

1 [Yerba Buena Community Benefit District - Annual Report - FY2020-2021]

2

3 **Resolution receiving and approving an annual report for the Yerba Buena Community**
4 **Benefit District for Fiscal Year (FY) 2020-2021, submitted as required by the Property**
5 **and Business Improvement District Law of 1994, (California Streets and Highways**
6 **Code, Sections 36600, et seq.), Section 36650, and the District’s management**
7 **agreement with the City, Section 3.4.**

8

9 WHEREAS, On June 2, 2015, pursuant to the Property and Business Improvement
10 District Law of 1994 (the “Act”), California Streets and Highways Code, Sections 36600 *et*
11 *seq.*, as augmented by Article 15 of the San Francisco Business and Tax Regulations Code,
12 the Board of Supervisors adopted Resolution No. 197-15, expressing the City’s intention to
13 renew and expand the Yerba Buena Community Benefit District (the “Yerba Buena CBD”);
14 and

15 WHEREAS, On July 31, 2015, the Board of Supervisors adopted Resolution
16 No. 300-15 renewing and expanding the Yerba Buena CBD (“Resolution to Establish”) for a
17 period of 15 years, commencing FY2015-2016; and

18 WHEREAS, On December 8, 2015, the Board of Supervisors adopted Resolution
19 No. 502-15, authorizing an agreement with the owners' association for the
20 administration/management of the Yerba Buena CBD, and a management agreement (the
21 “Management Contract”) with the owners' association, the Yerba Buena Community Benefit
22 District Corporation, was executed accordingly; and

23 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
24 of Supervisors in File No. 151108; and

25

1 WHEREAS, On January 25, 2022, the Board of Supervisors approved the Yerba
2 Buena CBD’s annual report for FY2019-2020 in Resolution No. 019-22; and

3 WHEREAS, The Yerba Buena CBD has submitted for the Board’s receipt and approval
4 the Yerba Buena CBD’s annual report for FY2020-2021 as required by Section 36650 of the
5 Act, and Section 3.4 of the Management Contract; and

6 WHEREAS, The annual report for FY2020-2021 is on file with the Clerk of the Board of
7 Supervisors in File No. 220859, and is incorporated herein by reference as though fully set
8 forth; and

9 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
10 memorandum report from the City's Office of Economic and Workforce Development, dated
11 July 13, 2022, and documentation from the Yerba Buena CBD for the annual report for
12 FY2020-2021 are on file with the Clerk of the Board of Supervisors in File No. 220859; now,
13 therefore, be it

14 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
15 report for the Yerba Buena Community Benefit District for FY 2020-2021.



YERBA BUENA
COMMUNITY
BENEFIT
DISTRICT

YBCBD

ANNUAL REPORT FY 2020-2021

Dear Friends and Neighbors,

The 2020-2021 fiscal year was a see-saw of shut downs and openings, hope and uncertainty, and of being suspended somewhere in between. While the pandemic has tested our fortitude, it also has validated our commitment to Yerba Buena. Throughout it all, the YBCBD adapted to what came next in support of its businesses, residents and cultural arts community.

Moscone Center typified this manic year as it was used as an emergency response center for the City, a shelter for the homeless, and a vaccination site. In the absence of conventions, office workers and tourists, our neighborhood businesses and local merchants fought for their survival. In response, the YBCBD continued to offer grants through our Small Business Support Committee — helping them to address pandemic-related issues, protect their properties, provide masks to guests, and more. Our Community Benefit Fund provided grants to nonprofits headquartered in Yerba Buena. As more businesses and community services were allowed to open, we marketed and promoted them. For example, in summer 2021, we held Yerba Buena Day to welcome people back to the neighborhood and highlight arts and cultural offerings.

As San Francisco's primary cultural district, it has never been more important than during this crisis to reinforce our shared creativity and resilience. Among the many efforts we supported were the Yerba Buena Gardens Lawn Art project to encourage safe outdoor engagement, the installation of "Filipino Heroes" art in the windows of Balay Kreative on Mission Street, and art by local artists on Bigbelly waste receptacles throughout the neighborhood.

The YBCBD's core clean and safe services continued with pandemic protections in place for our teams. YBCBD Community Guides continued daily work to check in with neighborhood merchants and businesses through the incremental reopening of the economy, report areas that need to be cleaned, assist Clean Team colleagues in disinfecting high-touch public surfaces, and serve as additional sets of eyes for the community to report safety issues. Our Clean Team removed hundreds of graffiti tags, hundreds of thousands of pounds of trash, and swept and steam

cleaned our sidewalks. After conducting a neighborhood survey on safety concerns, we adjusted the hours and responsibilities of the YCBCD-funded SFPD Bike Patrol Officer to respond to community requests.

As we move forward in 2021-2022, we will continue providing core services, supporting businesses, nonprofits and cultural organizations in relevant ways, and adapting to new conditions. The YCBCD plans to open Annie Street North Plaza and new dog spots, install a graphic crosswalk as part of the Folsom Streetscape Improvement Project, and begin implementation of the Minna-Natoma Art Corridor Project in partnership with the City and SFMOMA. We will launch a campaign promoting neighborhood cultural, dining, shopping and other offerings. We will install bike racks with designs that celebrate Filipino Culture, launch a pilot program involving secure bike parking pods in partnership with SFMTA, and begin a self-guided public art walking tour. Also with SFMTA, we are working on ways to ensure that curbsides work for pedestrians, bikers, ride share companies and other businesses. Of course, we will remain flexible in how we support nonprofits and small businesses, and partner with diverse organizations to advance the neighborhood's well-being.

Thank you to our Board of Directors, committees, staff, exceptional field teams, and to all who participate in making a difference in in our neighborhood. Our topsy-turvy pandemic ride continues, but we are determined to meet the challenges ahead and to work each day to improve the quality of life in Yerba Buena.



Sincerely,

A handwritten signature in blue ink that reads "Lisa Kirvin". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Lisa Kirvin,

Chair, YCBCD Board of Directors

SERVICES

WHAT WE DO + WHERE

Every day, our organization dedicates itself to help make Yerba Buena — San Francisco’s cultural hub — a thriving and vibrant downtown neighborhood. To sustain that goal, our district must be clean, safe, and welcoming.

Since 2008, we’ve been working with our volunteer Board of Directors, committees and community partners on ways to improve Yerba Buena, and in 2015 district property owners renewed our services for 15 more years. The YBCBD’s services focus on cleaning, safety, marketing, events, and more. Our Clean Team scours our streets, sidewalks and public spaces. Trained Community Guides assist residents, visitors and people in need, as well as keeping an eye on areas in need of cleaning or reporting safety issues. A YBCBD-funded SFPD Bike Patrol Officer keeps us safer and our Social Service Specialist helps our street population find services.

Our services and programs stretch from Second to Fifth and Market to Perry streets, serving a neighborhood that residents share with world-class museums, convention space, public gardens, educational institutions, and exceptional dining, shopping and entertainment.

SPECIFIC SERVICES AND PROGRAMS

CLEAN TEAM. Our team sweeps and steam-cleans sidewalks, removes graffiti, picks up litter, and responds to immediate neighborhood cleaning needs every day 6 a.m.-9 p.m.

SFPD BIKE OFFICER. On top of existing police services, the YBCBD funds an SFPD Bike Patrol Officer to keep us safer – 10-12 hours a day, 7 days a week.

COMMUNITY GUIDES. Our Guides not only assist people in the neighborhood by directing visitors to local businesses, they contact our dispatcher to have areas cleaned and report safety issues, and help those in need — every day, 6 a.m.- 10 p.m.

SOCIAL SERVICES SPECIALIST. Our specialist compassionately connects people living on our neighborhood streets to available services. For example, the specialist makes and escorts people to appointments.

MARKETING & EVENTS. We promote Yerba Buena with websites, events, social media, street banners, and more in support of neighborhood businesses and organizations.

COMMUNITY BENEFIT FUND. We give grants to neighborhood nonprofits that support family programs, public art projects and cultural exhibits, and public safety.

PUBLIC REALM IMPROVEMENTS. We fund and advocate for streetscape projects – large and small — to improve our public spaces.

SMALL BUSINESS SUPPORT. In response to the pandemic, we created a fund to help small, ground-level, neighborhood storefront businesses.

HELP KEEP YERBA BUENA CLEAN. Anyone can report neighborhood cleanliness and non-emergency issues to the YBCBD's dispatcher by calling (415) 543-9223, texting (415) 559-1362, or emailing dispatch@ybcbd.org.



YBCA'S "THE MONUMENT AS LIVING MEMORY"

2020-2021 HIGHLIGHTS

CLEAN + SAFE

- Continued daily work to address graffiti, sweeping and steam cleaning sidewalks, cleaning and weeding tree wells, painting poles and mail boxes, monitoring public trash receptacles, and reporting large items to the City for removal. (CSI)*
- Placed an emphasis on cleaning high-touch surfaces throughout the neighborhood to help limit the spread of COVID 19. (CSI)
- Conducted a Safety & Security Survey to gather input from neighborhood constituents on their safety concerns and requested services. Data was analyzed and resulted in changes to the YCBCD Safety Program, including adjusting the SFPD Bike Patrol Officer's hours and responsibilities, reinstating the Social Service Specialist position to work with the neighborhood street population, and launching a new workflow management software to manage and track all service requests. (SS)
- Worked with our SFPD Bike Patrol Officer seven days a week to address quality of life issues. (SS)
- Continued work by our Community Guides to check-in daily with merchants and businesses through the incremental reopening of the economy, report areas that need to be cleaned, assist Clean Team colleagues in disinfecting high-touch public surfaces, and serve as additional sets of eyes to report safety issues. (SS)

- Provided supplemental revenue-generating cleaning services to the 5M development just outside the YCBCD boundaries. (CSI)

PANDEMIC SUPPORT FOR SMALL BUSINESSES, ARTS + NONPROFITS

- Provided grants to support small businesses and nonprofits totalling \$130,000 to defray pandemic related costs. (BAM)
- Provided single-use disposable masks and hand sanitizer free of charge to businesses and nonprofits in the neighborhood. (SS)
- Provided funding for the Yerba Buena Gardens Lawn Art project to create artful social distancing designs in the Gardens to encourage safe outdoor engagement. (CSI)

PROMOTING BUSINESSES, ARTS + CULTURE

- Installed new art on all 13 Bigbelly receptacles throughout the district. (CSI)
- Hosted Yerba Buena Day in summer 2021 to highlight arts and culture and welcome people back to the neighborhood. (BAM)
- Supported the installation of "Filipino Heroes" art in the windows of Balay Kreative on Mission Street. (CSI)

*

CSI – Cleaning and Streetscape Improvements
SS – Safety and Security
BAM – Branding, Activation, and Marketing
M&O – Management and Operations

IMPROVING STREETSCAPES

- Continued working with the Planning Department, Public Works, SFMOMA, and a diversity of community stakeholders on the Minna-Natoma Art Corridor Project that will connect Yerba Buena and the Salesforce Transit Center along Natoma and Minna streets. (CSI)
- Replenished SFMTA with a supply of 50 YBCBD-designed bike racks to install along newly improved bike corridors and at community-requested locations. (CSI)
- Commissioned an artist to design a graphic crosswalk to be included in the Folsom Streetscape Improvement Project. (CSI)

COLLABORATION + ADVOCACY

- Supported public art, community engagement, streetscape improvements, and public safety enhancements through the YBCBD Community Benefit Fund. (BAM)
- Secured grant funding, served as the fiscal sponsor, and played a leading role of the effort to formalize the loose coalition of benefit districts in San Francisco – now officially known as the San Francisco Benefit District Alliance. (M&O)
- Hosted a Residential Town Hall in February 2021 with District 6 Supervisor Matt Haney, SFPD Southern Station Captain Timothy Falvey, and representatives from the District Attorney’s office to discuss safety concerns and answer community questions. (SS)
- Served on advisory panels to promote neighborhood interests including: the SFPD Southern Station Community Police Advisory Board; Yerba Buena Gardens Conservancy Board; Tourism Improvement District Board; Better Market Street Community Advisory Committee; Clean Civil Sidewalks Coalition; CleanSafe365 Coalition; San Francisco Benefit District Alliance; and the Healthy Streets Operation Center (to inform the City of street conditions in Yerba Buena). (M&O)



FINDING OUR HEART EVEN IN THE DARKEST TIMES

2020-2021 HIGHLIGHTS

TRASH COLLECTED

of Bags – 18,850 | Pounds – 471,250

GRAFFITI & STICKER REMOVAL – 5,389

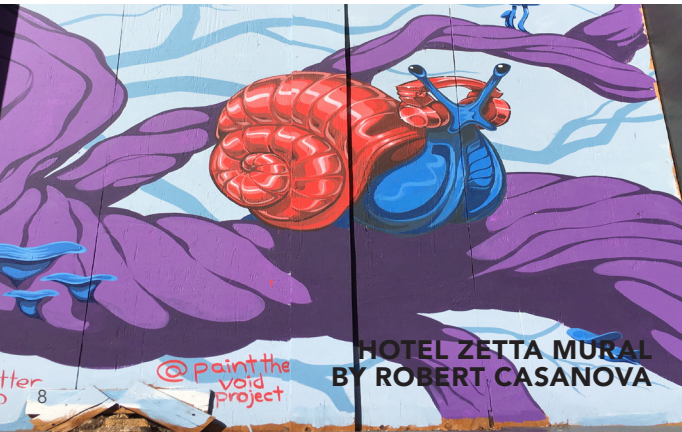
STEAM CLEANING – 1,704 (includes regularly scheduled cleanings along with steam cleaning and scrub requests)

PUBLIC CALLS FOR SERVICE

Cleaning – 1,398 | Safety – 654



**ACADEMY OF ART MURAL
AS PART OF THE YCBCD'S
MATCHING GRANT PROGRAM**



**HOTEL ZETTA MURAL
BY ROBERT CASANOVA**



**SCULPTURE AT THE ST. REGIS
HOTEL AND RESIDENCES**



**2021 YBCBD
BOARD OF DIRECTORS**



"WE LIVE HERE"
SOMCAM PUBLIC ART
OF THE ABAKADA ALPHABET



SIGNS OF RESILIENCE
AND RESTORATION

BUDGET + BALANCE SHEET

JULY 2020–JUNE 2021 ACTUALS

INCOME	ACTUALS	PERCENTAGES	BUDGET	PERCENTAGES	OVER/(UNDER BUDGET)
Assessments	\$3,143,384.00	96.6%	\$3,141,485.86	94%	\$1,898.14
Fundraising/In-Kind	\$109,083.00	3.4%	\$172,781.72	5.2%	\$(63,698.72)
Interest Income	\$675.00	-	\$18,000.00	0.8%	\$(17,325.00)
TOTAL INCOME	\$3,253,142.00	100%	\$3,332,267.58	100%	\$79,125.58

EXPENSES	ACTUALS	PERCENTAGES	BUDGET	PERCENTAGES	OVER/(UNDER BUDGET)
Management & Operations	\$421,042.00	13%	\$550,772.44	12.63%	\$(129,730.44)
Cleaning & Streetscape Improvements	\$1,215,461.00	37.3%	\$1,619,622.98	37.1%	\$(404,161.98)
Safety & Security	\$1,334,893.00	40.93%	\$1,714,983.31	39.23%	\$(380,090.31)
Branding, Activation & Marketing	\$272,877.00	8.36%	\$480,046.21	11%	\$(207,169.21)
Fiscally Sponsored Projects	\$16,500.00	0.41%	-	-	\$16,500.00
Contingency	-	-	-	-	-
TOTAL EXPENSES	\$3,260,773.00	100%	\$4,365,424.94	100%	\$(1,104,651.94)
NET INCOME/(CARRYOVER USED)	\$(7,631.00)		\$(1,033,157.36)		\$1,025,526.36

DISCLOSURE OF PRIVATE DONATIONS: \$1,000 made by Cathy Maupin

JULY 2020–JUNE 2021 BALANCE SHEET

ASSETS

Cash in Bank	\$4,742,781.00
Certificates of Deposit	-
A/R, Net	\$11,000
Other	\$273,601
TOTAL ASSETS	\$5,027,382.00

LIABILITIES

Accounts Payable	\$177,433.00
Other Liabilities	\$116,213.00
TOTAL LIABILITIES	\$293,646.00

NET ASSETS

Without donor restrictions	\$4,730,286.00
With donor restrictions	\$3,350.00
TOTAL NET ASSETS (CARRYOVER)	\$4,733,736.00

TOTAL LIABILITIES & NET ASSETS

\$5,027,382.00

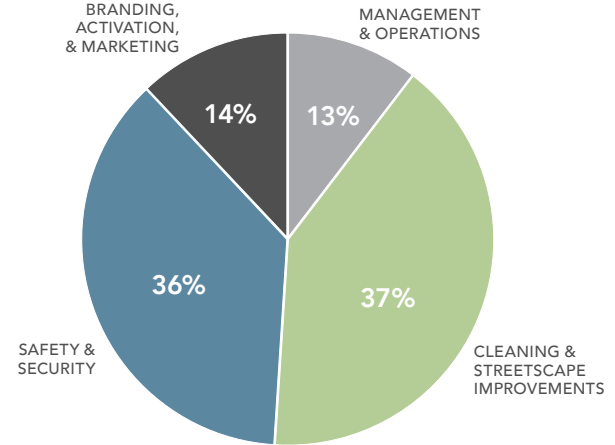
JULY 2021–JUNE 2022 BUDGET

INCOME

Assessments	\$3,235,730
Fundraising/In-Kind	\$173,112
Interest Income	\$5,000
Carryover Used	\$1,210,978
TOTAL INCOME	\$4,624,820

EXPENSES

Management & Operations	\$606,366
Cleaning & Streetscape Improvements	\$1,711,961
Safety & Security	\$1,656,700
Branding, Activation, & Marketing	\$649,793
TOTAL EXPENSES	\$4,624,820



FY2021-2022 BUDGET

CARRYOVER

CARRYOVER	AS OF 6.30.21	BUDGETED FOR FY22	BUDGETED FOR FUTURE YEARS
Management & Operations	\$1,397,293.00	\$119,231.00	\$1,278,062.00
Cleaning & Streetscape Improvements	\$2,823,281.00	\$1,034,483.00	\$1,788,798.00
Safety & Security	\$163,693.00	-	\$163,393.00
Branding, Activation, & Marketing	\$106,042.00	\$57,265.00	\$48,777.00
Fiscally Sponsored Projects	\$3,350.00	-	\$3,350.00
Other Projects	-	-	-
Capital Assets	\$240,077.00	-	\$240,077.00
TOTALS	\$4,733,736.00	\$1,210,979.00	\$3,522,757.00

AREA MAP OF THE YERBA BUENA COMMUNITY BENEFIT DISTRICT

Yerba Buena bustles with world-class museums, shopping, dining, convention space, hotels, and educational institutions. Senior housing blends with live/work lofts and condominiums.

New district boundaries shown were approved as part of the YBCBD renewal in 2015. The district includes parcels from Second to Fifth streets and Market to Perry streets. Specific information on YBCBD boundaries is in the District Management Plan at www.YBCBD.org.



ASSESSMENT METHODOLOGY AND CALCULATION

The YCBCD is funded through an annual assessment from district property owners. A new methodology for annual assessments was approved as part of the district renewal. The calculation for each property assessment is based on a formula that weighs the benefit of the YCBCD's services for all types of properties in the district.

The formula assigns values to Land Use, Benefit Zone, Linear Street Frontage, and Building Square Footage to determine benefit points for each parcel. The parcel benefit point total is then multiplied by \$9.88 based on the FY20-21 YCBCD Budget to calculate the assessment.

For example, a commercial property (Land Use, 4) in Benefit Zone 1 (Zone Factor, 1.5) that has 50 feet of linear frontage (Linear Frontage, 50) and 5,000 building square footage (Building Factor, 2) would calculate their assessment as follows:

$$[(\text{Linear Frontage} + \text{Building Factor}) \times \text{Zone Factor}] \times \text{Land Use} = \text{Total \# of Benefit Points}$$

$$[(50 + 2) \times 1.5] \times 4 = 300 \text{ Benefit Points}$$

$$300 \times \$9.88 = \$2,964.00 \text{ Total Assessment}$$

As a result, properties like hotels, office buildings, museums and retailers with substantial street frontage, higher volumes of pedestrian traffic and more overall building square footage have different assessments than residential units because they benefit more from the YCBCD's services. Details of the annual assessment calculation are in the District Management Plan at www.YCBCD.org.



PHOTO CREDITS

Cover	Page 10
Cathy Maupin	Constance Cavallas
Page 5	Page 14
Constance Cavallas	Constance Cavallas
Page 7	Back Cover
Constance Cavallas	Richard Ciccarone
Page 8	
Constance Cavallas	

YBCBD BOARD OF DIRECTORS

BOARD CHAIR

Lisa Kirvin

Renaissance Entrepreneurship Center

SECRETARY/TREASURER

Scott Rowitz, Yerba Buena Gardens Conservancy

BOARD MEMBERS

David Allison, Resident/Owner

Andrew Bryant, MJM Management

John Carrillo, Park Central Hotel

Cliff Clark, The Palace Hotel

Andrew Bryant, MJM Management Group**

Clif Clark, The Palace Hotel

William Clements, Resident/Owner

Michelle Delaney, 111 Minna Gallery

Paul Frentsos, San Francisco Travel Association

Katharine Greenbaum, Children's Creativity Museum

James Gordon, St. Regis Hotel & Residences

Rachel Gordon, San Francisco Public Works**

Kerry King, The Contemporary Jewish Museum

Lawrence Li, SPUR

Tom Maguire, SFMTA

Frank Miskus, Brookfield Properties

John Noguchi, Moscone Convention Center

Tara Patanian, Resident/Owner

Jason Phillips, Patelco Credit Union

Richard Rendon, VA Outpatient Clinic

Adine Varah, SFMOMA

Monetta White, Museum of the African Diaspora

YBCBD COMMITTEES

Audit, Community Benefit Fund, Executive, Finance, Marketing, Nominating, Services, Small Business Support, Streets & Public Space

YBCBD STAFF

Cathy Maupin, Executive Director

Constance Cavallas, Director of Neighborhood Services & Projects

Richard Ciccicone, Director of Branding, Activation, and Marketing

Sophia Cross, Administrative Manager

COMMUNITY SUPPORT

The YBCBD would like to thank the individuals and organizations below for their financial contributions and in-kind support.

111 Minna Street Gallery, American Bookbinder's Museum, Brookfield Office Properties, California Historical Society, Children's Creativity Museum, Contemporary Jewish Museum, Hearst Corporation, JMA Ventures, Joyride Pizza, Kyo-ya Hotels & Resorts, MJM Management Group, Cathy Maupin, Mexican Museum, Museum of the African Diaspora, Oren's Hummus, The Palace Hotel, San Francisco Media Company, SFMOMA, SFMTA, The Yerba Buena Gardens Conservancy, Yerba Buena Gardens Festival.

**ENDING THE FISCAL
YEAR WITH A.C.T.'S
YOUTH CONSERVATORY
PERFORMANCE ON THE
YERBA BUENA GARDENS
TERRACE**



**YERBA BUENA
COMMUNITY
BENEFIT
DISTRICT**

YBCBD

5 Third Street, Suite 914
San Francisco, CA 94103
T 415.644.0728
E info@ybcbd.org
W www.ybcbd.org

IMPORTANT NUMBERS AND LETTERS

YBCBD DISPATCH:

There are five ways to report cleanliness and non-emergency safety issues to our dispatcher.

PHONE: 415-543-9223
EMAIL: dispatch@ybcbd.org
TEXT: 415-559-1362
ONLINE: www.YBCBD.org

Contact us for non-emergency services, public area cleaning and maintenance issues, and social services outreach.

EMERGENCY SERVICES: Call 9-1-1

Learn more about YBCBD programs and services at www.ybcbd.org and about neighborhood offerings and happenings at www.visityerbabuena.org.



*Report of Independent Auditors and
Financial Statements*

Yerba Buena Community Benefit District

June 30, 2021 and 2020

Table of Contents

REPORT OF INDEPENDENT AUDITORS	1
FINANCIAL STATEMENTS	
Statements of Financial Position.....	4
Statements of Activities and Changes in Net Assets.....	5
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	9

Report of Independent Auditors

To the Board of Directors
Yerba Buena Community Benefit District

Report on the Financial Statements

We have audited the accompanying financial statements of Yerba Buena Community Benefit District, which comprise the statements of financial position, as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Yerba Buena Community Benefit District, as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Moss Adams LLP

San Francisco, California
September 23, 2021

Financial Statements

Yerba Buena Community Benefit District
Statements of Financial Position
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
ASSETS		
Cash and cash equivalents	\$ 4,742,781	\$ 4,394,119
Certificates of deposit	-	248,682
Accounts receivable, net	11,000	-
Prepaid expenses	33,524	25,078
Capital assets, net	<u>240,077</u>	<u>297,748</u>
Total assets	<u>\$ 5,027,382</u>	<u>\$ 4,965,627</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 177,433	\$ 196,289
Accrued vacation	31,221	27,971
Paycheck Protection Program loan	<u>84,992</u>	<u>-</u>
Total current liabilities	<u>293,646</u>	<u>224,260</u>
Total liabilities	<u>293,646</u>	<u>224,260</u>
NET ASSETS		
Without donor restrictions	4,730,386	4,646,839
With donor restrictions	<u>3,350</u>	<u>94,528</u>
Total net assets	<u>4,733,736</u>	<u>4,741,367</u>
Total liabilities and net assets	<u>\$ 5,027,382</u>	<u>\$ 4,965,627</u>

Yerba Buena Community Benefit District
Statements of Activities and Changes in Net Assets
Years Ended June 30, 2021 and 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Assessment revenue	\$ 3,143,384	\$ -	\$ 3,143,384	\$ 3,176,246	\$ -	\$ 3,176,246
Contributions	41,514	19,000	60,514	29,649	350	29,999
Other income	48,569	-	48,569	47,880	-	47,880
Investment income	675	-	675	20,023	-	20,023
Net assets released from restrictions	110,178	(110,178)	-	197,835	(197,835)	-
Total support and revenue	<u>3,344,320</u>	<u>(91,178)</u>	<u>3,253,142</u>	<u>3,471,633</u>	<u>(197,485)</u>	<u>3,274,148</u>
EXPENSES						
Program services	2,839,731	-	2,839,731	2,953,417	-	2,953,417
Supporting services:						
Management and operations	379,098	-	379,098	393,477	-	393,477
Fundraising	41,944	-	41,944	40,025	-	40,025
Total expenses	<u>3,260,773</u>	<u>-</u>	<u>3,260,773</u>	<u>3,386,919</u>	<u>-</u>	<u>3,386,919</u>
CHANGES IN NET ASSETS	83,547	(91,178)	(7,631)	84,714	(197,485)	(112,771)
NET ASSETS, beginning of year	<u>4,646,839</u>	<u>94,528</u>	<u>4,741,367</u>	<u>4,562,125</u>	<u>292,013</u>	<u>4,854,138</u>
NET ASSETS, end of year	<u>\$ 4,730,386</u>	<u>\$ 3,350</u>	<u>\$ 4,733,736</u>	<u>\$ 4,646,839</u>	<u>\$ 94,528</u>	<u>\$ 4,741,367</u>

Yerba Buena Community Benefit District
Statement of Functional Expenses
Year Ended June 30, 2021

	Program Services				Supporting Services			
	Cleaning and Streetscape Improvements	Safety and Security	Branding, Activation and Marketing	Sponsored Projects	Total	Management and Operations	Fundraising	Total
EXPENSES								
Community guides	\$ -	\$ 771,731	\$ -	\$ -	\$ 771,731	\$ -	\$ -	\$ 771,731
Cleaning contract	779,707	-	-	-	779,707	-	-	779,707
Public safety	-	423,065	-	-	423,065	-	-	423,065
Salaries and benefits	83,933	94,862	129,367	-	308,162	192,619	41,944	542,725
Consulting fees	-	-	1,400	16,500	17,900	95,422	-	113,322
Grants	-	15,500	84,392	-	99,892	-	-	99,892
Events	-	-	2,811	-	2,811	400	-	3,211
Greening expenses	130,803	-	-	-	130,803	-	-	130,803
Marketing and branding	-	-	33,913	-	33,913	-	-	33,913
Rent and utilities	8,538	8,926	8,732	-	26,196	25,076	-	51,272
In-kind goods and services	8,464	11,250	-	-	19,714	18,800	-	38,514
Depreciation and amortization	-	-	-	-	-	57,671	-	57,671
Other expenses	200,577	6,120	6,686	-	213,383	36,718	-	250,101
Office supplies and postage	-	-	5,576	-	5,576	7,199	-	12,775
Bad debt recovery	-	-	-	-	-	(54,807)	-	(54,807)
Uniforms	3,439	3,439	-	-	6,878	-	-	6,878
Total expenses	\$ 1,215,461	\$ 1,334,893	\$ 272,877	\$ 16,500	\$ 2,839,731	\$ 379,098	\$ 41,944	\$ 3,260,773

Yerba Buena Community Benefit District
Statement of Functional Expenses (Continued)
Year Ended June 30, 2020

	Program Services				Supporting Services			
	Cleaning and Streetscape Improvements	Safety and Security	Branding, Activation and Marketing	Sponsored Projects	Total	Management and Operations	Fundraising	Total
EXPENSES								
Community guides	\$ -	\$ 760,745	\$ -	\$ -	\$ 760,745	\$ -	\$ -	\$ 760,745
Cleaning contract	786,262	-	-	-	786,262	-	-	786,262
Public safety	-	461,649	-	-	461,649	-	-	461,649
Salaries and benefits	85,012	95,885	130,498	-	311,395	172,555	40,025	523,975
Consulting fees	36,756	-	5,880	-	42,636	85,227	-	127,863
Grants	20,000	15,000	112,000	-	147,000	-	-	147,000
Events	-	-	111,911	-	111,911	1,000	-	112,911
Greening expenses	15,655	-	-	-	15,655	-	-	15,655
Marketing and branding	-	-	59,661	-	59,661	-	-	59,661
Rent and utilities	9,717	10,159	9,938	-	29,814	21,125	-	50,939
In-kind goods and services	-	5,029	8,000	-	13,029	12,575	-	25,604
Depreciation and amortization	-	-	-	-	-	49,492	-	49,492
Other expenses	177,358	-	6,641	5,312	189,311	26,124	-	215,435
Office supplies and postage	-	-	4,690	-	4,690	10,864	-	15,554
Bad debt expense	-	-	-	-	-	14,515	-	14,515
Uniforms	8,733	10,926	-	-	19,659	-	-	19,659
Total expenses	\$ 1,139,493	\$ 1,359,393	\$ 449,219	\$ 5,312	\$ 2,953,417	\$ 393,477	\$ 40,025	\$ 3,386,919

Yerba Buena Community Benefit District
Statements of Cash Flows
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Changes in net assets	\$ (7,631)	\$ (112,771)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Unrealized loss	1,158	4,092
Change in allowance for bad debt	(54,807)	14,515
Depreciation and amortization	57,671	49,492
Changes in operating assets and liabilities:		
Assessments receivable	43,807	(13,971)
Prepaid expenses	(8,446)	(901)
Accounts payable and accrued expenses	(18,856)	(12,681)
Accrued vacation	3,250	7,549
	<u>16,146</u>	<u>(64,676)</u>
Net cash provided by (used in) operating activities		
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		
Proceeds on maturity of certificates of deposit	247,524	744,476
Purchase of capital assets	-	(3,535)
Proceeds from loan receivable	-	300,000
	<u>247,524</u>	<u>1,040,941</u>
Net cash provided by investing activities		
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Borrowings on Paycheck Protection Program loan	84,992	-
	<u>84,992</u>	<u>-</u>
Net cash provided by financing activities		
NET CHANGES IN CASH AND CASH EQUIVALENTS	348,662	976,265
CASH AND CASH EQUIVALENTS, beginning of year	<u>4,394,119</u>	<u>3,417,854</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 4,742,781</u>	<u>\$ 4,394,119</u>

Yerba Buena Community Benefit District

Notes to Financial Statements

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and nature of activities – The Yerba Buena Community Benefit District (the “YBCBD”) was formed in 2008 by property owners to improve the quality of life in the neighborhood by making the area cleaner, safer, and more vibrant. The YBCBD has a contract with the City and County of San Francisco (the “City”) for a term of 15 years, expiring on June 30, 2030. The YBCBD stretches from about Second Street to Fifth Street and Market Street to Harrison Street in San Francisco, California.

The YBCBD exists to implement programs to create a neighborhood that is safer, cleaner, greener and a better place to conduct business and live. These programs and services are funded by district property owners in the Yerba Buena neighborhood.

The YBCBD’s mission statement is as follows:

The Yerba Buena Community Benefit District will advance the quality of life for residents and visitors in the Yerba Buena Neighborhood and San Francisco on an ongoing basis by fostering a safer and more secure community, enhancing environmental quality and beauty, and reinforcing the viability of our economic base.

Programs and services provided by the YBCBD include:

- **Clean Team** – The Clean Team (“Team”) works to improve the appearance and cleanliness of the district daily from 6:00am to 9:00pm. The Team steam cleans all sidewalks in the district once or twice a month, works daily on sidewalk cleaning and gutter sweeping, and removes trash on a frequent basis. The Team also pulls weeds, cleans tree wells, removes graffiti, and paints poles and mailboxes.
- **Community Guides Program** – The Community Guides (“Guides”) serve as goodwill ambassadors in the neighborhood. Guides provide information, directions, and connect those who need help to the right social services. Guides report maintenance issues such as areas in need of cleaning. Guides do not provide emergency response, but will call emergency dispatch to report issues. Up to six guides work 6:00am to midnight, seven days a week. The YBCBD also engages two Social Services Specialists to work with the street population and connect them to services.
- **SFPD 10B Officer** – In addition to existing police services, the San Francisco Police Department (“SFPD”) provides officers to the YBCBD under City Administrative Code Section 10B. These officers are funded by the YBCBD and work 14 hours a day, 7 days a week. The 10B Officer primarily addresses quality of life issues within the neighborhood and within the purview of SFPD, such as issuing citations for drinking, trespassing, permit violations, littering, and pedestrian safety infractions. The additional police presence adds 84 hours per week of police time to the 5,000 hours a week already provided by the Southern District Police Station.
- **Marketing and Branding** – Marketing programs help strengthen the area’s economic viability to make it more inviting to businesses and visitors. The YBCBD established a name and brand for the neighborhood, along with a neighborhood website that lists all businesses, events, and neighborhood news. The YBCBD also coordinates events that bring people to the neighborhood.

Yerba Buena Community Benefit District

Notes to Financial Statements

- **Streetscape Improvements** – Guided by the Yerba Buena Street Life Plan, the YBCBD invests in public realm improvements, including greening, public art, pedestrian, and bicycle improvements, as well as advocates for real public benefits related to neighborhood development projects.
- **Community Benefit Fund** – The YBCBD Community Benefit Fund supports district initiatives by providing small grants to organizations in the neighborhood that help to achieve the mission of the YBCBD.
- **Annie Street Project** – The Annie North Plaza project is made possible through a public private partnership between San Francisco Public Works, the YBCBD, and the adjacent property owners to the plaza. The new design will remove old planters at the intersection of Market Street and Annie Alley to meet several goals of the YBCBD's 2019 Street Life Plan, such as creating more flexible open space, and establishing better connections to alleyways (Annie, Jessie, and Stevenson). The project broke ground in calendar year 2019 and was completed in calendar year 2020.

Basis of accounting – The YBCBD prepares its financial statements in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred regardless of the timing of cash flows.

Classification of net assets – U.S. GAAP requires that YBCBD report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. Accordingly, the net assets of the YBCBD are classified and reported as described below:

Without donor restrictions – Those net assets and activities which represent the portion of expendable funds that are available to support YBCBD's operations. A portion of these net assets may be designated by the Board of Directors for specific purposes. Board-designated net assets were \$4,730,386 and \$4,646,839 as of June 30, 2021 and 2020, respectively.

With donor restrictions – Those net assets and activities which are donor restricted for (a) support of specific operating activities; (b) investment for a specified term; (c) use in a specified future period; or (d) acquisition of long-lived assets. Those also include (a) assets donated with stipulations that they be used for a specified purpose, be preserved, and not be sold, or (b) assets donated with stipulations that they be invested to provide a permanent source of income.

Fair value of financial instruments – Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying amounts of cash and cash equivalents, certificates of deposit, receivables, and accounts payable approximate fair value because of the short-term maturity of these instruments.

Cash and cash equivalents – The YBCBD considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Certificates of deposit – The YBCBD's certificates of deposit are valued using maturity and interest rates as observable inputs.

Accounts receivable – Accounts receivable represents assessment obligations of local property owners due to the YBCBD. Unpaid receivables do not accrue interest.

Yerba Buena Community Benefit District Notes to Financial Statements

The YBCBD uses the allowance method to account for uncollectible assessments. The allowance for uncollectible assessments receivable reflects management's best estimate of the amounts that will not be collected based on historical experience and an evaluation of the outstanding receivables at the end of the year. As of June 30, 2021 and 2020, assessments receivable were fully reserved for, and the allowance for uncollectible assessments was \$107,846 and \$162,653, respectively.

Also included in accounts receivable is \$11,000 related to a fee for service contract. Amounts were paid in full during the year ending June 30, 2022.

Capital assets – The YBCBD capitalizes acquisitions of capital assets with a cost or value in excess of \$1,000 and with an estimated useful life beyond one year. Purchased assets are recorded at cost; donated assets are recorded at estimated fair value at the date of acquisition. Depreciation on furniture and equipment and public art are calculated using the straight-line method based upon estimated useful lives ranging from 3 to 10 years. Website development costs are amortized using the straight-line method over 3 years. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. The cost and accumulated depreciation of assets sold or retired are removed from the respective accounts and any gain or loss is reflected in the statements of activities and changes in net assets.

Impairment of long-lived assets – Long-lived assets are reviewed for impairment when circumstances indicate the carrying value of an asset may not be recoverable. For assets that are held and used, an impairment is recognized when the estimated undiscounted cash flows associated with the asset or group of assets is less than their carrying value. If impairment exists, an adjustment is made to write the asset down to its fair value, and a loss is recorded as the difference between the carrying value and fair value. Fair values are determined based on quoted market values, discounted cash flows or internal and external appraisal, as applicable. Assets to be disposed of are carried at the lower of carrying value or estimated net realizable value. No impairment losses were incurred during the years ended June 30, 2021 and 2020.

Accrued vacation – Full-time employees may accrue up to 13.33 hours per month depending on the number of years employed. Part-time employees accrue vacation on a prorated basis. Employees can accrue a maximum of 160 vacation hours. Accrued vacation as of June 30, 2021 and 2020 was \$31,221 and \$27,971, respectively.

Paycheck Protection Program loan - The note payable issued pursuant to the Paycheck Protection Program (PPP) administered by the United States Small Business Administration (SBA) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) is recorded in accordance with Accounting Standards Codification (ASC) 470, *Debt*. YBCBD will account for any potential forgiveness of the loan in accordance with ASC 470-50-40 as a debt extinguishment.

In May 2021, YBCBD was granted a loan under the Paycheck Protection Program by the SBA for \$84,992. The loan bears interest at 1% with no payments for the first 10-months. Monthly payments of principal and interest are scheduled to begin in March 2022, and continue through maturity, if required. The loan is subject to partial or full forgiveness if YBCBD uses all proceeds for eligible purposes; maintains certain employment levels; and maintains certain compensation levels in accordance with and subject to the CARES Act and the rules, regulations, and guidance. At such a time of any loan forgiveness the amount will be included as other income-debt extinguishment on the statement of activities and changes in net assets.

Yerba Buena Community Benefit District

Notes to Financial Statements

Assessment revenue – The YBCBD receives its support primarily from a special assessment levied by the City on properties located within the YBCBD in accordance with City Ordinance. The assessment is recorded by the YBCBD when assessed by the City. The City remits the assessments to the YBCBD as the assessments are collected from the property owners. Interest is not charged on late assessments; however late penalties are charged in accordance with the City's policy.

Contributions – The YBCBD recognizes all contributions when they are received or unconditionally promised, regardless of compliance with restrictions. Contributions without donor-imposed restrictions are reported as support under net assets without donor restrictions. Contributions with donor-imposed restrictions are reported as support under net assets with donor restrictions.

The satisfaction of a donor-imposed restriction on a contribution is recognized when the corresponding expenditures are incurred or when the time restriction expires. This occurs by increasing one class of net assets and decreasing another in the statements of activities and changes in net assets. Such transactions are recorded as net assets released from restrictions and are reported separately from other transactions.

Contributed goods and services – The YBCBD records contribution revenue for certain services received at the fair value of those services, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would be purchased if not donated.

For the years ended June 30, 2021 and 2020, the YBCBD received contributed goods and services in the amounts of \$38,514 and \$25,604, respectively.

Advertising – The costs of advertising are charged to expense as incurred. Advertising expense for the years ended June 30, 2021 and 2020 was \$5,484 and \$24,184, respectively.

Grants – Grants are recognized when approved by the Board or Directors, provided the grant is not subject to conditions. Conditional promises to give are recognized as grant expense in the period in which the recipient meets the terms of the condition. As of June 30, 2021 and 2020, there were no conditional grants.

Income taxes – The YBCBD is a qualified organization exempt from federal and state income taxes under §501(c)(3) of the Internal Revenue Code ("IRC") and §23701d of the California Revenue and Taxation Code, respectively.

The YBCBD recognizes a threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return and requires the affirmative evaluation that is more-likely-than-not, based on the technical merits of a tax position, that an organization is entitled to economic benefits resulting from tax positions taken in income tax returns. For tax exempt entities, favorable tax status itself is deemed to be an uncertainty, as events could potentially occur to jeopardize their tax-exempt status. If a tax position does not meet the more-likely-than-not recognition threshold, the benefit of that position is not recognized in the financial statements. The YBCBD's evaluation on June 30, 2021 and 2020 revealed no tax positions that would have a material impact on the financial statements.

The YBCBD's tax returns are subject to examination by federal and state taxing authorities. However, management is unaware of any pending examinations nor are there any in progress.

Yerba Buena Community Benefit District

Notes to Financial Statements

Concentration of Risk

Financial instruments – Financial instruments which potentially subject the YBCBD to concentrations of credit risk consist principally of cash and cash equivalents. The YBCBD maintains its cash in various bank deposit accounts which, at times, may exceed Federal Deposit Insurance Corporation (“FDIC”) thresholds. The YBCBD has not experienced any losses in such accounts. Management believes that the YBCBD is not exposed to any significant credit risk related to concentrations.

Contingencies – The World Health Organization declared the novel coronavirus a public health emergency. YBCBD's operations are concentrated in California, which has restricted gatherings and implemented shelter-in-place restrictions. YBCBD continues normal operations and is monitoring the situation closely, however, given the uncertainty about the situation, management can't estimate the impact to the financial statements.

Functional allocation of expenses – The costs of providing various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and changes in net assets and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on estimates made by management. Personnel costs are allocated based on estimated time worked in each program area, or on fundraising or administrative tasks. Other shared costs, such as rent and utilities, are based on estimated full time equivalents assigned to each area.

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events – Subsequent events are events or transactions that occur after the statements of financial position date but before the financial statements are available to be issued. The YBCBD recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statements of financial position, including the estimates inherent in the process of preparing the financial statements. The YBCBD's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statements of financial position but arose after the statements of financial position date and before the financial statements were available to be issued.

The YBCBD has evaluated subsequent events through September 23, 2021, which is the date the financial statements were available to be issued.

NOTE 2 – FAIR VALUE MEASUREMENTS

YBCBD's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy that gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. The levels of the fair value hierarchy are as follows:

Level 1 – Inputs are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Yerba Buena Community Benefit District

Notes to Financial Statements

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect YBCBD's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

The following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the valuation methodologies during the years ended June 30, 2021 and 2020.

Certificates of deposit – The fair value is based on maturity and interest rates as observable inputs. These securities are classified within Level 2 of the fair value hierarchy.

There were no financial assets measured at fair value on a recurring basis as of June 30, 2021.

The following table provides information about YBCBD's financial assets measured at fair value on a recurring basis as of June 30, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	<u>\$ -</u>	<u>\$ 248,682</u>	<u>\$ -</u>	<u>\$ 248,682</u>

YBCBD's policy is to recognize transfers in and transfers out as of the actual date of the event or change in circumstance that caused the transfer. YBCBD had no transfers into or out of levels of the fair value hierarchy during the years ended June 30, 2021 and 2020.

NOTE 3 – CAPITAL ASSETS

	<u>2021</u>	<u>2020</u>
Public art	\$ 383,497	\$ 352,447
Website development	9,971	32,000
Street furniture	40,424	40,424
Furniture and equipment	<u>25,145</u>	<u>30,940</u>
	459,037	455,811
Less: accumulated depreciation	<u>(218,960)</u>	<u>(163,112)</u>
	240,077	292,699
Construction in progress	<u>-</u>	<u>5,049</u>
Total capital assets	<u>\$ 240,077</u>	<u>\$ 297,748</u>

Yerba Buena Community Benefit District
Notes to Financial Statements

NOTE 4 – NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions at June 30 consisted of the following:

	2021	2020
Board-designated:		
Cleaning and Streetscape Improvements	\$ 2,823,281	\$ 2,551,898
Management and operations	1,397,293	1,552,184
Safety and security	163,693	138,967
Branding, activation, and marketing	106,042	106,042
Sponsored projects:		
Invested in capital assets	240,077	297,748
Total	\$ 4,730,386	\$ 4,646,839

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30 may be expended for:

	2021	2020
Sponsored projects:		
SF PBID	\$ 3,000	\$ -
Annie Street	-	94,528
Other	350	-
Total	\$ 3,350	\$ 94,528

All net assets with donor restriction are expected to be released by June 30, 2022.

NOTE 6 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from donor restrictions by incurring expenses satisfying the restricted purposes during the year ended June 30 were as follows:

	2021	2020
Sponsored projects:		
Annie Street	\$ 94,178	\$ 180,822
SF PBID	16,000	-
Sites Unseen	-	17,013
Other	-	-
Total	\$ 110,178	\$ 197,835

Yerba Buena Community Benefit District
Notes to Financial Statements

NOTE 7 – GRANTS

The YBCBD distributes annual grants called Community Benefit Fund grants to community organizations providing services, within the district, that support the improvements and activities of the YBCBD. Grant expense for the years ended June 30, 2021 and 2020 was \$99,892 and \$147,000, respectively. There were no grants payable at June 30, 2021 and 2020.

NOTE 8 – RETIREMENT PLAN

The YBCBD established an employer noncontributory defined contribution retirement plan (the “Plan”) for employees. Eligible employees may make voluntary contributions by salary reduction to the Plan, up to the limit allowed by IRC regulations.

NOTE 9 – COMMITMENTS

The YBCBD has a month-to-month operating lease agreement for office space in San Francisco, California.

The YBCBD also is obligated under a noncancelable lease for office equipment that requires monthly lease payments and expires in November 2022.

The following is a schedule of minimum noncancelable lease commitments:

<u>Year Ending December 31,</u>	
2022	<u>\$ 12,560</u>
	<u>\$ 12,560</u>

Rent expense for the years ended June 30, 2021 and 2020 was \$86,835 and \$73,549, respectively.

NOTE 10 – RELATED-PARTY TRANSACTIONS

The property owner of the building the YBCBD leases for office space is a member of YBCBD’s Board of Directors (the “Board”). Rent paid for the office lease during the years ended June 30, 2021 and 2020 was \$42,736 and \$44,261, respectively.

Members of the Board are also associated with organizations that received Community Benefit Fund grants from the YBCBD. Pursuant to the YBCBD’s conflict of interest policy, all conflicted YBCBD Board members refrain from the decision-making process and abstain from the voting process.

Yerba Buena Community Benefit District
Notes to Financial Statements

The YBCBD has a written conflict of interest policy that requires, among other things, that no member of the Board can participate in any decision in which the member (or an immediate family member) has a material financial interest. Each Board member is required to certify compliance with the conflict of interest policy on an annual basis and indicate whether the YBCBD does business with an entity in which a Board member has a material financial interest. When such relationships exist, measures are taken to appropriately manage the actual or perceived conflict in the best interests of the YBCBD.

NOTE 11 – LIQUIDITY AND FUNDS AVAILABLE

The following table reflects YBCBD’s financial assets as of June 30:

	2021	2020
Financial assets		
Cash and cash equivalents	\$ 4,742,781	\$ 4,394,119
Certificates of deposit	-	248,682
Assessment receivables, net	11,000	-
Financial assets available to meet cash needs for general expenditure within one year	\$ 4,753,781	\$ 4,642,801

All financial assets are available for general expenditure within one year of June 30, 2021 and 2020. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Yerba Buena Community Benefit District derives approximately 95% of its annual budget from assessment payments from property owners. The target minimum funds available in reserve for the YBCBD is eight months of average operating costs. The calculation of average monthly operating costs is based on the YBCBD’s annual budget. Board-designated net assets cover most of the general expenditures of YBCBD within a year.

MEMORANDUM

TO: Supervisor Matt Dorsey, District 6 Supervisor

CC: San Francisco Board of Supervisors
Chris Corgas; Program Director, OEWD

FROM: Mimi Hiraki; Project Specialist, OEWD

DATE: July 13, 2022

SUBJECT: Yerba Buena Community Benefit District; FY 2020-2021 Annual Report

This is a memo summarizing the performance of the Yerba Buena Community Benefit District (YBCBD) and an analysis of their financial statements (based on their audit) for the period between July 1, 2020 and June 30, 2021.

Each year the YBCBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Yerba Buena CBD has complied with the submission of all these requirements. OEWD staff 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 Yerba Buena's Community Benefit District management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2015.

Also attached to this memo are the following documents:

1. Annual Reports
 - a. FY 2020-2021
2. CPA Financial Review Reports
 - a. FY 2020-2021
3. Draft resolution from the Office of Economic and Workforce Development



Background

Yerba Buena Community Benefit District spans 40 blocks, contains approximately 2,150 parcels, and is divided between two benefit zones. Benefit zones are determined by the property owners who have specified the level of special services they desire.

- July 29, 2008: the Board of Supervisors approved the resolution that established the property-based district called the Yerba Buena Community Benefit District (Resolution #330-08).
- February 10, 2009: the Board approved the contract for the administration and management of the Yerba Buena Community Benefit District (Resolution #44-09).
- June 2, 2015: the Board of Supervisors approved the resolution to renew and expand the Yerba Buena Community Benefit District (Resolution #197-15).
- April 11, 2017: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2015 – 2016 (Resolution #117-17).
- April 10, 2018: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2016-2017 (Resolution #095-18).
- October 29, 2019: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2017-2018 (Resolution #468-19)
- December 1, 2019: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2018-2019 (Resolution #539-20)
- January 25, 2022: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2019-2020 (Resolution #19-22)

Basic Information about the Yerba Buena CBD:

Year Established	June 2008
Year Renewed	June 2015
Assessment Collection Period	FY 2008 - 2009 to FY 2014 - 2015 (initial) FY 2015 - 2016 to FY 2029 - 2030 (renewal)
Services Start and End Date	July 31, 2015 – December 31, 2030
Initial Estimated Annual Budget	\$2,991,722.82
FY 2020-21 Assessment Submission	\$3,151,269.00
Fiscal Year	July 1 – June 30
Executive Director	Cathy Maupin
Name of Nonprofit Entity	Yerba Buena Community Benefit District Corporation

The current YBCBD website, <http://www.ycbcd.org/>, includes all the pertinent information about the organization and their programs, a calendar of events, their Management Plan, Mid-Year Report, Annual Report and meeting schedules.

Summary of Program Areas

Cleaning and Streetscape Improvement Plan

The Cleaning and Streetscape Improvement Plan is a comprehensive program that aims to ensure the maximum possible cleanliness of sidewalks, curbs, fixtures, landscaping, and building throughout the



YBCBD. This includes regular sidewalk and gutter sweeping, scheduled steam cleanings, power washing, refuse removal, graffiti removal and streetscape improvements based on, but not limited to, the Yerba Buena Street Life Plan. The YBCBD also distributes small annual grants to community organizations working to improve the neighborhood through its Community Benefit Fund.

Safety and Security Program

The Safety and Security Program works with residents, merchants, the SFPD, and greater YBCBD community on a variety of strategies and initiatives to prevent crime and increase pedestrian safety throughout the District. The YBCBD provides Community Guides to assist visitors, connect those in need with social services, and report cleaning and safety issues. They also engage a Social Services Specialist to provide additional services to the street population in the District, spending extra time to meet their needs and connect and/or escort them to appointments for services. The YBCBD also contracts with SFPD for a bike patrol officer to address nuisance and quality of life issues.

Branding, Activation, and Marketing Program

The Branding, Activation, and Marketing Program promotes YBCBD's properties and businesses through specially targeted programs and initiatives. These activities play the dual role of contributing to the economic and social vitality of the area, and helps with the recruitment and retention of businesses and other entities.

The YBCBD also supports the creation and production of special events, such as the annual free outdoor festival Yerba Buena Night that welcomes visitors into the YBCBD area as a means of additional exposure. The YBCBD marketing and promotion services makes sure visitors, employees, patrons, and residents know about area attractions and helps them enjoy their experience within the YBCBD.

Management and Operations

The YBCBD is staffed by a full-time Executive Director who serves as the focal point person and advocate for Yerba Buena CBD as well as a Director of Neighborhood Services and Project, a Director of Branding, Marketing and Activation, and an Administrative Manager. The YBCBD Management Plan calls for 13% of the budget to be spent on administration and corporate operations.

The YBCBD board has twenty-eight (28) members, represented by residents, property owners, community organizations, non-profit arts organizations, government and educational institutions, and businesses. Board member seats are determined using the following guidelines: At-Large (14%), Community Organizations (14%), Government or Education Institutions (14%), Non-Profit Arts (14%), Residents (14%), Commercial (30%). Board members are all asked to actively participate in committees including Community Benefit Fund, Executive, Finance, Marketing, Services, and Streets & Public Space. The YBCBD also has Ad Hoc Audit and Nominating Committees to accomplish specific tasks for a shorter period of time each year. The full board meets five times a year.

The eight committees and meeting times are detailed below:

- Standing Committees:
 1. Community Benefit Fund – meets the 2nd Monday of March and October
 2. Executive –the fourth Thursday of the month



3. Finance - the fourth Monday of the month
 4. Marketing - the first Wednesday of the month
 5. Services - the second Thursday of the month
 6. Streets and Public Space –the Second Wednesday of the month
- Ad Hoc Committees
 7. Audit –as needed
 8. Nominating – as needed
 9. Small Business Support Committee – as needed

Summary of Accomplishments, Challenges, and Delivery of Services

FY 2020-2021

Cleaning and Streetscape Improvements

- Removed 471,250 pounds of trash from YCBCD public rights-of-way, a 12.5% increase from last reporting period
- Removed 5,389 instances of graffiti tags, flyers and stickers, more than twice as many instances than last reporting period
- Conducted 1,704 steam cleanings
- Responded to 1,398 calls for cleaning
- Installed new art on all 13 Bigbelly receptacles throughout the district
- Created artful social distancing designs in the Yerba Buena Gardens through the Yerba Buena Gardens Lawn Art project
- Supported the installation of “Filipino Heroes” art on Mission Street
- Continued working with city and community partners on the Minna-Natoma Art Corridor Project
- Provided SFMTA with a supply of 50 YCBCD-designed bike racks
- Commissioned an artist to design a graphic crosswalk for the Folsom Streetscape Improvement Project

Safety and Security

- Community Guides worked 365 days a year to connect those who need help with services, provide information about the neighborhood, serve as an additional set of eyes to report safety issues and assist Clean Team with disinfecting high-touch public surfaces
- Partnered with Supervisor Matt Haney, SFPD Southern Station Captain and District Attorney’s office to host a Residential Town Hall in February 2021 to discuss with community members their safety concerns and questions.
- Provided free masks and hand sanitizer to neighborhood businesses and nonprofits
- Responded to 654 calls for safety service
- Worked with SFPD Bike Patrol Officer daily to address quality of life issues and provide a reassuring presence in the district

Branding, Activation, and Marketing



- Provided \$130,000 grants to small businesses and nonprofits to defray pandemic related costs
- Installed new artistic graphics on nine Bigbelly receptacles throughout the District.
- Hosted Yerba Buena Day to highlight arts and culture in summer 2021 to visitors returning to the district after shelter in place lifted

Management and Operations

- Secured grant funding and served as the fiscal sponsor to formalize the San Francisco Benefit District Alliance, a coalition of the San Francisco community benefit districts
- Participated in the SFPD Southern Station Community Police Advisory Board, Yerba Buena Gardens Conservancy Board, Tourism Improvement District Board, Better Market Street Community Advisory Committee, Clean Civil Sidewalks Coalition, CleanSafe365 Coalition, San Francisco Benefit District Alliance, and the Healthy Streets Operation Center

Yerba Buena CBD Annual Budget Analysis

OEWD’s staff reviewed the following budget related benchmarks for the Yerba Buena CBD:

- **BENCHMARK 1:** Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan (Agreement for the Administration of the “Yerba Buena Community Benefit District”, Section 3.9 – Budget).
- **BENCHMARK 2:** Whether five and eight hundredths percent (5.08%) of actuals came from sources other than assessment revenue (CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the “Yerba Buena Community Benefit District”, Section 3.4 - Annual Reports).
- **BENCHMARK 3:** Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percent (Agreement for the Administration of the “Yerba Buena Community Benefit District”, Section 3.9 – Budget).
- **BENCHMARK 4:** Whether YBCBD is indicating the amount of funds to be carried forward into the next fiscal year and designating projects to be spent in current fiscal year (CA Streets & Highways Code, Section 36650(B)(5)).

FY 2020-2021 Budget Analysis

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



ANALYSIS: *The YBCBD met this requirement. See tables below.*

Service Category/Budget Line	Management Plan Budget (Percentage)	FY2020-2021 Budget – Asst. (Percentage)	FY2020-2021 Budget – Total (Percentage)	Variance Percentage Points – Asst.	Variance Percentage Points - Total
Cleaning and Streetscape Improvements	\$1,281,655.91 (40.66%)	\$1,537,346.13 (37.10%)	\$1,619,622.98 (37.10%)	-3.56%	-3.56%
Safety and Security Program	\$1,024,744.40 (32.51%)	\$1,627,862.16 (39.29%)	\$1,714,983.31 (39.29%)	+6.77%	+6.77%
Branding, Activation, and Marketing Program	\$434,614.14 (13.79%)	\$455,659.86 (11.00%)	\$480,046.21 (11.00%)	-2.79%	-2.79%
Management and Operations	\$410,811.64 (13.03%)	\$522,793.20 (12.62%)	\$550,772.44 (12.62%)	-0.42%	-0.42%
TOTAL	\$3,151,826.09 (100%)	\$4,143,661.35 (100%)	\$4,365,424.94 (100%)		

BENCHMARK 2: Whether five point and eight hundredths percent (5.08%) of actuals came from sources other than assessment revenue

ANALYSIS: *The YBCBD did not meet this requirement. Assessment revenue was \$3,143,384.00 or 94.64% of actuals and non-assessment revenue was \$109,758.00 or 3.37% of actuals. See table below.*

Revenue Sources	FY 2020-2021 Actuals	% of Actuals
Assessment Revenue	\$3,143,384.00	
Total Assessment (Special Benefit) Revenue	\$3,143,384.00	94.64%
Fundraising/In-Kind	\$109,083	5.21%
Interest Income	\$675.00	0.15%
Total Non-Assessment (General Benefit) Revenue	\$109,758.00	3.37%
TOTAL	\$3,253,142.00	100.00%

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



ANALYSIS: *The YCBCD met this requirement. See table below.*

Service Category	FY2020-2021 Budget – Asst. (Percentage)	FY2020-2021 Budget – Total (Percentage)	FY2020-2021 Actuals – Asst. (Percentage)	FY2020-2021 Actuals – Total (Percentage)	Variance % Points – Asst.	Variance % Points – Total
Cleaning and Streetscape Improvements	\$1,537,346.13 (37.10%)	\$1,619,622.98 (37.10%)	\$1,153,715.58 (37.46%)	\$1,215,461.00 (37.46%)	+0.36%	+0.36%
Safety and Security	\$1,627,862.16 (39.29%)	\$1,714,983.31 (39.29%)	\$1,267,080.44 (41.15%)	\$1,334,893.00 (41.15%)	+1.86%	+1.86%
Branding, Activation, and Marketing	\$455,659.86 (11.00%)	\$480,046.21 (11.00%)	\$259,014.85 (8.41%)	\$272,877.00 (8.41%)	-2.59%	-2.59%
Management and Operations	\$522,793.20 (12.62%)	\$550,772.44 (12.62%)	\$399,653.07 (12.98%)	\$421,042.00 (12.98%)	-0.36%	+0.36%
TOTAL	\$4,143,661.35 (100%)	\$4,365,424.94 (100%)	\$3,079,463.93 (100%)	\$3,244,273.00 (100%)		

BENCHMARK 4: Whether the YCBCD is indicating the amount of any surplus or deficit revenues to be carried forward into the next fiscal year and designating the projects to be funded by any surplus revenues

ANALYSIS: *The YCBCD met this requirement. See table below.*

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

Carryover	Budgeted for FY22	Budgeted for Future Years
Management & Operations	\$119,231.00	\$1,278,062.00
Cleaning & Streetscape Improvements	\$1,034,483.00	\$1,788,798.00
Safety & Security	\$0.00	\$163,393.00
Branding, Activation & Marketing	\$57,265.00	\$48,777.00
Fiscally Sponsored Projects	\$0.00	\$3,350.00
Capital Assets	\$0.00	\$240,077.00
Total Designated Amount for FY 2020-2021	\$1,210,979.00	\$3,522,457.00



Findings and Recommendations

The Yerba Buena CBD met 3 out of the 4 benchmarks as defined on page 5 of this memo. Specifically, the Yerba Buena CBD did not raise enough non-assessment resources to cover its general benefit requirement of 5.08%. This is the second year in a row that the CBD has not met this benchmark; although, it did show improvement based off of FY 19-20. Like in FY 19-20, the impact of the Covid-19 pandemic on the organization's non-assessment funding sources is likely the culprit behind failure to meet benchmark 2. There are multiple ways a CBD can meet this requirement, including quantifying the dollar value of in-kind donations and volunteer hours. The CBD received significant amounts of PPE throughout the pandemic through the Covid Command Center to help protect their essential employees and disinfect public areas. If this was calculated in to the non-assessment calculation then they, in all likelihood, would have met benchmark 2.

During this review period, the CBD has excelled in pivoting to the emerging health and economic impacts of the COVID-19 global pandemic that started in March 2020 and continued through this review period. The CBD continuously adjusted to the continuous changes of health orders issued by the San Francisco Health Officer, including the renewed shelter-in-place health order in December 2021. With its proximity to the Moscone Convention Center, the neighborhood was significantly impacted by the lack of conventions during the pandemic.

To support the neighborhood's local businesses and nonprofits, YBCBD offered grants through its Community Benefit Fund to overcome some of the pandemic induced challenges such as providing masks to residents and visitors and property protection (plywood). In FY2021, YBCBD provided a total of \$130,000 to small businesses and non-profits. When businesses were allowed to re-open, YBCBD marketed and promoted them through their website, social media, and street banners. Additionally, the district hosted Yerba Buena Day in summer 2021 highlighting and promoting businesses as they welcomed people back to the district. For residents and visitors, the CBD provided funding for the Yerba Buena Gardens Lawn Art project to create a space for safe, art-filled social distancing.

They also adjusted the focus for their Community Guides to check in with neighborhood merchants and businesses to assist them during the incremental reopening of the economy, and assist Clean Team colleagues in disinfecting high-touch public surfaces, and continue to report cleaning and safety issues.

The district will be transitioning to a new Executive Director in June 2022.

Yerba Buena CBD continues to identify needs and solutions to bring back conventioners and office workers to the area which are vital to the economic health for the neighborhood's small businesses such as the return of Yerba Buena Night event.

Conclusion

Yerba Buena CBD has performed incredibly well in implementing their service plan. Yerba Buena CBD has continued to successfully market and produce events. Yerba Buena CBD has increased their opportunities in partnering with community stakeholders and numerous municipal agencies for the implementation of the Yerba Buena Street Life Plan and Community Benefit Fund. Yerba Buena CBD is



an extremely well-run organization with an active board of directors and committee members. OEWD believes the Yerba Buena CBD will continue to successfully carryout their mission and service plans.



Community Benefit District Annual Reports

FY 2020-2021

- Tourism Improvement District
- Moscone Expansion District
- Yerba Buena
- The East Cut
- Castro/Upper Market
- Ocean Avenue
- Discover Polk
- Lower Polk

Legislative Overview

Community Benefit Districts (CBDs) / Business Improvement Districts (BIDs) are governed by:

- State law
 - “1994 Act”
- Local law
 - “Article 15”

Review Process

- OEWD ensures that all CBDs/BIDs are meeting their management plans.
- OEWD staff conducts an annual review of the Annual Reports and CPA Financial Reviews.
- OEWD provides the Board of Supervisors with a summary memo.

Basic Information

CBD Name	Type	Management Plan Assessment Budget	FY20-21 Assessment Roll Submission	Year(s) Formed and Renewed	Expires
Tourism Improvement District	Business-based	\$27,000,000.00	-	2008	2023
Moscone Expansion District	Business-based	\$19,332,000.00	-	2013	2045
Yerba Buena	Property-based	\$2,991,722.82	\$3,151,269.00	2008, 2015	2030
The East Cut	Property-based	\$2,474,194.00	\$4,466,696.68	2015	2030
Castro/Upper Market	Property-based	\$866,991.62	\$818,991.62	2005, 2020	2035
Ocean Avenue	Property-based	\$239,578.00	\$339,580.72	2010	2025
Discover Polk	Property-based	\$622,784.00	\$635,238.70	2018	2029
Lower Polk	Property-based	\$799,093.00	\$903,012.06	2014	2029

Benchmarks

OEWD's staff reviewed the following budget related benchmarks for each CBD/BID:

- **Benchmark 1** – Whether the variance between the budget amounts for each service category was within 10 percentage points from the management plan.
- **Benchmark 2** – Whether the CBD met its non-assessment revenue source requirement.
- **Benchmark 3** - Whether the variance between the budget amounts for each service category was within 10 percentage points from the fiscal actuals.
- **Benchmark 4** - Whether CBD is indicating the amount of funds carried over from the current fiscal year and designating projects to be spent in the upcoming fiscal year.

Tourism Improvement District (TID) & Moscone Expansion District (MED) - Benchmarks

Benchmark	Question	TID: Was This Met in FY2021?	MED: Was This Met in FY2021?
Benchmark 1	Variance between management plan budget and fiscal year budget is X < 10%?	Yes	Yes
Benchmark 2	Variance between fiscal year budget and fiscal year actuals is X < 10%	Yes	Yes
Benchmark 3	Were carryforward fund indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes	Yes

Tourism Improvement District & Moscone Expanding District - Findings and Recommendations

- Both districts special assessment revenues were significantly impacted by the Covid-19 pandemic. The formula for both districts is based on a percentage of revenue generated from hotel room purchases in the City and County of San Francisco.
 - The lack of assessment revenue forced the Moscone Expansion District to tap its Debt Service and Stabilization fund. The fund was designed to be drawn upon in any year when lower than expected MED collections caused MED contributions toward debt service to be lower than the sum set forth in cash flow projections.
 - Due to the pandemic's impact on assessment revenue TID assessment fees were less than anticipated resulting in the district expending approximately \$890,000 more than what it collected in the FY. This amount was covered through the TID's Contingency/Reserve fund.
- The TID is set to expire in 2023 and the renewal and expansion process will be completed in Fall 2022.
 - The San Francisco Tourism Improvement District Management Corporation (SFTIDMC) and SF Travel followed OEWD's recommendation to begin the renewal process in FY 2019-20.
 - A Management District Plan was submitted to the City in spring 2020 but the TID and OEWD mutually agreed to pause the renewal process due to the Covid-19 pandemic and expansion proponents.
 - OEWD and project proponents resumed the renewal and expansion Management District Plan from winter 2020 through summer 2021. Project proponents have hosted and continue to host informational meetings for rate payers.
- In May 2020, SFTIDMC took out a line of credit of \$5,000,000 which was supposed to come to term in 2021. In August 2021, SFTIDMC worked with the lending agency to extend the term to December 2022 and is in process of finalizing the agreement.

Yerba Buena - Benchmarks

Benchmark	Question	Was This Met in FY2021?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue is $X \geq 5.08\%$	No
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes
Benchmark 4	Were carryforward fund indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes

Yerba Buena - Findings and Recommendations

- Recommendation: The CBD should quantify the dollar value of in-kind donations and volunteer hours and include the amount in their non-assessment revenue.
- Pivoted programs and services well in response to the economic and health impacts of the pandemic. Select highlights:
 - Provided total of \$130,000 to small businesses and non-profits through Yerba Buena Community Benefit Fund
 - Adjusted focus for Community Guides to check in with neighborhood merchants and businesses during the incremental reopening of the economy as well as assist the Clean Team
 - Funded the Yerba Buena Gardens Lawn Art project to create space for safe, art filled social distancing
 - Hosted Yerba Buena Day in summer 2021 to highlight and promote the district's businesses as people started coming back to the district
- No reported violations of Brown Act within reporting period
- Complied with OEWD's memo regarding surveillance technology reporting requirements
- Active board and committee members
- Well positioned to carry on its mission

The East Cut CBD - Benchmarks

Benchmark	Question	Was This Met in FY2021?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue for each service category: Public Safety is $X \geq 1.4\%$, Cleaning and Maintenance is $X \geq 1.4\%$, Parks and Greenspace is $X \geq 6.79\%$, and Salesforce Park is $X \geq 20.8\%$.	Yes
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes
Benchmark 4	Were carryforward fund indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes

The East Cut CBD - Findings and Recommendations

- Pandemic significantly impacted the CBD's ability to provide programming for its parks resulting in large carryover amounts
- Partnered with 13 restaurants for the East Cut Eats program where staff and volunteers delivered meals from local restaurants to residents free of charge
- Launched the East Cut Seats program to provide outdoor table and chair sets to local businesses to expand their public realm
- Administered its first merchant survey in March 2021 to build a better relationship with merchants and understand their needs
 - Recommendation: incorporate merchant survey feedback where possible as the CBD plans spending down their carryover amounts
- No reported violations of Brown Act within reporting period
- Complied with OEWD's memo regarding surveillance technology reporting requirements
- Active board and committee members
- Well positioned to carry on its mission

Castro/Upper Market - Benchmarks

Benchmark	Question	Was this met in July – December 2020?	Was this met in January – June 2021?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	No	Yes
Benchmark 2	July-December 2020: Non-assessment revenue is $X \geq 5.00\%$ January-June 2021: Non-assessment revenue is $X \geq 5.41\%$	Yes	Yes
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes	Yes
Benchmark 4	Were carryforward fund indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes	Yes

Castro/Upper Market - Findings and Recommendations

- Successfully renewed on May 19, 2020 and began operating under a new management plan mid-year.
- Adjusted services to respond to the pandemic:
 - Received and responded to 60% increased hot spot/scrub requests compared to last year
- Continued to partner with the City and County of San Francisco to implement the Castro Cares Grant and Jane Warner Plaza Grant
- No reported violations of Brown Act within reporting period
- Complied with OEWD's memo regarding surveillance technology reporting requirements
- Active board and committee members
- Well positioned to carry on its mission

Ocean Avenue - Benchmarks

Benchmark	Question	Was This Met in FY2021?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue is $X \geq 1.00\%$	Yes
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes
Benchmark 4	Were carryforward fund indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	No

Ocean Avenue - Findings and Recommendations (Pt 1 of 3)

- OAA did not provide carryforward amount and spenddown plan in their annual report; provided the information in supplemental documentation
 - Recommendation: Utilize the OEWD provided annual reporting template to ensure they include all required reporting fields
- Partnered with city agencies to help provide some business technical assistance and facade improvement to some of the businesses along the corridor
 - Recommendation: Perform weekly merchant walks and host weekly office hours to listen to concerns of all the district's businesses as the organization does not have a physical office to interact with stakeholders
 - Recommendation: Ensure outreach materials are culturally competent when translated into Chinese and Spanish as the corridor is comprised of a large number of monolingual business owners
- Continued to perform core cleaning services well
 - Recommendation: Collect quantifiable metrics for its cleaning services so as to demonstrate to the community and city stakeholders the CBD's impact as well as ensure accountability
- Recommendation: Prioritize the implementation of the Ocean Avenue Association Strategic Plan developed in September 2020.

Ocean Avenue - Findings and Recommendations (Pt 2 of 3)

- **Select findings from the Ocean Avenue Association Strategic Plan:**
 - The Board is undereducated on its legal and moral responsibilities to the assessment payers and the City. There is a lack of a Board Handbook or document that defines the Board role, its legal responsibility and the organization's expectations of Board Members
 - The Board is not adequately meeting fiduciary responsibilities either organizational or financial. There is a lack of participation by Board members with 2-3 members controlling the meetings and strongly influencing board decisions. There is a lack of understanding and questioning of programs, finances and the Executive Director's Performance
 - There are communications challenges between the Board and the Executive Director. The Board is not clearly informed or kept up to date on the operations and programs of the CBD
 - There is a lack of a consistent distribution of timely financial reports to the Board: The Board does not receive an operation report or balance sheet or a cash flow projection on a consistent monthly basis. Contracts for services, grant funding and grant funds receivable are not consistently reviewed and approved by the Board. The fiscal year 2020-2021 budget which began July 1, 2020 was not reviewed and approved by the Board until January 2021

Ocean Avenue - Findings and Recommendations (Pt 3 of 3)

- **Continued select findings from the Strategic Plan:**
 - There is no clear focus or Board unity on the organization's purpose, vision and its relationship with other community organizations
 - The CBD has limited relationships with the property owners that pay the assessments to the district. There is inconsistent communication to the property owners, businesses and residents of the district
 - There is neither a consistent communication strategy nor marketing strategy to attract customers and investors to the district
 - There is a lack of staff capacity to execute projects and programs beyond the CBD's core cleaning program
- The Strategic Plan includes a list of recommendations (page 7-13 of the plan) to address these findings.
- OEWD requested the Office of the Controller to perform an audit of the organization in FY22-23 to gauge the progress the organization is making at implementing the strategic plan's recommendation, ensure the organization is spending funding properly and the overall effectiveness and efficiency of the organization.
- Complied with OEWD's memo regarding surveillance technology reporting requirements

Discover Polk - Benchmarks

Benchmark	Question	Was This Met in FY2021?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue is $X \geq 3.36\%$	No
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes
Benchmark 4	Were carryforward fund indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes

Discover Polk - Findings and Recommendations

- District saw an increase in trash and waste littered during this review period. Despite the cleaning staff shortage, the overall cleanliness of the streets did not decline due to increased staff efforts and the installment of new Big Belly trash cans.
- Launched Discover Polks Delivers program where volunteers delivered food and beverages from local businesses to customers
- Installed lights on Polk Street and projected holiday images to activate the public realm during the holidays
- No reported violations of Brown Act within reporting period
- Complied with OEWD's memo regarding surveillance technology reporting requirements
- Active board and committee members
- Well positioned to carry on its mission

Lower Polk - Benchmarks

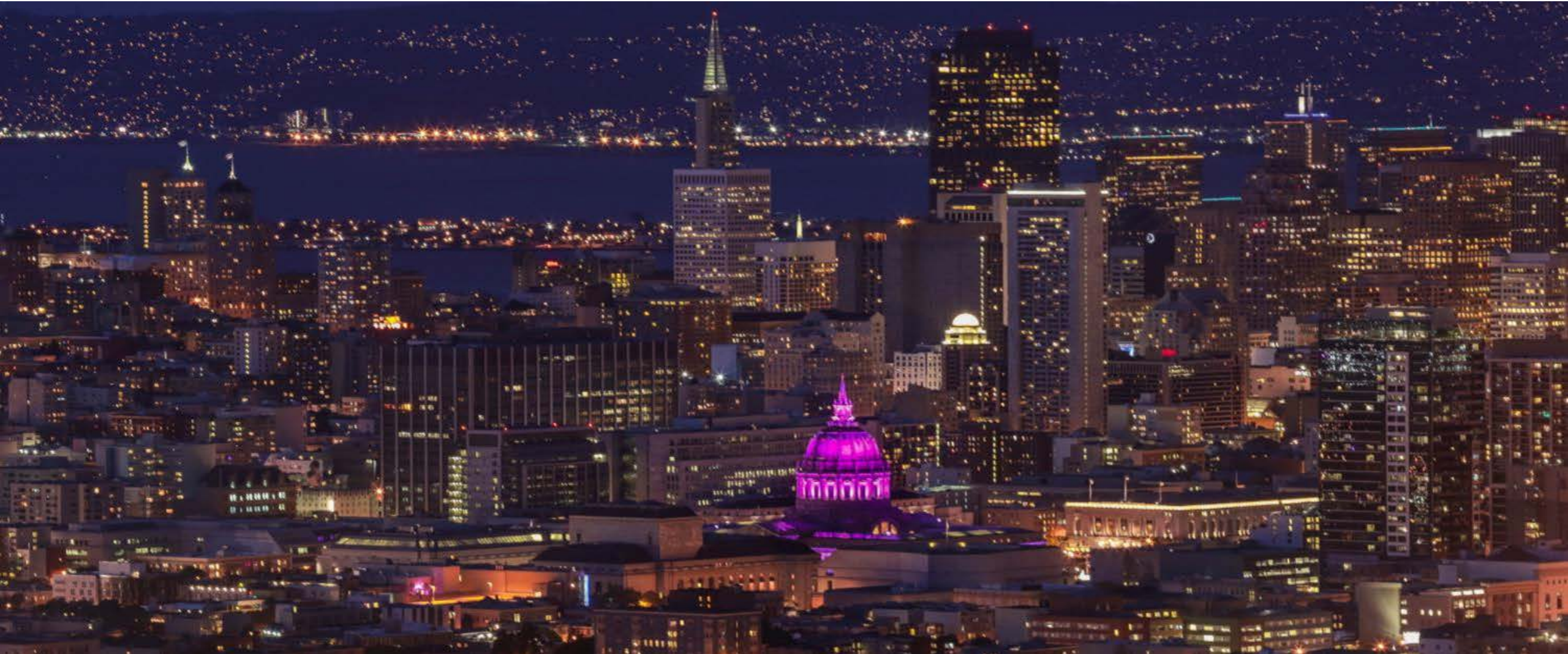
Benchmark	Question	Was This Met in FY2021?
Benchmark 1	Variance between management plan budget and fiscal year budget is $X < 10\%$?	Yes
Benchmark 2	Non-assessment revenue is $X \geq 5.55\%$	Yes
Benchmark 3	Variance between fiscal year budget and fiscal year actuals is $X < 10\%$	Yes
Benchmark 4	Were carryforward fund indicated from current fiscal year to the next fiscal and were projects designated to be spent on?	Yes

Lower Polk - Findings and Recommendations

- Performed well in delivering core cleaning services to the community
- Supported district businesses disproportionately impacted by the pandemic with their Tenant Landlord Clinic
- Recommendation: strengthen administrative capacity
 - Increase Board engagement with fixed board meetings to ensure stakeholders are kept abreast of the latest developments and to help ensure the board is complying with its governance role
 - Prioritize the submission of annual reports and necessary financial documents to maintain in full compliance with state law as this is the third consecutive year the CBD struggles to submit the required documents to OEWD in a timely manner
- CBD reported they will be working with a consultant to improve Board engagement.
 - OEWD will continue to monitor the situation
- No reported violations of Brown Act within reporting period
- Complied with OEWD's memo regarding surveillance technology reporting requirements
- Well positioned to carry on its mission

CITY & COUNTY OF SAN FRANCISCO GOVERNMENT AUDIT & OVERSIGHT COMMITTEE

NOVEMBER 17, 2022



TOURISM IMPROVEMENT DISTRICT 2020 – 2021

TOURISM IMPROVEMENT DISTRICT

Convention Sales

- Meetings and Conventions generated over 850 meetings (7 Moscone Events) with \$222.2 million in direct spending
- Sales team booked over 641,700 rooms nights in 2021 for all future years
- Attended 72 virtual meetings and 18 in-person meetings

Marketing and Promotion

- Leisure visitors comprised 81% of all visitors
- The Visitor Information Center is closed due to lack of funding.



TOURISM IMPROVEMENT DISTRICT

MARKETING EFFORTS

- 17.0 Million Visitors
- 1.2 billion media impressions which equates to more than \$96+ million in value
- www.sftravel.com
 - 3.1 million unique visitors
 - \$106.9 million in economic impact
- Instagram @onlyinSF 295,000 followers
- Twitter @onlyinSF 201,000 followers
- Facebook @onyinSF 698,000 followers



MOSCONE EXPANSION DISTRICT 2019 – 2020

MOSCONE EXPANSION DISTRICT

- \$551+ million-dollar expansion and renovation continues to be front and center for attracting new and repeat business to San Francisco. The center is much more competitive in total space and meeting planner accommodations related to set-up and configuration
- Moscone Center preparing for the upcoming MPI (Meeting Professionals International) Western Conference in June 2022. 1,500 to 2,000 planner and suppliers are expected to attend this prestigious event.



MOSCONE EXPANSION DISTRICT

Moscone Expansion Incentive Fund Balance as of June 30, 2021 | \$597,141

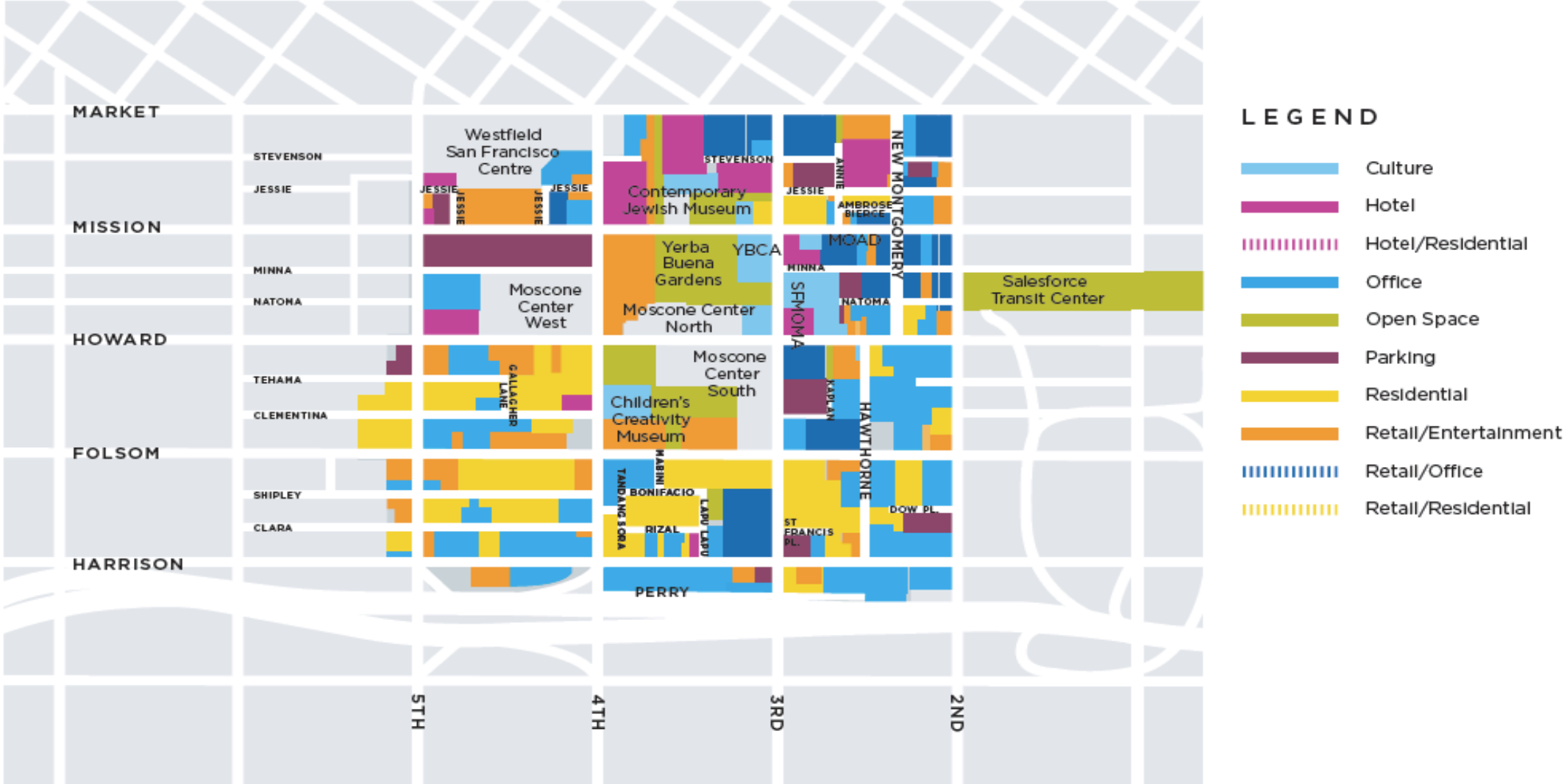
- Used to attract new clients
- Retain current clients during Moscone shut-down due to Covid-19 and into the future





Presentation to the San Francisco Board of Supervisors
Government Audit and Oversight Committee
November 17, 2022

What is the Yerba Buena District?



What does the YBCBD do?

YBCBD Mission Statement:

Advance the **quality of life** for residents and visitors in the Yerba Buena Neighborhood and San Francisco on an ongoing basis by fostering a **safer and more secure community**, enhancing **environmental quality and beauty**, and reinforcing the **viability of our economic base**.

1. Cleaning

Clean Team
Steam Cleaning
Bigbelly Program



2. Safety

Community Guides
SFPD Bike Patrol
Social Services Specialist



3. Streetscape

Public Art
Open Space Enhancement
Streetscape Projects



4. Marketing

Events & Activations
Marketing Campaigns
Social Media



5. Community Benefit Grants

Public Art
Pedestrian Safety
Community Spaces & Events



MoAD is temporarily closed. All on-site visits, tours, and events are postponed or canceled until further notice. [See our online programs here.](#)

Community Support: Grants

Non-Profit Grants

American Bookbinder's Museum
California Historical Society
Children's Creativity Museum
Museum of African Diaspora
Renaissance Entrepreneurship Center
Yerba Buena Arts & Events

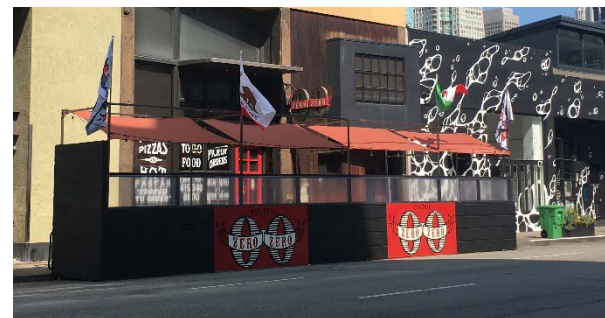


Small Business Grants

Thirsty Bear
Zero Zero
Pazzia
111 Minna Gallery
Kaisen Sushi
Wine Down
Eden Plaza Café
Thi Spa & Nails
Executive Order Bar

Pink Elephant
Nora Nail Spa
City's Choice Deli & Market
Moscone Cleaners
Les Gourmands
Novela
The Rafael's Boutique
Hotel Zetta
Copy Central

SoMa Eats
SoMa Restaurant
VSC Sports
Sunrise Deli
Flytrap Restaurant
Carlos Shoe Repair
City Wine & Spirits
Samovar
Luke's Lobster



Community Support: Safety

YERBA BUENA
COMMUNITY
BENEFIT
DISTRICT

YBCBD



District 6 Supervisor
Matt Haney



SFPD Southern Station
Police Captain, Tim Falvey

YBCBD RESIDENTIAL TOWN HALL

February 18th, 5pm

The YBCBD will be hosting a virtual meeting for neighborhood residents with District 6 Supervisor Matt Haney and SFPD Southern Station Captain Tim Falvey. The Supervisor and Police Captain will be sharing timely information as it relates to our neighborhood and answering questions from our community.

Please send any questions you have for Supervisor Haney or Captain Falvey to info@ybcbd.org by Monday, February 15.

To register go to:
[YBCBD.org/news/townhall](https://www.ybcbd.org/news/townhall)

Recent News & Events



[EventsNews](#)

January 19, 2021

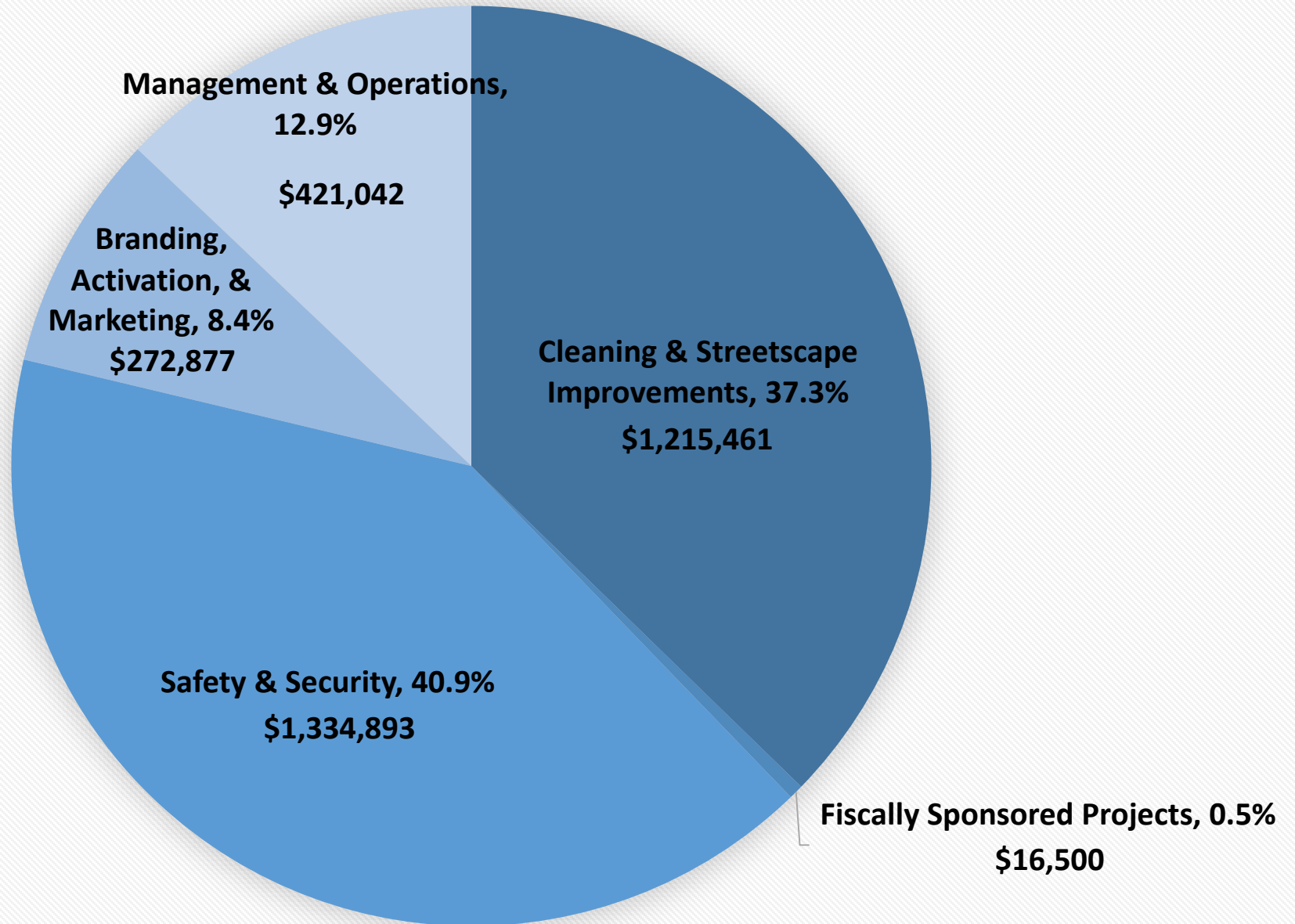
YBCBD Safety and Security Survey 2021

The YBCBD Services Committee is seeking your feedback regarding safety and security in the neighborhood! Community members are invited to share their thoughts and experiences by taking a brief survey at the link below. The survey is completely anonymous and should take around 5-10 minutes to complete. Please share the survey link with anyone you...

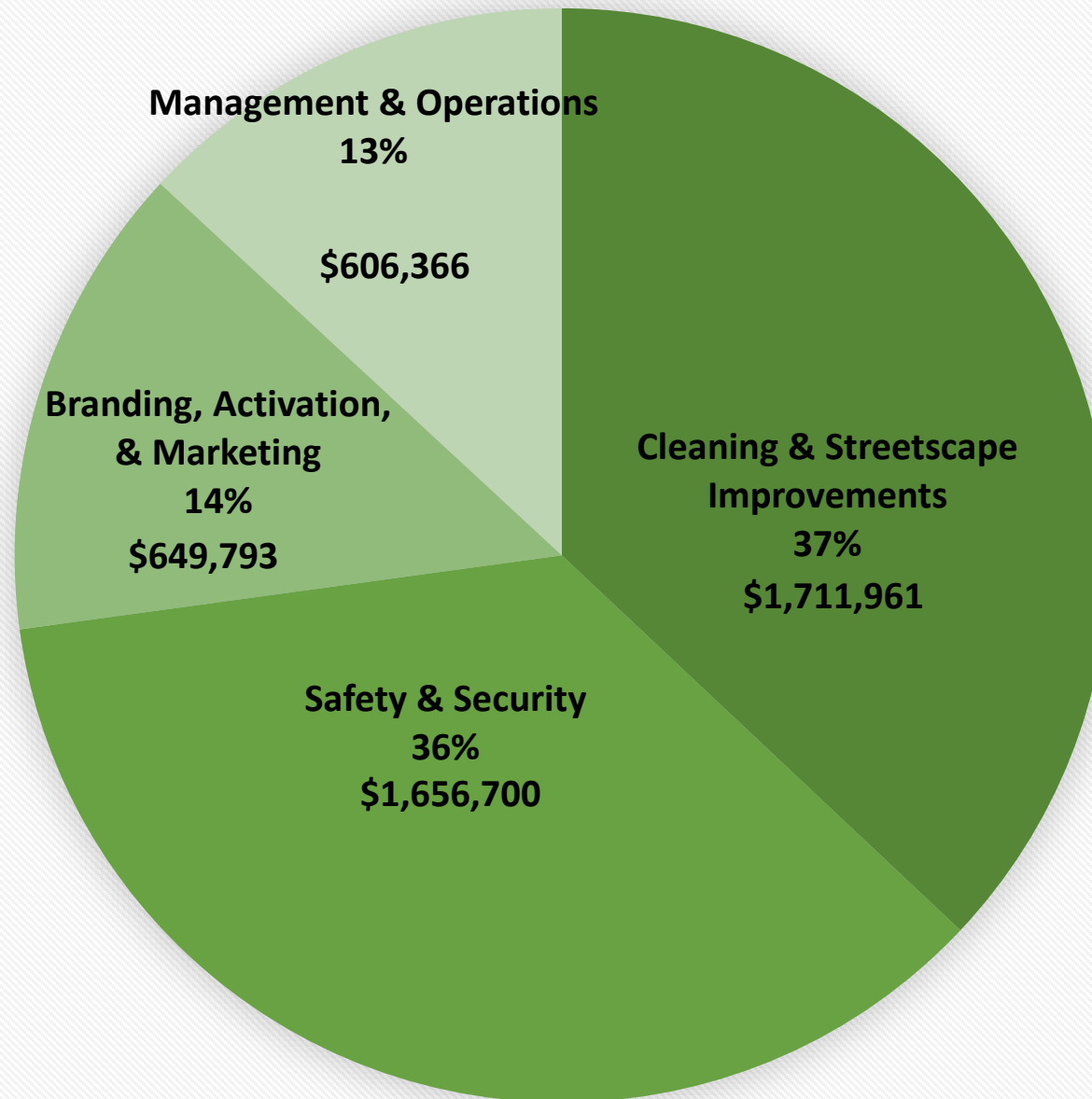
Community Support: Art & Joy



FY20-21 Actuals



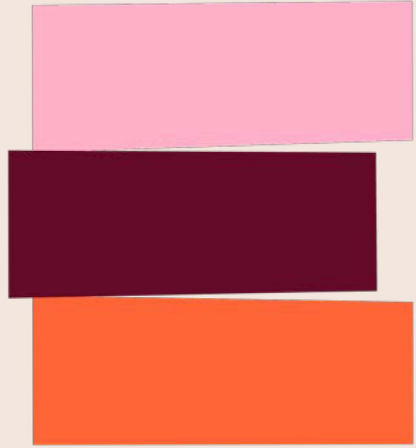
FY21-22 Budget





ybcbd.org
visityerbabuena.org





THE EAST CUT

Annual Report
Fiscal Year 20-21

Andrew Robinson
Executive Director



The East Cut CBD spans from the east side of Second Street to Steuart Street and from north of Mission to Bryant.

In FY20-21 there were 4,511 properties

Public Space Stewardship



24 HOURS SERVICES

Cleaning & Maintenance

5:30am - 10:00pm

Community Guides

5:30am - 10:00pm

Security

24 Hours

Dispatch Service

24 Hours

Telephone: 415-543-8223 Email:
dispatch@theeastcut.org

THE EAST CUT
COMMUNITY
BENEFIT
DISTRICT

dispatch@
theeastcut.org

415 543 8223



theeastcut.org

FY20-21 SERVICES STATS

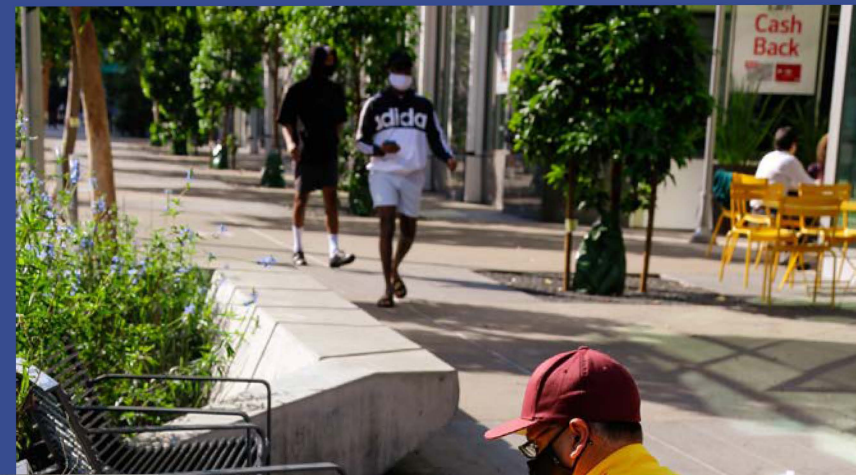
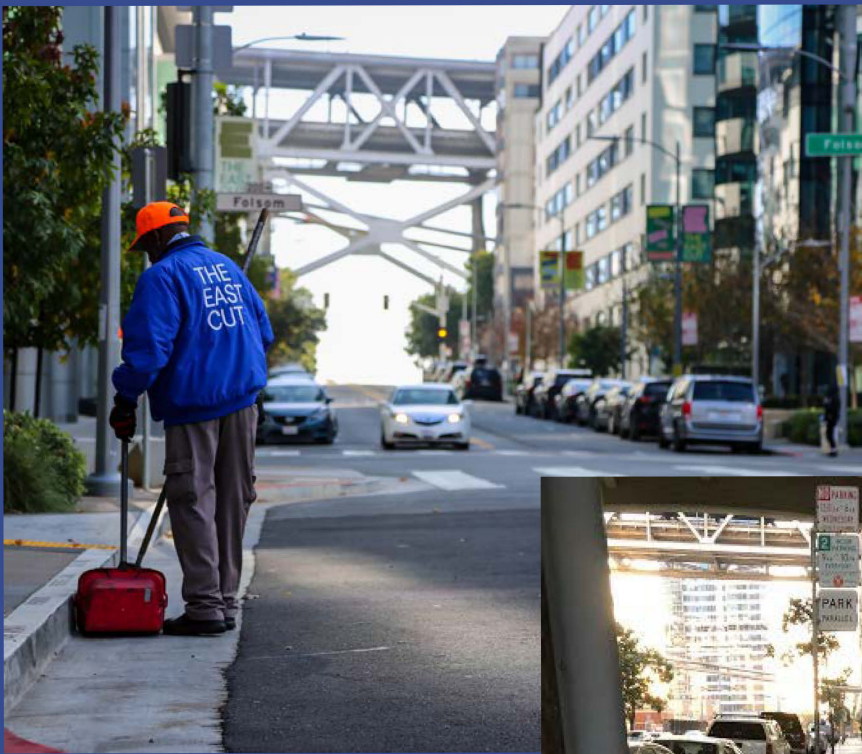
2,997 graffiti tags removed

1,101 needles collected

145,460 pounds of garbage removed

3,449 city trash cans topped off

3,187 instances of homeless outreach



Before

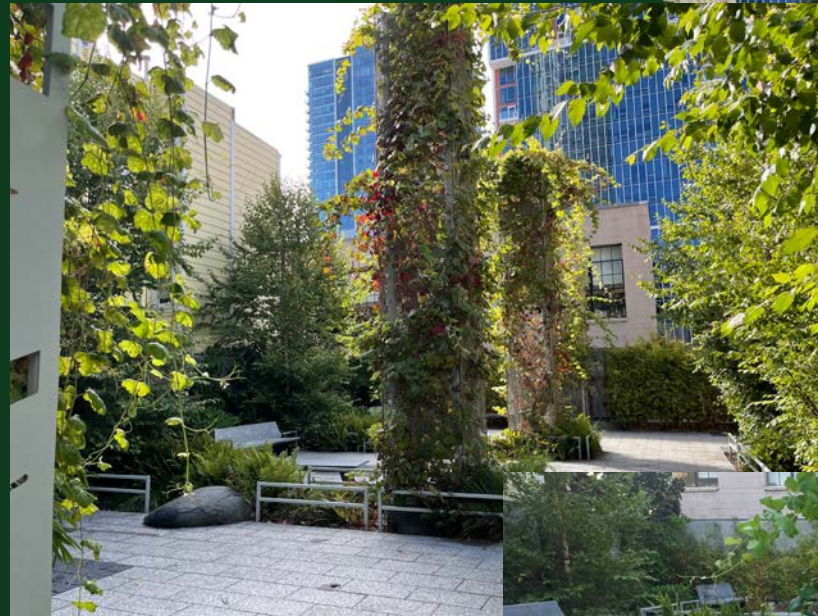
After

Neighborhood Parks & Open Spaces

The East Cut CBD will maintain 5 parks and open spaces (current and upcoming)

Emerald Park

Guy Place Mini Park



Salesforce Park



Future Parks:

Block 3 Park

CURRENT SITE PLAN

LEGEND

- A Flexible Tables & Chairs
- B Benches/Seating
- C Seatwalls
- D Boulders
- E Permeable Paving
- F Paving
- G Planting Areas

0' 5' 10' 30'

True North

SOMA North



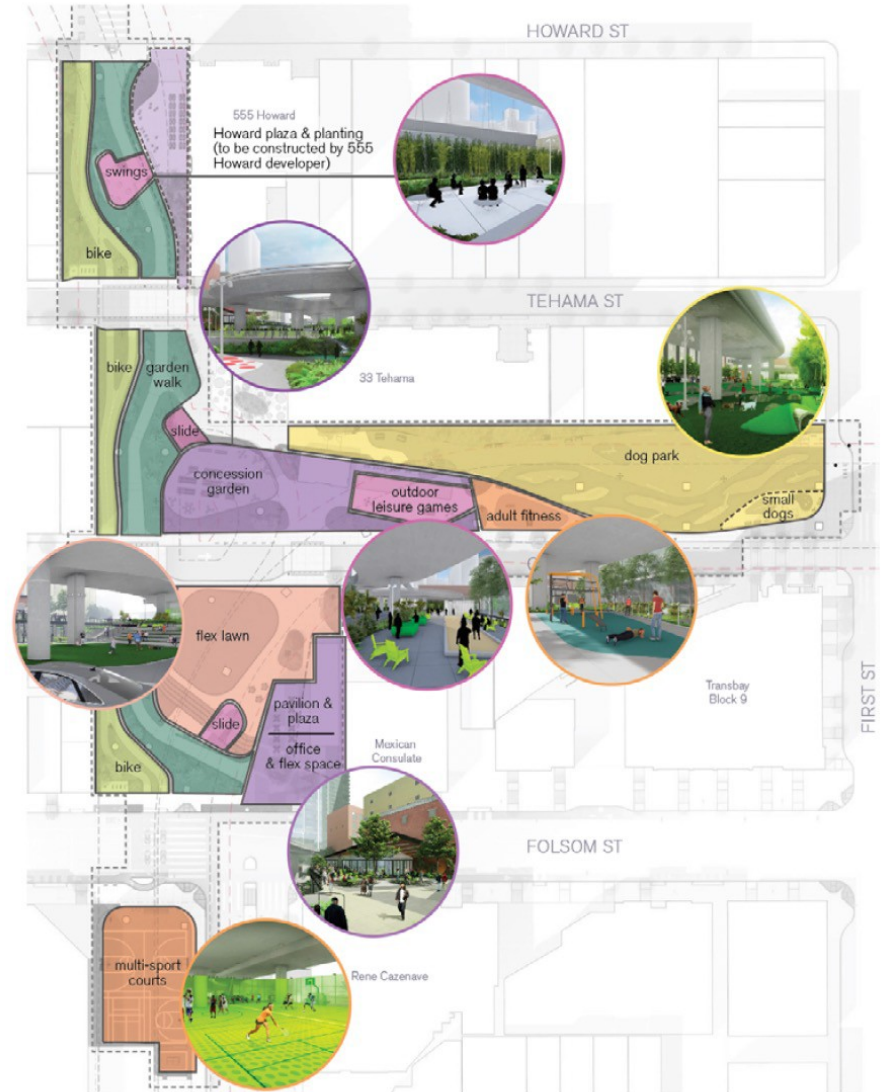
SITE DESIGN

-9-

BLOCK 3 PARK

CDR PHASE II | OCTOBER 2022

East Cut Sports & Dog Park



Community Building & Communications

The Crossing – an interim activation

Fitness & Recreation

- Outdoor gym
- Soccer

Food & Beverage

- Food Kiosks
- Beer Garden

Entertainment


- Outdoor cinema
- Events



Light Pole Banners




Newletters



THE EAST CUT


LOCAL BUSINESS HIGHLIGHTS & UPDATES



Proper Food Now Delivers 3 Days a Week in The East Cut

Get prepared meals, groceries, and other essential items delivered every Tuesday, Wednesday, and Friday (11am—12pm)! Orders must be placed by Monday 6pm.

[Order Now!](#)



La Fromagerie is Back!


Exciting news! La Fromagerie, your neighborhood cheese shop located at 100 1st St. has reopened yesterday!

Open Monday to Friday, 7am — 4pm.
[Order online](#)

Support Neighborhood Businesses

Neighborhood small businesses need your patronage now more than ever. Please take a moment to browse the list of businesses operating during the shelter-in-place order.

Food & Groceries



PURCHASE GIFT CARDS & SUPPORT

Neighborhood Info

MASKS FOR THE EAST CUT

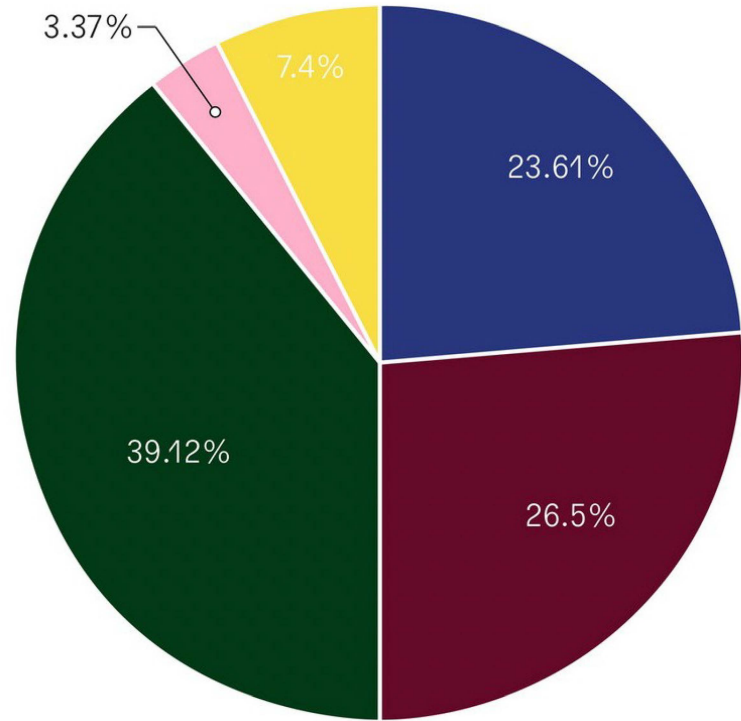




EAST
CUT
EATS



FY2020-2021 Budget



← FIG. 01

Public Safety	23.61%
Cleaning & Maintenance	26.5%
Parks & Greenspace	39.12%
Communications & Development	3.37%
Management & Operations	7.4%

Thank You!

Castro Community Benefit District July 2020 - June 2021

San Francisco Board of Supervisors Government & Oversight
Committee



CASTRO / UPPER MARKET
COMMUNITY BENEFIT DISTRICT

DISTRICT MAP



CBD Renewal July 2020

- Approved on July 14, 2020 with 72% of weighted assessments.
- 15 year life; services stop December 2035 if not renewed
- Focus of renewed CBD - CLEANING; added power washing and cleaning ambassador capacity with assessment dollars.
- Established zones to better align special benefit need with special assessment.
- Renewed CBD rolled out services January 1, 2021.

Priorities During the Pandemic

- Hub for distributing PPE to merchants across the district
- Litter, trash, graffiti, hazardous waste removal
- Wiping down high use street furniture
- Learning how to clean and power wash with businesses on sidewalk and then parklets
- Power washing
- Working with those living on the sidewalk

ACTIVE COMMITTEES

- ◆ Executive Committee
- ◆ Finance Committee
- ◆ District Identity & Streetscape Committee
- ◆ Services Committee
- ◆ Land Use Committee
- ◆ Retail Strategy Committee
- ◆ Castro Cares Leadership Team
- ◆ Renewal Committee


GRANTS

- ◆ OEWD Castro Cares
- ◆ OEWD Jane Warner Plaza Improvement
- ◆ OEWD Castro Corridor Manager

Cleaning Services



CLEANING UP IN FY 2020-21

- TRASH 91,435 pounds of trash removed
- GRAFFITI 10,224 incidences of graffiti abated - 31% 
- NEEDLES 4,652 dirty/hazardous needles collected
- CARDBOARD 25,676 yards of flattened cardboard
- HUMAN FECES 10,970 incidences human feces removed - 57% 

PUBLIC SAFETY – Patrol Special Police

- 5 Nights, 2 Days/Week (July 2020-December 2020)
 - Foot patrol and vehicle patrol
 - Assist merchants with public safety concerns
 - Refer unhoused to services, assist when in need
 - Call Ambulance for emergencies (generally quality of life related)
 - Respond to calls for service
 - Extra set of eyes and ears on the street

PUBLIC SAFETY/OUTREACH – Community Ambassadors

- Unarmed Foot Patrols 7 Days/Week
 - Assist with Farmer's Market
 - Check on those in need, offer support
 - Provide water, socks to those in need
 - Work closely with HSOC
 - Work with merchants, help merchants open up in morning
 - Respond to calls for service from merchants
 - Stand by for Cleaning Ambassadors when needed
 - Administer Narcan
 - Extra set of eyes and ears on the street

COMMUNITY AMBASSADORS AT WORK



THANK YOU!

ANNUAL REPORT

Fiscal Year 2021-2022

OCEAN AVENUE ASSOCIATION

The Ocean Avenue Community Benefit District consists of a 12-block retail business corridor in the southern part of San Francisco.

It is at the center of a quiet residential area easily accessible by BART, MUNI, 280 Freeway, Junipero Serra or 19th Avenue, and is a place of unity for businesses serving people of all backgrounds.



OCEAN AVENUE
ASSOCIATION

Intro

FY 2021-2022 was a time of great progress for OAA, for example:

- ★ We reviewed and updated our contracts.
- ★ We worked with Cleanscapes to make sure Ocean Avenue was clean and graffiti free.
- ★ We worked with DPW to add five trash cans at critical locations.
- ★ Our "*Respect New 20 MPH on Ocean Avenue*" prints were posted on windows of businesses, and our posters appeared on social media with politicians and law enforcement officers.
- ★ We developed and participated in a series of events to bring neighbors to Ocean Avenue.



Cleaning-Graffiti Data:

- ★ Trash Collected: 25,000 lbs.
- ★ Graffiti cleaned-up: 1,300 occurrences
- ★ Blocks power washed: 200
- ★ #311 Calls (big items removal): 340
- ★ Palm Trees Cleaned: 50
- ★ Other Trees Thinning: +/- 40
- ★ Feces cleaning: 600

By The Numbers

Spreading The Word

Marketing:

- ★ OAA developed a database of all businesses, and produced the Ocean Avenue Business Directory that can be found at multiple locations on Ocean Avenue,
- ★ OAA has increased its email list by 38% during the FY 21/22. Emails with Community Updates are sent out 2 to 3 times monthly.
- ★ OAA is active on Facebook, Twitter, and Instagram.
- ★ Posting happened 2 to 3 times weekly.
- ★ In FY 21/22, we showed a 300% increase in Instagram followers telling us that a young audience is very involved on Ocean Avenue.
- ★ We saw an average increase of 40% in Email / Facebook / Twitter / Instagram for FY 21/22.



San Francisco adopted a speed reduction of 5 MPH along Ocean Avenue, and:

- ★ OAA promptly started a public campaign to promote the new 20 MPH speed limit by passing window signs to businesses, stickers to kids, and posing at events with posters promoting the new speed limit of 20 MPH.
- ★ All intersections on the Ocean Avenue business corridor have a traffic light signal except at Granada.
- ★ OAA collected about 400 signatures asking our district supervisor to install a STOP sign on Ocean at Granada Avenue.

Street Safety

Examples:

- ★ Thanks to a grant from Paint the Void, a free temporary artwork was painted by artist Andrea Perreira on the front of the NEMS building (1441 Ocean) in January 2022.
- ★ Bows were installed on all palm trees of the district at the end of November 2021 giving a cheerful Holiday welcome to the visitors.
- ★ OAA worked with the property owner SFMTA to regularly steam clean the plaza. OAA also worked with their team to keep up the landscape around the plaza.

Beautification





Helping Merchants:

- ★ OAA has diligently encouraged businesses to apply for the Vandalism Relief Grant. An instruction pamphlet was designed in English/Chinese to help affected businesses.
- ★ OAA is working with the Office of Small Business to resolve ADA issues with retail stores who need to update their entrances to qualify for grants.
- ★ We worked with merchants that qualified for the OEWD Rent Relief Pilot Program.
- ★ In March 2022, our vacancy report showed a 25% vacancy. By June, this report showed vacancies had fallen to about 12%.

Business Assistance

Events and Activations

Examples:

- ★ “National Night Out”: a community-building that promotes police-community partnerships.
- ★ “Ocean After Hour”: a business owners & neighbors gathering (Jul, Aug & Sept 21); past Executive Director Dan Weaver was presented with a Mayor’s Proclamation.
- ★ “Open The Gate”: Ingleside Library Gateway Grand Opening in September 2021.
- ★ “MuSix September”: featured musicians on Ocean Avenue between Miramar and Faxon. Sponsors included Whole Foods Market (4 Gift Certificates), Ocean Paws/The Plant Lady.
- ★ “Gotta Love Ocean Avenue” Art Show: organized by community member Kate Favetti, OAA sponsored this well attended event in October 2021.



- ★ Community Cleanup of Unity Plaza on National Public Lands Day – with community volunteers, Whole Foods Market employees, OAA Board Directors & staff (Sept 2021). 25 bags of weeds and trash were collected.
- ★ 20 dedicated students from Lick-Wilmerding volunteered to clean-up the walkway known as 699 Ocean Avenue and collected 40 bags of trash and weeds.
- ★ A group of 15 students from Lick-Wilmerding volunteered to make noise on Ocean & Granada Avenues to make drivers aware of the new 20 MPH speed limit.
- ★ OAA sponsored the SF Turkey Drive who collects turkeys to feed the poor and homeless coming to St. Anthony's Dining Room to get fed.

Events and Activations



From the FY 20/21 Strategic Plan, the following accomplishments were made:

- ★ Board Member Handbook
- ★ Personnel Policies and Procedures
- ★ Financial Policies

Looking Forward

2022 and Beyond:

- ★ The process for the renewal of OAA started with the signing of the contract with the consulting firm NBS in July 2021.
- ★ The Renewal & Expansion working group met with new stakeholders including a Lakeside Village group, Mayor's Office of Housing and Community Development, Municipal Transportation Authority, Parks & Rec, and BART.

Looking Forward



Budget

o Comparing Totals FY 21/22 Budget

Service Category	Assessment \$	% of Budget from Assessment	Non-Assessment \$	% of Budget from Non-Assessment	Total Amount \$	% of Total Budget
Cleaning, Maintenance & Safety Program	\$192,155	45.03%	-	-	\$192,155	30.57%
Marketing, Streetscape Improvements & Beautification Program	\$88,945	20.85%	\$11,988	5.94%	\$100,933	16.05%
Management & Operations	\$130,560	30.60%	\$190,000	94.06%	\$320,560	50.99%
Contingency & Reserves	\$15,000	3.52%	-	-	\$15,000	2.39%
Total Budget	\$426,660	100%	\$201,988	100%	\$628,648	100%

o Comparing Totals FY 21/22 Actual

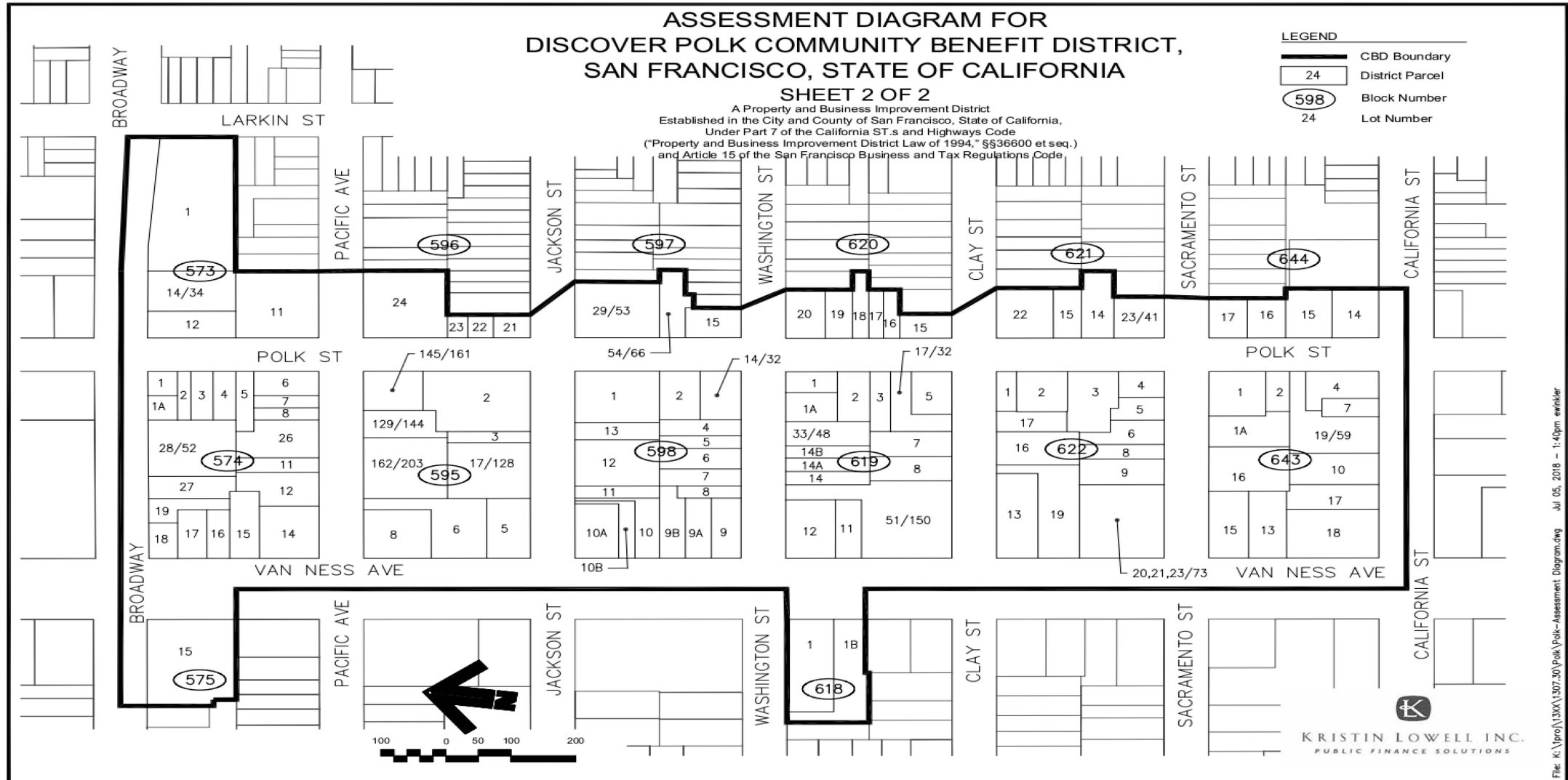
Service Category	Assessment \$	% of Budget from Assessment	Non-Assessment \$	% of Budget from Non-Assessment	Total Amount \$	% of Total Budget
Cleaning, Maintenance & Safety Program	\$190,882	55.56%	-	-	\$190,882	40.68%
Marketing, Streetscape Improvements & Beautification Program	\$41,380	12.05%	\$11,968	9.52%	\$53,348	11.37%
Management & Operations	\$111,255	32.39%	\$113,749	90.48%	\$225,004	47.95%
Contingency & Reserves	-	-	-	-	-	-
Total Budget	\$343,517	100%	\$125,717	100%	\$469,234	100%



Annual Report Highlights – FY 20/21



District Map - 535 total parcels



Executive Summary

- Due to COVID-19, DPCBD dedicated much of its time and resources toward helping the district weather the pandemic's impacts, and FY 20/21 very much fits that description. Mainly this entailed supporting our StreetPlus cleaning crews, addressing the myriad needs and questions from the merchant community, and continuing to respond to the concerns of residents and property owners.
- Overall, FY 20/21 was an opportunity for the value of DPCBD to be shown in full effect to local stakeholders, and we believe that we emerged from this FY stronger, better organized, and ready to take on the challenges of the next year.

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

Month	Animal Feces	Graffiti removed	Needles (# needles removed)	Sidewalk Sweeping	Pressure Washing-block faces cleaned
20-Jul	77	49	10	826	0
20-Aug	13	18	14	135	0
20-Sep	94	57	35	1906	28
20-Oct	27	31	14	574	86
20-Nov	77	77	11	722	64
20-Dec	110	24	17	1117	69
21-Jan	139	247	13	1404	47
21-Feb	157	13	7	969	38
21-Mar	106	10	2	687	50
21-Apr	142	27	14	1051	27
21-May	43	46	0	329	46
21-Jun	100	42	7	936	42
Total	1085	641	144	10656	497

Budget

FY 2020-21

REVENUE AND SUPPORT

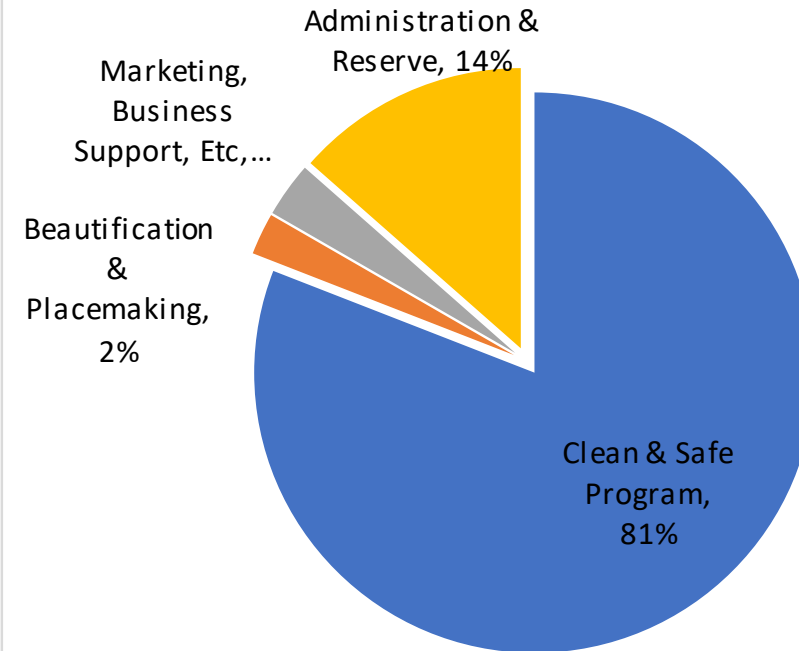
Assessments	654,820
Fundraising/In-Kind	37,000
Interest Income	0
TOTAL REVENUE AND SUPPORT	691,820

EXPENSES

Clean & Safe Program	432,713
Beautification & Placemaking	12,882
Marketing, Business Support, Etc	16,950
Administration & Reserve	72,235
TOTAL EXPENSES	534,779

* Financial data from the audited financial statements.

FY 2020-2021 budget



Statement of Operations (Actual vs. Budget)

for the fiscal year ended June 30, 2021

	Actual	Budget	Variance Positive/(Negative)
REVENUE AND SUPPORT			
Assessments	636,322	654,820	(18,498)
Fundraising/In-Kind	18,745	37,000	(18,255)
Interest Income	0	0	0
TOTAL REVENUE AND SUPPORT	655,067	691,820	(36,753)
EXPENSES			
Clean & Safe Program	341,853	416,713	74,860
Beautification & Placemaking	44,564	12,882	(31,682)
Marketing, Business Support, Etc	27,260	16,950	(10,310)
Administration & Reserve	88,812	72,235	(16,577)
TOTAL EXPENSES	502,488	518,779	16,291
Change in Net Assets	152,579	173,041	(20,462)
Prior Year Net Assets (Carryover)	653,788	653,788	0
TOTAL NET ASSETS	806,367	826,830	(20,462)

Statement of Financial Position	
As of 06/30/2021	
ASSETS	
Cash and Cash Equivalents	815,733
Assessment and Other Receivables	16,907
Prepaid Expenses	3,000
Equipment, net	8,467
TOTAL ASSETS	844,107
LIABILITIES & NET ASSETS	
LIABILITIES	
Accounts Payable	37,740
TOTAL LIABILITIES	37,740
NET ASSETS	
Without Donor Restrictions	794,704
With Donor Restrictions	11,663
TOTAL NET ASSETS (CARRYOVER)	806,367
TOTAL LIABILITIES & NET ASSETS	844,107

Financial Notes

Benchmark 1 – Budget Vs Management Variance

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

Expense

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

Clean & Safe

- Clean & Safe expenses are significantly under the budget by \$74,860 due to understaffing issues at StreetPlus mostly related to the COVID-19 crisis.

Beautification & Placemaking

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

Marketing & Business Support

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

Admin & Reserve

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

Carryover Status

- DPCBD has a carryover of \$806,367

Other Notable Items

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

Conclusion

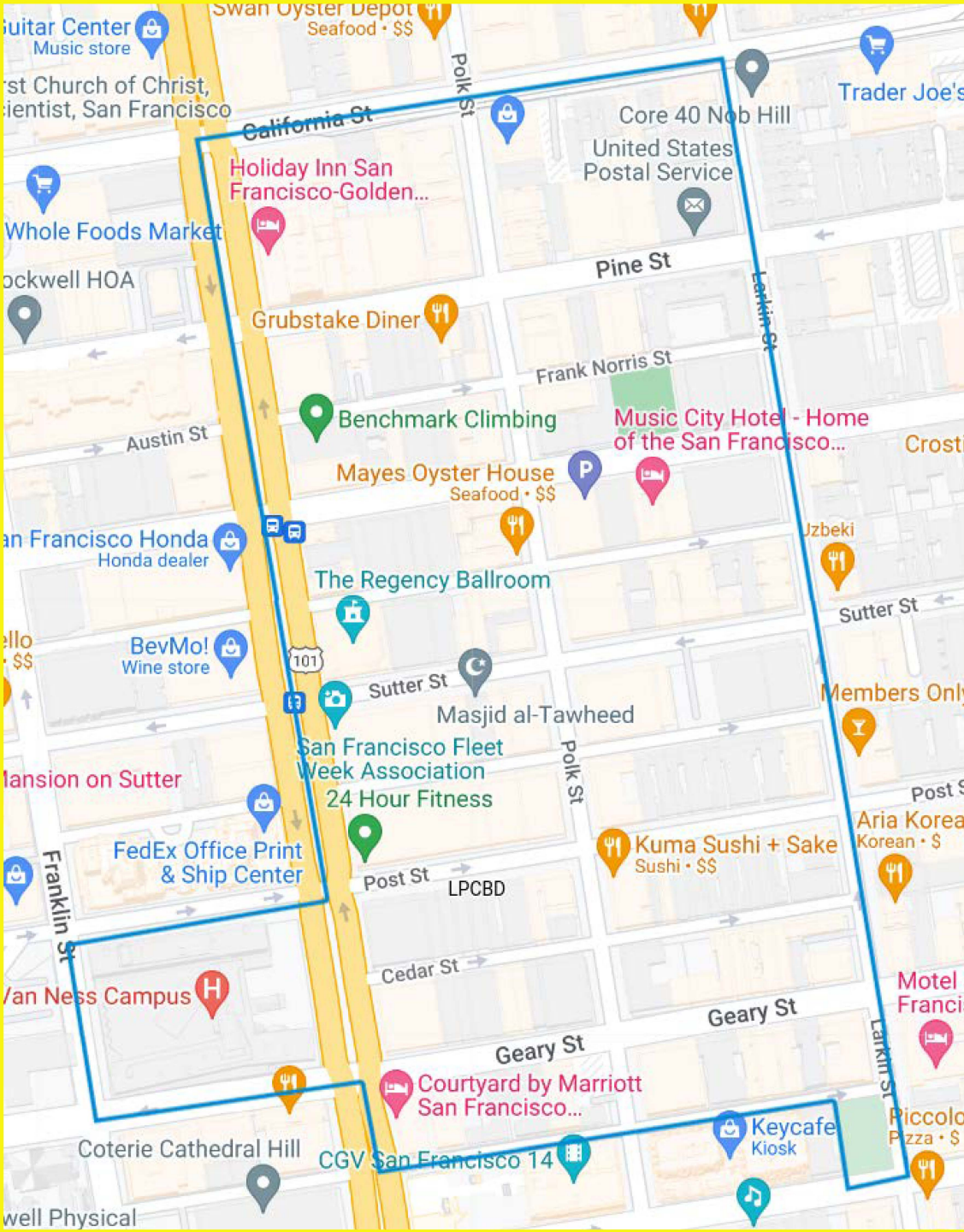
2020/2021 was the FY where Discover Polk fully came into its own. We were extremely fortunate that our assessments came in at (or very near to) budget. We managed to stay within budget while still keeping ample reserves due to COVID related risks.



• LOWER POLK •

COMMUNITY BENEFIT DISTRICT

2020-2021 Annual Report



The Lower Polk CBD encompasses 22 whole or partial blocks on lower Polk street. It is a diverse and challenging District, due to its proximity to the Tenderloin, and to the high traffic Van Ness corridor.

Yet, even during a continued period of great challenge and change, the members of our local, diverse, and active Board of Directors continued to collectively demonstrate outstanding leadership and commitment to our unique and vibrant District.



In 2020-2021:

We lessened the effects of COVID-19 on our District and constituents by continuing to increase District cleaning and sanitizing public fixtures.

We maintained the health and safety of our team by training people to use personal protective equipment and seeing to it that they use it.

We helped merchants hurt by the pandemic through additional business support services and our award-winning Lower Polk Tenant Landlord Clinic.

We helped renters affected by the pandemic through our Lower Polk Tenant Landlord Clinic.



We elected new board members, new officers and community chairs, and renewed the terms of current board members.

We kept up with new developments in the Lower Polk District and their effect on vitality, community, and other issues.

We stayed involved in leadership positions with many community and City organizations, including Lower Polk Neighbors



With respect to finance and fund development:

We completed our organizational annual audit and received an unmodified opinion, which shows approval.

We received a PPP Loan to assist in operations.

We reviewed organizational investments.

We reviewed organizational insurance.

We prepared budget projections.

We continued to:

Sweep and steam clean District sidewalks. Address graffiti.

Clean and weed tree wells.

Monitor public trash receptacles and report large items to the City for removal.

Add more members of the LPCBD Clean Team and conduct training sessions.

Carry out performance measures and goals for neighborhood cleanliness.

Analyze service trends over time to better understand the geographic distribution

We continued to:

Work with the San Francisco Police Dept. to address issues around safety.

Work with the Department of Homelessness and Supportive Housing.

Use ambassador staff to report areas that need to be cleaned, provide directions and information about the neighborhood and serve as an additional set of eyes to report safety issues.

Participate in multiple neighborhood safety and security groups to discuss and take action on issues and trends, with a special focus on our Lower Polk alleyways.

Work with the City on potential policies concerning empty storefronts.



And we continued to:

Collaborate with the Dept. of Public Health to address the unhoused and the neighborhood street population.

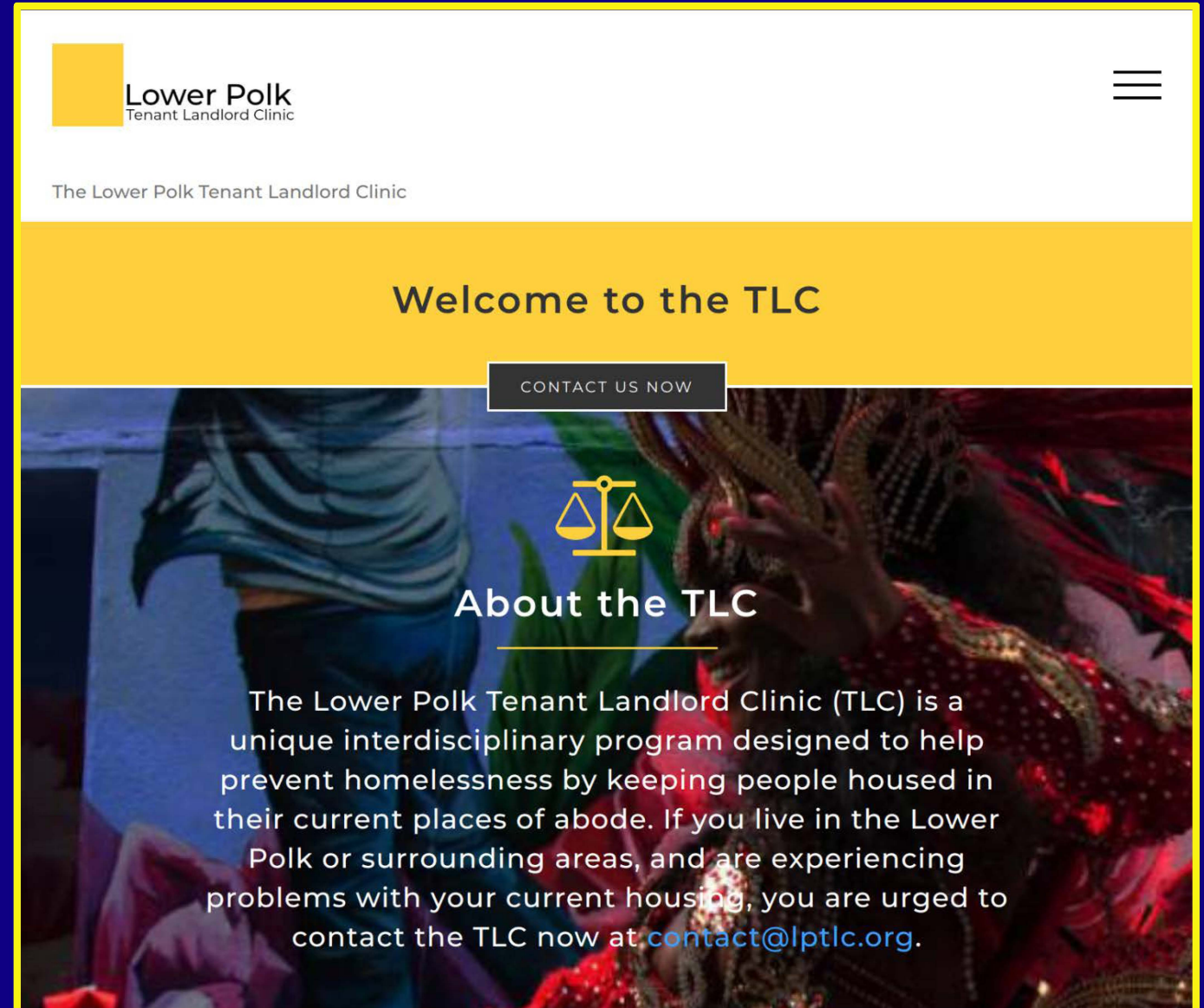
Attend numerous neighborhood association meetings and coordinate additional constituent meetings to discuss LPCBD outreach services, address specific concerns and create action plans.

Operate the award-winning Lower Polk Tenant Landlord Clinic.



The Lower Polk Tenant Landlord Clinic (TLC) is a unique interdisciplinary program designed to keep residential tenants and small businesses stably sited. It works with people who live in the Lower Polk or surrounding areas, or operate a small business in the Lower Polk or surrounding areas.

Its coalition members include the Bar Association of San Francisco and UC Hastings.



Lower Polk
Tenant Landlord Clinic

The Lower Polk Tenant Landlord Clinic

Welcome to the TLC

CONTACT US NOW

About the TLC

The Lower Polk Tenant Landlord Clinic (TLC) is a unique interdisciplinary program designed to help prevent homelessness by keeping people housed in their current places of abode. If you live in the Lower Polk or surrounding areas, and are experiencing problems with your current housing, you are urged to contact the TLC now at contact@lptlc.org.

Budget

FY 2021-22

REVENUE AND SUPPORT

Assessments	982,784
Grants	173,102
Contributions	57,199
Interest	0
TOTAL REVENUE AND SUPPORT	1,213,085

EXPENSES

Cleaning, Maintenance, and Safety	666,154
Marketing, Streetscape, and Beautification	290,782
Management and Operations	217,527
TOTAL EXPENSES	1,174,463

DEFICIT	38,622
----------------	---------------

Statement of Financial Position

As of 06/30/2021

ASSETS

Cash and Cash Equivalents	971,211
Grants Receivables	156,497
Assessment and Other Receivables	26,519
Prepaid Expenses	34,269
Equipment, net	128,090
TOTAL ASSETS	1,316,586

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	141,197
Accrued Liabilities	56,810
Unearned Revenue	18,750
CARES Act PPP Loan	366,834
TOTAL LIABILITIES	583,591

NET ASSETS

Without Donor Restrictions	706,226
With Donor Restrictions	26,769
TOTAL NET ASSETS (CARRYOVER)	732,995
TOTAL LIABILITIES & NET ASSETS	1,316,586



BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Kate Sofis, Director, Office of Economic and Workforce Development

FROM: Jessica Perkinson, Assistant Clerk, Government Audit and Oversight
Committee, Board of Supervisors

DATE: July 27, 2022

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Matt Dorsey on July 19, 2022:

File No. 220859

Resolution receiving and approving an annual report for the Yerba Buena Community Benefit District for Fiscal Year (FY) 2020-2021, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, *et seq.*), Section 36650, and the District's Management Agreement with the City, Section 3.4.

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

cc: J'Wel Vaughan, Office of Economic and Workforce Development
Anne Taupier, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor inquiries"
- 5. City Attorney Request.
- 6. Call File No. from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the BOS on

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

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

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

Sponsor(s):

Subject:

The text is listed:

Signature of Sponsoring Supervisor: