

BOARD of SUPERVISORS



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

MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller
Joaquin Torres, Director, Office of Economic and Workforce Development

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

DATE: November 4, 2020

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Haney on October 27, 2020:

File No. 201222

Resolution receiving and approving an annual report for the Central Market Community Benefit District for calendar year 2018, 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 comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Office of Chair Mar
Office of Supervisor Haney
Todd Rydstrom, Office of the Controller
J'Wel Vaughan, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development
Chris Corgas, Office of Economic and Workforce Development

1 [Central Market Community Benefit District - Annual Report - CY2018]

2

3 **Resolution receiving and approving an annual report for the Central Market Community**
4 **Benefit District for calendar year 2018, submitted as required by the Property and**
5 **Business Improvement District Law of 1994 (California Streets and Highways Code,**
6 **Sections 36600, et seq.), Section 36650, and the District’s management agreement with**
7 **the City, Section 3.4.**

8

9 WHEREAS, On September 12, 2006, pursuant to the Property and Business
10 Improvement District Law of 1994 (the “Act”), California Streets and Highways Code,
11 Sections 36600 *et seq.*, as augmented by Article 15 of the San Francisco Business and Tax
12 Regulations Code, the Board of Supervisors adopted Resolution No. 519-06, expressing the
13 City’s intention to establish the Central Market Community Benefit District (the “Central Market
14 CBD”); and

15 WHEREAS, On October 31, 2006, the Board of Supervisors adopted Resolution
16 No. 631-06 establishing the Central Market CBD ("Resolution to Establish") for a period of 7
17 years, commencing FY2006-2007; and

18 WHEREAS, On June 19, 2007, the Board of Supervisors adopted Resolution
19 No. 313-07, authorizing an agreement with the owners' association for the
20 administration/management of the Central Market CBD, and a management agreement (the
21 “Management Contract”) with the owners' association, the Central Market 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. 070673; and

25

1 WHEREAS, On July 23, 2013, the Board of Supervisors adopted Resolution No.
2 a264-13 renewing and expanding the Central Market CBD for a period of 15 years,
3 commencing with FY 2013-2014; and

4 WHEREAS, On February 4, 2014, the Board of Supervisors adopted Resolution
5 No. 019-14, authorizing an agreement with the owners' association for the
6 administration/management of the Central Market CBD, and a management agreement (the
7 "Management Contract") with the owners' association, the Central Market Community Benefit
8 District Corporation, was executed accordingly; and

9 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
10 of Supervisors in File No. 140038; and

11 WHEREAS, On October 29, 2019, the Board of Supervisors approved the Central
12 Market CBD's annual reports for calendar year 2017 in Resolution No. 467-19; and

13 WHEREAS, The Central Market CBD has submitted for the Board's receipt and
14 approval the Central Market annual report for calendar year 2018 as required by
15 Section 36650 of the Act and Section 3.4 of the Management Contract; and

16 WHEREAS, The 2018 annual report is on file with the Clerk of the Board of
17 Supervisors in File No. 201222, and are incorporated herein by reference as though fully set
18 forth; and

19 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
20 memorandum report from the City's Office of Economic and Workforce Development, dated
21 October 23, 2020, and documentation from the Central Market CBD for the 2018 annual
22 report are on file with the Clerk of the Board of Supervisors in File No. 201222; now, therefore,
23 be it

24 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
25 reports for the Central Market Community Benefit District for calendar year 2018.



central market community benefit district
2018 Annual Report

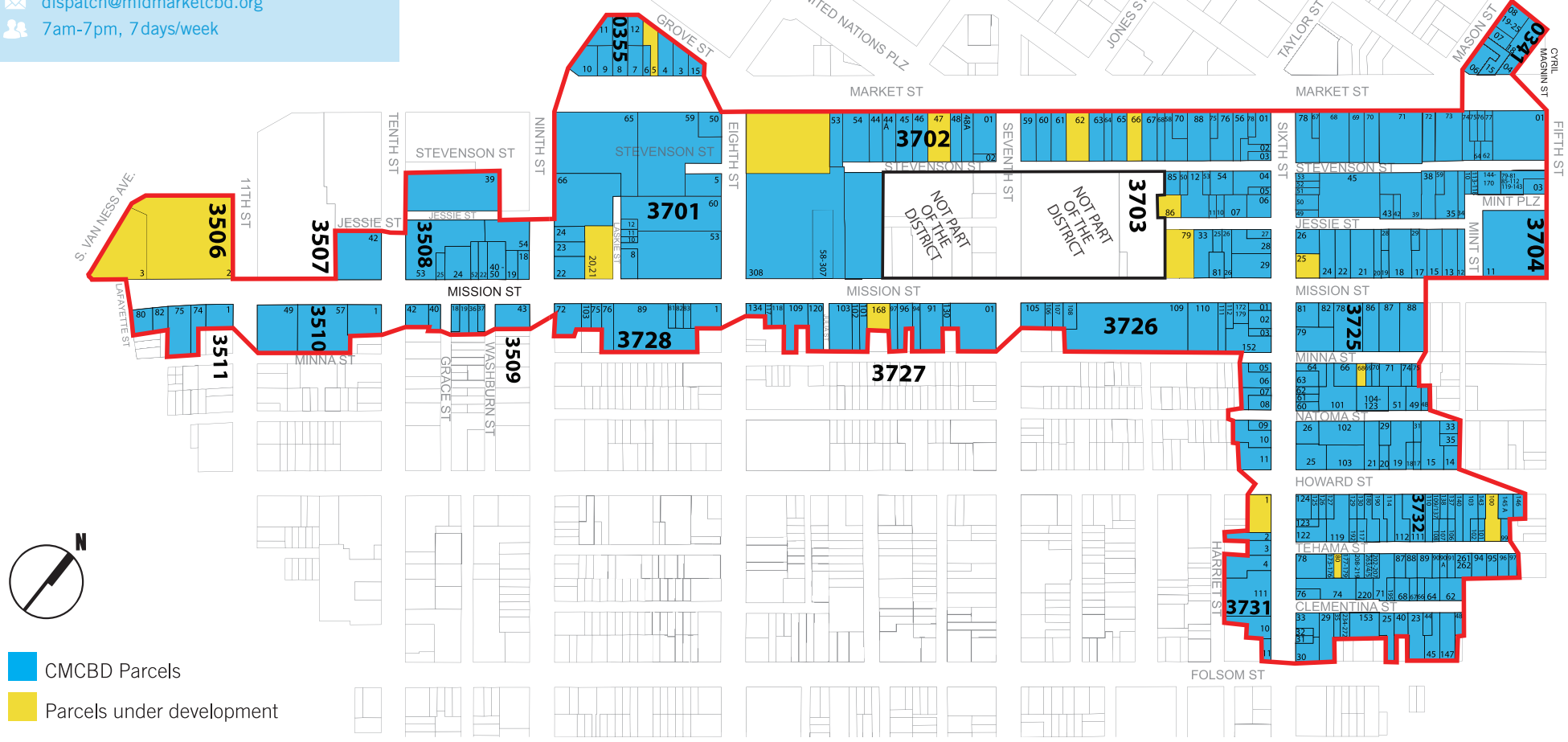


Photo courtesy of: Bruce Damonte

THE DISTRICT

CMCBD Dispatch

415.543.5223
 dispatch@midmarketcbd.org
 7am-7pm, 7 days/week



Centrally located along Market Street, our District's 98 acres include parts of Civic Center, SOMA, Tenderloin and Union Square neighborhoods. With over 900 existing parcels and several new residential and commercial real estate development projects underway, we are one of San Francisco's most dynamic property-based improvement Districts. Home to two of downtown San Francisco's busiest transit stations—Powell Street and Civic Center—early morning commuters, late night theater-goers, residents and international tourists enjoy convenient access to the City's Municipal Railway (Muni) and Bay Area Rapid Transit (BART).

The heavily-trafficked area requires balancing the needs of the District with a specialized approach and great attention to detail. CBD services were key in 2018. Sidewalks and storefronts continued to endure the impacts of real estate development sites (active and not) and requests for pedestrian safety and social service interventions remained significant. In addition to dispatching crews 7am to 7pm 7 days a week, the CBD continued to ensure the City fulfilled its contractual obligation to maintain baseline cleaning, maintenance and public safety services. Economic Development efforts included the attraction and retention of businesses and non-profit organizations, and marketing and promotional activities that illuminated the District's robust amenities. The following pages contain the year's programming highlights, initiatives and outcomes.

Please visit our website for more current and in depth information at midmarketcbd.org



CLEANING & MAINTENANCE

CLEAN TEAM

While Public Works is responsible for street maintenance and street trees, property owners are responsible for sidewalk maintenance.¹ CBD's Clean Teams maintain sidewalks and public plazas, handling issues such as litter, graffiti and spills on behalf of property owners.

¹ For more information on property owners' sidewalk maintenance responsibilities please visit these links:

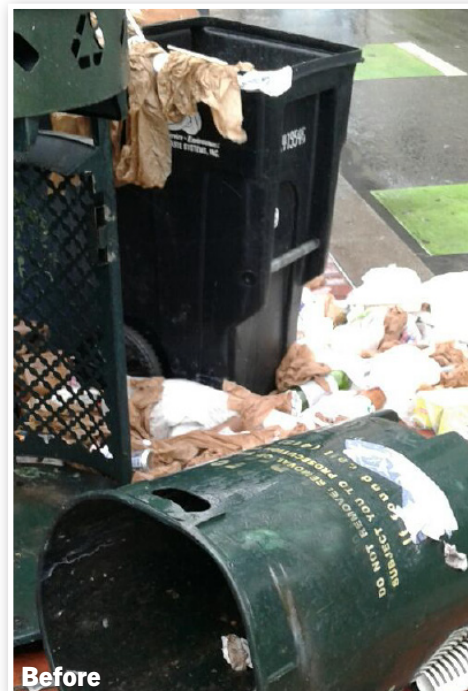
- California SHC 5610
- SF Controller's Office
- SF Better Streets

Our Clean Team works diligently to maintain the sidewalks to ensure a safer and more user-friendly passage through the District. Clean sidewalks benefit everyone – the disabled, visually impaired, children, seniors, employees, customers, pets and visitors to our District. Clean sidewalks and public spaces also reduce instances of vandalism and predatory behavior such as drug dealing and solicitation.

CBD efforts to improve the quality of life for everyone in the public realm are highlighted on the CBD | GBD | BID | TID CONSORTIUM (sfbidconsortium.org) web page and acknowledged by our City agency partners, social service agency partners and most importantly those who benefit from our services.

BIGBELLY TRASH CANS

We recently installed new Bigbelly "smart" refuse collection units that are instrumental in keeping the District cleaner. They also reduced dumping, leaks and spills, and deterred rummaging.



PUBLIC SAFETY



Ambassador mental health, first aid and HSOC training



Newly elected Mayor Breed tours District problem areas

COMMUNITY AMBASSADORS

Ambassadors provide hospitality and way-finding support for pedestrians. They also serve as eyes and ears on the street, proactively deterring crime and addressing anti-social behavior. CBD Ambassadors are also trained social service outreach workers, able to assist people in need of housing or social service support.

CBD Ambassadors help reduce unnecessary calls to the local Police and Fire Departments by being able to serve as first responders. They have the ability to assess situations and determine the proper course of action without having the authorities involved. Their presence results in more appropriate and effective help for individuals and provides cost-savings for San Francisco taxpayers.

SAFETY TEAMS

CBD Safety Teams consist of an SFPD Officer and a CBD Ambassador. The Safety Teams proactively walk the District offering directions and information, deterring crime and addressing health and safety concerns. They consistently work to meet and get to know people in the community, building trust and strengthening communication. Merchants, residents and visitors greatly appreciate the Safety Teams and feel safer when they are working. The co-responder model helps to ensure the appropriate response to varying situations, because not all anti-social behavior requires police attention.



"CBD cameras are excellent and we are able to obtain video quickly when we investigate a crime. We have identified and arrested many suspects as a result."

- San Francisco Police Department

SECURITY CAMERAS

- CBD operates a network of cameras
- Cameras are a proactive deterrent to illegal activity
- Cameras provide necessary evidence for the prosecution of crimes
- A network of cameras is more effective than a few isolated cameras
- CBD is the point of contact for video requests from law enforcement



ECONOMIC DEVELOPMENT

BUSINESS ATTRACTION, RETENTION & EXPANSION

We work to ensure the District is home to a diverse and vibrant mix of distinctive retail establishments. A list of ground-floor retail [spaces for lease](#) throughout the District is available on our website. The CBD helps vet and connect prospective tenants with landlords, conducts tours of the neighborhood and arranges showings. Staff also provide linkages to leasing assistance, access to capital and City-sponsored economic development incentives, permitting, construction and staffing resources.

NEW DISTRICT BUSINESS IN 2018 INCLUDED:

- The Argentum Project
- Chanvi
- Grilled Cheez Guy
- The Rumpus Room
- Bamboo Asia
- City Beer Store
- La Cuisine
- Thrasher
- Bird Song
- Falafelland
- One Dome
- The Board
- Fed Ex
- Peet's Coffee

OTHER NEW DEVELOPMENTS, NON-PROFIT ORGANIZATIONS AND PUBLIC REALM CHANGES:

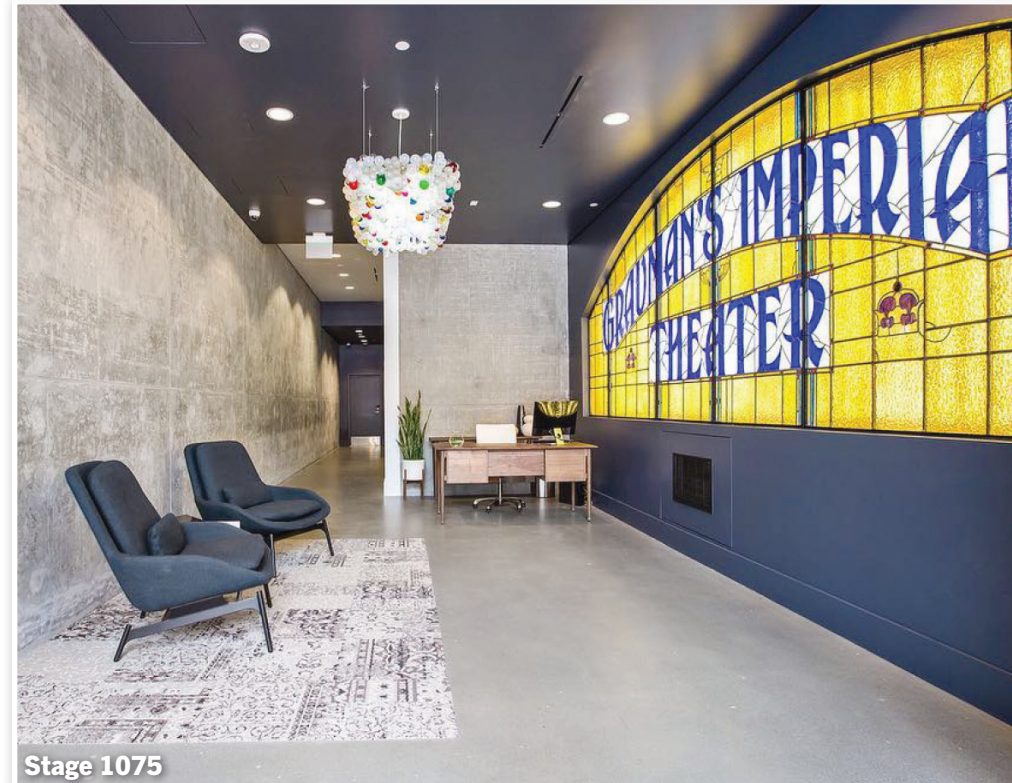
- 1400 Mission
- Bill Sorro Community
- Native American Clinic
- BART Canopies
- Compass Family Resources
- Stage 1075



BART Canopy



City Beer Store



Stage 1075

1177 Market Street

**WHOLE
FOODS**
MARKET

Future site
Opening in 2021
55,000 SF

Check out our other Mid Market Developments:
<https://www.midmarketcbd.org/developments-and-projects/>



**GOLDEN BRICK
AWARD**



Ralph Lee 1982



2018 Recipient: Ralph Lee

Ralph Lee is a 40+ year veteran of the hospitality industry who served as General Manager and Regional Director for hotel companies Prime Hospitality, Sage Hospitality Resources, and Village Resorts in the United States. He served as General Manager of Mid Market's Hotel Whitcomb from 1995 to 2018. His passion to preserve San Francisco's history paved the way for Hotel Whitcomb's inclusion in the National Trust Historic Hotels of America. His efforts returned the hotel to its original name and stature dating back to its days as a temporary City Hall from 1912 to 1915 after the devastation of the original City Hall in the 1906 earthquake. He has fulfilled numerous leadership roles in the hotel industry and has been recognized by Mayor Brown, Mayor Newsom, and Mayor Lee for his involvement in serving the community. Ralph was awarded the Hotel Hero Lifetime Achievement Award in the category of Hotel Executive in 2007 and the Peter Goldman Award of Excellence in 2010.

In addition to his 11 years of service on the CBD's Board of Directors, Ralph always volunteered his time in the community for the betterment of San Francisco and has always wanted to see Mid Market successful for all businesses.



Ralph Lee with Mayor Ed Lee



Kevin Carroll with the Hotel Council of San Francisco and San Francisco Supervisor Jane Kim



San Francisco Supervisor Matt Haney and Group i's Joy Ou congratulate Ralph Lee at the Golden Brick Award ceremony in December.



Ralph Lee 2015

STATS



5,592
Graffiti Tags
Removed



40,678
Linear Feet of
Sidewalk Pressure
Washed Quarterly



614
Social Service
Interventions

854
Human/Animal
Waste Clean-Ups



ASSESSMENT METHODOLOGY

The method of apportioning benefit to parcels within the District reflects the proportional special benefit assigned to each property from the District services, activities and improvements based upon the various property characteristics for each parcel. Each parcel's linear street frontage, lot square footage, building square footage, and use have been used as the primary assessment variables for the benefit point calculation and assignment of parcel factors. Details of the annual assessment calculation are in the District Management Plan at midmarketcbd.org

QUARTERLY RECAPS

Staff produces Quarterly Recaps highlighting service statistics, information, news, events and achievements in and around the District. These comprehensive recaps are sent via email to stakeholders and are available online at midmarketcbd.org/resources/recaps. Visit this portion of the site to also see what properties were featured in the 2018 "District Beauty" section. To submit a photo for recognition in future District Beauty sections of the Recaps please send it via email with a title to: info@midmarketcbd.org

| INCOME | BUDGET | ACTUAL |
|--|----------------|----------------|
| Assessments | \$1,462,796.00 | \$1,463,364.92 |
| Non-Assessment/ Fundraising/In-Kind/ Interest | \$442,813.70 | \$460,270.95 |
| Total Income | \$1,905,609.70 | \$1,923,635.87 |

| EXPENSE | BUDGET | ACTUAL |
|---|----------------|----------------|
| Cleaning & Maintenance | \$440,966.40 | \$440,522.07 |
| Public Safety | \$484,224.88 | \$477,244.98 |
| Management and Economic Development | \$479,688.74 | \$440,767.35 |
| Non-Assessment Expense: Fundraising/ In-Kind Expense | \$442,414.22 | \$443,338.73 |
| Total Expense | \$1,847,294.24 | \$1,801,873.13 |

| ASSETS | ACTUAL |
|---------------------------|----------------|
| Cash and Cash Equivalents | \$1,844,834.30 |
| Accounts Receivable | \$133,266.89 |
| Security Deposits | \$2,590.00 |
| Total Assets | \$1,980,691.19 |

| LIABILITIES | ACTUAL |
|-------------------|----------------|
| Accounts Payable | \$124,155.40 |
| Accrued Expenses | \$85,298.58 |
| Deferred Revenue | \$897,214.59 |
| Total Liabilities | \$1,106,668.57 |

| NET ASSETS | ACTUAL |
|--------------------------------|----------------|
| Unrestricted | \$874,022.62 |
| Total Liabilities & Net Assets | \$1,980,691.19 |

| CARRY OVER | ACTUAL |
|-----------------------|--------------|
| Contingency & Reserve | \$595,713.67 |
| Net Assets | \$278,308.95 |
| Total Carry Over | \$874,022.62 |

FINANCIALS



Board of Directors

Philip Gerrie

SF Friends Meeting House

David Harrison

Patson Company

Sara McGhie

Alonzo King LINES Dance Center

Shelley Orlando

Hudson Pacific Properties

Dipak Patel

Property Owner

Kyle Pickett

Property Owner

Jim Sangiacomo

Trinity Properties/Trinity Management

Matt Semmelhack

Mercer Restaurant Group

Brian Smith

Huckleberry Bicycles

Jane Weil

Resident

Bill Whitfield

Shorenstein Realty

901 Market Street, Suite 490 | San Francisco, CA 94103 | (415) 957-5985 | info@midmarketcbd.org | midmarketcbd.org

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

| SA 66 - Central Market | | 2018 | | | | | | | | |
|--|------------------------|------------------------|--|----------------|------------------------|-------------------------|---------------------------|----------------|----------|--------|
| Service Category/Budget Line | Management Plan Budget | Management Plan Budget | Amt. from Gen. Benefit (if applicable) | % of Budget | CY 2018 BUDGET | General Benefit Dollars | CY 2018 ASSESSMENT BUDGET | % of Budget | Variance | Source |
| SA 66 - Central Market CBD - Public Safety | | \$ 431,382.73 | | 35.20% | \$ 484,224.88 | | | 33.09% | -2.11% | |
| SA 66 - Central Market CBD - Cleaning and Maintenance | | \$ 352,000.00 | | 28.72% | \$ 440,966.40 | | | 30.14% | 1.41% | |
| SA 66 - Central Market CBD - Management and Economic Development | | \$ 300,885.66 | | 24.55% | \$ 479,688.74 | | | 32.78% | 8.23% | |
| SA 66 - Central Market CBD - Contingency and Reserve | | \$ 141,165.24 | | 11.52% | \$ 58,315.46 | | | 3.99% | -7.53% | |
| | | | | | \$ - | | | | | |
| | | | | | \$ - | | | | | |
| TOTAL | \$ - | \$ 1,225,433.63 | | 100.00% | \$ 1,463,195.48 | \$ - | \$ - | 100.00% | | |

BENCHMARK 2: General Benefit Requirement

3.68%

| Revenue Sources | CY 2018 Actuals | % of actuals | Source |
|---|------------------------|----------------|--------|
| Assessment Revenue | \$ 1,463,365.00 | | |
| Total Assessment (Special Benefit) Revenue | \$ 1,463,365.00 | 76.08% | |
| Contributions and Sponsorships | \$ 18,425.00 | 0.96% | |
| Grants | \$ 117,246.00 | 6.10% | |
| Fees for Service | \$ 324,185.00 | 16.85% | |
| Other | \$ 222.00 | 0.01% | |
| Total Non-Assessment (General Benefit) Revenue | \$ 460,078.00 | 23.92% | |
| Total | \$ 1,923,443.00 | 100.00% | |

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

| SA 66 - Central Market | | CY 2018 | | | | | | | | | | | |
|--|------------------------|------------------------|--|--------------------------|-------------------------|------------------------|------------------------|-----------------------------|---------------------------|-----------------------------|-----------------------|-------------------------|--------|
| Service Category/Budget Line | CY 2018 Budget | Amount from Assessment | Amt. from Gen. Benefit (if applicable) | % of Budget (Assessment) | % Budget (Total Budget) | Actuals | Amount from Assessment | Amount from General Benefit | % of Actuals (Assessment) | % of Actuals (Total Budget) | Variance (Assessment) | Variance (Total Budget) | Source |
| SA 66 - Central Market CBD - Public Safety | \$ 484,224.88 | | | 33.09% | 33.09% | \$ 464,462.00 | | | 31.67% | 31.67% | | -1.43% | |
| SA 66 - Central Market CBD - Cleaning and Maintenance | \$ 440,966.40 | | | 30.14% | 30.14% | \$ 393,120.00 | | | 26.80% | 26.80% | | -3.33% | |
| SA 66 - Central Market CBD - Management and Economic Development | \$ 479,688.74 | | | 32.78% | 32.78% | \$ 514,826.00 | | | 35.10% | 35.10% | | 2.32% | |
| SA 66 - Central Market CBD - Contingency and Reserve | \$ 58,315.46 | | | 3.99% | 3.99% | \$ 94,251.00 | | | 6.43% | 6.43% | | 2.44% | |
| | \$ - | | | | | \$ - | | | | | | | |
| | \$ - | | | | | \$ - | | | | | | | |
| TOTAL | \$ 1,463,195.48 | | | 100.00% | 100.00% | \$ 1,466,659.00 | | | 100.00% | 100.00% | | | |

BENCHMARK 4: Whether CBD 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

| CY 2018 Carryover Disbursement | \$ - | Source | Spenddown Timeline |
|-------------------------------------|----------------------|--------|--------------------|
| FY 2018 Assessment Carryover | \$ 10,579.82 | | |
| Previous Years Assessment Carryover | \$ 131,378.85 | | |
| | \$ - | | |
| Total | \$ 141,958.67 | | |

**MID MARKET COMMUNITY
BENEFIT DISTRICT**

REVIEWED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2018**

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**MID MARKET COMMUNITY
BENEFIT DISTRICT
FOR THE YEAR ENDED DECEMBER 31, 2018**

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Mid Market Community Benefit District
San Francisco, California

We have reviewed the accompanying statement of financial position of Mid Market Community Benefit District (formerly known as Central Market Community Benefit District), a California nonprofit benefit organization, as of December 31, 2018, and the related statements of activities, functional expense, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with generally accepted accounting principles in the United States of America. We believe that the results of our procedures provide a reasonable basis for our report.

Accountant's Conclusion

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

Emphasis of a Matter

During 2018, the Central Market Community Benefit Corporation changed its name to Mid Market Community Benefit District. The emphasis of this matter does not constitute a change in our conclusion.

A handwritten signature in black ink that reads 'Maze & Associates' with a stylized flourish at the end.

Pleasant Hill, California
September 9, 2019

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MID MARKET COMMUNITY BENEFIT DISTRICT

STATEMENT OF FINANCIAL POSITION

December 31, 2018

ASSETS

Current Assets:

| | |
|--|--------------|
| Cash and cash equivalents (Note 3) | \$1,249,120 |
| Cash designated for contingencies and reserve (Note 3) | 595,714 |
| Account receivable (Note 2B) | 133,267 |
| Security deposits and other | <u>2,590</u> |

Total Assets 1,980,691

LIABILITIES

Current Liabilities:

| | |
|----------------------------|----------------|
| Accounts payable | 124,155 |
| Accrued expenses | 85,299 |
| Deferred revenue (Note 2C) | <u>897,215</u> |

Total Liabilities 1,106,669

NET ASSETS (Note 2A)

Without donor restrictions 874,022

Total Net Assets \$874,022

See accountant's review report and notes to financial statements.

MID MARKET COMMUNITY BENEFIT DISTRICT

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:

Support and Revenues

| | |
|---|----------------------|
| Local property assessments (Note 5) | \$1,463,365 |
| General Benefit Non-Assessment Revenue: | |
| Grants | 117,246 |
| Fees for Service | 324,185 |
| Contributions and Other | 18,425 |
| Investment Income | <u>222</u> |
| Total Support and Revenues | <u>1,923,443</u> |

Expenses

| | |
|---|----------------------|
| Program services: | |
| Public Safety, Cleaning and Maintenance | 857,582 |
| General Benefit Non-Assessment Expenses | <u>415,785</u> |
| Sub-total Program services | <u>1,273,367</u> |
| Support services: | |
| Management and Economic Development | 514,826 |
| Fundraising | <u>13,489</u> |
| Sub-total Support services | <u>528,315</u> |
| Total Expenses | <u>1,801,682</u> |

| | |
|-----------------------------------|-----------------------------|
| Change in Net Assets | 121,761 |
| Net Assets, Beginning of Year | <u>752,261</u> |
| Net Assets, End of Year | <u><u>\$874,022</u></u> |

See accountant's review report and notes to financial statements.

MID MARKET COMMUNITY BENEFIT DISTRICT

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2018

| | Program Services | | Supporting Services | | Total |
|--|---|------------------|-------------------------------------|-----------------|--------------------|
| | Public Safety, Cleaning and Maintenance | Non-Assessment | Management and Economic Development | Fundraising | |
| FUNCTIONAL EXPENSES | | | | | |
| Personnel Costs: | | | | | |
| Salaries | | \$68,831 | \$201,525 | \$11,253 | \$281,609 |
| Payroll taxes | | 10,393 | 15,180 | 670 | 26,243 |
| Health and other fringe benefits | | 14,119 | 27,682 | 1,222 | 43,023 |
| Worker's compensation | | 1,369 | 2,836 | 125 | 4,330 |
| Payroll fees | | 3,017 | 4,968 | 219 | 8,204 |
| Recruitment fees | | | 529 | | 529 |
| Subtotal Personnel Costs | | 97,729 | 252,720 | 13,489 | 363,938 |
| Public Safety: | | | | | |
| Community guides | \$326,560 | | | | 326,560 |
| Dispatch services | 45,021 | | | | 45,021 |
| 10B officers | 52,738 | | | | 52,738 |
| Security camera | 40,121 | | | | 40,121 |
| Uniforms | 22 | | | | 22 |
| Subtotal Public Safety Expense | 464,462 | | | | 464,462 |
| Cleaning and maintenance: | | | | | |
| Cleaning and maintenance | 393,120 | | | | 393,120 |
| Subtotal Cleaning and Maintenance Expense | 393,120 | | | | 393,120 |
| Economic Development and Marketing: | | | | | |
| Economic development | | | 42,020 | | 42,020 |
| Marketing and promotion | | 1,444 | 46,125 | | 47,569 |
| Subtotal Economic Development and Marketing Expense | | 1,444 | 88,145 | | 89,589 |
| Accounting and auditing fees | | 396 | 42,584 | | 42,980 |
| Consultants and contractors | | 296,771 | 66,599 | | 363,370 |
| Dues, membership and subscriptions | | 855 | 1,695 | | 2,550 |
| Insurance | | 500 | 11,124 | | 11,624 |
| Legal | | | 208 | | 208 |
| Miscellaneous | | | 211 | | 211 |
| Office supplies | | 544 | 3,396 | | 3,940 |
| Other equipment | | 1,110 | 6,009 | | 7,119 |
| Postage and delivery | | 50 | 524 | | 574 |
| Printing and reproduction | | 76 | 2,296 | | 2,372 |
| Rent | | 14,559 | 26,861 | | 41,420 |
| Telephone and internet | | 1,751 | 1,892 | | 3,643 |
| Travel and meetings | | | 10,562 | | 10,562 |
| Total Functional Expenses | \$857,582 | \$415,785 | \$514,826 | \$13,489 | \$1,801,682 |

See accountant's review report and notes to financial statements.

MID MARKET COMMUNITY BENEFIT DISTRICT

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES:

| | |
|---|---------------------------|
| Change in net assets | \$121,761 |
| Adjustments to reconcile support and revenue over expenses to net cash provided (used) by operating activities: | |
| Increase/decrease in: | |
| Accounts receivable | 82,914 |
| Security deposits and other | (400) |
| Accounts payable | (172,863) |
| Accrued expenses | 55,025 |
| Deferred revenue | <u>897,215</u> |
| Total adjustments | <u>861,891</u> |
| Net cash provided by operating activities | <u>983,652</u> |
| Net increase in cash | 983,652 |
| Cash and cash equivalents, beginning of year | <u>861,182</u> |
| Cash and cash equivalents, end of year | <u><u>\$1,844,834</u></u> |

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

No taxes or interest were paid by the District during 2018.

See accountant's review report and notes to financial statements.

MID MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended December 31, 2018

NOTE 1 – ORGANIZATION AND PROGRAMS

A. Reporting Entity

Mid Market Community Benefit District (MMCBD), formally known as Central Market Community Benefit Corporation, is a California nonprofit, community-based organization incorporated in February 2007, to provide programs and services to improve the overall cleanliness, safety and economic development of the Central Market District (District) in San Francisco, California.

Funding is provided primarily from special assessments collected from every property owner in the district through the City and County of San Francisco. The annual budget for MMCBD is allocated into the following spending categories: 28.7% cleaning and maintenance, 35.2% public safety, 24.6% management and economic development and 11.5% contingency.

B. Programs

Cleaning and Maintenance – MMCBD public realm services include: graffiti abatement, sidewalk sweeping and pressure washing, landscape maintenance and reporting of issues to the Department of Public Works.

Public Safety – MMCBD’s Community Ambassador program provides way-finding assistance, social service outreach and serves as eyes and ears on the street deterring and reporting crime. MMCBD may also from time to time provide a uniformed SFPD 10b Police Officer to support MMCBD field personnel. 10b Officers work alongside MMCBD staff to address crime and quality of life issues within the neighborhood.

Management and Economic Development – Management oversees the MMCBD’s operations and advocates for more responsive City services. Economic development efforts support District business attraction, retention and expansion; and marketing and special events that enhance District awareness and vitality.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

MID MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MMCBD reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions:

Net Assets Without Donor Restrictions – Net assets available for use in general operations that are not subject to or are no longer subject to donor-imposed restrictions.

Net Assets With Donor Restrictions – Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

B. Receivables

MMCBD considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded. If amounts become uncollectible, they will be charged to operations when that determination is made.

C. Deferred Revenue

As of December 31, 2018, deferred revenue consisted of the following:

| | |
|----------------------------|-----------------------------|
| 2019 Assessments | \$869,592 |
| Urban Solutions | 20,000 |
| Mercy Housing | <u>7,623</u> |
| Total Deferred Revenue | <u><u>\$897,215</u></u> |

MID MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Support and Revenue Recognition

Support and revenue are recognized when the donor or grantor makes a promise to give to the MMCBD that is, in substance, unconditional. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

E. Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted based on management's estimates. Direct costs are allocated to Assessment and Non-Assessment Programs, or Management and General. A portion of Personnel Costs have been allocated to Fundraising based on management's estimate of time spent on general fundraising efforts.

F. Advertising

MMCBD follows the policy of expensing advertising costs as incurred.

G. Statement of Cash Flows

For purposes of the statement of cash flows, MMCBD considers all highly liquid debt investments purchased with an initial maturity of three months or less to be cash equivalents.

H. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

I. Fair Value Measurements

MMCBD reports certain assets and liabilities at fair value in the financial statements. 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. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on observable and non-observable inputs. Observable inputs consist of data obtained from independent sources. Non-observable inputs reflect industry assumptions. These two types of inputs are used to create the fair value hierarchy, giving preference to observable inputs.

MID MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The three-tier hierarchy categorizes the inputs as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3: Unobservable inputs for the asset or liability. In these situations, the Foundations develops inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

J. *Income Taxes*

MMCBD is exempt from income tax under Section 501(c)(3) of U.S. the Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the MMCBD qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The MMCBD paid no taxes on unrelated business income for the year ended December 31, 2018.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the organization's tax returns. Management has determined that MMCBD does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the MMCBD's tax returns will not be challenged by the taxing authorities and that the MMCBD will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, MMCBD's tax returns remain open for federal income tax examination for three years from the date of filing.

MID MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended December 31, 2018

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. New Accounting Pronouncement

During the year ended December 31, 2018, the MMCBD adopted the requirements of the Financial Accounting Standards Board's (FASB) Accounting Standards Update No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016-14)*. The Update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions. A footnote on liquidity has also been added (see Note 6).

NOTE 3 – CASH AND CASH EQUIVALENTS

As of December 31, 2018, the MMCBD's cash is summarized as follows:

| | |
|--------------|--------------------|
| Cash in bank | <u>\$1,844,834</u> |
|--------------|--------------------|

Of the \$1,844,834 total cash and cash equivalents above, \$595,714 has been set aside as designated for contingencies and reserve, in accordance with the MMCBD's management plan with the City and County of San Francisco.

NOTE 4 – RETIREMENT PLAN

MMCBD sponsors a defined contribution plan for its full-time employees. MMCBD contributed \$8,982 to the plan during the year ended December 31, 2018.

NOTE 5 – ASSESSMENT REVENUE

MMCBD receives assessment revenues from the San Francisco City and County on behalf of members in the assessment district as a part of the County tax roll. Conversely, the MMCBD does not have control over unpaid assessments. The City and County may not be able to collect on unpaid assessments. As such, revenue is only recorded when received.

As of December 31, 2018, MMCBD had outstanding 2018 Assessments of \$10,055.

MID MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO FINANCIAL STATEMENTS
Fiscal Year Ended December 31, 2018

NOTE 6 – LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consisted of the following at December 31, 2018:

| | |
|---|---------------------------|
| Total current financial assets: | |
| Cash and cash equivalents | \$1,844,834 |
| Accounts receivable | <u>133,267</u> |
| Total current financial assets | 1,978,101 |
| Amount set aside for contingencies and reserves | <u>(595,714)</u> |
| Financial Assets Available to Meet Cash Needs for Expenditures Within One Year | <u><u>\$1,382,387</u></u> |

NOTE 7 – SUBSEQUENT EVENTS

MMCBD evaluated subsequent events for recognition and disclosure through September 9, 2019 the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2018 that require recognition or disclosure in such financial statements.

MEMO

To: Supervisor Matthew Haney, District 6

CC: San Francisco Board of Supervisors

From: Chris Corgas, OEWD Senior Program Manager

RE: Central Market Community Benefit District (dba: Mid Market Community Benefit District) CY 2018 Annual Report

Date: October 23, 2020

This is a memo summarizing the performance of the Central Market Community Benefit District (CMCBD) dba: Mid Market Community Benefit District (Mid Market CBD) and an analysis of their financial statements (based on their audit) for the period between January 1, 2018 and December 31, 2018.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Mid Market 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 Central Market Community Benefit District's Management Contract with the City; and their Management Plan as approved by the Board of Supervisors in 2014.

Also attached to this memo are the following documents:

1. Annual Report
 - a. CY 2018
2. CPA Financial Review Report
 - a. CY 2018
3. Draft resolution from the Office of Economic and Workforce Development



Background

The District is generally described as from the West side of 5th Street to the East side of South Van Ness Avenue, and from the South side of Market Street to the South Side of Mission Street. In addition, one block North of Market between Cyril Magnin and Mason, and one block North of Market between Grove and Larkin are included. Also, properties along Sixth Street between Market and Folsom Streets, along with the properties on adjacent streets and alleys East and West of Sixth Street (to varying distances) are included. The District contains 1,087 parcels, including the former US Mint building and Mint Plaza.

- July 23, 2013: the Board of Supervisors approved the resolution that established (renew and expand) the property-based district called the Central Market Community Benefit District (Resolution # 264-13).
- February 4, 2014: the Board of Supervisors approved the contract for the administration and management of the Central Market Community Benefit District (Resolution # 019-14).
- February 3, 2015: the Board of Supervisors approved CMCBD’s Annual Reports for CYs 2011, 2012, and 2013 (Resolution # 034-15).
- June 7, 2016: the Board of Supervisors approved CMCBD’s Annual Report for CY 2014 (Resolution # 230-16).
- September 20, 2016: the Board of Supervisors approved Resolution modifying the Management District Plan and Engineer’s Report to remove the District-wide cap on annual assessment revenues levied on properties located in the property-based business improvement District (Community Benefit District) known as the “Central Market Community Benefit District,” and making environmental findings (Resolution # 402-16).
- May 9, 2017: the Board of Supervisors approved CMCBD’s Annual Report for CY 2015 (Resolution # 170-17).
- November 13, 2018: the Board of Supervisors approved the CMCBD’s Annual Report for CY 2016 (Resolution # 400-18).
- October 29, 2019: the Board of Supervisors approved CMCBD’s Annual Report for CY 2017 (Resolution # 467-19).

Basic Info about Central Market CBD dba: Mid Market CBD

| | |
|------------------------------|-------------------------------------|
| Year Established | 2006 |
| Year Renewed | 2013 |
| Year Modified | 2016 |
| Assessment Collection Period | 2013 - 2027 |
| Services Start and End Date | January 1, 2014 - December 31, 2028 |

| | |
|-------------------------------------|---|
| Initial Estimated Annual Budget | \$1,225,433.63 |
| FY 17-18 Assessment Roll Submission | \$1,462,796.22 |
| Calendar Year | January 1 – December 31 |
| Executive Director | Tracy Everwine |
| Name of Nonprofit Entity | Central Market Community Benefit District Corporation |

The current CBD website, <https://www.midmarketcbd.org/>, includes all the pertinent information about the organization and their programs, a calendar of events, their Management Plan, Annual Report and meeting schedules.

Summary of Service Area Goals

Public Safety

Mid Market CBD’s public safety services focus on: hospitality, social service outreach, and crime prevention. Key programs include: Community ambassadors; SFPD 10B Officers (as needed) paired with ambassadors to create a co-responder approach to pedestrian health and safety concerns; and public safety seminars.

Cleaning and Maintenance

Mid Market CBD’s cleaning and maintenance services within the public right-of-way are supplemental to the baseline level of service provided by the City of San Francisco. This includes sidewalk sweeping, pressure washing, graffiti abatement, and monitoring public trash receptacles reducing overflow, and removal of large debris.

Management and Economic Development

Management includes day-to-day oversight of the organization and advocacy for District needs with City departments ensuring good and timely service. Economic Development activities such as: business attraction, retention, stabilization and promotion support ground floor retail space activation and overall District vitality.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

CY 2018

Public Safety

Mid Market safety services continued to support hospitality and address anti-social activity. CBD Ambassadors and co-responder Safety Teams received additional training from the City’s newly formed Healthy Streets Operations Center (HSOC) and SFPD on the City’s coordinated response to issues. MMCBD also worked closely with BART to mitigate the impacts of construction of new BART station canopies on Market Street for pedestrians.

- Provided wayfinding assistance for visitors and tourists
- Provided referrals for food, clothing, and shelter support to those in need
- Reported instances of trespassing, loitering, and illegal camping
- Reversed drug overdoses by calling 911 as first responder
- Reported instances of drunk and disorderly conduct and provided escorts to the sobering center when possible
- Reported illegal street vending of stolen merchandise, cell phones, and narcotics

Cleaning and Maintenance

Mid Market CBD cleaners went above and beyond addressing homeless encampments; graffiti removal on vacant and boarded storefronts and increased syringe cleanup resulting from the opioid epidemic.

- Removed 224,120 pounds of trash from the District
- Collected 29,605 needles over 12 months
- Pressure washed 40,678 linear feet of sidewalk quarterly
- Facilitated significant human/animal waste clean-ups
- Removed or reported instances of illegal dumping
- Removed graffiti tags and illegal postings
- Awarded competitive grant to pilot Bigbelly “smart” refuse collection units through the Mayor’s Fix-It Team and OEWD

Management and Economic Development

Management ensured the District remained compliant with regulatory agencies and that Management Plan services remained constant and adaptable to increasing needs and new City policies.

- Provided technical assistance to existing residents and businesses and helped to attract new ones through Management Plan services and connections to City resources
- Inventoried and promoted District ground floor retail vacancies on MMCBD’s website
- Recorded 14 new ground floor retail businesses to the District as well as new residential buildings, non-profits and public realm enhancements
- Participated on the Better Market Street project team
- Participated on the BART Station Modernization project team
- Participated on the 6th Street Pedestrian Safety project
- Issued comprehensive quarterly newsletters for members and stakeholders containing service statistics and important District news

Annual Budget Analysis

OEWD’s staff reviewed the following budget related benchmarks for CMCBD/MMCBD:

- **BENCHMARK 1:** Whether the variance between the budget percentages for each service category were within 10 percentage points of the percentages in the Management Plan (*Agreement for the Administration of the “Central Market Community Benefit District”, Section 3.9 – Budget*).
- **BENCHMARK 2:** Whether three and sixty eight hundredths percent (3.68%) of actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the “Central Market Community Benefit District”, Section 3.4 - Annual Reports*).
- **BENCHMARK 3:** Whether the variance between the budget expenses and actual expenses within a calendar year was within 10 percent (*Agreement for the Administration of the “Central Market Community Benefit District”, Section 3.9 – Budget*).

- **BENCHMARK 4:** Whether MMCBD is indicating the amount of funds to be carried forward into the next calendar year and designating projects to be spent in that calendar year (*CA Streets & Highways Code, Section 36650(B)(5)*).

CY 2018

BENCHMARK 1: Whether the variance between the percentage amounts for each service category were within 10 percentage points of the percentages identified in the Management Plan.

ANALYSIS: *MMCBD met this requirement. See table below.*

| Service Category | Original Management Plan Budget | % of Budget | CY 2018 Budget | % of Budget | Variance Percentage Points |
|-------------------------------------|---------------------------------|-------------|-----------------------|-------------|----------------------------|
| Public Safety | \$431,382.73 | 35.20% | \$484,224.88 | 33.09% | -2.11% |
| Cleaning and Maintenance | \$352,000.00 | 28.73% | \$440,966.40 | 30.14% | 1.41% |
| Management and Economic Development | \$300,885.66 | 24.55% | \$479,688.74 | 32.78% | 8.23% |
| Contingency and Reserve | \$141,165.24 | 11.52% | \$58,315.46 | 3.99% | -7.53% |
| TOTAL | \$1,225,433.63 | 100% | \$1,463,195.48 | 100% | |

BENCHMARK 2: Whether three and sixty-eight-hundredths percent (3.68%) of actuals came from sources other than assessment revenue.

ANALYSIS: *MMCBD met this requirement. MMCBD received \$1,463,365 in assessment revenue, which was approximately 76.08% of their CY 2018 operating budget. The CBD received \$460,078 in non-assessment revenue which was approximately 23.92% of their CY 2018 revenue. See table below.*

| Revenue Sources | CY 2018 Actuals | % of Actuals |
|---|-----------------------|---------------|
| Special Benefit Assessments | \$1,463,365.00 | |
| Total assessment revenue | \$1,463,365.00 | 76.08% |
| | | |
| Contributions and Sponsorships | \$18,425.00 | 0.96% |
| Grants | \$117,246.00 | 6.10% |
| Fees for Service | \$324,185.00 | 16.85% |
| Other | \$222.00 | 0.01% |
| Total General Benefit (non-assessment) revenue | \$460,078.00 | 23.92% |

| | | |
|--------------|-----------------------|-------------|
| Total | \$1,923,443.00 | 100% |
|--------------|-----------------------|-------------|

Non-assessment revenue applied to 3.68% General Benefit requirement

BENCHMARK 3: Whether the variance between the budget amount and actual expenses within the calendar year were within 10 percentage points.

ANALYSIS: *MMCBD met this requirement. See table below.*

| Service Category | CY 2018 Budget | % of Budget | CY 2018 Actuals | % of Actuals | Variance Percentage Points |
|-------------------------------------|-----------------------|-------------|-----------------------|----------------|----------------------------|
| Public Safety | \$484,224.88 | 33.09% | \$464,462.00 | 31.67% | -1.43% |
| Cleaning & Maintenance | \$440,966.40 | 30.14% | \$393,120.00 | 26.80% | -3.33% |
| Management and Economic Development | \$479,688.74 | 32.78% | \$514,826.00 | 35.10% | +2.32% |
| Contingency and Reserve* | \$58,315.46 | 3.99% | \$94,251.00 | 6.43% | +2.44% |
| TOTAL | \$1,463,195.48 | 100% | \$1,466,659.00 | 100.00% | |

*Contingency and Reserve may be redeployed throughout future years to meet the needs of the CBD.

BENCHMARK 4: Whether MMCBD is indicating the amount of funds to be carried forward into the next calendar year and designating projects to be spent in that calendar year.

ANALYSIS: *MMCBD met this requirement. See table below.*

| CY 2018 Carryover | To be used in 2019 |
|---------------------------------|--------------------|
| CY 2018 Assessment Carryforward | \$10,579.72 |
| Designated Projects | |
| Management Plan Services | \$10,579.72 |
| Total Designated Amount | \$10,579.72 |

Findings and Recommendations

Within the review period of CY 2018, the Mid Market CBD met benchmarks set by the California Street and Highways Code Section 36650-36651, as found on Pages 4 and 5 of this memo and fulfilled its Management Plan. Mid Market CBD was also able to raise a significant amount of General Benefit revenue from non-assessment sources exceeding their General Benefit requirement of 3.68% by 20.24% for a total of 23.92%.

Conclusion

Mid Market CBD continued to successfully implement the service areas stated in their Management Plan and seized opportunities to leverage its resources to fundraise and add additional services through grants, donations, and collaborative partnerships.

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):

Haney

Subject:

Central Market Community Benefit District – CY 2018 Annual Report to the City

The text is listed:

Resolution receiving and approving annual reports for the Central Market Community Benefit District for calendar year 2018, 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.

Signature of Sponsoring Supervisor: