from FY 2008 to cover their expenses, the CBD is left with net assets of \$6,648 at the end of 2009.

#### FY 2010

The proposed budget for FY 2010 is \$399,042 which includes a marketing grant from OEWD for \$50,000. They plan on spending 50% of their budget on sidewalk operations, beautification and security; 21% in

district identity and streetscape improvements; 24% in administrative costs and 5% for contingency/reserve. All budget line items (percentage of total budget) are consistent with the original Management Plan.

### **Findings/Recommendations and Conclusion**

OEWD staff has asked the Fillmore CBD to comply with the requirement to submit Mid-Year reports. They have agreed and will submit their FY 2010 Mid-Year report on July 31, 2010.

1) In their Annual Reports, the CBD should indicate the amount they spent out of their Contingency/ Reserve funds so it is clear how they allocated their contingency each year.

2) In their Annual Reports and CPA Financial Review statements, the CBD should include the amount of in-kind donations/donated services that help the CBD achieve their goals. For example, the CBD has entered into a four-year agreement with the Fillmore Jazz Festival, they should inform their CPA firm to indicate this amount annually.

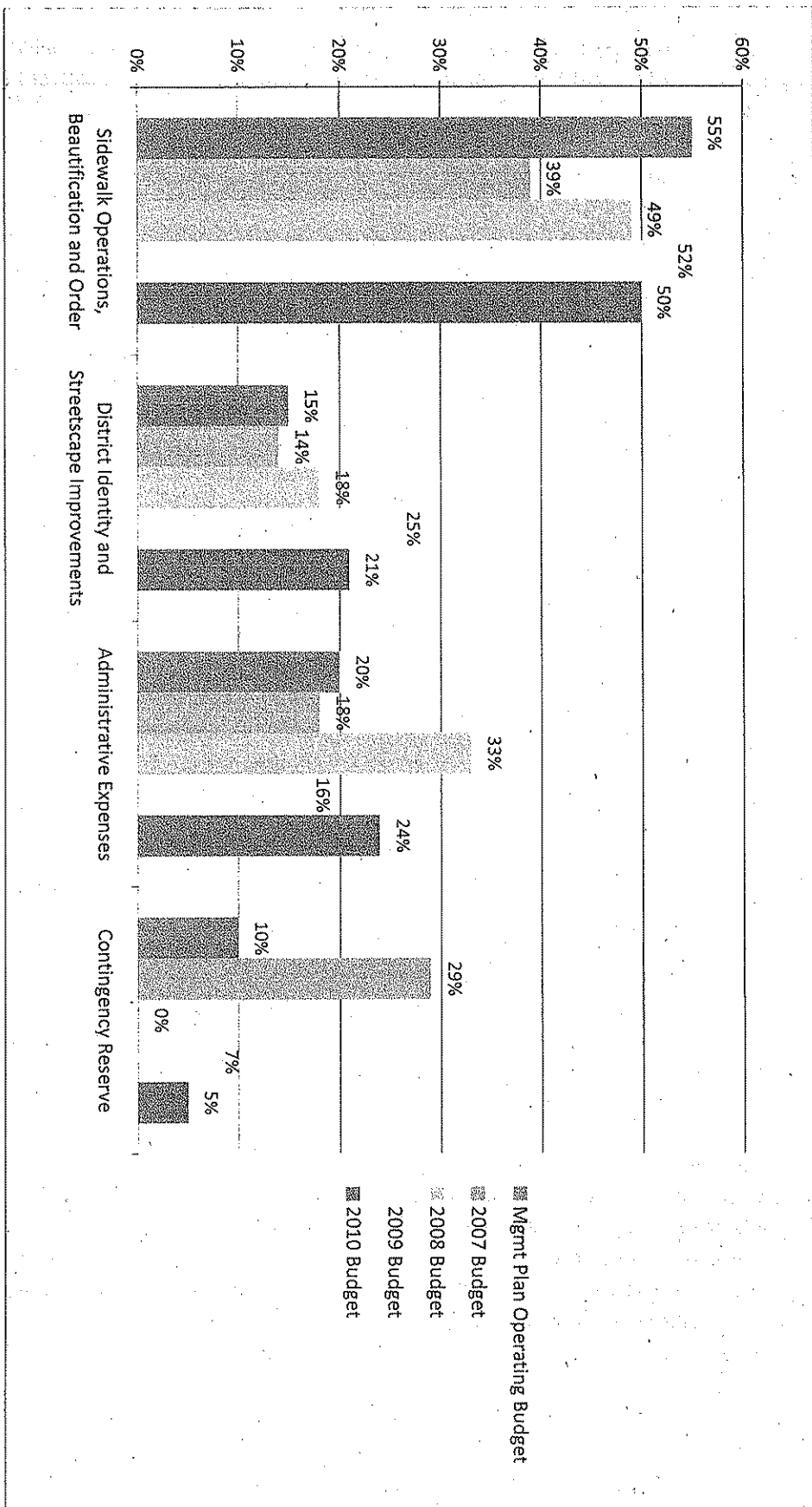
3) The current Executive Director, Jeff Eichenfield, a professional with CBD management experience, was hired on an interim basis. He has agreed to stay with the CBD until the end of the current 5 year term, following the CBD renewal election process. If the CBD is renewed it must go through a comprehensive Executive Director search process to insure that a very experienced non profit organization director with board management skills, strong community building and public relationship skills, economic development, services management, marketing, fundraising and local Fillmore and neighborhood development expertise is hired.

As mentioned above, CompassPoint has provided recommendations that will help insure the long-term success of the CBD. OEWD strongly recommends that Fillmore CBD take advantage of other technical assistance trainings and work with an experienced consultant especially when it is time to hire a new permanent Executive Director.

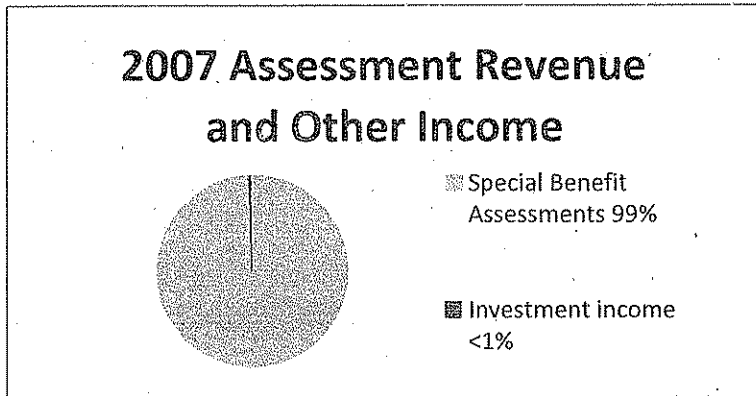
The Fillmore CBD has been faced with a lot of internal and external challenges since its inception. With the SF Redevelopment Agency finishing their 30-year tenure in the neighborhood, the residents and business owners in the Fillmore have continually asked the CBD to take on issues beyond their mission and purpose. Community members still don't fully understand the scope of work of the CBD and what they have control over. Internally, the CBD has had to deal with a personnel related lawsuit and board turnover.

Even with these challenges however, the Fillmore CBD has continued to comply with their Management Plan and has provided the services that they were elected to do. Per their Management Plan, they have spent a majority of their funds on cleaning and maintaining the district. They have received outside grants to market and promote the neighborhood and have created a website full of information and resources about the district. The Board has established a process for recruiting and electing new board members in 2010 and they have committed themselves to implementing a CBD renewal campaign over the next twelve months.

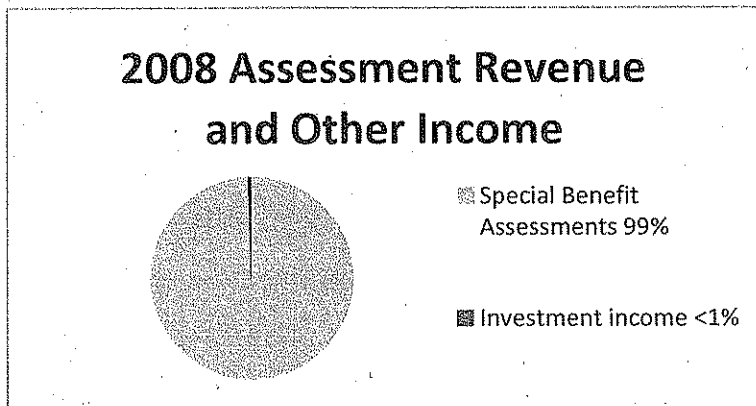
# Annual Budgets compared to original Management Plan Budget



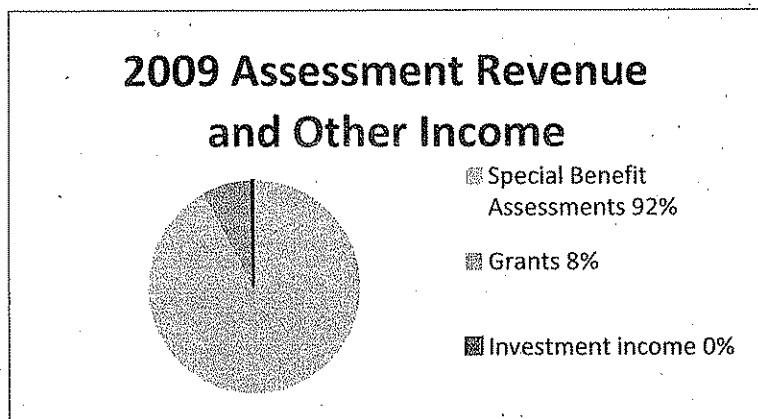
### Other Income Sources (e.g. Grants, Donations, In-Kind, etc.) / 5% requirement



Between FY 2007 - FY 2008, the CBD advocated for funds for the district and helped get \$1.8 million for capital improvements from SF Redevelopment Agency.



During FY 2008, the CBD was awarded a \$31,337 Community Challenge Grant but it was not implemented.



During FY 2009, the CBD received \$25,000 from OEWD for marketing and was awarded other grants that were provided directly to contractors (i.e. board development, PR and marketing) and also entered into a four year agreement with the Fillmore Jazz Festival worth \$7,500/yr (in-kind donation).

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

PHYS 433

STATISTICAL MECHANICS

PROFESSOR JOHN H. COLEMAN

LECTURER JOHN H. COLEMAN



Table 3

**FILLMORE COMMUNITY BENEFIT DISTRICT**  
**Revenue and Expenditures - Budget vs. Actual**  
**Calendar Years Ending 2007 through 2009**

	Year Ended December 31, 2007			Year Ended December 31, 2008			Year Ended December 31, 2009		
	Actuals	Budget	% Difference	Actuals	Budget	% Difference	Actuals	Budget	% Difference
<b>REVENUES*</b>									
Special Benefit Assessments	500,321	311,114	-63%	299,814	320,447	-7%	305,432	310,985	-2%
Grants	1,175	4,000	9%	903	10,000	20%	24,000	101,337	8%
Investment income	17,533			92,655	92,655		6,978		
Carryover from previous year	402,664	315,114	-63%	394,272	430,002	-9%	386,233	469,244	-18%
<b>EXPENDITURES</b>									
Program services	1,075,530	45,000	-63%	2,350,202	60,000	-57%	3,122,416	117,841	-24%
District identity and streetscape improvements	132,710	121,500	9%	173,820	166,000	7%	69,097	241,844	-30%
Sidewalk operations, beautification and order	60,389	56,765	7%	63,588	113,290	20%	30,348	72,198	67%
General and administrative expenses	210,429	315,114	-104,985	357,450	337,447	-97	379,585	31,098	-31,098
Contingency/Reserve									
Carryover to next year	67,555			56,027			6,558		

\* Budget vs actual statement includes carryover funds not spent in previous years.

Table 4

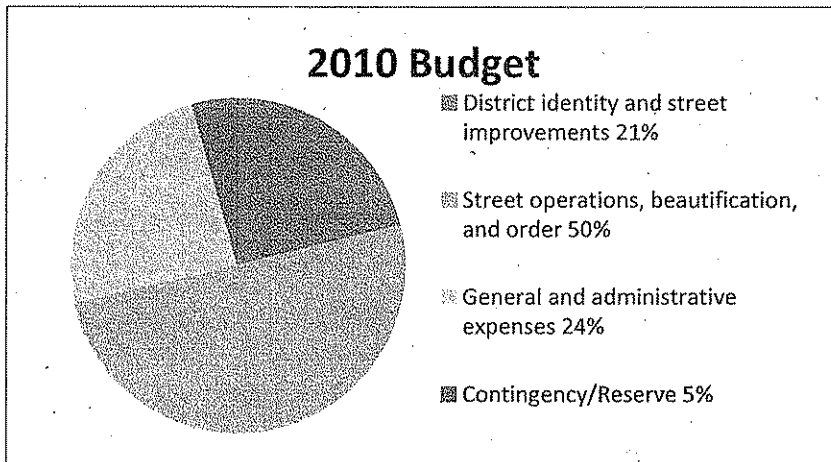
**FILLMORE COMMUNITY BENEFIT DISTRICT  
2010 Budget**

**REVENUES**

Special Benefit Assessments	311,980
Grants	50,000
Interest earned	1,000
Other income	29,414
Carryover from previous year	6,648
	<hr/>
	\$ 399,042

**EXPENDITURES**

Program services	
District identity and street improvements	84,447
Street operations, beautification, and order	200,000
General and administrative expenses	96,347
Contingency/Reserve	18,248
	<hr/>
	\$ 399,042



To: Fillmore CBD Board of Directors  
From: CompassPoint Consultants  
Date: July 29, 2010  
Re: LEADERSHIP AGENDA  
Major Themes and Directions Emerging from the Consulting Engagement

### Agency Strengths

- The Fillmore Community Benefit District is viewed as one of the more accessible organizations in the community and, because of its quasi-public nature, enjoys the visibility and engagement of community members that is unique to most nonprofits, giving it the potential role as key community builder and convener.
- The CBD has emerged from a potentially devastating period of turmoil at the board and executive leadership level in its young history to a more comfortable stasis of operational leadership and management.
- The Board of Directors is a more engaged, cohesive, and supportive governing body that seeks to play a greater role in bringing visibility and resources to the CBD and its programs.

**Strategic Directions:** The main priority and focus of the CBD over the next year is the successful renewal of the CBD contract with the City.

*As options for the CBD Board to consider, presented here are the directions that emerged as dominant themes in the course of the consulting engagement over the past year.*

1. Solidify and enhance CBD's current relationship and visibility with the Fillmore residents and business community in order to more successfully carry out its first priority which is renewal of the CBD contract with the City.
2. Continue to give priority to strategies for recruiting, developing, and retaining qualified board members.
  - a. Continue with the board recruitment and election process as outlined by the board development committee.
  - b. Engage in a thoughtful and intentional process for bringing on the new board members and ensuring their full understanding, engagement, and support of the CBD.
3. Build on the work and process of the board development committee to be used as a model for successful working committees. For the CBD to effectively carry out its mission and be of maximum service to the Fillmore community, the board committees will be relied upon to do a lot of the heavy lifting, with major decision-making and priority-setting done at the committee level before being brought to the full board for its buy-in.
  - a. Assign each new and existing board member to at least one committee with clear roles and expectations for board members and a clear charge for each committee.
  - b. Consider recruiting non-board member residents and community leaders to serve on board committees, with the exception of the executive committee.

4. Grow the capacity of the board of directors to support the efforts to raise agency visibility, good will, and public and private dollars.

**Board Priorities:** Activities seen as needed for continued successful operation of the CBD.

1. Revise the contract with the interim executive director with clear expectations, timelines, and performance measures.
2. Provide an appropriate level of support and guidance to the interim executive director in the process of renewing the CBD contract with the City.

**Recommended Capacity Building Priorities**

1. Build a greater sense of cultural knowledge and history of the Fillmore community in order to increase the CBD's alignment and public profile with the Fillmore community.
2. Build a closer relationship between the CBD and the key constituents (property owners, businesses, residents, community organizations, and city officials) that will enhance the CBD's ability to successfully renew its contract with the City.
3. Continue board development in line with strategic needs of the agency.

**Permanent Executive Director Candidate Profile**

*In the not-too-distant future, the CBD Board will need to decide upon permanent executive leadership. These are the qualities and skills that it is suggested should be sought in the permanent executive director.*

1. A passion for and deep knowledge of the Fillmore community, its history and community dynamics as a result of that history, with an orientation toward community building and cohesiveness.
2. Substantial experience in maintaining the financial viability of a community-based nonprofit in the face of constantly shifting revenue streams.
3. A strong track record of developing positive relationships with key government officials, business and community leaders, residents, and community activists.
4. An aptitude for and record of practicing a fair amount of initiative in dealings with the public with a high degree of cultural humility and understanding and tact.
5. Experience in building an effective board – executive relationship in service of the organizational mission.
6. Proven track record of successfully running a community-based non-profit organization or similar business improvement district.

## Fillmore Community Benefit District Consulting Close Out

.....  
Byron Johnson, Senior Project Director  
CompassPoint Nonprofit Services  
July 29, 2010

### Background

The Fillmore District Community Benefit District (CBD) is a funding mechanism whereby property owners in the CBD area assess themselves to fund services and improvements that benefit the properties in the District over and above those provided by the City and County of San Francisco. The Fillmore District was voted on by the property owners and approved by the Board of Supervisors in August 2006. A nonprofit board of directors comprised of District property owners, business owners and residents runs the CBD. Activities include cleaning, streetscape improvements, sidewalk maintenance and marketing and branding services. The CBD includes 303 properties in the District.

The Mayor's Office of Economic Workforce Development approached CompassPoint support in two areas: board training and development.

### Project Description

#### Conduct Assessment of CBD Board of Directors

- Facilitated self-assessment by board members via electronic survey to determine level of understanding of governance and support roles, responsibilities and duties.
- Include assessment of board's strengths, weaknesses, challenges, levels of satisfaction with board practices and operations, and the needs of individual board members.
- Monitored board interactions and process through meeting attendance and interactions with board members and stakeholders.

#### Provide Board Training and Board Development

- Planned and facilitated board retreat to address best practices in:
  - Roles and responsibilities of the Board and its members
  - Representing the board in the community
  - Completing tasks and meeting deadlines
  - Develop organizational vision
  - Plan, prioritize and set board goals
  - Establishing communications agreements

- Facilitated creation of board development committee to:
  - Develop a plan and process for recruiting new board members
  - Assess need of additional board development objectives

#### **Developed Essential Board Materials and Tools**

- Created board manual
- Developed board member job descriptions
- Developed board contracts

#### **Outcomes**

At the end of our work together, the CBD has:

1. Increased its understanding of the roles and responsibilities of board members
2. Increased its understanding of the roles and responsibilities of the executive director
3. An operational plan for developing the board and recruiting new members

#### **Suggestions and Recommendations**

As options for the CBD Board and MOEWD to consider, the following are presented as recommendations to sustain the learning and growth of the organization given that its overall number one priority over the next year is successful renewal of its contract with the City and County of San Francisco:

##### **Continue with board development training and efforts to further strengthen the board**

- Continue with board recruitment and election process as outlined by the board development committee
- Develop board orientation meeting for new members to include section for re-orienting continuing members
- Assign each new member to a committee
- Use board development committee as a model for effective governance by committee
- Seek out and take advantage of training opportunities through MOEWD and CompassPoint particularly in the areas of governance, community outreach, and fundraising

##### **Work to enhance CBD's current relationship and visibility with Fillmore residents and business community**

- Recruit non-board member residents and community leaders to serve on board committees
- Build a greater sense of cultural knowledge and history of the Fillmore community
- Actively participate in Western Addition Community and Capacity Building program led by Mayors of Housing and CompassPoint

# ANNUAL REPORT 2009

## THE FILLMORE COMMUNITY BENEFIT DISTRICT

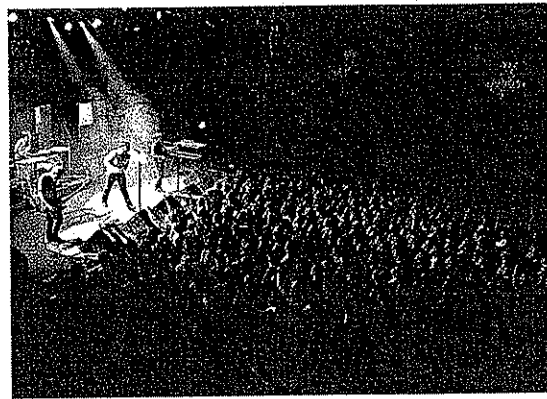




## THE FILLMORE DISTRICT CBD: SWINGING INTO A NEW DECADE OF DEVELOPMENT AND OPPORTUNITY

Since its creation in 2006, the Fillmore Jazz District Community Association of San Francisco has provided services and improvements to promote, beautify and increase public utilization, appreciation and enjoyment of the historic Fillmore District through management and operation of the Fillmore Community Benefit District (CBD).

Working in conjunction with the City of San Francisco, the CBD aims to preserve the Fillmore's local character, multi-cultural heritage and storied past as the city's premier live music destination. Each week, visitors and locals pour into the District to enjoy our live performance venues, restaurants, shops, open spaces, Saturday farmers market and public events.



Cold War Kids performing for fans at The Fillmore Auditorium.  
photo: analogrebels.com

The Association's nonprofit board of directors, comprised of District property owners, merchants and community members, proudly operates the CBD; an executive director and a part-time assistant handle day-to-day management. CBD activities include sidewalk cleaning, streetscape improvements, graffiti removal, marketing, public relations and branding services. The CBD is funded by special assessments on the 303 commercial properties in the district (based on each building's linear frontage, land area, square footage, and usage), as well as from grants from the City of San Francisco.



Swing dance contestants on the Blue Bridge during the Fillmore Jazz Festival.



The Fillmore CBD is located on Fillmore Street and bounded by Post Street, Webster Street, Golden Gate Avenue and Steiner Street.

**AFRICAN AMERICAN ART AND CULTURE COMPLEX**

ELLA HILL HUTCH RECREATION CENTER

FULTON STREET

WEBSTER STREET

FILLMORE STREET

STEINER STREET

MCALLISTER STREET

GOLDEN GATE AVENUE

TURK STREET

PIERCE STREET

EDDY STREET

ELLIS STREET

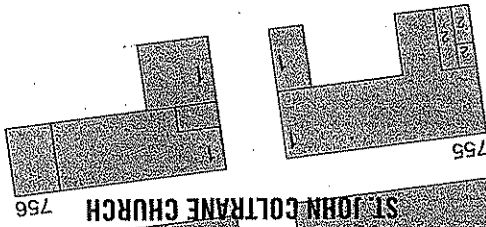
RAYMOND KIMBELL PLAYGROUND

GEARY BOULEVARD

HAMILTON RECREATION

POST STREET

BUCHANAN STREET



**WEST BAY CONFERENCE CENTER**

749

**1300 ON FILLMORE**

731

**YOSHI'S JAZZ CLUB**

732

**JAZZ HERITAGE CENTER**

732

**SHERA PIANO LOUNGE**

725

FILLMORE CENTER PLAZA

0 FARRELL STREET

**RASSELL'S JAZZ CLUB**

708

**THE FILLMORE AUDITORIUM**

707

**THE BOOM ROOM ROOM**

702

**SUNDANCE KABUKI CINEMA**

**MARCUS BOOKS**

GEARY BOULEVARD

- 1 = Benefit Zone 1
- 2 = Benefit Zone 2
- 3 = Benefit Zone 3
- 4 = Benefit Zone 4

## LETTER FROM THE BOARD PRESIDENT



Dear Community Members,

This year marked a new beginning for the Fillmore CBD. The Board started a year of positive change, putting new systems and people in place. We appointed Jeff Eichenfield, a seasoned commercial district manager with more than 25 years experience, to serve as interim director while we continue our search for a full time Executive Director. Assisting Jeff is his amazing Marketing Assistant Meaghan Mitchell, whom we hope all of you have had an opportunity to meet.

Many thanks go to our Board of Directors, all of whom are volunteers from business, the community, and non-profits. Their generously given time and expertise help the CBD realize its goals of providing an attractive, safe and desirable neighborhood in which to live and do business. Recognizing the countless hours dedicated to a project of this scope, and I would like you to join me in thanking our out-going directors: John Hudson, Andy Choi and Genny Lim for their contributions to our ongoing programs.

During 2009 we worked together to accomplish an impressive list of objectives, including having a seven-days-a-week street maintenance team to keep our district clean, and supporting District businesses with a marketing campaign that tells our neighbors, as well as San Francisco visitors, all we have to offer.

We completed a branding survey, created a new logo that graced banners draped throughout the Fillmore, and engaged in an advertising campaign in visitor/tourist



Every Saturday locals gather to socialize, listen to live jazz and shop at the **Fillmore Farmer's Market**.

publications. In addition, we embarked on a social networking campaign with an active Twitter account and a Facebook page that now counts more than 2,000 followers who keep up-to-date with District-wide news and activities. We supported successful events that showcased the District--the Fillmore Jazz Festival, The Cool Black Ball, Jazz's Neo Soul Festival, and the Fillmore Center Summer Movie and Concert Series, to name a few. Finally, we welcomed new businesses to the District, including Gussie's Chicken and Waffles, Fat Angel food and libations, Espresso Yourself coffee bar, Bruno's Pizzeria Cucina, Dibb's BBQ & Grill, and Jazz Wash. Please join me in supporting them and encouraging their success.



Colorful banners showcasing the District's new logo line  
Fillmore Street from Post to Golden Gate Avenue.

We look forward to continuing our momentum with plans to support new events, welcome new businesses and residents, and to let the world know what the Fillmore District has to offer. For future Fillmore District leaders, if you are interested in being active in the community or joining the Association board, please contact our offices or attend our public meetings.

Here's to another landmark year for the Fillmore District,

Paul Hyams  
President

## FILLMORE COMMUNITY BENEFIT DISTRICT FISCAL YEAR 2009 ANNUAL REPORT

This is the Annual Report for the Fillmore Community Benefit District. This report covers the fiscal year January 1, 2009 through December 31, 2009.

During the report period there were no changes in the boundaries of the Community Benefit District, benefit zones or classification of property within the district, or the basis and method of levying assessments and none are proposed for FY 2010.

The 2009 expenditures for the CBD were \$380,620. Total revenue was \$380,620 which included \$302,980 of special benefit assessments, \$51,337 of surplus funds carried forward from prior years, \$25,000 of grant funds and \$1,303 of miscellaneous income. The annual budget for FY 2010 is \$399,042 including an estimated \$311,980 from assessments, \$36,062 from surplus funds carried over from 2009, \$50,000 from grant funds and \$1,000 from investment income.

## 2009 INCOME AND EXPENSES

INCOME	ACTUALS	BUDGET
Special Benefit Assessments	\$302,980	\$310,985
Surplus Funds from prior year	\$51,337	\$50,659
Grants	\$25,000	\$101,337
Misc. Income	\$1,303	\$0
<b>TOTAL INCOME</b>	<b>\$380,620</b>	<b>\$462,981</b>

EXPENSES	ACTUALS	BUDGET
Sidewalk Operations, Beautification and Order	\$176,476	\$241,844
District Identity, Streetscape Improvement, Marketing and Promotions	\$94,695	\$117,841
Administrative	\$109,142	\$72,198
Contingency/Reserve	\$307	\$31,098
<b>TOTAL EXPENSES</b>	<b>\$380,620</b>	<b>\$462,981</b>

## 2010 BUDGET

INCOME	BUDGET
Special Benefit Assessments	\$311,980
Surplus Funds from prior year	\$36,062
Grants	\$50,000
Misc. Income	\$1,000
<b>TOTAL INCOME</b>	<b>\$399,042</b>

EXPENSES	BUDGET
Sidewalk Operations, Beautification and Order	\$200,000
District Identity, Streetscape Improvement, Marketing and Promotions	\$84,447
Administrative	\$96,347
Contingency/Reserve	\$18,248
<b>TOTAL EXPENSES</b>	<b>\$399,042</b>

# I. 2009 ACTIVITIES

## SIDEWALK OPERATIONS, BEAUTIFICATION & IMPROVEMENTS

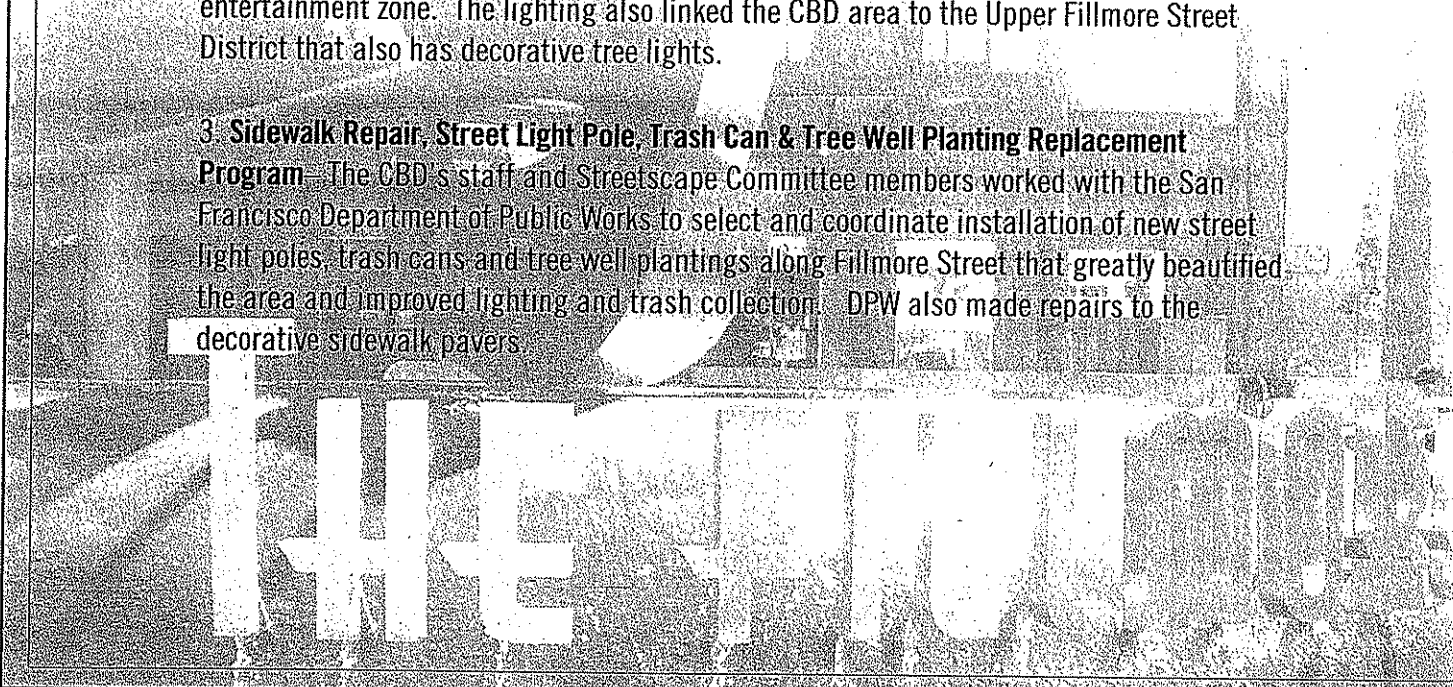
1. **Sidewalk and Public Space Maintenance** – The CBD contracted with Cleanscapes for approximately \$12,000 per month to continue to make the District appealing to residents, visitors, restaurant goers, shoppers, and investors. Public space maintenance occurred seven-days-a-week. Some of the activities included:

- sidewalk and gutter sweeping
- sidewalk power washing
- weeding
- graffiti and advertising poster removal
- cleaning of news racks
- reporting damaged news racks and sidewalks.

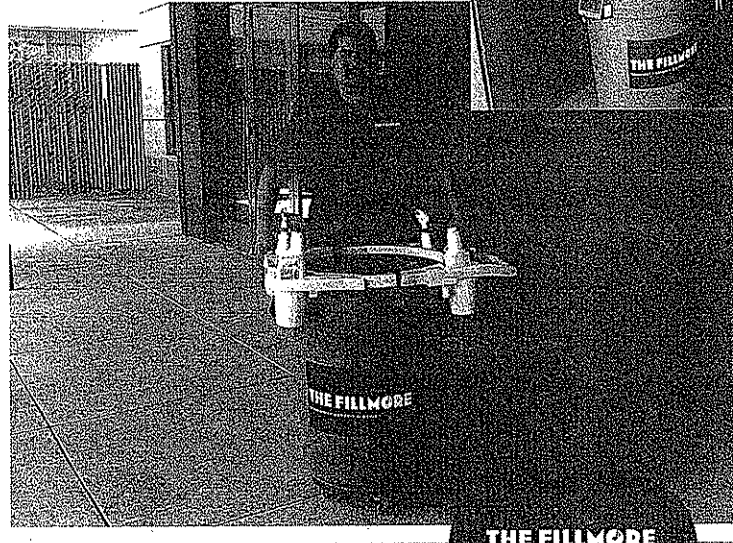
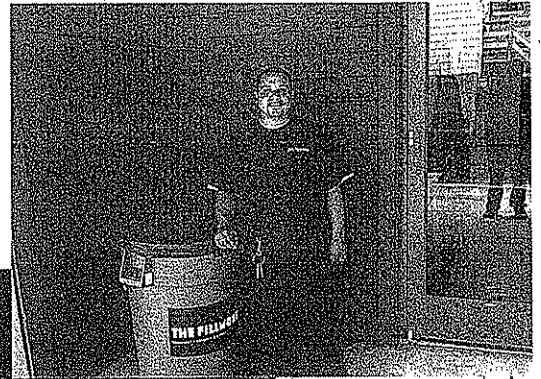
• **In September the CBD issued a Request for Proposals** for sidewalk and public space maintenance services that resulted in the selection of GMG Janitorial to perform these services in 2010. Crew staffing was recruited from the neighborhood using the services of One-Stop Business Services.

2. **Decorative Tree Lighting** – The CBD contracted with The Christmas Light Pros to refurbish the decorative street tree lighting. The lighting complemented the marquis signs at the Fillmore Auditorium and Yoshi's and set the tone of the district as a vibrant entertainment zone. The lighting also linked the CBD area to the Upper Fillmore Street District that also has decorative tree lights.

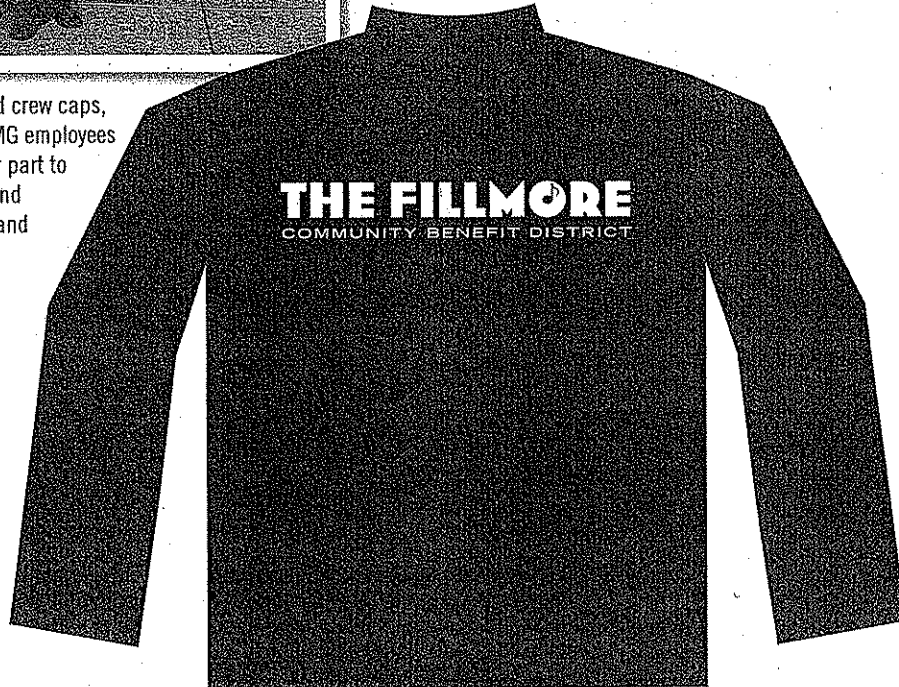
3. **Sidewalk Repair, Street Light Pole, Trash Can & Tree Well Planting Replacement Program** – The CBD's staff and Streetscape Committee members worked with the San Francisco Department of Public Works to select and coordinate installation of new street light poles, trash cans and tree well plantings along Fillmore Street that greatly beautified the area and improved lighting and trash collection. DPW also made repairs to the decorative sidewalk pavers.







The Fillmore CBD created crew caps, jackets and shirts for GMG employees to wear while doing their part to keep the District clean and appealing for residents and visitors.



# I. 2009 ACTIVITIES (CONTINUED)

## DISTRICT IDENTITY & STREETScape IMPROVEMENTS

1. **Marketing and Public Relations** – The CBD used \$69,695 of assessment revenues and \$25,000 in grants from the City of San Francisco Office of Economic and Workforce Development (OEWD) to augment \$60,000 in direct marketing spending by the OEWD and the San Francisco Redevelopment Agency to conduct the following activities:

- Conduct a branding study and citizen's survey that resulted in solidifying the name of the district as "The Fillmore District."
- Develop a comprehensive three-year marketing plan.
- Develop a new logo, install 100 street banners and launch a new website ([www.thefillmoredistrict.com](http://www.thefillmoredistrict.com)) with the tagline "Heart and Soul of San Francisco" to coincide with the July 4 weekend Fillmore Jazz Festival and the 100,000 visitors it attracts.
- Conduct a public relations blitz to travel and entertainment writers and place advertising in various media including San Francisco magazine, Where magazine, SFCVB Visitor Guide, SFCVB Convention Planner's Guide, SFCVB Tour Planners Guide, SFCVB In-Room City Guide, CBS Television 5, San Francisco Chronicle, San Francisco Examiner, The Western Edition and the New Fillmore.
- Launch a district Facebook site that has grown to 2,000 fans and a Twitter site that has grown to 900 followers.
- Host a special orientation reception with Open Top Bus Tours for 29 hotel concierges at the Fillmore Heritage Center.

The image displays two screenshots. The left screenshot shows the Facebook page for 'The Fillmore District'. The page header includes 'The Fillmore District' and navigation links for 'Wall', 'Info', 'Discussions', and 'Other Pages'. The main content area features a post from 'The Fillmore Center Apartments' about a contest where users guess the Giants/Braves game score to win a \$25 gift card. Below this is another post for 'The Fillmore District Tonight at The African Complex' with a photo of a poster and a date of October 7 at 5:56pm. The right screenshot shows the website <http://thefillmoredistrict.com/>. The website has a dark background with the text 'THE FILLMORE HEART AND SOUL OF SAN FRANCISCO' at the top. Below this is a photo of two men in suits and a 'taste the FILLMORE' logo. A text box on the right states: 'The historic Fillmore District in San Francisco is home to a diverse mix of world-class restaurants that once called "The Harlem of the West" San Francisco's vibrant world-class restaurants'. At the bottom of the website screenshot, there are links for 'Facebook' and 'Twitter'.

Fillmore residents and visitors regularly visit [www.thefillmoredistrict.com](http://www.thefillmoredistrict.com) and our Facebook page for update-to-date information on latest happenings and events taking place throughout the District.

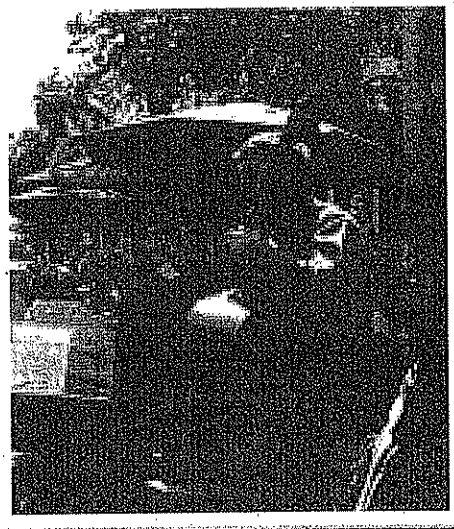
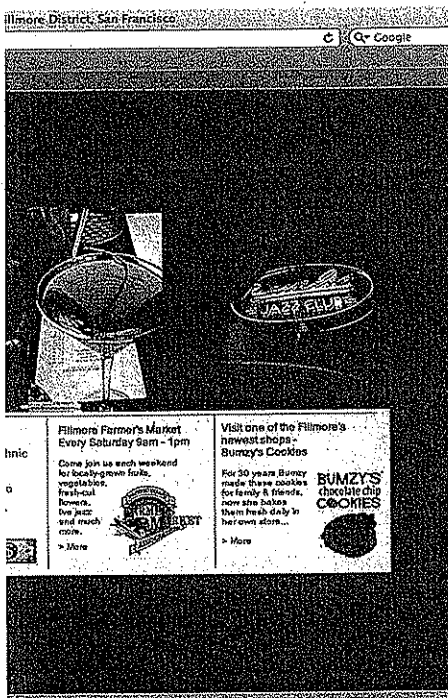


2. **Special Events** – The CBD supported the following community events.

- Jazz'z Neo Soul Festival
- Fillmore Plaza's Summer Concert and Film Series
- Independent Artists' Week
- 26th Annual Fillmore Jazz Festival
- 6th Annual Black Family Day
- 2nd Annual Taste of Fillmore
- The Fillmore's 1st Annual Cool Black Ball
- 2009 Kwanzaa Celebration
- African American Art & Culture Complex 8th Annual Holiday Fair
- Saturday Farmer's Market



Festival goers interact at the Fillmore Jazz Festival.



Taste of Fillmore

## II. 2010 ACTIVITIES

The planned activities for 2010 include continuing our comprehensive sidewalk cleaning and graffiti removal services, expanding and improving upon our website and Facebook and Twitter site use, advertising in visitor oriented publications, and supporting community events that attract both locals and visitors to the district. Also in 2010 the CBD will begin the process of gathering community and property owner input into plans for renewing the CBD's assessment district mechanism which is set to expire in 2011.

## III. METHOD & BASIS FOR LEVYING 2010 ASSESSMENT

**ASSESSMENT METHODOLOGY:** The Fillmore Community Benefit District is funded through an annual assessment from property owners within the district. The annual assessments are based on three property variables – square footage of the building, gross footage of the lot and linear frontage (sidewalk frontage)

There are four benefit zones in the district and the rates for each of the three variables depend on the benefit zone in which the parcel is located and the type of use of the particular building.

BENEFIT ZONE	GROSS BUILDING SQUARE FOOTAGE, FIRST YEAR	GROSS LOT SIZE FIRST YEAR	GROSS LINEAR FRONTAGE (ALL SIDES), FIRST YEAR
1	Per Square foot (A/Retail): \$ 0.16 Per Square foot (B/Office): \$ 0.10 Per square foot (C – F): \$ 0.03 Per square foot (G) – no charge Per square foot (H) Amphitheater/ auditorium with maximum occupancy of 1,000 or more: \$0.32	\$0.12 per sq. ft.	\$14.00 per linear ft.
2	Per square foot (A/Retail): \$ 0.10 Per Square foot (B/Office): \$0.07 Per Square foot (C-F): \$ 0.03 Per square foot (G) no charge	\$0.09 per sq. ft.	\$10.00 per linear ft.
3	Per square foot (A/Retail): \$ 0.13 Per square foot (B/Office): \$ 0.08 Per square foot (C – F): \$ 0.0175 Per square foot (G) – no charge	\$0.096 per sq. ft.	\$10.00 per linear ft.
4	Per square foot (A/Retail): \$ 0.10 Per square foot (B/Office): \$ 0.07 Per square foot (C – F): \$ 0.03 Per square foot (G) – no charge	\$0.05 per sq. ft.	\$4.00 per linear ft.

BUILDING USE CODE	DESCRIPTION OF USE
A	Retail space, hotels, motels;
B	Office and Commercial uses, free standing for-profit parking structures;
C	Industrial/Manufacturing/Distribution/Wholesale;
D	Institutional (City, County, School, public utility, parks, etc.);
E	Church, non-profit public benefit corporations;
F/Residential	Multi-unit housing, condominiums, apartments
G (exempt)	Non-functional building structures, the building square feet comprising a parking structure that services the residential or office population within the building
H	Amphitheater/Auditorium with maximum occupancy of 1,000 or more

#### TOTAL PROPERTY ASSESSMENT CALCULATION

BENEFIT ZONE #: Building square foot lot size x rate per lot size + Building linear frontage x rate per linear frontage + Building square footage x rate per square foot = Total Assessment Amount

For example, a 5,000 square foot lot, with 50 feet of frontage and 4,000 square feet of usable retail building use in Benefit Zone 1 would yield an annual assessment of:

Benefit Zone 1:

5,000 x \$0.12 = \$600.00 in lot size

50 x \$14.00 = \$700.00 in linear frontage, and

4,000 x \$0.16 = \$640.00 in building square footage

total assessment = \$ 1,940.00 per year

## SPECIAL THANKS TO:

Gavin Newsom, Mayor of San Francisco  
 Ross Mirkarimi, Supervisor, District 5  
 Vallie Brown, Legislative Aide, District 5  
 San Francisco Board of Supervisors  
 Michael Cohen, Director, Office of Economic and Workforce Development (OEWD)  
 Amy Cohen, Director of Neighborhood Business Development, OEWD  
 Lisa Pagan, Project Manager, OEWD  
 Katerina Villanueva, Project Manager, OEWD  
 Captain Ann Mannix, San Francisco Police Department, Northern Station  
 Sergeant William Griffin, San Francisco Police Department, Northern Station  
 Mohammed Nuru, Deputy Director, San Francisco Department of Public Works  
 Alex Murillo, Public Affairs Office, San Francisco Department of Public Works  
 Liz Lerma, Acting Superintendent, San Francisco Bureau of Urban Forestry  
 Fred Blackwell, Director San Francisco Redevelopment Agency (SFRDA)  
 Stephen Maduli-Williams, Deputy Director, SFRDA  
 Gaynel Armstrong-McCurn, Project Manager, SFRDA  
 Ricky Tijani, Senior Development Assistant, SFRDA  
 Majeid Crawford, Board Member, Brothers for Change  
 Erris Edgerly, Board Member, Brothers for Change  
 Jenny McNulty, Executive Director, Urban Solutions  
 Helen Branham, Dir. of Small Business Services, Urban Solutions  
 Cynthia Traina, Traina PR  
 Ellen Seebold, Seebold Marketing  
 Keith Potter, Keith Potter Design  
 Andy Wolfe, RMKB

#### FILLMORE DISTRICT CBD BOARD OF DIRECTORS AS OF JUNE 2010:

Paul Hyams, CBD President, Fillmore Center/Laramar  
 Monetta White, CBD Vice President, 1300 On Fillmore  
 Dan Combs, CBD Secretary, Fillmore Center/Laramar  
 Nikki Szeto, Acting Treasurer, Webster Towers  
 Rev. Floyd Trammel, West Bay Community Center  
 Netsanet Alemayehu, Board Member, Sheba's Lounge  
 Kaz Kajimura, Board Member, Yoshi's Jazz Club  
 Sheryl Davis, Board Member, Mo Magic

#### OUTGOING BOARD OF DIRECTORS, 2009

Andy Choi  
 Jenny Lim  
 John Hudson

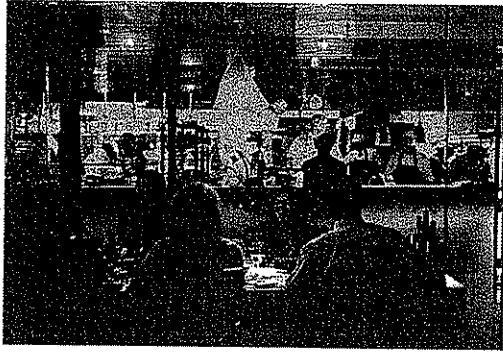
Jeff Eichenfield, Interim Executive Director  
 Meaghan Mitchell, Marketing Assistant  
 Fillmore District Property Owners and Merchants



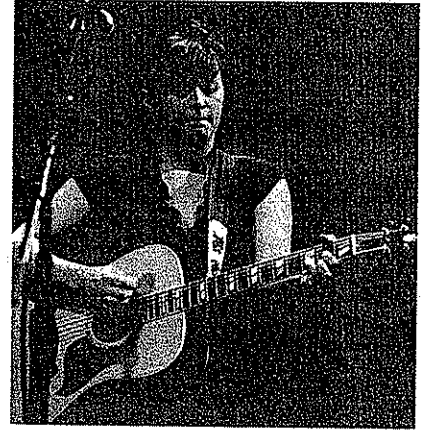
Pete Escovedo and family performing at Yoshi's San Francisco.  
photo: Chuck Gee



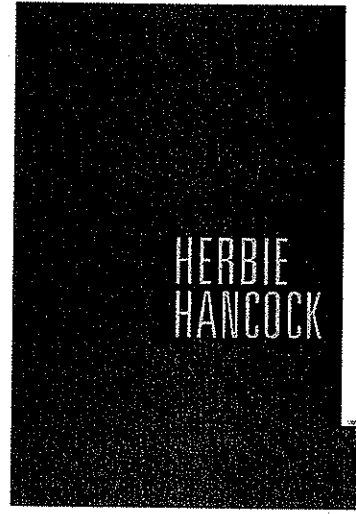
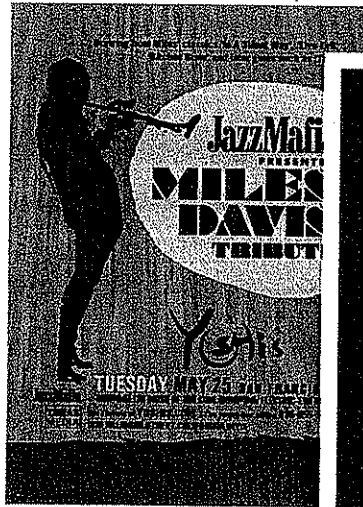
Sila and the Afrofunk Experience at the  
2009 Fillmore Jazz Festival



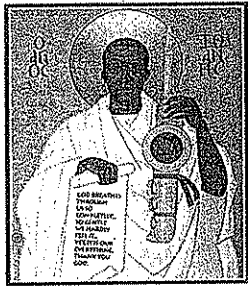
Diners enjoying a meal at Yoshi's Japanese Restaurant.



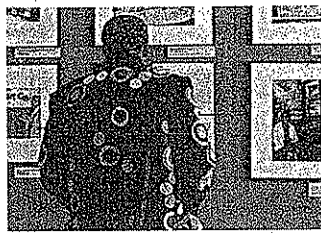
Camera Obscura performing at  
The Fillmore Auditorium.  
photo: analogrebels.com



Yoshi's and The Fillmore Auditorium  
performance posters are collected by  
music and art lovers all over the world.



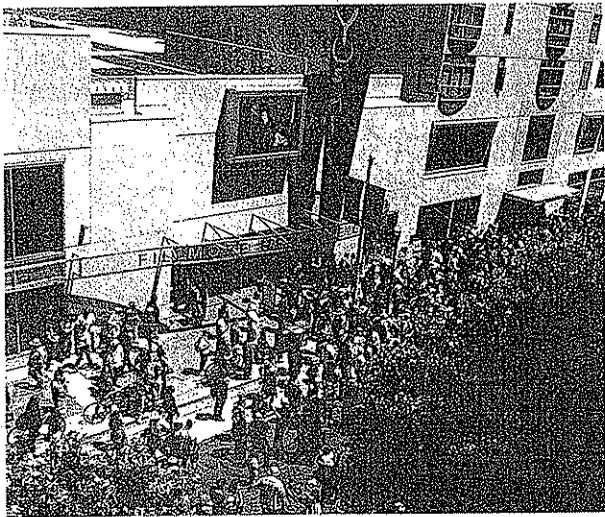
An icon painting on display inside St. John Coltrane Church



Harlem of the West photo exhibition at the Jazz Heritage Center.



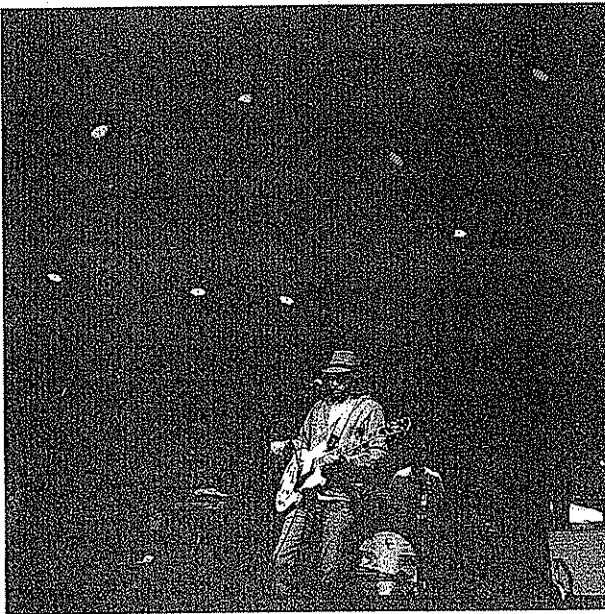
Fillmore CBD has created a rack brochure and it was distributed in 2010 at visitor information locations throughout the city.



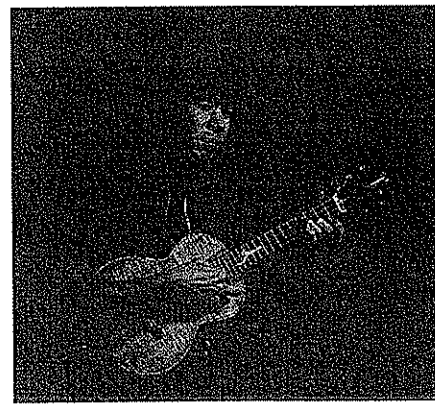
Festival goers listen to performers on the Eddy Stage at the 2010 Fillmore Jazz Festival



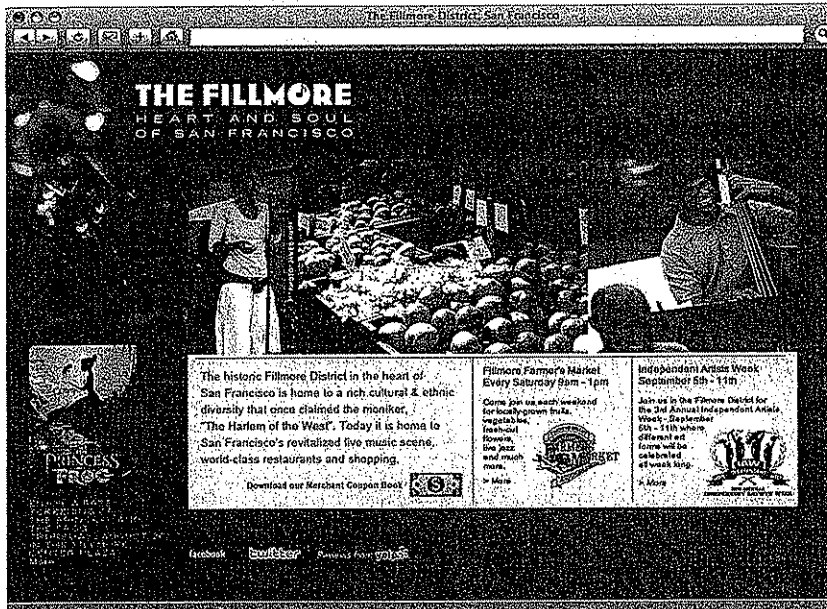
Hot Pocket performing in the lounge at 1300 on Fillmore.



Broken Social Scene performing at The Fillmore Auditorium.  
photo: analogrebels.com



Jake Shimabukuro on stage at Yoshi's San Francisco.



Learn more about The Fillmore District: our live music venues, our merchants, events and community organizations... and the work of the Fillmore CBD by visiting us online at [www.thefillmoredistrict.com](http://www.thefillmoredistrict.com).

## THE FILLMORE

COMMUNITY BENEFIT DISTRICT

1290 Fillmore Street, Suite 104  
 San Francisco, CA 94115  
 (415) 346-5299  
[info@thefillmoredistrict.com](mailto:info@thefillmoredistrict.com)  
[www.thefillmoredistrict.com](http://www.thefillmoredistrict.com)  
[facebook.com/TheFillmoreDistrict](https://facebook.com/TheFillmoreDistrict)

Michael A. Sulpizio  
Certified Public Accountant  
1419 Burlingame Ave, 2<sup>nd</sup> Floor  
Burlingame, CA 94010

May 5, 2010

Board of Directors  
Fillmore Jazz District Community Association of San Francisco  
1290 Fillmore Street, Suite 104  
San Francisco, CA 94115

I have reviewed the accompanying statement of financial position of the Fillmore Jazz District Community Association of San Francisco (a not-for-profit organization), as of December 31, 2009, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Fillmore Jazz District Community Association of San Francisco.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

  
\_\_\_\_\_  
Michael A. Sulpizio

Fillmore Jazz District Community Association of San Francisco  
 Statements of Financial Position  
 December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Assets:		
Cash and cash equivalents	\$165,925	\$96,123
Furniture & equipment	<u>6,264</u>	<u>6,264</u>
Total assets:	<u>\$172,189</u>	<u>\$102,387</u>
Liabilities and net assets:		
Deferred tax receipts	\$147,271	
Accounts payable	<u>18,270</u>	<u>\$45,465</u>
Total liabilities:	<u>165,541</u>	<u>45,465</u>
Net assets:		
Unrestricted	6,648	56,922
Temporarily restricted		
Permanently restricted		
Total net assets:	<u>6,648</u>	<u>56,922</u>
Total liabilities and net assets:	<u>\$172,189</u>	<u>\$102,387</u>

The accompanying notes are an integral part of these financial statements.  
 See the accompanying accountant's report.



Fillmore Jazz District Community Association of San Francisco  
Statement of Activities  
Year Ended December 31, 2009

Changes in unrestricted net assets:		
Revenues, gains, and other support:		<i>Correction:</i>
Property assessments	\$312,332	→ <del>\$303,332.00</del>
Grants	16,000	→ <del>\$25,000.00</del>
Other investment income	979	
Total unrestricted revenues:	<u>329,311</u>	
Expenses:		
Decorations	11,656	
Street cleaning	144,440	
Marketing & promotion	70,280	
Furnishing maintenance	13,895	
Website	1,390	
Liability & property insurance	2,671	
Legal fees	57,734	
Salary & benefits	41,607	
Accounting fees	10,763	
Special events	8,863	
Rent	2,700	
Office expenses	4,163	
Outside Contract Services	8,713	
Other operating expense	710	
Total expenses	<u>379,585</u>	
Decrease in unrestricted net assets:	<u>50,274</u>	
Decrease in net assets:	50,274	
Net assets at beginning of year:	<u>56,922</u>	
Net assets at end of year:	<u>\$6,648</u>	

The accompanying notes are an integral part of these financial statements.  
See the accompanying accountant's report.

Fillmore Jazz District Community Association of San Francisco  
Statement of Cash Flows  
Year Ended December 31, 2009

Cash flows from operating activities:	
Cash received from property assessments	\$459,603
Cash received from grants:	16,000
Interest and dividends received	979
Cash paid to employees and vendors	<u>(406,780)</u>
Net cash provided by operating activities:	<u>69,802</u>
Cash flows from investing activities:	
Acquisition of capital assets	
Net cash used by investing activities:	
Net increase in cash and cash equivalents:	69,802
Cash and cash equivalents at beginning of year:	<u>96,123</u>
Cash and cash equivalents at end of year:	<u>\$ 165,925</u>

The accompanying notes are an integral part of these financial statements.  
See the accompanying accountant's report.

Fillmore Jazz District Community Association of San Francisco  
Notes to financial statements  
Year Ended December 31, 2009

1. The Fillmore Jazz District Community Association of San Francisco is a Community Benefit District that was authorized on August 15, 2006 by the San Francisco Board of Supervisors and has a five-year term.
2. Funding is provided by special assessments levied on properties located within the district.
3. During 2008 the Association became involved in a legal proceeding with a former employee relating to his termination. This matter, if adversely decided or settled by the Association, may result in a liability material to the Association's financial condition or results of operations. No accruals have been made for this legal proceeding as 12/31/09.

Fillmore Jazz District Community Association of San Francisco  
1290 Fillmore Street, Suite 104  
San Francisco, CA 94115

May 5, 2010

Michael A. Sulpizio  
Certified Public Accountant  
1419 Burlingame Ave, 2<sup>nd</sup> Floor  
Burlingame, CA 94010

Dear Mr. Sulpizio:

We are providing this letter in connection with your review of the statement of financial position and related statements of Activities, and cash flow of the Fillmore Jazz District Community Association of San Francisco as of December 31, 2009, and for the years then ended for the purpose of expressing limited assurance that there are no material modifications that should be made to the statements in order for them to be in conformity with generally accepted accounting principles. We confirm that we are responsible for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with generally accepted accounting principles.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of May 5, 2010 the following representations made to you during your review:

1. The financial statements referred to above are fairly presented in conformity with generally accepted accounting principles.
2. We have made available to you all
  - a. Financial records and related data.
  - b. Minutes of the meetings of stockholders, directors, and committees of directors, or summaries of actions of recent meetings for which minutes have not yet been prepared.
3. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.
4. We acknowledge our responsibility to prevent and detect fraud.
5. We have no knowledge of any fraud or suspected fraud affecting the entity involving management or others where the fraud could have a material effect on the financial statements, including any communications received from employees, former employees or others.
6. We have no plans or intentions that may materially affect the carrying amounts or

classification of assets and liabilities.

7. There are no material losses (such as from obsolete inventory or purchase or sales commitments) that have not been properly accrued or disclosed in the financial statements.
8. There are no
  - a. Violations or possible violations of laws or regulations, whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency
  - b. Unasserted claims or assessments that our lawyer has advised us are probable of assertion that must be disclosed in accordance with Financial Accounting Standards Board (FASB) Statement No. 5, *Accounting for Contingencies*.
  - c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5.
9. The organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.
10. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
11. The following have been properly recorded or disclosed in the financial statements:
  - a. Related-party transactions, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
  - b. Guarantees, whether written or oral, under which the company is contingently liable.
  - c. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with the AICPA's Statement of Position 94-6, *Disclosure of Certain Significant Risks and Uncertainties*. [Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.]
12. The organization is a not-for-profit organization based on the laws of the state.
13. The organization is a nontaxpaying entity based on the rules and regulations of the Internal Revenue Service.

To the best of our knowledge and belief, no events have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

We have responded fully and truthfully to all inquiries made to us by you during your review.

\_\_\_\_\_  
Jeff Eichenfield, Executive Director

\_\_\_\_\_  
Date



**Fillmore Jazz District Community Association  
2008 Narrative Report**

**Revenue**

The district received \$299,814 in total assessments in 2008.

The CBD was awarded a Marketing Grant from OEWD to cover costs associated with development of website and district brochure.

In addition, the CBD was awarded a \$31,337 district beautification grant from the City's Community Challenge Grant program to cover costs associated with purchase of benches and planter boxes, design and installation of street banners. No funds have been expended as of 12/31/08.

**Programs**

**District Identity and Streetscape Improvement**

**Marketing**

An annual ad was purchased in WHERE Magazine, a travelers guidebook, magazine and map publication with local expertise and global reach to over 100 destinations worldwide. Other ads were placed with local publications.

**Holiday Street Lights**

The CBD purchased street pole lights from Post to Golden Gate. They were installed and maintained by vendor Devinish.

**Website**

The CBD hired Chen Design Associates who provided logo design, business cards, letterhead and envelopes. The CBD also worked with them on website development and programming. The new website address is [www.fillmorejazzcbd.org](http://www.fillmorejazzcbd.org).

**Public Rights of Way and Sidewalk Operations**

**Street Cleaning and Maintenance**

The CBD continues to have a contract with Cleanscapes for street cleaning, graffiti removal, trash removal and other duties to maintain cleanliness in the district. The CBD monitors the vendor's contract performance and streetscape conditions in all zones in the District.

**Streetscape Capital Repairs/Maintenance**

The CBD is monitoring DPW and SFRA progress towards completing needed streetscape repairs and maintenance for the District. DPW and SFRA are negotiating terms of \$1.8 million Capital Improvement and Maintenance Plan for the District.

#### Beautification – Community Challenge Grant

The CBD is working with Sharon Olken from Gateway High School to solicit student designs for District street banners. A contest award of \$220 was allocated from the budget for the winning entry. The CBD is negotiating banner production and installation costs with vendor AAA Banner and Flag.

#### Administrative/Corporate Operations

The Executive Director, Neil Trama was hired on May 17, 2007 to implement and manage the CBD Management Plan. The Plan includes managing the performance of the vendors contracted with the CBD to clean, beautify, market and promote the Jazz District and maintain general streetscape order.

At the July 2008 CBD Board meeting, Mr. Trama was suspended with pay. On August 1, 2008, Mr. Trama filed a complaint with the CA Labor Commissioner against the CBD Board for retaliatory suspension and unsafe working conditions. The CBD has retained legal counsel under its insurance coverage. As of December 31, 2008, the complaint is pending resolution.

The Board elected permanent officers in October 2008. This included new board members Gennie Lim and Dan Combs. Removed from board were Jerome Berg and Agonofer Shifferaw.



# Fillmore Jazz District Community

## Financial Statements

For the month and year to date ended December 31, 2008

(unaudited)

CONFIDENTIAL

# Illmore Jazz District Community Balance Sheet

As of December 31, 2008

Dec 31, 08

## ASSETS

### Current Assets

#### Checking/Savings

First republic Savings 39,096.95

First republic Bank Checking 57,026.21

Total Checking/Savings 96,123.16

#### Other Current Assets

reimbursable Challenge Grant 1,034.17

Total Other Current Assets 1,034.17

Total Current Assets 97,157.33

### Fixed Assets

#### Furniture and Equipment

Furniture and Equipment Cost 10,404.67

Accumulated Depreciation -7,770.55

Total Furniture and Equipment 2,634.12

Total Fixed Assets 2,634.12

**TOTAL ASSETS 99,791.45**

## LIABILITIES & EQUITY

### Liabilities

#### Current Liabilities

##### Accounts Payable

Accounts Payable 2,824.81

Total Accounts Payable 2,824.81

##### Credit Cards

Visa Credit Card CBD 10.00

Total Credit Cards 10.00

##### Other Current Liabilities

Accrued liability 42,630.00

Total Other Current Liabilities 42,630.00

Total Current Liabilities 45,464.81

Total Liabilities 45,464.81

### Equity

Unrestricted Net Assets 84,784.67

Net Income -30,458.03

Total Equity 54,326.64

**TOTAL LIABILITIES & EQUITY 99,791.45**

Fillmore Jazz District Community  
Profit & Loss  
January through December 2008

	Jan 08	Feb 08	Mar 08	Apr 08	May 08	Jun 08	Jul 08	Aug 08	Sep 08	Oct 08	Nov 08	Dec 08	TOTAL
Ordinary Income/Expense													
Income													
City Treasury	183,759.36	0.00	0.00	115,605.93	0.00	191.82	0.00	57.50	0.00	0.00	0.00	0.00	299,813.53
Investments	144.13	118.48	113.88	88.44	91.39	83.16	0.00	0.00	186.55	574.66	444.34	53.26	1,903.29
Interest-Savings Short-term CD	144.13	118.48	113.88	88.44	91.39	83.16	0.00	0.00	186.55	574.66	444.34	53.26	1,903.29
Total Investments	183,902.39	113.48	113.88	115,694.39	91.39	274.98	0.00	57.50	196.55	574.66	444.34	53.26	301,716.82
Total Income	183,902.39	113.48	113.88	115,694.39	91.39	274.98	0.00	57.50	196.55	574.66	444.34	53.26	301,716.82
Expense													
Maintenance	0.00	0.00	0.00	0.00	0.00	12,456.16	0.00	560.00	275.50	1,000.00	520.20	0.00	14,821.86
Sponsorship	-50.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-50.00
Business Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Railway Street lights	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Street Scrape	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	146,160.00
Total Business Expense	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	12,180.00	178,280.00
Payroll Expense													
Dental expenses	110.00	-110.00	0.00	0.00	110.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	110.00
Salaries	5,993.19	4,615.40	4,615.40	4,615.40	4,615.40	4,615.40	6,923.10	4,615.40	4,615.40	4,615.40	4,615.40	0.00	52,297.80
Health Insurance	353.50	553.28	623.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	0.00	5,624.20
Payroll processing fees	105.00	70.00	97.00	70.00	70.00	70.00	105.00	70.00	70.00	70.00	70.00	0.00	700.00
Payroll Taxes	827.31	358.39	353.08	353.08	353.08	353.08	599.82	1,453.90	353.08	353.08	353.08	0.00	5,294.62
Workers Comp Insurance	0.00	0.00	0.00	0.00	1,056.00	0.00	0.00	0.00	0.00	0.00	0.00	35.00	1,091.00
Total Payroll Expense	8,488.41	5,484.59	5,598.48	5,613.48	6,777.48	5,613.48	8,128.72	6,714.30	5,613.48	5,613.48	5,028.48	7,557.72	78,238.50
Facilities and Equipment													
Expensed Equipment	182.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	182.50
Property Insurance	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	800.00
Parking, Utilities	0.00	217.88	147.88	77.88	0.00	189.87	0.00	0.00	0.00	0.00	0.00	0.00	677.32
Total Facilities and Equipment	182.50	217.88	847.88	77.88	0.00	189.87	0.00	0.00	0.00	0.00	0.00	0.00	1,559.22
Operations													
Telephone, Telecommunications	132.31	182.70	273.71	142.67	305.40	284.31	136.33	44.33	441.43	20.95	28.95	20.95	2,014.08
Internet	115.65	85.00	95.00	95.00	95.00	93.00	0.00	63.34	0.00	0.00	0.00	0.00	653.39
Postage, Mailing Service	3.75	0.00	0.00	0.00	148.40	0.00	172.00	0.00	810.91	0.00	228.40	0.00	1,350.56
Printing and Copying	0.00	0.00	18.99	1,598.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,617.24
Supplies	289.25	0.00	271.08	0.00	198.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,044.38
Website	0.00	4,750.00	0.00	92.65	4,750.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,879.33
Insurance - Liability, E and O	0.00	405.00	0.00	925.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,330.00
Total Operations	520.35	5,442.70	658.78	2,853.57	5,455.33	383.31	302.38	1,07.57	1,251.44	20.95	247.35	1,415.33	18,599.17
Contract Services													
Accounting Fees	0.00	0.00	1,500.00	0.00	500.00	3,985.00	1,855.00	187.50	375.00	0.00	1,325.00	1,187.50	11,095.00
Grant Writing Fees	0.00	1,500.00	2,490.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	5,490.00
Legal Fees	0.00	0.00	982.00	404.00	1,145.00	1,658.00	0.00	4,079.00	3,188.00	0.00	3,499.00	2,265.00	18,897.00
Outside Contract Services	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	377.07	0.00	1,553.76	2,387.31	4,818.14
Total Contract Services	0.00	1,500.00	4,972.00	904.00	1,545.00	7,151.00	3,595.00	4,266.50	3,938.07	0.00	6,377.76	5,040.31	40,270.14
Travel and Meetings													
Business meals and BOD mngs	120.31	-119.82	127.55	276.02	46.40	48.20	0.00	0.00	0.00	0.00	0.00	0.00	498.46
Conference, Convention, Meeting	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	650.00
Travel	0.00	4.00	549.00	22.00	17.25	0.00	10.00	0.00	23.00	0.00	25.00	0.00	644.25
Travel and Meetings - Other	0.00	0.00	0.00	0.00	29.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.20
Total Travel and Meetings	470.31	-121.82	676.55	298.02	93.55	48.20	10.00	0.00	23.00	0.00	25.00	0.00	2,172.91
Other Types of Expenses													
Bank Fees	0.00	16.00	2.00	2.00	27.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47.00
Filing and other Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Costs	39.55	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	0.00	75.00
Total Other Types of Expenses	39.55	16.00	2.00	2.00	27.00	8.00	0.00	0.00	0.00	0.00	0.00	0.00	165.55
Total Expense	21,831.53	24,719.75	24,955.29	21,929.76	23,218.36	39,049.22	24,130.10	23,768.47	23,281.49	18,919.43	47,699.59	36,643.86	335,174.85
Net Ordinary Income	162,070.86	-4,606.27	-24,861.41	93,865.63	-26,126.97	-31,774.24	-24,130.10	-23,710.97	-23,094.94	-18,344.77	-47,244.25	-36,599.62	-30,458.03
Net Income	162,070.86	-4,606.27	-24,861.41	93,865.63	-26,126.97	-31,774.24	-24,130.10	-23,710.97	-23,094.94	-18,344.77	-47,244.25	-36,599.62	-30,458.03

**Fillmore Jazz District Community  
Profit & Loss by Class  
January through December 2008**

	<u>ADMIN</u>	<u>DISI</u>	<u>SOBO</u>	<u>Unclassified</u>	<u>TOTAL</u>
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
City Treasury	0.00	0.00	0.00	299,813.53	299,813.53
Investments					
Interest-Savings, Short-term CD	0.00	0.00	0.00	1,903.29	1,903.29
Total Investments	0.00	0.00	0.00	1,903.29	1,903.29
<b>Total Income</b>	0.00	0.00	0.00	301,716.82	301,716.82
<b>Expense</b>					
Marketing	0.00	14,821.66	0.00	0.00	14,821.66
Sponsorship	0.00	-50.00	0.00	0.00	-50.00
Business Expenses					
Holiday Street lights	0.00	0.00	32,100.00	0.00	32,100.00
Street Scape	0.00	0.00	146,160.00	0.00	146,160.00
Total Business Expenses	0.00	0.00	178,260.00	0.00	178,260.00
Payroll Expenses					
Dental expenses	110.00	0.00	0.00	0.00	110.00
Salaries	15,577.90	31,154.00	15,576.00	0.00	62,307.90
Health Insurance	1,406.20	2,812.00	1,406.00	0.00	5,624.20
Payroll processing fees	234.25	468.50	234.25	0.00	937.00
Payroll Taxes	1,542.40	3,084.00	1,542.00	0.00	6,168.40
Workers Comp Insurance	273.00	545.00	271.00	0.00	1,089.00
Total Payroll Expenses	19,143.75	38,063.50	19,029.25	0.00	76,236.50
Facilities and Equipment					
Expensed Equipment	182.90	0.00	0.00	0.00	182.90
Property Insurance	800.00	0.00	0.00	0.00	800.00
Parking, Utilities	612.32	0.00	0.00	0.00	612.32
Total Facilities and Equipment	1,595.22	0.00	0.00	0.00	1,595.22
Operations					
Telephone, Telecommunications	2,014.09	0.00	0.00	0.00	2,014.09
Internet	653.39	0.00	0.00	0.00	653.39
Postage, Mailing Service	1,360.56	0.00	0.00	0.00	1,360.56
Printing and Copying	18.89	1,598.25	0.00	0.00	1,617.24
Supplies	738.86	0.00	307.50	0.00	1,044.36
Website	0.00	10,679.53	0.00	0.00	10,679.53
Insurance - Liability, E and O	1,330.00	0.00	0.00	0.00	1,330.00
Total Operations	6,113.89	12,277.78	307.50	0.00	18,699.17
Contract Services					
Accounting Fees	11,085.00	0.00	0.00	0.00	11,085.00
Grant Writing Fees	5,480.00	0.00	0.00	0.00	5,480.00
Legal Fees	18,867.00	0.00	0.00	0.00	18,867.00
Outside Contract Services	3,208.14	1,610.00	0.00	0.00	4,818.14
Total Contract Services	38,660.14	1,610.00	0.00	0.00	40,270.14
Travel and Meetings					
Business meals and BOD mtgs	498.46	0.00	0.00	0.00	498.46
Conference, Convention, Meeting	750.00	250.00	0.00	0.00	1,000.00
Travel	107.25	537.00	0.00	0.00	644.25
Travel and Meetings - Other	29.90	0.00	0.00	0.00	29.90
Total Travel and Meetings	1,385.61	787.00	0.00	0.00	2,172.61
Other Types of Expenses					
Bank Fees	47.00	0.00	0.00	0.00	47.00
Filing and other Fees	75.00	0.00	0.00	0.00	75.00
Other Costs	47.55	0.00	0.00	0.00	47.55
Total Other Types of Expenses	169.55	0.00	0.00	0.00	169.55
<b>Total Expense</b>	<b>67,088.16</b>	<b>67,509.94</b>	<b>197,596.75</b>	<b>0.00</b>	<b>332,174.85</b>
<b>Net Ordinary Income</b>	<b>-67,088.16</b>	<b>-67,509.94</b>	<b>-197,596.75</b>	<b>301,716.82</b>	<b>-30,458.03</b>
<b>Net Income</b>	<b>-67,088.16</b>	<b>-67,509.94</b>	<b>-197,596.75</b>	<b>301,716.82</b>	<b>-30,458.03</b>
<b>Class code as a percentage of total expenses</b>	<b>20.2%</b>	<b>20.3%</b>	<b>59.5%</b>	<b>0.0%</b>	<b>100.0%</b>

Fillmore Jazz District Community  
Profit & Loss  
December 2008

	Dec 08	Jan - Dec 08
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
City Treasury	0.00	299,813.53
<b>Investments</b>		
Interest-Savings, Short-term CD	53.26	1,903.29
<b>Total Investments</b>	<b>53.26</b>	<b>1,903.29</b>
<b>Total Income</b>	<b>53.26</b>	<b>301,716.82</b>
<b>Expense</b>		
Marketing	0.00	14,821.66
Sponsorship	0.00	-50.00
<b>Business Expenses</b>		
Holiday Street lights	9,000.00	32,100.00
Street Scape	12,180.00	146,160.00
<b>Total Business Expenses</b>	<b>21,180.00</b>	<b>178,260.00</b>
<b>Payroll Expenses</b>		
Dental expenses	0.00	110.00
Salaries	6,923.10	62,307.90
Health Insurance	0.00	5,624.20
Payroll processing fees	70.00	937.00
Payroll Taxes	529.62	6,168.40
Workers Comp Insurance	35.00	1,089.00
<b>Total Payroll Expenses</b>	<b>7,557.72</b>	<b>76,236.50</b>
<b>Facilities and Equipment</b>		
Expensed Equipment	0.00	182.90
Property Insurance	0.00	800.00
Parking, Utilities	0.00	612.32
<b>Total Facilities and Equipment</b>	<b>0.00</b>	<b>1,595.22</b>
<b>Operations</b>		
Telephone, Telecommunications	20.95	2,014.09
Internet	0.00	653.39
Postage, Mailing Service	0.00	1,360.56
Printing and Copying	0.00	1,617.24
Supplies	307.50	1,044.36
Website	1,086.88	10,679.53
Insurance - Liability, E and O	0.00	1,330.00
<b>Total Operations</b>	<b>1,415.33</b>	<b>18,699.17</b>
<b>Contract Services</b>		
Accounting Fees	1,187.50	11,085.00
Grant Writing Fees	0.00	5,480.00
Legal Fees	2,266.00	18,887.00
Outside Contract Services	2,387.31	4,818.14
<b>Total Contract Services</b>	<b>5,840.81</b>	<b>40,270.14</b>
<b>Travel and Meetings</b>		
Business meals and BOD mtgs	0.00	498.46
Conference, Convention, Meeting	650.00	1,000.00
Travel	0.00	644.25
Travel and Meetings - Other	0.00	29.90
<b>Total Travel and Meetings</b>	<b>650.00</b>	<b>2,172.61</b>
<b>Other Types of Expenses</b>		
Bank Fees	0.00	47.00
Filing and other Fees	0.00	75.00
Other Costs	0.00	47.55
<b>Total Other Types of Expenses</b>	<b>0.00</b>	<b>169.55</b>
<b>Total Expense</b>	<b>36,643.86</b>	<b>332,174.65</b>
<b>Net Ordinary Income</b>	<b>-36,590.60</b>	<b>-30,458.03</b>
<b>Net Income</b>	<b>-36,590.60</b>	<b>-30,458.03</b>

Fillmore Jazz District Community  
**Statement of Cash Flows**  
January through December 2008

	<u>Jan - Dec 08</u>
<b>OPERATING ACTIVITIES</b>	
Net Income	-30,458.03
Adjustments to reconcile Net Income to net cash provided by operations:	
reimbursable Challenge Grant	-1,034.17
Accounts Payable	-21,320.79
Visa Credit Card CBD	10.00
Accrued liability	42,630.00
Net cash provided by Operating Activities	<u>-10,172.99</u>
<b>INVESTING ACTIVITIES</b>	
Furniture and Equipment:Furniture and Equipment Cost	<u>-2,634.12</u>
Net cash provided by Investing Activities	<u>-2,634.12</u>
Net cash increase for period	-12,807.11
Cash at beginning of period	<u>108,930.27</u>
Cash at end of period	<u><u>96,123.16</u></u>

	Amount	Fillmore Jazz Distric Community Assoc - 2008 Narrative Report
Total Assessment Revenue	\$ 299,814	Total assessments received from City Treasury for 2008
Non-Tax Funds	\$ 25,000	In 2008 the CBD was awarded a Marketing Grant from MOED to cover costs associated with development of website and district brochure. An initial Draw down of Grant funds will be submitted in early 2009 after a preliminary marketing plan is prepared.
Non-Tax Funds	\$ 27,281	In 2008 the CBD was awarded a \$31,337 district beautification grant from CCSF to cover costs associated with purchase of benches and planter boxes, design and installation of street banners. No funds have been expended as of 12/31/08. CBD is working with Sharon Olken from Gateway HS to solicit student design of District street banners. \$220 contest award allocated for winning entry. CBD negotiating banner production and installation costs with Vendor AAA Banner and Flag.
Investments	\$ 1,903	Interest earned from bank checking and money market accounts
Marketing ad Promo	\$ 14,822	Marketing: Annual Ad purchased in WHERE Magazine, a travelers guidebook, magazine and map publication with local expertise and global reach to over 100 destinations worldwide. Other ads were placed with local publications.
Beautification - Holiday Street lights	\$ 32,100	Purchased street pole lights from Post to Golden Gate. Installed, and maintained under vendor contract with Devinish.
Street Scape	\$ 146,160	<u>Contract for Cleanscapes</u> : CBD monitors vendor's contract performance and streetscape conditions in all Zones in District. <u>Streetscape Capital Repairs/Maintenance</u> : CBD monitoring DPW/SFRA progress towards completing needed streetscape repairs and maintenance for the District. DPW and SFRA negotiating terms of \$1.8M Capital Improvement and Maintenance Plan for the District. <u>Beautification Challenge Grant</u> : CBD communicating with Sharon Olken from Gateway HS to solicit student design of District street banners. \$220 contest award allocated for winning entry. CBD negotiating banner production and installation costs with Vendor AAA Banner and Flag.
Executive Director Salary/Benefits	\$ 76,237	The Executive Director Neil Trama was hired 5/17/07 to implement and manage the CBD Service Plan. The Plan includes managing performance of Vendors contracted with the CBD to clean, beautify, market and promote the Jazz District and maintain general streetscape order. (See Executive Director's Report of Activities). At the July, 2008 CBD Board meeting, Mr. Trama was suspended with pay. On 8/1/08 Mr. Trama filed a complaint with the CA Labor Commissioner against CBD Board for retaliatory suspension and unsafe working conditions. CBD has retained legal counsel under its Insurance coverage. As of 12/31/08 the complaint is pending resolution.
Expensed Equipment	\$ 183	Expensed Equipment
Property Insurance	\$ 800	Insurance
Parking, Utilities	\$ 612	Parking, Utilities
Telephone, Telecommunications	\$ 2,014	Telephone, Telecommunications
Internet	\$ 653	Internet
Postage, Mailing Service	\$ 1,361	Postage, Mailing Service
Printing and Copying	\$ 1,617	Printing and Copying
Supplies	\$ 1,044	Supplies
Website	\$ 10,679	Hired Chen Design Associates who provided logo design, bsns cards, letterhead and envelopes 1000 qty each and website development and programming. Website address is: <a href="http://www.fillmorejazzcbd.org">www.fillmorejazzcbd.org</a>
Insurance - Liability, E and O	\$ 1,330	Filed claim for Director's and Officer's coverage related to Trama complaint. Insurer has assigned attorney Tracy Lemon for CBD legal counsel under D/O Coverage
Accounting Fees	\$ 11,085	Laura Kelly for monthly accounting and financial statements. Michael Sulpizio, CPA for budget review. Crosby & Kaneda Tax preparation
Grant Writing Fees	\$ 5,480	Christina Ryder hired to prepare Grant Applications. Grants applied include: Challenge Beautification Grant (awarded), Marketing Grant (awarded), Equis Foundation, National Gardening Association, Cal Coucil for the Humanities, James Irvine Foundation, Haas Jr. Fund, Tin Man Fund (mini-park beautification). See Executive Director's Report for status.
Legal Fees	\$ 18,887	Retained Neil Boodrooks to advise CBD on management of Executive Director complaint, Insurance claim and CA Labor Commission. Also retained Amy Rodriguez to advise board on with permanent board elections, By-law revisions and preparing written guidelines for conduct and procedural issues at board meetings.
Business meals and BOD mtgs	\$ 498	Outside Contract Services
Board Meetings, Conferences, Convention.	\$ 1,000	Business meals and BOD mtgs
Travel	\$ 644	Board elected permanent officers in October, 2008. Including new board members Gennie Lim and Dan Combs. Removed from board were Jerome Berg and Agonofer Shifferaw
Travel and Meetings - Other	\$ 30	Travel
Bank Fees	\$ 47	Travel and Meetings - Other
Filing and other Fees	\$ 75	Bank Fees
Other Costs	\$ 48	Filing and other Fees
		Other Costs

Fillmore CBD 2008 Financials and Narrative  
Chart of Accounts

**Special District Benefits (USES)**

<b>Sidewalk Operations, Beautification and Order (SOBO)</b>	<b>55%</b>
---	------------

- Regular sidewalk and gutter sweeping (five times per week in Benefit Zone 1)
- Regular sidewalk and gutter sweeping (four times per week for Benefit Zone 2)
- Regular sidewalk and gutter sweeping (four times per week for Benefit Zone 3)
- Regular sidewalk and gutter sweeping ( four times per week for Benefit Zone 4)
- Quarterly sidewalk steam cleaning;
- Spot steam cleaning as necessary;
- Safe passage programs for visitors and employees;
- Private security services;
- Beautification;
- Decorations;
- Supplemental trash removal in the public rights of way;
- Removal of bulky items;
- Graffiti removal;
- Installation and maintenance of banners and/or decorations;
- Tree and plant maintenance and planting;
- Equipment, supplies, tools;
- Vehicle maintenance and insurance;
- Salaries, benefits, payroll expenses related to maintenance staff and supervision;
- Maintenance of sidewalk furnishings;

<b>District Identity and Streetscape Improvements/Marketing and Promotions (DISI)</b>	<b>15%</b>
---	------------

- Special events;
- Marketing and promotions strategies;
- Personnel related to marketing and promotions;
- Logo development and web site;
- Pedestrian kiosks and way-finding signage system;
- Public space planning and implementation;
- Farmer's market;
- Walking map;
- Advertising;
- Historical markers and public art; and
- Replacement and upgrading of street furnishings.

<b>Administrative/Corporate operations</b>	<b>20%</b>
--	------------

- Staff and administrative costs;
- Insurance;
- Office related expenses;
- Financial reporting; and
- Communications.

<b>Contingency/Reserve - General Benefits (Surplus funds in this category, at the conclusion of the fiscal year, may be transferred to other service categories upon a vote of the Management Corporation Board of Directors).</b>	<b>10%</b>
--	------------

- Delinquencies due to non-payment of assessments by property owners;
- Hardship contributions; and
- Unallocated reserves;

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**Total Uses:**

**SOURCES**

Property Tax Assessments	<b>95%</b>
Grants	
Donations	
Fees	
In-Kind Contributions	<b>5%</b>

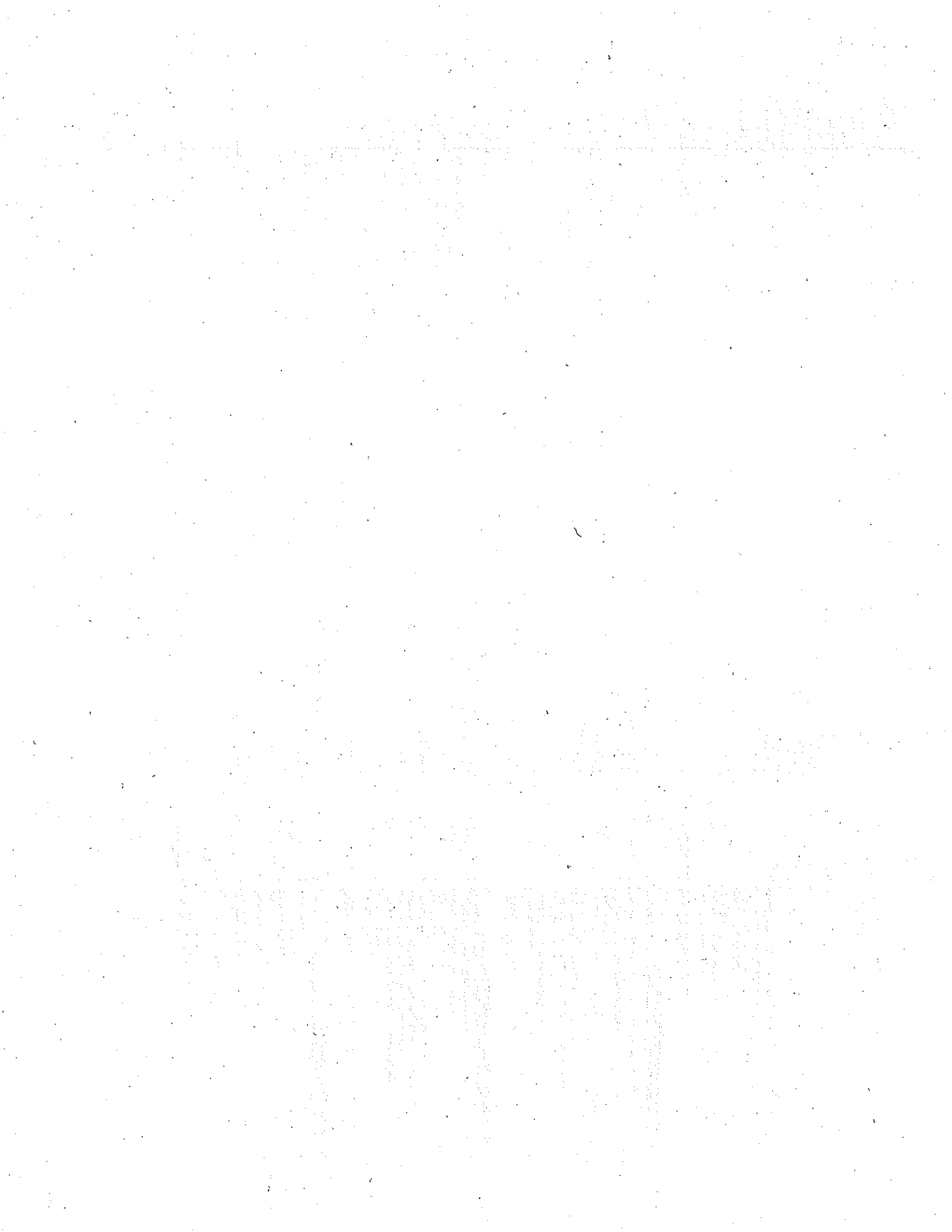
**Total Sources:**  
Surplus/(Shortfall)



Prior Year Surplus Tax	2009 Tax	MOED Marketing	CCSF Challenge	MOED Board Dev	SFRA Marketing	VENDOR	2009 General Notes
\$ 50,659	\$ 310,985	\$ 25,000	\$ 31,337	\$ 10,000	\$ 35,000	CCSF CCSF	Pagan
\$ 50,659	\$ 310,985	\$ 25,000	\$ 31,337	\$ 10,000	\$ 35,000	MOED CCSF-Admin Ofc MOED SFRA DPW	Pagan Grant Expires 3/31/09 Pagan Williams \$1.8M per DPW-SFRA Agreement
\$ 10,492	\$ 140,160					CBD	Supervise All Vendor Contracts
\$ 24,882	\$ 24,882		\$ 20,781			Cleanscapes Devenish RFP Gateway HS+ AAA RFP DPW, BUF	Lights maintenance 365/days unprogramed Challenge Grant: design, productn, install unprogramed per DPW-SFRA, Agreement
\$ 29,525	\$ 29,525		\$ 20,781			CBD RFP RFP RFP Where Magazine+ RFP RFP RFP RFP, DPW	ED Job Description Contracts \$35K SFRA Co-Marketing Plan RFP Out Chen, Local web maint bens Chen, Local web maint bens Ads Installation and Maintenance Wagner/Junk., DPT, DPW, YKK Purchase and install benches and planter box Promo Party
\$ 638	\$ 45,648	\$ 25,000	\$ 10,556	\$ 10,556	\$ 35,000		
\$ 35,989	\$ 35,989			\$ 10,000		CBD/MOED Hartford LK, CPA Amy/Nick	Includes \$10K for Board development CCL, D/O Supplies and Equipment Bookkeeper, CPA, 990 Trauma Case, Employment Practices
\$ 62,198	\$ 62,198			\$ 10,000		Compass Point	ED training and orientation
\$ 31,098	\$ 31,098						
\$ 462,981	\$ 462,981						

Funding Sources	2009
Prior Year Surplus Property Tax Assessments	\$ 50,659
2009 Property Tax Assessments	\$ 310,985
MOED Marketing Grant	\$ 25,000
Challenge Grant	\$ 31,337
MOED Board Dev Grant	\$ 10,000
SFRA Marketing Grant	\$ 35,000
<b>Total Revenue:</b>	<b>\$ 462,981</b>
<b>Sidewalk Operations, Beautification and Order</b>	
Salaries, benefits, payroll expenses related to SOBO Mgt:	\$ 10,492
Sidewalk and gutter sweeping, steam cleaning, graffiti:	\$ 140,160
Maintenance of sidewalk furnishings:	\$ 6,000
Beautification:	\$ 24,882
Installation and maintenance of banners and/or decorations:	\$ 27,981
Decorations:	\$ 32,329
Tree and plant maintenance and planting:	
Safe passage programs for visitors and employees:	
Equipment, supplies, tools:	
Vehicle maintenance and insurance:	
Private security services:	
<b>sub-total SOBO:</b>	<b>\$ 241,844</b>
<b>District Id &amp; Streetscape Improvements/ Marketing &amp; Promo</b>	
Salaries, benefits, payroll expenses related to DISI Mgt:	\$ 29,525
Marketing and promotions strategies:	\$ 35,000
Logo development and web site:	\$ 3,000
Walking map:	\$ 12,450
Advertising:	\$ 18,000
Historical markers and public art, and:	\$ 5,761
Pedestrian kiosks and way-finding signage system:	
Public space planning and implementation:	
Replacement and upgrading of street furnishings:	\$ 10,556
Special events:	\$ 3,550
Farmer's market:	
<b>sub-total DISI:</b>	<b>\$ 117,841</b>
<b>Administrative/Corporate Operations</b>	
Salaries, benefits, payroll expenses related to CORP OPS:	\$ 45,989
Insurance:	\$ 2,300
Office related expenses:	\$ 5,000
Financial reporting:	\$ 8,760
Legal:	\$ 10,156
Communications:	
<b>sub-total ADMIN:</b>	<b>\$ 72,198</b>
<b>End of Year Surplus Balance:</b>	<b>\$ 31,098</b>
<b>TOTAL EXPENSES:</b>	<b>\$ 462,981</b>

ED Salary/Benefits \$ 76,000



Michael A. Sulpizio  
Certified Public Accountant  
1419 Burlingame Ave, 2<sup>nd</sup> Floor  
Burlingame, CA 94010

December 21, 2009

Board of Directors  
Fillmore Jazz District Community Association of San Francisco  
1290 Fillmore Street, Suite 104  
San Francisco, CA 94115

I have reviewed the accompanying statement of financial position of the Fillmore Jazz District Community Association of San Francisco (a not-for-profit organization), as of December 31, 2008, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Fillmore Jazz District Community Association of San Francisco.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

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Michael A. Sulpizio

Fillmore Jazz District Community Association of San Francisco  
 Statements of Financial Position  
 December 31, 2008 and 2007

	<u>2008</u>	<u>2007</u>
<b>Assets:</b>		
Cash and cash equivalents	\$96,123	\$108,930
Furniture & equipment	<u>6,264</u>	<u>7,771</u>
<b>Total assets:</b>	<u>\$102,387</u>	<u>\$116,701</u>
<b>Liabilities and net assets:</b>		
Accounts payable	\$ 45,465	\$24,146
<b>Total liabilities:</b>	<u>45,465</u>	<u>24,146</u>
<b>Net assets:</b>		
Unrestricted	56,922	92,555
Temporarily restricted		
Permanently restricted		
<b>Total net assets:</b>	<u>56,922</u>	<u>92,555</u>
<b>Total liabilities and net assets:</b>	<u>\$102,387</u>	<u>\$116,701</u>

The accompanying notes are an integral part of these financial statements.  
 See the accompanying accountant's report.

Fillmore Jazz District Community Association of San Francisco  
Statement of Activities  
Year Ended December 31, 2008

Changes in unrestricted net assets:	
Revenues, gains, and other support:	
Property assessments	\$299,814
Other investment income	<u>1,903</u>
Total unrestricted revenues:	<u>301,717</u>
Expenses:	
Holiday street lights	32,100
Street cleaning	146,160
Marketing & promotion	14,822
Contract services	40,270
Website	10,680
Liability & property insurance	2,130
Health insurance	5,624
Salaries	62,308
Payroll taxes	6,168
Travel & meetings expense	2,173
Workers compensation insurance	1,089
Telephone & telecommunications	2,014
Other operating expense	7,672
Other non-operating expenses:	
Loss on asset disposition	4,140
Total expenses	<u>337,350</u>
Decrease in unrestricted net assets:	<u>35,633</u>
Decrease in net assets:	35,633
Net assets at beginning of year:	<u>92,555</u>
Net assets at end of year:	<u>\$56,922</u>

The accompanying notes are an integral part of these financial statements.  
See the accompanying accountant's report.

Fillmore Jazz District Community Association of San Francisco  
Statement of Cash Flows  
Year Ended December 31, 2008

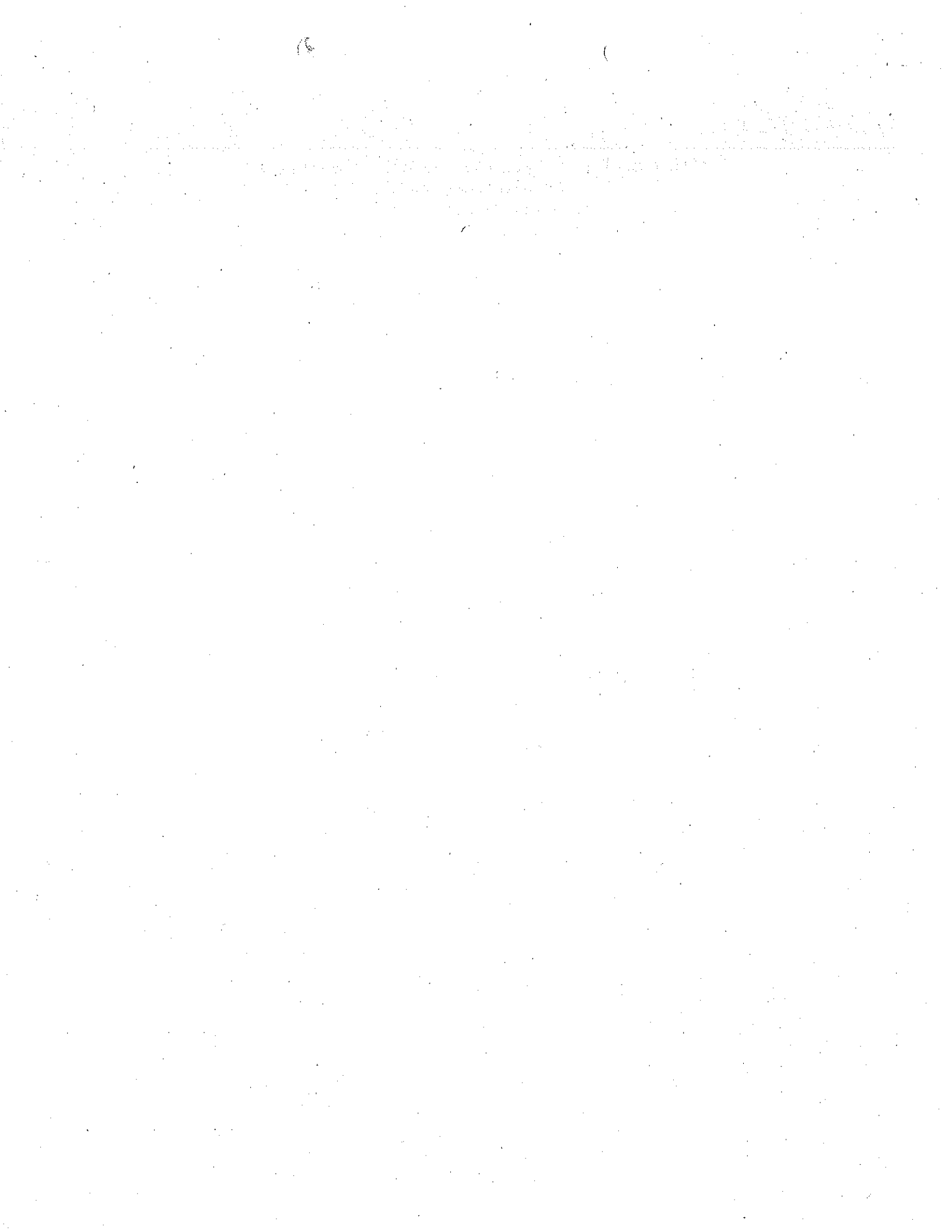
Cash flows from operating activities:	
Cash received from property assessments	\$299,814
Interest and dividends received	1,903
Cash paid to employees and vendors	<u>(311,890)</u>
Net cash provided by operating activities:	<u>(10,173)</u>
Cash flows from investing activities:	
Acquisition of capital assets	(2,634)
Net cash used by investing activities:	<u>(2,634)</u>
Net increase in cash and cash equivalents:	(12,807)
Cash and cash equivalents at beginning of year:	<u>108,930</u>
Cash and cash equivalents at end of year:	<u>\$ 96,123</u>

The accompanying notes are an integral part of these financial statements.  
See the accompanying accountant's report.

Fillmore Jazz District Community Association of San Francisco  
Notes to financial statements  
Year Ended December 31, 2007

1. The Fillmore Jazz District Community Association of San Francisco is a Community Benefit District that was authorized on August 15, 2006 by the San Francisco Board of Supervisors and has a five-year term.
2. Funding is provided by special assessments levied on properties located within the district.
3. During 2008 the Association became involved in a legal proceeding with a former employee relating to his termination. This matter, if adversely decided or settled by the Association, may result in a liability material to the Association's financial condition or results of operations. No accruals have been made for this legal proceeding as 12/31/08.

- \$ for lawsuit / legal fees  
- Administrative cost





San Francisco Fillmore Jazz Preservation District  
Community Benefit District \*  
1410 Turk Street  
San Francisco, CA 94115  
(415) 440-1830

April 24, 2008

Mr. President and Members of the  
San Francisco Board of Supervisors  
City Hall  
1 Dr. Carlton Goodlett Place  
San Francisco, CA 94102

Re: The San Francisco Jazz Preservation District Executive  
Director's Report of Activities for 2006 to 2007

Summary of the Within Report

This report is structured according to your guidelines. It begins with a survey of the district, moves on to outline the origin of the district, and is followed by an assessment of its structures and fixtures. Attachments highlight elements of the report and are clearly identified here.

The Executive Director's job isn't desk-work function. He (or she) must spend 40 to 60 hours each week attending to meetings that run from 9:00 AM to evening hours, walking the district to monitor street cleaning and meet with residents and merchants, confer with directors of other CBD's, the office of the mayor, the board of supervisors, and many city and state agencies as well as accountants, grant proposal writers, and various others.

All the financial data is referred to in the report and produced as attachments. In those papers are the proposed and actual budgets. A complete accounting is herein delivered.

The District's Boundaries And Major Features

The Fillmore Jazz Preservation District's center spine is Fillmore Street from Post Street South to Golden Gate Avenue with extensions to the side streets East to the western side of Webster Street and West to eastern side of Steiner Street. The distinctive red brick sidewalks on Fillmore Street emulate sidewalks on Market Street.

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\* A Community Benefit District pursuant to California Streets and Highway Code Section 36600 *et seq.*

Adjacent to our district is the upper Fillmore CBD area, the Japan Town community, McKinstry Park, the Hamilton Recreation Center, The Jewish High School, the Jewish Community Library, the Sundance film auditorium and its restaurants (formerly the Kabuki movie theater).

Three companies own high rise apartment buildings in the district: the Fillmore Center, Webster Towers and the Fillmore Heritage Center. Further south is a high-rise senior housing building. Four public squares and the Safeway store with its parking lot lie within the district; the "blue" bridge on Fillmore Street spans Geary Boulevard, the Gene Shuttle Plaza, the Fillmore Center plaza across Fillmore Street from the Shuttle plaza, the mini park across from the Northern San Francisco Police station and its public conference auditorium. Seven "destination" locations in the district are the new Yoshi's food and entertainment center, the 1300 restaurant, Rassellas, the Sheba Lounge, the Boom Boom Room, the Fillmore Auditorium and the West Bay Conference Center. Various fast food restaurants, 2 barber shops and 2 beauty shops front on Fillmore Street along with several laundries and clothing stores. The remaining structures found in the district are mostly residences, a non-treatment office of Kaiser Hospital, the new Goodwill store at Post and Fillmore, a Fire Department station, a police station, the old municipal railway sub-station, several churches and a big free standing McDonald hamburger building with a substantial parking lot, a new spa at Geary and Steiner, two churches, and a big Club One health facility with its olympic size swimming pool.

#### Establishment And beginning Operation Of The CBD

The district was created on August 15, 2006 by the San Francisco Board of Supervisors with a mission to main cleanliness of its streets and sidewalks, participate in security for the district, provide public street lights and promote the district by its Resolution 462-06. With the help of Karen Ekland of the MJM Management Group organizational efforts began in 2006, and before the year's end an interim board of directors was in place by October 18, 2006. The board meets every 35 to 60 days in the non charge Fillmore Center's Pepper Conference Room. The board usually completes its written pre-meeting noticed agenda in about 2 ½ hours under the direction of president Paul Hymes. Written notes of the board's resolutions are distributed and those minutes are approved or approved as modified and maintained in the CBD's minute book.

Public comment is encouraged at each step of the agenda.

#### Engagement Of An Executive Director

Following a directive of the board of directors to give notice of its intent to interview candidates for Executive Director of the CBD a half dozen potential directors were interviewed in April, 2007 by a special committee of the board. The committee presented the two candidates who led the pack, and by resolution the board authorized

engagement of Neil Trama II as Executive Director at the May 17, 2007 meeting of the CBD's board of directors.

Activities And Planning Concerns Undertaken By The Executive Director

The items provided below are often long-term matters from the issue's first focus through various stages some of which are concluded, but more are still in transit.

A. Survey Of Conditions By The Executive Director On His Work Agenda

These tasks were undertaken by the Executive Director:

\*Patrolling the district most of the week and listening to grievances expressed by neighbors.

\*A contract with cleanScapes whose street cleaning services cost about 50% of the CBD's budget which was in existence before the Executive Director was hired was not being fully performed. Mr. Trama re-negotiated the agreement resulting in two substantial benefits to the CBD. First the monthly rate was reduced by \$4,000 and the standard of performance was raised to provide much improved service. A \$10,000 refund for poor prior work was paid back to the district.

\*Examination of the damaged mural panels on the "blue" bridge.

\*Initiated Social Services to attend to a poor mentally impaired homeless person who had established herself and her shopping cart piled with her belongings at the focus point of Shuttle plaza.

\*Trees

Examine, count, note needed repair or replacement of about half of the district's trees accompanied by a tree care specialist arborist.

\*Trash Cans

Several trash cans were found to be damaged and need replacement or repair. City workers have rejected my request to fix or replace the damaged cans. See Attachment 1 for photos comparing the city's approved trash containers and the cans placed in the CBD's streets. Please note the extensive problems about these trash cans in the next section of this report.

\*Street Lights

Examine the present street lights accompanied by a San Francisco Department of Public Works employee who analyzed the lights and found deficiencies listed below.

\*I engaged a professional grant application writer who has submitted several requests for funds. Two of those application brought-in over \$30,000 in approved grants.

B. I have further advanced the concerns our district in the following specific matters:

1. Early in January, 2008 I met with Captain Casciato, the new captain of Northern Police Station. These topic dominated our discussion:

- a) Police foot patrols now send a message of safety in our neighborhood.
- b) A further guarantee of public safety by installation of security cameras is encourage by Captain Casciato. At his suggestion a contractor has been invited to discuss with us a basic camera and film review operation which may be possible. This preliminary plan envisions 6 to 8 cameras in place along Fillmore Street in secure private property at an estimated cost of about \$50,000 to \$80,000, well within our budget.
- c) Today 5 security companies are active in our district. It may less expensive to have single company to conduct these operations. If such a plan is adopted each present operations beneficiary will make pro-rata contributions to the cost. The CBD's share will be a little less than one fifth (1/5) of the costs. To implement this concept I met with two security companies and invited a presentation at our February meeting. I will report to my board as negotiations proceed.
- d) The Safeway parking lot and the retail businesses along Fillmore which front on the parking lot but refuse to provide openings on the Fillmore Street side of these businesses have been a bone of contention which I am hoping to see resolved. Captain Casciato has communicated with Safeway's management about controlling the parking lot. If Safeway consents, Northern Station officers will take responsibility for that section of our district. I will report to my board as this project goes forward.
- e) Captain Casciato liked my idea for a horse-mounted patrol, but many logistical problems need to be resolved before that idea becomes reality.

I have developed an excellent relationship with our local police department. (See attachment #2).

2. As you known, due to mistakes in the past, not the responsibility of present members of the Redevelopment Agency, the Redevelopment Agency leaves our district with six major reconstruction projects all of which demonstrate fundamental problems:

- a) The brick sidewalks on Fillmore Street were not constructed in conformity with all brick sidewalks in this city including the sidewalk in front of the

Fillmore Heritage Center on the Eastern side of Fillmore Street. The correct method of installing these sidewalks requires a thick layer of solid concrete under the bricks with a dusting of sand to stabilize the bricks. A few weeks ago repairs along the Eastern side just north of McAllister Street adjacent to the new Jubili frozen yogurt store required that the sidewalk and its bricks had to be torn up to accommodate repair to the sewer. It required temporary removal and replacements of the bricks. While the site was open we obtained photos of the condition under the bricks. The enclosed photo (Attachment #3) shows that all along Fillmore Street no concrete was laid under the bricks. Instead, a substandard contractor just tamped-down the dirty beige sand which underlies most of the Western addition, and laid the bricks with no concrete substrate. The defect of that negligent construction is grossly apparent to all who walk down this part of the street. Areas of subsidence pock-mark the street creating a trip and fall hazard, especially for our elderly population.

- b) The street lamps the Redevelopment Agency installed years ago along Fillmore Street do not conform to the city's structural plan. To begin, the lamps themselves are strange, cheap structures that give poor light. They do not compare with the lights elsewhere in the city, and Mohammed Nuru, the director of the Department of Public Works (DPW), will not service them because they are out of conformity with lights through the city, and DPW does not have bulbs and other consumable parts to service these lamps. I've found a stop-gap by buying this year's Christmas lights for year round use, at a modest cost. February 15, 2008 I visited with members of the Redevelopment Agency and a crew from the city's Public Works Department who inspected our street lights. They told me that all the wiring, all the outlets, and all related hardware is "residential" grade. The underground electrical conduit is of a narrow diameter, too small to accept industrial gage wiring. The DPW agreed to supply our CBD with an estimate to remove and replace the lamps and all supporting wiring and equipment. I will report to my board when I obtain that information.
- c) The "Blue" bridge over Geary Street is a present eyesore and a target for vandals. Broken glass panels cost about \$10,000 each to replace. This is not a fair burden on our CBD. I have suggested that the Redevelopment Agency pay for a few surveillance cameras to protect replacement glass panels. Since the city plans to rebuild the sunken portion of Geary Street in our district, our board resolution to the Board of Supervisors may be appropriate for consideration at our next meeting to address this issue.
- d) All the trash bins on our streets need to be replaced. The bins acquired by the Redevelopment Agency require keys to open them, but DPW does not have

copies of these keys nor does DPW have parts to fix broken cans. New trash cans that meet DPW's standards cost about \$1,200 each.

- e) A substantial number of the trees along Fillmore Street are dead. Some trees that are still alive are squeezed by steel enclosures too tight for growing trees. Those enclosures need to be removed, and dead trees need to be replaced.

I have communicated these 6 problems to the Redevelopment Agency. Early this year a noon-time "inspection" was done by the agency. To date the Redevelopment Agency has not yet agreed to fix these negligently defective created structures, but it presently anticipates spending \$1.9 million dollars to remediate those 6 big deficiencies. The CBD is grateful to Lisa Pagan of the Mayor's Office who has been a strong ally in our struggle with the Redevelopment Agency. I have communicated with a public interest law firm. I suggest my board seek a plan to address this issue, and if needed, a plan to file suit to obtain the required improvements, however further negotiations should make suit unnecessary.

3. The "mini park" at Fillmore across from Northern Station has been a child-hostile venue for drug dealers and users whose drug use hypodermic syringes are often seen on the ground at the edges of the park as well as drunks who relieve themselves in the bushes. (See attachment #4 which shows a man using the bushes to relieve himself). Captain Casciato assured me that if the park had a children's climbing structure and was otherwise made appropriate for families, Northern Police Station officers would enforce appropriate uses. I discussed this with Regina Dick of our Supervisor's office. She said the Supervisor will not stand-up to make that park family friendly. Despite the inappropriate uses of the park I join others in a regular campaign to clean-up of the park. To date we had 4 clean-ups each about 3 months apart, the latest clean-up was held just a few weeks ago.

4. In the past six months there has been an interest in operating the Farmer's Market held on McAllister Street at Fillmore in the spring, summer and fall to be run all through the year. The two million dollar reconstruction of the Fillmore Center plaza is designed to accommodate that use among other improvements. I talked to my peers at the Noe Valley CBD. They advise that their Farmer's Market is run by local residents, not by their CBD. Those residents are not interested in operating our Farmer's Market. We have an alternative. We have now achieved a full year Farmer's Market plan before the new plaza is finished. CBD President Paul Hymes and I negotiated an all year around Farmer's Market will begin at the end of April, 2008 with additional vendors.

5. The summer Jazz Festival run for the last few years has been unsatisfactory. Poor bands and junk sales booths diminish the jazz heritage. I met with local business people and Steve Restevo who ran the festival for several years. We hammered-out an improvement plan for this summer. I'm working on a better Jazz Festival for next year.

Executive Director's Report

April 24, 2008

Page 7

6. Attachment number 5 is notification that our challenge grant application for street furniture in the sum of \$27,000 has been granted. We earlier received a \$5,000.00 challenge grant for plants and incidentals to improve the Shettle plaza.
7. I have developed a good working relationship with the upper Fillmore CBD's executive director and officers of the Japan Center which helps to coordinate our plans with theirs.
8. **Protection of a District Merchant**  
A \$1.00 only store in the Geary-Post area of the district was threatened by a huge chain's efforts to install a similar but much larger store at 1336 Post Street proposed at the June 5, 2007 meeting of the Redevelopment Agency. I attended and spoke against the chain store. Their bid for 1336 Post Street was defeated by the agency.
9. The Juneteenth celebration in Fillmore Street became a topic for concern in which I intervened last year to reduce and upgrade presentations.
10. Officers and the Executive Director met to review the CBD's first budget which was prepared by the offices of the mayor and Board of Supervisors with the help of the MJM group.

C. Business Office Activities- I Pursued The Following Steps:

- \*Secured free office space subject only to paying a small pro-rata sum for heating and other services.
- \*Secured excellent but well used furniture instead of buying new desks, chairs, tables, rugs and the rest.
- \*Setting-up banking relations
- \*Meeting and working with Northern Police Station's Captain Casciato about crime in the neighborhood, public offenses performed at the Mini Park, and policing the Safeway parking lot. (We are still waiting For Safeway's consent).
- \*Acquiring a sole use laptop computer and a 4 function Xerox machine to take data from a computer and print it, photocopy papers, scan material for use in the computer, and accept and send fax messages.
- \*Contract with an accountant for the CBD
- \*Contract for internet service

- \*Attend to tax, insurance, and other similar functions
- \*Attend meetings of all agencies that have matters of concern to the district
- \*Meeting with other CBD directors
- \*Attending conferences on subjects relevant to the Director's job
- \*Drafting checks payable to the CBD's suppliers for the signature of the President and Treasurer
- \*Assisting the President and members of the board with preparation of each board meeting's agenda

**D. Report of Income and Expenditure**

Attachment Number 6 posts the actual 2007 income and expenses of the District. (Compare the budget previously submitted and referred to above which is also appended here).

**E. Long Term Objectives**

- a) I bought surveillance camera entrepreneurs to a CBD meeting to demonstrate their products and methods. It is anticipated that proposals from such firms will produce an operator to established between 6 and 8 or 10 cameras from the "blue" bridge down to the limit line of the district to curb violence and vandalism in the district. The surplus in the 2007 budget achieved by obtaining free rent, the free furniture and other benefits described above would be well used for this purpose. According to one exhibitor those funds will be adequate to blanket the area with security cameras.
- b) Presently five "security" companies operate in the district engaged by Yoshi's, The Heritage center, The Fillmore Center, Webster Towers and Safeway. Consolidation of these services and use of the camera security system should result in substantial reductions for each present user of the 5 present services when consolidation is achieved. I am working on this issue with the business proprietors involved.
- c) The recent muni vs pedestrian injury at the "blue" bridge warns the city that the Fillmore Auditorium "band bus" parking permits need to be re-examined. Those buses obstruct the view of muni drivers who need to watch for pedestrians crossing the street. A better place to park those monster buses is along Steiner Sreet, away from



pedestrian zones.

- d) Presently no CBD oversees either McKinstry Park or the Hamilton Recreation Center. The Fillmore CBD seeks an extension of its boundaries to embrace these facilities which are of equal importance to residents and outside users of these assets and by the Japan Town population to be done in collaboration with the Japan Town Community Council. If our CBD's boundaries are extended our security camera system will be enlarged to protect those locations.

Because McKinstry Park has no advocacy group, it is the step child of the Parks Department receiving the least funds for improvement compared to all the rest of the city's parks. Today its baseball diamonds which occupy most of the park are venues for baseball teams in which few or none of the players live near the park. None of the recent park bond money will go to making McKinstry Park into a real public recreation facility, instead the Park Department intends to enhance the two baseball field to benefit only down-town baseball teams. That money would be better spent to build-up activities for the people who live in the district. Now only about 10% of McKinstry is allocated to neighborhood uses. But even that sliver of land along Geary Boulevard has not been planned for people who live here.

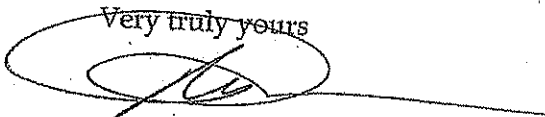
Typical of our neglected CBD neighborhood McKinstry field has no tennis courts, no children's play structures like the one at Alta Plaza a dozen blocks and a world away from our CBD, no bocce ball court, few garden-vista chess playing areas, no barbeque grills, no horseshoe pits, and no "off-the-leash" play area for the many dog owners who live in this neighborhood. For these reasons McKinstry Park is of little use to the neighborhood. Obviously it's mission needs to be reexamined by a neighborhood council including the CBD and the Japan Town Council, after which the funds recently approved by the city's voters can be spent to better serve this neighborhood. There is a fever building in the neighborhood to do away with the non-resident baseball stadiums and give this neighborhood a real full size verdant park for most of the residents who have no cars and need to be able to walk with their children to a family-centered-park. Attachment # 7 outlines the work of 3 family oriented park committees which emphasizes the need to replace baseball stadiums for non-residents with family friendly meadows. The model worth emulating is Alta Vista park where more than 150 people spread picnic blankets on warm days and there are no space-hogging baseball fields. This

issue will become more prominent as we move closer to the next election of supervisors. The present plan to waste the bond money on baseball fields for people who don't live in the district continues to discouragè local children and teenagers to wish they live in other parts of the city which have parks as big a McKinstry but apportion those parks to serve local resident. Our supervisor need to re-examine this issue of misallocated park funds.

d) Negotiations are moving forward between the CBD with the help of Lisa Pagan and the Redevelopment Agency to replace the inappropriate street lights, the improperly constructed brick sidewalks, the idiosyncratic trash cans, the damage "blue bridge" mural (which can be protected from vandalism with security cameras and video surveillance warning signs at key locations on the bridge), and remediation of the constricting tree girdles and replacement of dead trees.

I expect to write that most, hopefully all, the problems I've cited above will be resolved before I make next year's report.

Very truly yours

A handwritten signature in black ink, appearing to read "Neil Trama II", is written over a horizontal line. The signature is stylized and somewhat cursive.

Neil Trama II

# Attachments

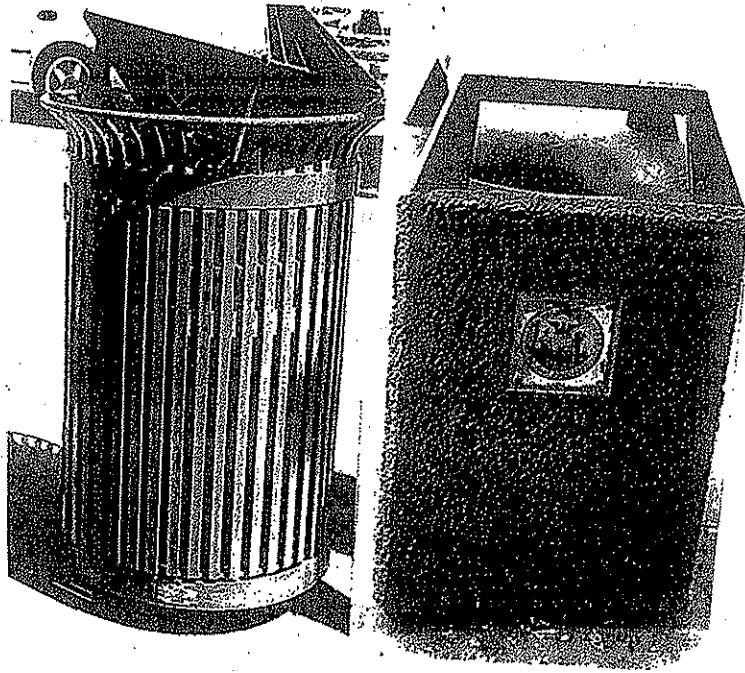
<u>Attachment No.</u>		<u>Page</u>
1	Compare the CBD's unapproved trash can with the city's standard trash cans	3
2	Letter from Police Chief Heather Fong	4
3	Excavation of the brick sidewalks shown an absence of the standard cement underlayment beneath the bricks	5
4	A gentleman in the bushes is reliving his bladder pressure	6
5	Challenge grant approval for \$27,000.00	7
6	Accounting statements beginning with the original budget forecast with the actual itemized expenses	8
7	Neighborhood Park Counsel Newspaper Article	9

# Attachments No. 1

## Trash Bins

The CBD'S Damaged  
Trash Bin

An Official  
San Francisco  
Trash Bin





GAVIN NEWSOM  
MAYOR

POLICE DEPARTMENT  
CITY AND COUNTY OF SAN FRANCISCO

THOMAS J. CAHILL HALL OF JUSTICE  
850 BRYANT STREET  
SAN FRANCISCO, CALIFORNIA 94103-4603



HEATHER J. FONG  
CHIEF OF POLICE

March 12, 2008

Neil Trama II, Executive Director  
San Francisco Fillmore Jazz Preservation District  
1410 Turk Street  
San Francisco, CA 94115

Dear Mr. Trama:

Thank you for taking the time to write and commend Captain Casciato of our department, particularly, for the professionalism as the Captain of Northern Station.

Captain Casciato has noted your letter and a copy of it will be placed in his personnel folder for future reference.

Correspondence complimenting members of our department is always appreciated.

Sincerely,

  
HEATHER J. FONG  
Chief of Police

HJF/ma



Attachments No. 3  
Peeing in the Bushes





San Francisco COMMUNITY CHALLENGE GRANT PROGRAM  
*Formerly the Neighborhood Beautification Fund*



February 19, 2008

Neil Trama  
Fillmore Jazz Community Benefit District  
1410 Turk Street  
San Francisco, CA 94115

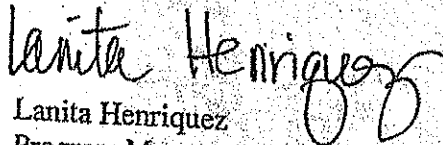
Dear Mr. Trama:

I am pleased to inform you that a grant award in the amount of \$27,281 has been approved for the Fillmore Jazz Community Benefit District by the San Francisco Community Challenge Grant Program Advisory Committee.

This award is for neighborhood greening and improvement in the Lower Fillmore area.

You will receive a contract packet within the next two weeks outlining the details of your award, including the necessary paperwork required to establish the grant. I look forward to working with you during the months ahead. Best wishes for the success of your project.

Sincerely,

  
Lanita Henriquez  
Program Manager

EDWIN M. LEE, *city administrator*

Office of the City Administrator  
City and County of San Francisco

LANITA HENRIQUEZ, *program manager*

1 Dr. Carlton B. Goodlett Place  
City Hall, Room 453

phone: (415) 554-4830



FROM :

FAX NO. : 00000

Apr. 20 2008 02:17PM P11

**Fillmore Jazz District Community Association of San Francisco, Inc.**  
**Receipts and Expenses Statement**  
**Additional Information for Other Income and Expenses**

	12/07	12/08	12/09	Total
<b>Other Income</b>				
Receipts from Property Assessments	311,114	320,447	330,060	961,621
Grants	0	10,000	50,000	60,000
Investment Income	4,000	7,000	7,200	18,200
<b>Totals</b>	<b>315,114</b>	<b>337,447</b>	<b>387,260</b>	<b>1,039,821</b>
<b>Listed Expenses</b>				
Officer/Director Salaries	32,250	70,000	80,000	182,250
Occupancy	7,500	16,450	16,000	38,950
Professional Fees	2,000	5,000	10,000	17,000
<b>Other Expenses</b>				
Employee Benefits	3,000	6,000	6,000	15,000
Payroll Taxes	2,712	5,600	6,365	14,677
Workers Compensation Insurance	323	700	800	1,823
Supplies	1,500	1,800	3,600	6,900
Insurance	2,400	2,600	3,000	8,000
Telephone/Telecommunications	240	500	700	1,440
Postage/Shipping	200	400	600	1,200
Printing/Copying	2,000	2,100	3,000	7,100
Website/Internet Service	2,400	900	1,200	4,500
Bank Service Charges	240	240	240	720
Events/Promotional	20,000	25,000	45,000	90,000
Program Service--Maintenance/Safety	121,500	166,000	172,000	459,500
Program Service--District Identity	25,000	35,000	35,000	95,000
<b>Total Other Expenses</b>	<b>181,515</b>	<b>246,840</b>	<b>277,505</b>	<b>705,860</b>
<b>Profit/Loss</b>	<b>91,849</b>	<b>157</b>	<b>3,756</b>	<b>95,761</b>

4

Form 1023 (Rev. 6/2006)

Name: Millmore Jazz District Comm. Assn. of St. Joe, Ind.

EIN: 01-0882471

Page 9

**Financial Data**

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

**A. Statement of Revenues and Expenses**

Type of revenue or expense	Current tax year		3 prior tax years or 2 succeeding tax years		(e) Provide Total for (c) through (e)
	(a) From To	(b) From To	(c) From To	(d) From To	
1 Gifts, grants, and contributions received (do not include unusual grants)	01/07 To 12/07	01/08 To 12/08	01/09 To 12/09	From 1/09 To	
2 Membership fees received		10,000	50,000		60,000
3 Gross investment income	4,000	7,000	7,200		0
4 Net unrelated business income					18,200
5 Taxes levied for your benefit	311,114	320,447	330,060		0
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					961,621
7 Any revenue not otherwise listed above or in lines 8-12 below (attach an itemized list)					0
8 Total of lines 1 through 7	315,114	337,447	387,260		0
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)					1,039,821
10 Total of lines 8 and 9	315,114	337,447	387,260		0
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)					1,039,821
12 Unusual grants					0
13 Total Revenue Add lines 10 through 12	315,114	337,447	387,260		0
14 Fundraising expenses					1,039,821
15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)					
16 Disbursements to or for the benefit of members (attach an itemized list)					
17 Compensation of officers, directors, and trustees	32,250	70,000	80,000		
18 Other salaries and wages					
19 Interest expense					
20 Occupancy (rent, utilities, etc.)	7,500	15,450	16,000		
21 Depreciation and depletion					
22 Professional fees	2,000	5,000	10,000		
23 Any expense not otherwise classified, such as program services (attach itemized list)					
24 Total Expenses Add lines 14 through 23	181,515	246,840	277,505		
	223,265	337,290	383,505		

5

Filmore Jazz District Community  
 Profit & Loss  
 January through December 2007

	Jan 07	Feb 07	Mar 07	Apr 07	May 07	Jun 07	Jul 07	Aug 07	Sep 07	Oct 07	Nov 07	Dec 07	TOTAL
<b>Ordinary Income/Expense</b>													
<b>Income</b>													
City Treasury	0.00	0.00	0.00	0.00	355,861.59	2,942.16	0.00	11,447.24	0.00	0.00	0.00	0.00	360,251.39
Investments	0.00	0.00	0.00	0.00	0.00	0.00	1,057.88	518.02	355.45	334.86	212.67	151.42	1,723.39
Interest-Savings, Short-Term CD	0.00	0.00	0.00	0.00	0.00	0.00	2,822.82	629.23	326.83	326.83	212.67	151.42	4,432.66
Total Investments	0.00	0.00	0.00	0.00	0.00	0.00	4,880.70	1,147.13	682.28	661.69	425.34	302.84	6,150.35
Total Income	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Expense</b>													
<b>Business Expenses</b>													
Business Registration Fee	0.00	0.00	0.00	0.00	990.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	990.00
Handy Street Lights	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Street Signs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Business Expenses	0.00	0.00	0.00	0.00	990.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	990.00
<b>Checkbook Donation</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Accounting Fees</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Grant Writing Fees</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Office Contact Services</b>	0.00	0.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	350.00
<b>Total Contact Services</b>	0.00	0.00	0.00	0.00	350.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	350.00
<b>Facilities and Equipment</b>													
Dep't and Amort - Allowable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rent, Parking, Utilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Facilities and Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Operations</b>													
<b>Internet</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Package, Printing Service</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Printing and Copying</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Supplies</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Telephone, Telecommunications</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Website</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Operations</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Other Types of Expenses</b>													
<b>Bank Fees</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Filing and other Fees</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Insurance, Liability, E and O</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Other Costs</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Types of Expenses</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Payroll Expenses</b>													
<b>Health Insurance</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Payroll Processing Fees</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Payroll Taxes</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Salaries</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Payroll Expenses</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Specialship</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Travel and Meetings</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Business Meals</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Conferences, Conventions, Meetings</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Travel and Meetings</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Expense</b>	0.00	0.00	0.00	0.00	990.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	990.00
<b>Total Ordinary Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Other Income/Expense</b>													
<b>Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Act. Inv. Accountant</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Total Expense</b>	0.00	0.00	0.00	0.00	990.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	990.00
<b>Total Ordinary Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Other Income/Expense</b>													
<b>Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Act. Inv. Accountant</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Total Expense</b>	0.00	0.00	0.00	0.00	990.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	990.00
<b>Total Ordinary Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Other Income/Expense</b>													
<b>Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Act. Inv. Accountant</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Total Expense</b>	0.00	0.00	0.00	0.00	990.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	990.00
<b>Total Ordinary Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Other Income/Expense</b>													
<b>Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Act. Inv. Accountant</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Expense</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Total Expense</b>	0.00	0.00	0.00	0.00	990.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	990.00
<b>Total Ordinary Income</b>	0.00	0.00	0.00	0.00	355,861.59	2,942.16	10,200.90	11,658.43	348.43	346.89	212.67	151.42	362,684.78
<b>Other Income/Expense</b>													
<b>Other Expense</b>	0.00	0.00											

9:09 AM  
03/17/08  
Accrual Basis

Fillmore Jazz District Community  
Profit & Loss  
January through December 2007

	<u>Jan - Dec 07</u>
Ordinary Income/Expense	
Income	
City Treasury	
Investments	300,951.39
Interest-Savings, Short-term CD	1,733.39
Total Investments	<u>1,733.39</u>
Total Income	302,684.78
Expense	
Business Expenses	
Business Registration Fees	900.00
Holiday Street Lights	16,320.00
Street Scapes	118,390.00
Total Business Expenses	<u>133,610.00</u>
Charitable Donation	3,200.00
Contract Services	
Accounting Fees	1,281.95
Grant Writing Fees	350.00
Outside Contract Services	600.00
Total Contract Services	<u>2,431.95</u>
Facilities and Equipment	
Depr and Amort - Allowable	7,770.55
Rent, Parking, Utilities	1,827.39
Total Facilities and Equipment	<u>9,597.94</u>
Operations	
Internet	678.40
Postage, Mailing Service	182.69
Printing and Copying	27.09
Supplies	105.70
Telephone, Telecommunications	1,694.27
Website	78.91
Total Operations	<u>2,967.06</u>
Other Types of Expenses	
Bank Fees	44.50
Filing and other Fees	130.00
Insurance - Liability, E and O	3,206.00
Other Costs	75.00
Total Other Types of Expenses	<u>3,455.50</u>
Payroll Expenses	
Health Insurance	3,811.80
Payroll processing fees	525.00
Payroll Taxes	2,949.10
Salaries	34,615.50
Total Payroll Expenses	<u>41,901.40</u>
Sponsorship	13,350.00
Travel and Meetings	
Business Meals	464.60
Conference, Convention, Meeting	1,600.99
Travel	5,111.44
Total Travel and Meetings	<u>7,177.03</u>
Total Expense	<u>217,390.88</u>
Net Ordinary Income	85,293.90
Other Income/Expense	
Other Expense	
Ask My Accountant	509.23
Total Other Expense	<u>509.23</u>
Net Other Income	<u>-509.23</u>
Net Income	<u>84,784.67</u>

9:08 AM  
04/17/08  
Accrual Basis

Fillmore Jazz District Community  
Balance Sheet  
As of December 31, 2007

	<u>Dec 31, 07</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
Wells Fargo	28,350.95
Wells Fargo Savings	80,579.32
Total Checking/Savings	<u>108,930.27</u>
Total Current Assets	108,930.27
Fixed Assets	
Furniture and Equipment	
Accumulated Depreciation	-7,770.55
Furniture and Equipment - Other	7,770.55
Total Furniture and Equipment	<u>0.00</u>
Total Fixed Assets	<u>0.00</u>
<b>TOTAL ASSETS</b>	<u><u>108,930.27</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	24,145.60
Total Accounts Payable	<u>24,145.60</u>
Credit Cards	
Visa Credit Card CBD	0.00
Total Credit Cards	<u>0.00</u>
Total Current Liabilities	<u>24,145.60</u>
Total Liabilities	24,145.60
Equity	
Net Income	84,784.67
Total Equity	<u>84,784.67</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>108,930.27</u></u>



Michael A. Sulpizio  
Certified Public Accountant  
1419 Burlingame Ave, 2<sup>nd</sup> Floor  
Burlingame, CA 94010

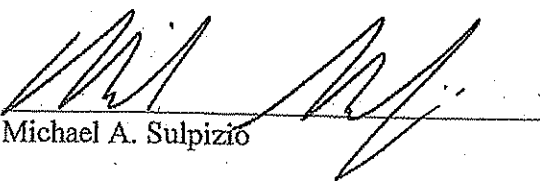
June 30, 2008

Board of Directors  
Fillmore Jazz District Community Association of San Francisco  
1410 Turk Street  
San Francisco, CA 94115

I have reviewed the accompanying statement of financial position of the Fillmore Jazz District Community Association of San Francisco (a not-for-profit organization), as of December 31, 2007, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of the Fillmore Jazz District Community Association of San Francisco.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, I do not express such an opinion.

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

  
Michael A. Sulpizio

Fillmore Jazz District Community Association of San Francisco  
Statements of Financial Position  
December 31, 2007

Assets:	
Cash and cash equivalents	\$108,930
Furniture & equipment	<u>7,771</u>
Total assets:	<u>\$116,701</u>
Liabilities and net assets:	
Accounts payable	\$ 24,146
Total liabilities:	<u>24,146</u>
Net assets:	
Unrestricted	92,555
Temporarily restricted	0
Permanently restricted	<u>0</u>
Total net assets:	<u>92,555</u>
Total liabilities and net assets:	<u>\$116,701</u>

The accompanying notes are an integral part of these financial statements.  
See the accompanying accountant's report.



Fillmore Jazz District Community Association of San Francisco  
Statement of Activities  
Year Ended December 31, 2007

Revenues, gains, and other support:	
Property assessments	\$300,951
Other investment income	<u>1,733</u>
Total unrestricted revenues:	<u>302,684</u>
Expenses:	
Holiday street lights	16,320
Street cleaning	116,390
Charitable donations	3,200
Contract services	2,132
Liability insurance	3,206
Health insurance	3,812
Salaries	34,616
Payroll taxes	2,949
Travel & meetings expense	7,177
Sponsorship	13,350
Other operating expense	6,977
Total Expenses:	<u>210,129</u>
Increase in unrestricted net assets:	<u>92,555</u>
Increase in net assets:	92,555
Net assets at beginning of year:	<u>0</u>
Net assets at end of year:	<u>\$92,555</u>

The accompanying notes are an integral part of these financial statements.  
See the accompanying accountant's report.

Fillmore Jazz District Community Association of San Francisco  
Notes to financial statements  
Year Ended December 31, 2007

1. The Fillmore Jazz District Community Association of San Francisco is a Community Benefit District that was authorized on August 15, 2006 by the San Francisco Board of Supervisors.
2. Funding is provided by special assessments levied on properties located within the district.
3. The district has a five-year term.
4. The association became incorporated in the state of California on January 31, 2007 as a nonprofit public benefit corporation. Funding was provided for the association during 2007.

Fillmore Jazz District Community Association of San Francisco  
Statement of Cash Flows  
Year Ended December 31, 2007

Cash flows from operating activities:	
Cash received from property assessments	\$300,951
Interest and dividends received	1,733
Cash paid to employees and vendors	(185,983)
Net cash provided by operating activities:	<u>116,701</u>
Cash flows from investing activities:	
Acquisition of capital assets	(7,771)
Net cash used by investing activities:	<u>(7,771)</u>
Net increase in cash and cash equivalents:	
Cash and cash equivalents at beginning of year:	0
Cash and cash equivalents at end of year:	<u>\$ 108,930</u>

The accompanying notes are an integral part of these financial statements.  
See the accompanying accountant's report.

