

BOARD of SUPERVISORS



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MEMORANDUM

TO: Kate Sofis, Director, Office of Economic and Workforce Development
Ben Rosenfield, City Controller

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

DATE: June 2, 2021

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Peskin on May 25, 2021:

File No. 210615

Resolution receiving and approving the annual report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside Community Benefit District for Fiscal Year (FY) 2019-2020, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600 et seq.), Section 36650, and the Districts' management agreements with the City, Section 3.4.

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

c: Offices of Chair Preston and Supervisor Peskin
Todd Rydstrom, Office of the Controller
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
Chris Corgas, Office of Economic and Workforce Development

1 [Fisherman's Wharf Landside Community Benefit District and Fisherman's Wharf Portside
2 Community Benefit District - Annual Report - FY2019-2020]

3 **Resolution receiving and approving the annual report for the Fisherman's Wharf**
4 **Community Benefit District and Fisherman's Wharf Portside Community Benefit District**
5 **for Fiscal Year (FY) 2019-2020, submitted as required by the Property and Business**
6 **Improvement District Law of 1994 (California Streets and Highways Code,**
7 **Sections 36600 *et seq.*), Section 36650, and the Districts' management agreements with**
8 **the City, Section 3.4.**

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

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

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

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

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

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

12 WHEREAS, On December 12, 2006, the Board of Supervisors adopted
13 Resolution No. 696-06 establishing the Fisherman's Wharf Portside CBD for a period
14 of 14 years commencing with Fiscal Year 2005-2006; and

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

21 WHEREAS, On September 15, 2020, the Board of Supervisors approved the
22 Fisherman's Wharf CBD's and the Fisherman's Wharf Portside CBD's annual report for
23 Fiscal Year 2018-2019 in Resolution No. 391-20; and

24 WHEREAS, The Fisherman's Wharf Association has submitted for the Board's
25 receipt and approval an annual report for both the Fisherman's Wharf CBD and

1 Fisherman's Wharf Portside CBD for Fiscal Year 2019-2020 as required by
2 Section 36650 of the Act and Section 3.4 of the Fisherman's Wharf Management
3 Contract and the Fisherman's Wharf Portside Management Contract (the "Annual
4 Report"), which is on file with the Clerk of the Board of Supervisors in File No. 210615
5 and is incorporated herein by reference as though fully set forth; and

6 WHEREAS, Supporting documents, including, but not limited to, a transmittal
7 letter and memorandum report from the City's Office of Economic and Workforce
8 Development, dated May 24, 2021, and documentation from the Fisherman's Wharf
9 Association for the Annual Report is on file with the Clerk of the Board of Supervisors in
10 File No. 210615; now, therefore, be it

11 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
12 report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside
13 Community Benefit District for FY2019-2020.

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FISHERMAN'S WHARF ANNUAL REPORT

JULY 2019 - JUNE 2020



SOBO / DISI / EVENTS



District Identity, Streetscape Improvements & Marketing

Website & Social Media

- Over 245K visitors to the consumer website, VisitFishermansWharf.com.
- Over 2K visits to our constituent website, FWCBD.com.
- Facebook page likes have increased to a high of 51.7K
- Instagram followers have steadily increased to a total of 5,110

Public Relations & Communications

- Potential media reach of 8,265,045,905 potential viewers from July 2019 to June 2020
- Received 4K instances of news media exposure
- Received the publicity equivalent of 76.5M, an 80% increase compared to the same time period the previous year
- Engaged with national media including The New York Times and Newsweek to provide pertinent messaging about the fire at Pier 45 shed C.
- Provided weekly construction updates on the Jefferson Street Phase II project
- Created and executed a robust COVID-19 communications strategy to provide FWCBD constituents with local, state, and national content as it became available.

Events & Holidays

- Provided event sponsorship for the 2019 4th of July Celebration and the 2019 Fleet Week Event. Promotional activities included the production of an event flyer, website build out, and social media marketing.
- Produced the 7th annual Wharf Fest. Some highlights from the event include:
 - Created new creative and new promotional materials that will be used at other events promoting the Wharf.
 - Recruited high profile judges including Stan Frazier from supergroup the Side Deal, Dion Lim from ABC7, Erica Sandberg from Making it in San Francisco, Supervisor Aaron Peskin, and Port of SF's Executive Director Elaine Forbes.
 - The event featured wine and beer tasting, two live bands, and the famous Chowder Competition.
 - The Chowder Competition included 9 local restaurants who competed to win the title of either Judges' Choice or People's Choice Award.
 - Pepsi/Warriors Activation - A popular activation was created by Pepsi, featuring custom Warriors soda cans, and the ability to win special prizes. The activation resulted in a 10k sponsorship for the FWCBD.
 - iHeartRadio gave a 10k in-kind media donation for Wharf Fest, and ran commercial spots promoting the event.
- Hung holiday lights on the iconic Fisherman's Wharf Crab Wheel sign for the holiday season and promoted "MerryTime at the Wharf" our annual holiday campaign featuring holiday festivities throughout the Wharf.
- Partnered with the St. Francis Yacht Club to produce the annual "Holiday Lighted Boat Parade". Promotional activities for MerryTime at the Wharf included the production of an event flyer, website build out, and social media marketing.
- Partnered with the FWMA on a joint district holiday party at The Grotto.





District Identity, Streetscape Improvements & Marketing

Advertising

- Worked with participating Wharf businesses on a full-page co-op ad in the October edition of the Alaska Airlines in-flight magazine.
- Received a \$120,000 Google Grant for Adwords. This annual grant allows the FWCBD to create ad campaigns and boost our search ranking on Google, which is our top referral search engine.
- Secured an in-kind sponsor, iHeartRadio, which awarded \$10K in free radio advertising to the FWCBD.
- Received in-kind media sponsorship from Paneau, a new company that puts screens in the back of ride share vehicles. We promoted MerryTime at the Wharf and the Bars & Attractions Treasure Hunt with this advertising tool.
- Received an in-kind donation from Firefly to promote the Bars & Attractions Treasure Hunt on their screens (placed on the roofs of ride shares).
- Created a "Welcome Back to the Wharf" social media campaign on Facebook from June 8 – July 7, 2020, which increased page visits by 176% to 11,632.

Other

- Continued the successful Bars & Attractions Treasure Hunt at the Wharf campaign and activity, with 20 bars and attractions participating. In 2019 we distributed 25,000 treasure maps and had about 150 people a month redeem their golden pint glass.
- Updated and distributed the Fisherman's Wharf brochure
- Maintained our Springboard pedestrian and car counting cameras in four locations along Jefferson Street to analyze and monitor footfall and vehicular traffic at the Wharf.

Accolades

- For the 6th year in a row, Fisherman's Wharf was honored with the Certificate of Excellence from Trip Advisor and was also inducted into the Trip Advisor Hall of Fame.
- Fisherman's Wharf maintained a 4/5 star rating on both Yelp and Trip Advisor.
- Fisherman's Wharf was honored with the Expert's Choice Award from Trip Experts.



Street Operations, Beautification & Order

Ambassador Statistics: July 2019 – June 2020

CLEANING

Trash collected (in lbs.)	42,157
Graffiti & Stickers Removed	4,206
Pan & Broom Block Faces Swept	10,287
Street Furniture Cleaned	986
Tree Grates Cleaned	3,015
Painting Projects Completed	534

VISITOR HOSPITALITY

Hospitality Assistance Given	9,160
Directions Given	4,730
Business Contacts Made	2,651
Street Performer Interactions	297

SECURITY & SAFETY

Sit/Lie Advisements Given	2,768
Aggressive Panhandling Addressed	112
Drinking in Public Addressed	981
Instances of Camping/Sleeping	1,912
Instances of Illegal Dumping	985
Requests for Police/Fire/EMS	305





Safety

- From July to October the Fisherman's Wharf CBD hired private security guards and SFPD 10-B officers to assist the district with security and create a preventative presence.
- Through the efforts of our Ambassadors and continued community participation, the FWCBD worked to get convictions and stay-away orders for the top three criminal offenders at Fisherman's Wharf. The Ambassadors also led an awareness campaign about the persons of interest in our district, publishing weekly documents on Townsquared.
- The Ambassadors worked with City agencies and partners to provide access to care to members of the street population in our district.
- The Safety Outreach Committee (formerly PIERSafe) sponsored weekly tests of the FISHnet emergency radio network that engages approximately 18 members and includes hotels, restaurants, and other key Fisherman's Wharf businesses.

Renewal

- The FWCBD staff and Board of Directors started the landside renewal process in February with the petition vote.
- The necessary petition votes were received and presented to the Board of Supervisors in April and then authorized to proceed with the special election in May.
- The results of this special election for the landside district will be published in the 20/21 Annual Report.

Other

- The FWCBD is working with DPW on the second phase of the Jefferson St. revitalization project and is a partner during the construction process.
- Executive Director Randall Scott was invited to join Mayor Breed's COVID-19 Economic Recovery Task Force
- The FWCBD continues to advocate on behalf of businesses during COVID-19, and has successfully assisted business categories to reopen sooner.
- The FWCBD continues to execute on the Retail Strategy's 2-year goals, and to connect with the brokerage community.



2019-2020 Port & Land Side Year End Financials

July 1, 2019 to June 30, 2020	GRAND TOTAL				LANDSIDE				PORTSIDE			
	ACTUAL	BUDGET	Variance	% of Variance	ACTUAL	BUDGET	Variance	% of Variance	ACTUAL	BUDGET	Variance	% of Variance
REVENUE												
Assessments-Prior Year Carryover	\$ 681,220	\$ 681,220	\$ -	0%	\$ 497,820	\$ 497,820	\$ -	0%	\$ 183,400	\$ 183,400	\$ -	0%
Assessments	\$ 939,250	\$ 978,860	\$ (39,610)	-4%	\$ 758,600	\$ 758,600	\$ -	0%	\$ 180,650	\$ 220,260	\$ -	0%
Grants/Other	461,745	274,600	187,145	68%	-	-	-	0%	-	-	-	0%
Special Events	(73,833)	-	(73,833)	-100%	-	-	-	0%	(73,833)	-	(73,833)	-100%
Interest Savings/Other	182	-	182	100%	140	-	140	100%	42	-	42	100%
Donation - In-Kind	107,266	48,944	58,323	119%	73,215	37,931	35,286	93%	34,051	11,013	23,038	209%
TOTAL REVENUE	\$ 1,434,610	\$ 1,302,404	\$ 132,207	10%	\$ 831,955	\$ 796,531	\$ 35,426	4%	\$ 140,910	\$ 231,273	\$ (50,754)	-22%
TOTAL REVENUE + PRIOR YEAR CARRYOVER	\$ 2,115,830	\$ 1,983,624	\$ 132,207	7%	\$ 1,329,775	\$ 1,294,351	\$ 35,426	3%	\$ 324,310	\$ 414,673	\$ (50,754)	-12%
EXPENSE												
Sidewalk Operations & Beautification	\$ 302,472	\$ 310,950	\$ (8,479)	-3%	\$ 302,471	\$ 310,950	\$ (8,479)	-3%	\$ -	\$ -	\$ -	0%
District Identity & Streetscape Improvement	683,547	721,250	(37,702)	-5%	379,896	493,425	(113,529)	-23%	303,652	227,825	75,827	33%
Administration	229,305	246,840	(17,535)	-7%	168,759	189,563	(20,804)	-11%	60,546	57,277	3,269	6%
Grants/Other	342,941	216,950	125,991	58%	-	-	-	0%	-	-	-	0%
Donation - In-Kind	107,266	48,944	58,323	119%	73,215	37,931	35,286	93%	34,051	11,013	23,038	209%
TOTAL EXPENSES	\$ 1,665,531	\$ 1,544,934	\$ 120,598	8%	\$ 924,342	\$ 1,031,868	\$ (107,526)	-10%	\$ 398,248	\$ 296,115	\$ 102,133	34%
Fiscal Year 2019-2020 Carryover	\$ 450,299	\$ 438,690	\$ 11,609	3%	\$ 405,433	\$ 262,483	\$ 142,952	54%	\$ (73,938)	\$ 118,558	\$ (152,887)	-129%

	LOMBARD STREET VISITOR SERVICES				GRANT/OTHER			
	ACTUAL	BUDGET	Variance	% of Variance	ACTUAL	BUDGET	Variance	% of Variance
REVENUE								
Assessments-Prior Year Carryover	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Assessments	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Grants/Other	162,745	216,950	(54,205)	-25%	299,000	57,650	241,350	419%
Special Events	-	-	-	0%	-	-	-	0%
Interest Savings/Other	-	-	-	0%	-	-	-	0%
Donation - In-Kind	-	-	-	0%	-	-	-	0%
TOTAL REVENUE	\$ 162,745	\$ 216,950	\$ (54,205)	-25%	\$ 299,000	\$ 57,650	\$ 241,350	419%
TOTAL REVENUE + PRIOR YEAR CARRYOVER	\$ 162,745	\$ 216,950	\$ (54,205)	-25%	\$ 299,000	\$ 57,650	\$ 241,350	419%
EXPENSE								
Sidewalk Operations & Beautification	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
District Identity & Streetscape Improvement	-	-	-	0%	-	-	-	0%
Administration	-	-	-	0%	-	-	-	0%
Grants/Other	162,745	216,950	(54,205)	-25%	180,196	-	180,196	100%
Donation - In-Kind	-	-	-	0%	-	-	-	0%
TOTAL EXPENSES	\$ 162,745	\$ 216,950	\$ (54,205)	-25%	\$ 180,196	\$ -	\$ 180,196	100%
Fiscal Year 2019-2020 Carryover	\$ -	\$ -	\$ -	0%	\$ 118,804	\$ 57,650	\$ 61,154	106%



BOARD OF DIRECTORS, VENDORS, & ADVISORY COMMITTEES

PRESIDENT

Sina von Reitzenstein, PIER 39

VICE PRESIDENT

Gina Alioto Biagi, F&A Alioto Properties, Nunzio Corp.

SECRETARY

Brandy Marts, The Franciscan Crab Restaurant

TREASURER

Al Casciato, Lefty's Ballpark Buffet

ASST. SECRETARY

Rodney Fong, The Wax Museum Building

ASST. TREASURER

Jeff Sears, Blazing Saddles

IMMEDIATE PAST PRESIDENT

Aline Estournes, NorthPoint Shopping Center

BOARD MEMBERS

Eric Affinson, Bass Tub Sport Fishing

David Berbey, SFO Forecast Inc. - Portco, Inc.

Joe Burgard, Red and White Fleet

Amy Cacho, Noble House Hotels

John Cannizzaro, Jefferson Building, Inc.

Hagen Choi, Tower Tours

Tom Creedon, Scoma's

Mike Cunningham, Holiday Inn Express

Brian Huber, MapWest

Paul Miller, Bistro Boudin

Kathy Paver, PIER 39

Frank Rescino, The Lovely Martha Sportfishing

Antone Sabella, Sabella Building

Kathleen Sasso, Ghirardelli Square

COMMUNITY REPRESENTATIVES

Lynn Cullivan, S.F. Maritime Historical Park

Jay Edwards, Port of San Francisco

Charlie Hart, SF Maritime N.H.P.

THIRD PARTY VENDORS

Block by Block – Ambassador Program

2929 S. Floyd Street,

Louisville, KY 40209

610-408-9500

FWCBD ADVISORY COMMITTEES

- Executive
- Street Operations, Beautification, and Order (SOBO)
- Marketing
- Sustainability
- Safety Outreach
- Transportation Improvement

OTHER

- Community Police Advisory Board
- Fisherman's Wharf Merchant's Association
- CBD/BID Consortium
- SFNexTstop - Central Subway Advocacy
- Fisherman's Wharf Waterfront Advisory Group
- Clean, Safe & Civil Sidewalk Coalition
- Clean and Safe 365



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ASSESSMENT METHODOLOGY

LAND SIDE CBD PROPERTY ASSESSMENTS

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

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

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

Benefit Zone 1 includes roughly all parcels north of Bay/North Point, between Polk and Powell to Jefferson.

The formula for calculating the assessment is:

\$0.091612 per square foot of lot size
 + \$ 5.4296 per linear foot of lot frontage
 + \$ 0.072168 per square foot (Building Use "A or B") or
 \$ 0.033368 per square foot (Building Use "C-E") or
 \$0.05 per square foot for residential "F")

Note: See chart below for building categories.

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

5,000 x .091612 = \$ 458.06 in lot size
 50 x \$ 5.4296 = \$ 271.48 in linear frontage, and
 4,000 x \$.072168 = \$ 288.67 in bldg sq footage (A or B)
 Total assessment: = \$1,018.21 per year

Benefit Zone 2 includes parcels west of Polk and east of Powell. Benefit Zone 2 parcels are assessed at the same rate as above but without a building factor assessment.

The formula for calculating the assessment is:

\$0.091612 per square foot of lot size
 + \$ 5.4296 per linear foot of lot frontage
 = Total Assessment

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

\$ 5.4296 per linear foot of lot frontage (ILWU Block)
 = Total Assessment

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

Building Uses In Land Side CBD For Zone 1

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

PORT SIDE CBD PROPERTY ASSESSMENTS

The port side is comprised of retail/walk-in, hotel, food and beverage businesses, general motorized land-based tour operators and for-profit parking lots. These businesses are assessed on their annual gross sales as reported to the Port of San Francisco from the previous calendar year. This data is provided to the Port of San Francisco on a monthly basis and is public information. The assessment factor applied to that gross sales figure is .0014%.

Example: Gross Sales \$1,000,000 x .0014
 = \$1,400 Assessment

Tour operators/tour boat vessels and related businesses (including large and small tour boats and sport fishing boats), are assessed based on the number of passengers per vessel operator or per horse drawn carriage company or per pedi cab company.

The assessments range from \$250 to \$2,000.



Fisherman's Wharf Association
of San Francisco

Financial Statements

June 30, 2020
(Reviewed)

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

JUNE 30, 2020

TABLE OF CONTENTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT	PAGE NO.	1-2
STATEMENT OF FINANCIAL POSITION June 30, 2020		3
STATEMENT OF ACTIVITIES AND NET ASSETS Year ended June 30, 2020		4
STATEMENT OF FUNCTIONAL EXPENSES Year ended June 30, 2020		5
STATEMENT OF CASH FLOWS Year ended June 30, 2020		6
NOTES TO FINANCIAL STATEMENTS		7-14

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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

We have reviewed the accompanying financial statements of the FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO (a California mutual benefit corporation), which comprise the statement of financial position as of June 30, 2020, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

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

Accountants' Conclusion

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

Barlow & Hughan LLP

October 15, 2020

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2020

(See independent accountants' review report)

ASSETS

CURRENT ASSETS

Cash	\$463,425
Assessments receivable	116,689
Grants receivable	11,002
Prepaid expenses	<u>7,352</u>
	598,468

OFFICE FURNITURE AND EQUIPMENT - Net of accumulated depreciation (Note 4)	394
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INTANGIBLE ASSETS - Net of amortization (Note 4)	<u>6,023</u>
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\$604,885

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$72,613
Current portion of note payable (Note 6)	<u>23,324</u>
	95,937

NOTE PAYABLE (Note 6)	<u>58,650</u>
	154,587

NET ASSETS

WITHOUT DONOR RESTRICTIONS	339,296
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WITH DONOR RESTRICTIONS (Note 7)	<u>111,002</u>
	<u>450,298</u>

\$604,885

See notes to financial statements.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF ACTIVITIES AND NET ASSETS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND SUPPORT			
Special benefit assessments	\$ 939,250		\$ 939,250
Public support	443,205	\$110,806	554,011
Program services	<u>15,000</u>	<u> </u>	<u>15,000</u>
	1,397,455	110,806	1,508,261
OTHER INCOME (EXPENSE)			
Special events - Net of expenses of \$90,660	(73,833)		(73,833)
Interest	182		182
Net assets released from restriction - expiration of time restrictions	<u>12,956</u>	<u>(12,956)</u>	<u> </u>
	<u>1,336,760</u>	<u>97,850</u>	<u>1,434,610</u>
EXPENDITURES			
Program services			
Landside - District identity and streetscape improvements	670,414		670,414
Landside - Street operations and beautification	302,471		302,471
Portside - District identity and streetscape improvements	278,596		278,596
Lombard Street Visitor Services	162,745		162,745
Support Services			
General and administrative expenses	<u>251,305</u>		<u>251,305</u>
	<u>1,665,531</u>		<u>1,665,531</u>
CHANGE IN NET ASSETS	(328,771)	97,850	(230,921)
NET ASSETS - Beginning of year	<u>668,263</u>	<u>12,956</u>	<u>681,219</u>
NET ASSETS - End of year	<u>\$ 339,492</u>	<u>\$110,806</u>	<u>\$ 450,298</u>

See notes to financial statements.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

	Program Services Landside		Program Services Portside	Lombard Street Visitor Services	General and Administrative		Total
	District identity and streetscape improvements	Sidewalk operation and beautification	District identity and streetscape improvements		Landside	Portside	
Salaries	\$ 86,058	\$108,507	\$ 43,282	\$ 14,795	\$ 69,577	\$26,398	\$ 348,617
Employee benefits	1,349		695		17,259	5,115	24,418
Payroll taxes	<u>6,910</u>	<u>8,112</u>	<u>3,560</u>		<u>6,380</u>	<u>1,906</u>	<u>26,868</u>
	94,317	116,619	47,537	14,795	93,216	33,419	399,903
Ambassador programs	96,244	145,826	49,579	147,950			439,599
Marketing and media production	124,412		64,091				188,503
Camera program	162,172		18,024				180,196
Security and parking operations	110,455		56,787				167,242
Steam cleaning services	22,617	32,841	11,593				67,051
Community engagement and preservation	40,148		20,675				60,823
FWCBD renewal					24,606	11,755	36,361
Occupancy					23,709	7,082	30,791
Office expenses	321		147		15,619	4,823	20,910
Professional fees					10,112	3,020	13,132
Springboard camera counter	7,432		3,829				11,261
Nightlife promotion	7,208		3,713				10,921
Deprecation and amortization					5,812	1,736	7,548
Insurance					5,044	1,507	6,551
Employee relations & development					4,526	1,352	5,878
Conrad Park revitalization		5,559					5,559
PIERSafe/branding signs/PR	2,217	1,626	1,142				4,985
Holiday lights on crab wheel	2,871		1,479				4,350
Travel and meetings					2,054	613	2,667
Membership dues					<u>1,001</u>	<u>299</u>	<u>1,300</u>
	<u>\$598,344</u>	<u>\$302,471</u>	<u>\$350,666</u>	<u>\$162,745</u>	<u>\$185,699</u>	<u>\$65,606</u>	<u>\$1,665,531</u>

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CERTIFIED PUBLIC ACCOUNTANTS

See notes to financial statements.

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

CASH FLOWS FROM OPERATING ACTIVITIES	
Assessments received	\$ 862,171
Cash paid to suppliers and employees	(1,606,620)
Grants received	448,699
Cash received from programs and events	48,654
Interest received	<u>182</u>
Net cash used for operating activities	(246,914)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from borrowing under note payable	<u>81,974</u>
NET DECREASE IN CASH	(164,940)
CASH - Beginning of year	<u>628,365</u>
CASH - End of year	<u>\$ 463,425</u>
RECONCILIATION OF CHANGE IN NET ASSETS	
TO NET CASH USED FOR OPERATING ACTIVITIES	
Change in net assets	\$(230,921)
Items not requiring cash:	
Depreciation and amortization	7,548
Decreases (increases) in assets:	
Assessments receivable	(77,078)
Grant receivable	1,954
Prepaid expenses	3,408
Increases (decreases) in liabilities:	
Accounts payable and accrued liabilities	<u>48,175</u>
NET CASH USED FOR OPERATING ACTIVITIES	<u>\$ (246,914)</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES	
Value of in-kind contributions used for operations	\$107,266

See notes to financial statements

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FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History and Operations

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

Upon formation of each District, its members were subject to multi-year special assessments imposed by the City under the Property and Business Improvement District Law of 1994. Under contracts with the City, the Association receives these special assessments and, in exchange, provides certain services to the members of the Districts. These services include supplemental security services to maintain order, the cleaning and maintenance of sidewalks, the removal of graffiti, the coordination of services provided to the homeless, neighborhood beautification and tree-planting programs, and the organization and funding of special events. The contracts with the City also require that the Association raise a specified level of private donations. Management believes that during the year ended June 30, 2020, the Association has complied with this requirement.

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

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CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

History and Operations (Continued)

The annual special assessments imposed by the City on the Landside District was to expire on December 31, 2020 but were renewed by a majority vote of its members on July 24, 2020 for 15 more years. The Portside annual assessments expire on December 31, 2021 and are subject to renewal. The Association's contracts with the City will expire on December 31, 2021, but either would expire upon the disestablishment of the District to which it relates.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic 958 Not-For-Profit Entities dated August 2016. Under FASB ASC Topic 958, the Association 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, based upon the existence or absence of donor-imposed restrictions. If restrictions imposed by the donor are not satisfied by the end of the current year or if the funds have not been received by year end, then the income will be recognized to be with donor restrictions. Net assets without restrictions include funds separately designated by the Board of Directors.

The Association adopted the FASB Codification 606 - Revenues from Contracts with Customers (ASC 606) effective June 30, 2019. Revenue from the contracts with the City is recognized when the special assessments imposed by the City become due and enforceable for collection by the City Assessor for the period during which the Association provides services to the members of the districts.

Assessments Receivable

Assessments billed but not transmitted by the City at year end are recorded as receivables, net of an allowance for doubtful accounts based on the Association's historical experience. At June 30, 2020 Management determined that all of the receivables were collectible and therefore no allowance for doubtful accounts was necessary.

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FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Expense allocation by Function

The financial statements report certain natural categories of operating expenses that are attributable to more than one program or supporting function.

The expenses were allocated on the following basis:

Employment Costs	Time and effort
Program and other expenses	Based on square footage

Use of Estimates

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

Income Tax Status

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

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FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Donated Services

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

A number of organizations have donated services and materials to the Association. The Association also received discounted rental and meeting space to carry on its activities. Management estimates the value of these donations during the year to be approximately \$107,000. This amount was recognized as public support revenue and corresponding expenses were also recognized by the Association.

Compensated Absences

Accumulated paid time off is accrued when earned. As of June 30, 2020 the liability for employees for compensated absences was \$4,956.

2. CASH

Cash at June 30, 2020 consisted of the following:

Cash in checking account	\$128,053
Cash deposited in interest-bearing account	<u>335,372</u>
	<u>\$463,425</u>

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CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The cash and financial assets at June 30, 2020 that will be available for general use consist of the following:

Cash	\$463,425
Assessments receivable	116,689
Grants receivable	<u>11,002</u>
	<u>\$591,116</u>

The Organization has a goal to maintain financial assets on hand to meet its normal monthly operating expenses. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

4. OFFICE FURNITURE AND EQUIPMENT

Office furniture and equipment are stated at cost. Depreciation is provided using the straight-line method over five years. Depreciation charged to general and administrative expenses for the year ended June 30, 2020 was \$1,350.

Office furniture and equipment at June 30, 2020 consisted of the following:

Furniture and equipment	\$9,929
Less accumulated depreciation	<u>9,535</u>
	<u>\$ 394</u>

5. INTANGIBLE ASSETS

Intangible assets are stated at cost. Amortization is provided using the straight-line method over their estimated useful lives of between three and fifteen years. Amortization charged to general and administrative expenses for the year ended June 30, 2020 was \$6,198.

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CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

5. INTANGIBLE ASSETS - (Continued)

At June 30, 2020 net intangible assets were comprised of the following:

Organization costs	\$ 83,551
Website development costs	35,000
Signage and logos	<u>9,432</u>
	127,983
Less accumulated amortization	<u>121,960</u>
	<u>\$ 6,023</u>

6. NOTE PAYABLE

On May 3 ,2020, the Association obtained a Payroll Protection Loan under a note payable to the Small Business Administration of \$81,974. The note is eligible for forgiveness upon meeting certain requirements. The note is unsecured and bears interest at a rate of 1% per annum. The note is repayable in monthly payments of \$5,892 including interest commencing in March 2021. The remaining principal is due in May 2022.

Future minimum principal payments on the note are as follows:

Year ending June 30,

2021	\$ 23,324
2022	<u>58,650</u>
	<u>\$ 81,974</u>

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CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at June 30, 2020 were comprised of grants which had not been received by year end and grants which had been received but had one or more restrictions which were unsatisfied at year end. These amounts are summarized as follows:

Grants received but which included restrictions not satisfied at year end	\$ 99,804
Grants not received	<u>11,002</u>
	<u>\$110,806</u>

8. RISK AND UNCERTAINTIES

Special benefit assessments received under a contract with the City and County of San Francisco represent approximately 65% of the Association's total revenues. Under the terms of the contracts, the City can suspend distributions and ultimately terminate the contracts if the Association fails to provide adequate services to the Districts. The contracts expire on December 31, 2021 but either could be terminated at an earlier date if the Fisherman's Wharf Community Landside or the Portside Benefit Districts were disestablished by a vote of more than 50% of the assessed members.

In the early months of 2020 an outbreak of the novel strain of coronavirus (COVID-19) emerged globally. As a result there have been mandates from federal, state, and local authorities resulting in an overall decline in economic activity. Management is currently evaluating the impact on its activities and operations and has concluded that the effect of the general economic decline on the Company is unknown. While it is reasonably possible that the effect of the general decline could have a negative effect on the operations of the Association, the specific impact is not readily determinable. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See independent accountants' review report)

9. CONCENTRATIONS OF CREDIT RISK

At June 30, 2020 the Association had uninsured cash deposits with a bank totaling approximately \$218,000.

10. SUBSEQUENT EVENTS

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

As described in Note 1, on July 14, 2020 the members of the Landside District voted to renew the district for 15 more years. On July 24, 2020 the Board of Supervisors of the City and County of San Francisco passed a resolution to renew the Landside District.

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CERTIFIED PUBLIC ACCOUNTANTS

MEMO

To: Supervisor Aaron Peskin, District 3

CC: San Francisco Board of Supervisors

From: Chris Corgas; OEWD Senior Program Manager

RE: Fisherman's Wharf Community Benefit District (Landside and Portside); FY 19-20 Annual Report

Date: May 24, 2021

This is a memo summarizing the performance of the Fisherman's Wharf Community Benefit District (FWCBD) for both "Landside" and "Portside" and an analysis of their financial statements (based on their audit) for the period between July 1, 2019 and June 30, 2020.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Fisherman's Wharf CBD has complied with the submission of all these requirements. OEWD staff, with assistance from the Controller's Office, reviewed these financial documents to monitor and report on whether they have complied with the rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the Fisherman's Wharf Association management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2005 for Landside and 2006 for Portside.

Also attached to this memo are the following documents:

1. Annual Report
 - a. FY 2019-2020
2. CPA Financial Review Report
 - a. FY 2019-2020
3. Draft resolution from the Office of Economic and Workforce Development

Background

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

Landside:

- July 26, 2005: the Board of Supervisors approved the resolution that established the property-based district called the Fisherman’s Wharf Landside Community Benefit District for 15 years (Resolution # 540-05).
- January 10, 2006: the Board of Supervisors approved the contract for the administration and management of the Fisherman’s Wharf Community Landside CBD (Resolution # 16-06).
- March 14, 2017: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Landside CBD (Resolution # 077-17).
- July 24, 2018: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Landside CBD (Resolution # 240-18)
- September 17, 2019: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Landside CBD (Resolution # 398-19)
- September 15, 2020: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Landside CBD (Resolution # 391-20)

Portside:

- December 12, 2006: the Board of Supervisors approved the resolution that established the business-based district called the Fisherman’s Wharf Portside Community Benefit District for 14 years (Resolution # 696-06).
- June 19, 2007: the Board of Supervisors approved the contract for the administration and management of the Fisherman’s Wharf Portside CBD (Resolution # 312-07).
- March 14, 2017: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Portside CBD (Resolution # 077-17).
- July 24, 2018: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Portside CBD (Resolution #240-18)
- September 17, 2019: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Portside CBD (Resolution #398-19)
- September 15, 2020: the Board of Supervisors approved the Annual Report for the Fisherman’s Wharf Portside CBD (Resolution # 391-20)

Basic Information about Fisherman’s Wharf CBD

Year Established	Landside 2005 Portside 2006
Assessment Collection Period	Landside: FY 2005-06 to FY 2019-20 (July 1, 2005 to June 30, 2020) Portside: FY 2006-07 to FY 2019-20 (July 1, 2006 to June 30, 2020)
Services Start and End Date	Landside: January 1, 2006 – December 31, 2020 Portside: January 1, 2007 – December 31, 2020
Initial Estimated Annual Budget	Landside: \$622,615 Portside: \$187,113
FY 19-20 Submission	Landside: \$751,901.36

Fiscal Year	Portside: \$220,511 July 1 – June 30
Executive Director	Randall Scott
Name of Nonprofit Owners' Association	Fisherman's Wharf Association of San Francisco

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

Summary of Service Area Goals

District Identity and Street Improvements (DISI)

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

Street Operations, Beautification and Order (SOBO)

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

Administration and Corporate Operations

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

- **Marketing/District Identity & Streetscape Improvements** - The Marketing/District Identity & Streetscape Improvements committee works to promote visitation to Fisherman's Wharf and meets the second Tuesday of the month.
- **Safety Outreach Committee** - The PIERsafe committee works to create a safety and emergency preparedness for businesses and residents in the Fisherman's Wharf community and meets the first Thursday of the month. Fisherman Wharf CBD regularly holds trainings, meetings and drills to ensure safety for merchants, workers and visitors on the wharf.
- **Street Operations, Beautification and Order (SOBO)** - The SOBO committee works to ensure a clean and safe commercial district and meets the second Tuesday of the month.

- **Transportation Improvement** - The Transportation Improvement committee works to help mitigate traffic congestion and improve vehicle and pedestrian safety and meets every two months.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

FY 2019-2020

District Identity and Street Improvements (DISI)

- Worked with participating Wharf businesses on a full-page co-op ad in October edition of the Alaska Airlines in-flight magazine.
- Received \$120,000 Google Grant for Adwords which allows FWCBD to create ad campaigns and boost its search ranking on Google, its top referral search engine.
- Secured an in-kind sponsor, iHeartRadio, which awarded \$10K in free radio advertising to the FWCBD.
- Received in-kind media sponsorship from Paneau, a new company that puts screens in the back of ride share vehicles.
- Promoted MerryTime at the Wharf and the Bars & Attractions Treasure Hunt with this advertising tool.
- Received an in-kind donation from Firefly to promote the Bars & Attractions Treasure Hunt on their screens (placed on the roofs of ride shares).
- Created a “Welcome Back to the Wharf” social media campaign on Facebook from June 8 – July 7, 2020, which increased page visits by 176% to 11,632.
- For the 6th year in a row, Fisherman’s Wharf was honored with the Certificate of Excellence from Trip Advisor and was also inducted into the Trip Advisor Hall of Fame

Street Operations, Beautification and Order (SOBO)

- Safety & Security Services:
 - Aggressive panhandling addressed – 112
 - Drinking in Public – 981
 - Illegal Dumping – 985
 - From July to October the Fisherman's Wharf CBD hired private security guards and SFPD 10-B officers to assist the district with security and create a preventative presence.
 - Through the efforts of its Ambassadors and continued community participation, the FWCBD worked to get convictions and stay-away orders for the top three criminal offenders at Fisherman's Wharf. The Ambassadors also led an awareness campaign about the persons of interest in our district, publishing weekly documents on Townsquared.
- Visitor/Merchant Services:
 - Hospitality assistance – 9,160
 - Directions given – 4,730
 - Business contacts made – 2,651
 - Street performer interactions - 297
- Cleaning/Maintenance Services
 - Trash collected (lbs) – 42,157 lbs
 - Graffiti/Stickers removed – 4,206

- Pan and broom block faces covered - 10,287
- Street furniture cleaned – 986
- Tree grates cleaned – 3,015
- Painting projects completed - 534

Administration and Corporate Operations

- Actively participated in both the Clean and Safe 365 working group led by the Hotel Council, and SF Travel’s Clean and Safe Coalition which focuses on safety, cleanliness, and quality of life issues. Began work on FY 19-20 Fisherman’s Wharf Landside and Portside CBD renewal process
- Advocated for extending the Central Subway to the Wharf by partnering with SF NextStop

FWCBD Annual Budget Analysis

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

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

FY 2019-2020

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

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

Landside

Service Category	Mgmt. Plan Budget (Percentage)	FY 19-20 Budget (Percentage)	FY 19-20 Asst Budget (Percentage)	Variance % Points	Variance % Points – Asst.

District Identity and Streetscape Improvements	\$255,000.00 (40.96%)	\$518,096.38 (46.28%)	\$493,425.12 (46.12%)	+5.32%	+5.17%
Public Rights of Way and Sidewalk Operations	\$181,130.00 (29.09%)	\$326,497.50 (29.16%)	\$310,950.00 (29.07%)	+0.07%	-0.03%
Administrative and Corporate Operations	\$125,000.00 (20.08%)	\$199,041.30 (17.78%)	\$186,563.14 (17.72%)	-2.30%	-2.36%
Contingency and Reserve	\$61,485.00 (9.88%)	\$75,860.00 (6.78%)	\$75,860.00 (7.09%)	-3.10%	-2.78%
TOTAL	\$622,615.00	\$1,119,495.17	\$1,069,798.26		

Portside

Service Category	Mgmt. Budget (Percentage)	FY 19-20 Budget (Percentage)	FY 19-20 Asst. Budget (Percentage)	Variance % Points	Variance % Points – Asst.
District Identity and Streetscape Improvements	\$130,979.00 (70.00%)	\$239,216.12 (74.43%)	\$227,824.88 (74.18%)	+4.43%	+4.18%
Administrative and Corporate Operations	\$37,423.00 (20.00%)	\$60,140.17 (18.71%)	\$60,140.17 (18.65%)	-1.29%	-1.35%
Contingency and Reserve	\$18,711.00 (10.00%)	\$22,026.00 (6.85%)	\$22,026.00 (7.17%)	-3.15%	-2.83%
TOTAL	\$187,113.00	\$321,382.83	\$307,127.74		

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

ANALYSIS: *FWCBD met this requirement. Assessment revenue was \$758,600.00 or 58.64% of actuals and non-assessment revenue was \$535,100.00 or 28.32% of actuals. See table below.*

Revenue Sources	FY 2019-2020 Actuals	% of Actuals
Assessments Revenue	\$758,600.00	
Total Assessment (Special Benefit) Revenue	\$758,600.00	58.64%
Grants	\$461,745.00	35.69%
Donations	\$73,215.00	5.66%
Interest Earned	\$140.00	0.01%
Total Non-Assessment (General Benefit) Revenue**	\$535,100.00	41.36%
Total	\$1,293,700.00	100.00%

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

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

Landside

Service Category	FY 19-20 Budget (Percentage)	FY 19-20 Asst. Budget (Percentage)	FY 19-20 Actuals – Total (Percentage)	FY 19-20 Actuals – Asst. (Percentage)	Variance % Points - Total	Variance % Points – Asst.
District Identity and Streetscape Improvements	\$518,096.38 (46.28%)	\$493,425.12 (46.12%)	\$436,171.69 (34.32%)	\$379,896.00 (44.63%)	-11.86%	-1.49%
Public Rights of Way and Sidewalk Operations	\$326,497.50 (29.16%)	\$310,950.00 (29.07%)	\$302,471.00 (23.87%)	\$302,471.00 (35.54%)	-5.30%	+6.47%
Administrative and Corporate Operations	\$199,041.30 (17.78%)	\$186,563.14 (17.72%)	\$185,699.00 (14.65%)	\$168,759.00 (19.83%)	-3.12%	+2.11%
Special Projects	---	---	\$342,941.00 (27.06%)	---	+27.06%	---
Contingency and Reserve	\$75,860.00 (6.78%)	\$75,860.00 (27.06%)	\$0.00	---	-7.09%	-6.78%
TOTAL	\$1,119,495.17	\$1,069,798.26	\$1,267,282.69	\$851,126.00		

Portside

Service Category	FY 19-20 Budget (Percentage)	FY 19-20 Asst Budget (Percentage)	FY 19-20 Actuals – Total (Percentage)	FY 19-20 Actuals – Asst. (Percentage)	Variance % Points - Total	Variance % Points – Asst.
District Identity and Streetscape Improvements	\$518,096.38 (46.28%)	\$493,425.12 (46.12%)	\$436,171.69 (34.32%)	\$379,896.00 (44.63%)	- 11.86%%	-1.49%
Public Rights of Way and Sidewalk Operations	\$326,497.50 (29.16%)	\$310,950.00 (29.07%)	\$302,471.00 (23.87%)	\$302,471.00 (35.54%)	-5.30%	+6.47%
Administrative and Corporate Operations	\$199,041.30 (17.78%)	\$186,563.14 (17.72%)	\$185,699.00 (14.65%)	\$168,759.00 (19.83%)	-3.12%	+2.11%
Special Projects	---	---	\$342,941.00 (27.06%)	---	+27.06%	---
Contingency and Reserve	\$75,860.00 (6.78%)	\$75,860.00 (27.06%)	\$0.00	---	-7.09%	-6.78%
TOTAL	\$1,119,495.17	\$1,069,798.26	\$1,267,282.69	\$851,126.00		

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

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

Landside

FY 2019-2020 Carryover Disbursement	\$405,432.57
Public Rights of Way and Sidewalk Operations	\$143,997.00
District Identity and Streetscape Improvements	\$61,189.00
Administration	\$56,092.00
Contingency and Reserve	\$142,154.57
Total Designated amount for Future Years	\$405,432.57

Portside

FY 2019-2020 Carryover Disbursement	\$185,219.53
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District Identity and Streetscape Improvements	\$96,080.53
Administration	\$19,827.20
Contingency	\$69,247.48
Total Designated amount for Future Years	\$185,155.21

Findings and Recommendations

For the fiscal year in review, Fisherman’s Wharf CBD met all benchmarks mentioned on page 5 of this memo. The CBD continues to perform strongly in respect to reported metrics. FWCBD, once again, hosted successful events and has partnered with the broader community to make the Wharf area a destination for locals.

The second half of FY 2019-2020 was particularly challenging for the Fisherman’s Wharf CBD as well as property owners and businesses in the area. In February 2020 visitor traffic to the area began to decline due to the emergence of the Covid-19 global pandemic. On March 16, 2020 Mayor London N. Breed announced that the Health Officer for the City County of San Francisco issued a Public Health Order requiring residents to remain at home, with the exception of essential needs. Additionally, all businesses other than Essential Businesses and Essential Government Functions, were required to cease all operations. All public and private gatherings of any number of people occurring outside a single family or living unit were also prohibited. This impacted a large number of events the CBD helps sponsor including the 4th of July and Fleet Week, which are both important economic contributors to businesses in the area.

This order was particularly confusing to the Community Benefit District/Business Improvement District community in San Francisco as, by definition, they provide supplemental service and no direction was provided on whether or not they were to cease operations. The Fisherman’s Wharf CBD did not suspend operations and continued to perform essential services in the early days of the pandemic ensuring that the public rights of way in the area maintained were clean. OEWD worked with the Covid Command Center to ensure that these essential workers were not forgotten during the Covid response and was able to acquire personal protective equipment and hygiene supplies to keeps workers and the community safe. CBD/BIDs played an important role in facilitating communication between the City and their stakeholders throughout the pandemic.

Additionally, in May 2020, peaceful protests broke out through the world, including San Francisco, in response to the killing of George Floyd in Minneapolis. The vast majority of these demonstrations were nonviolent, but on May 30th bad actors embedded with the peaceful protestors began to riot and loot businesses throughout the City and County of San Francisco. Fisherman’s Wharf experienced this too as these individuals made their way from Union Square. In the aftermath of these incidents the Fisherman’s Wharf CBD helped clean up streets, contacted property owners, and worked with officials to help secure the district.

This iteration of the FWCBD - Landside sunset on June 30, 2020 and needed to be renewed before the end of 2020. FY 19-20 saw the CBD and its renewal steering committee focus on completing their renewal process before the district expired. The Landside CBD successfully completed renew on July 14, 2020. The Portside renewal was put on hold due to the emergence of the Covid-19 pandemic. Instead of completing the process in the summer, like originally anticipated, the process was suspended until the stakeholders could have a better understanding of the impact of the pandemic on businesses in the district. The Portside CBD renewal process was completed in FY 2020-21 and will be discussed in that annual report.

Fisherman's Wharf CBD has been on the forefront of partnering with the City and County of San Francisco as we work to emerge from the Covid-19 pandemic. The CBD was instrumental in connecting with neighborhood stakeholders, managing PPE deliveries, and its executive director, Randall Scott, sat on the Economic Recovery Task Force. The CBD is currently proactively thinking how to emerge from the pandemic to welcome visitors back to the area to support the Wharf's unique businesses.

Conclusion

Fisherman's Wharf CBD has performed well in implementing the service plan of both the Landside and Portside areas. Due to the pandemic, the Fisherman's Wharf CBD was unable to successfully market and produce events such as 4th of July, Fleet Week, and Wharf Fest as it has done in the past. Fisherman's Wharf CBD has an active board of directors and committee members; and OEWD believes the Fisherman's Wharf CBD will continue to successfully carry out its mission and service plans. Fisherman's Wharf CBD is well underway with their renewal process and are expected to complete the process on schedule.

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:

For Clerk's Use Only