

MEMO

To: Mayor London N. Breed

CC: San Francisco Board of Supervisors

From: Chris Corgas, OEWD Senior Program Manager

RE: Civic Center Community Benefit District

Date: July 3, 2019

This is a memo summarizing the performance of the Civic Center Community Benefit District (CCCBD) and an analysis of their financial statements (based on their audit) for the period between July 1, 2017 and June 30, 2018. Please note Supervisors Haney and Brown have co-sponsored Civic Center resolutions in the past.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Civic Center 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 Civic Center's Community Benefit District management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2010.

Also attached to this memo are the following documents:

1. Annual Report
 - a. FY 2017-2018
2. CPA Financial Review Report
 - a. FY 2017-2018
3. Draft resolution from the Office of Economic and Workforce Development



Background

The CCCBD includes both privately and publicly owned properties. The district covers 41 blocks and includes approximately 327 parcels.

- January 4, 2011, the Board of Supervisors approved the resolution that established the Civic Center Community Benefits District for 10 years (Resolution # 21-11).
- October 18, 2011, the Board approved the contract for the administration and management of the Civic Center Community Benefit District (Resolution # 443-11).
- April 28, 2015, the Board of Supervisors approved the Annual Reports for FYs 2011-2012, 2012-2013, and 2013-2014 annual reports (Resolution # 162-15).
- August 2, 2016, the Board of Supervisors approved the Annual Report for FY 2014-2015 (Resolution #347-16).
- May 9th, 2017, the Board of Supervisors approved the Annual Report for FY 2015-2016 (Resolution # 164-17).
- November 13, 2018, the Board of Supervisors approved the Annual Report for FY 2016-2017 (Resolution # 385-18)

Basic Info about Civic Center CBD

Year Established	January 2011
Assessment Collection Period	FY 2011-2012 to FY 2020-2021 (July 1, 2011 to June 30, 2021)
Services Start and End Date	February 1, 2012 – June 30, 2021 Initial Estimated Annual
Budget	\$691,964
Fiscal Year	July 1 – June 30
Executive Director	Tracy Everwine
Name of Nonprofit Entity	Civic Center Community Benefit District Corporation

The current CBD website, <http://sfciviccenter.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

Safety Program

Community Ambassadors

- **Daytime Ambassadors:** Community Ambassadors provide pedestrian support in the areas of: wayfinding, hospitality, information and social service support. They also serve to deter unsafe conditions in the public realm by proactively deterring crime and reporting suspicious or illegal activity to the appropriate authorities.
- **Evening Ambassadors:** In coordination with District performing arts venues, the Civic Center Plaza Park Rangers, the Playground safety officers and CCCBD's Garage Greeter - CBD Ambassadors ensure safe passage for pedestrians throughout the District at night.

- Garage Greeter: In the evenings a Garage Greeter staffs the elevator entrance to the Civic Center Garage helping patrons safely find their way. He/she is also in direct communication with the CBD's Evening Ambassadors, Park Rangers and the Playground safety officers.

Cleaning and Maintenance

CCCBD's public realm cleaning services provide maintenance workers to respond to calls for graffiti removal, sidewalk sweeping/pressure washing, landscaping and illegally dumped refuse.

Beautification & Activation

Beautification efforts include capital improvements such as: public art, landscaping, wayfinding signage, and decorative lighting. Per its Management Plan CCCBD facilitates activation in Zone 2 of the District with a focus on open space designed for events and activities.

Administration

CCCBD's 15-member Board of Directors and the Executive Director oversee the organization with various support staff.

Summary of Accomplishments, Challenges, and Delivery of Service

Safety Program

- Community Ambassadors documented over 4,000 instances of support in FY17-18, many in support of the District's significant homeless population and those suffering from the nationwide opioid epidemic. Significant challenges include: vacant lots, large doorways, alcoves, and overhangs used for homeless encampments and open-air drug use such as the Bill Graham Civic Auditorium and several alley ways. Ambassadors are also instrumental to the District's growing residential and commercial populations; patrons of local arts and cultural venues; a significant number of employees and visitors of City, State and Federal office buildings and tourists.
- Civic Center CBD helps ensure the new Helen Diller Playgrounds and BiRite Café kiosk are safe and accessible to users during hours of operation and free of vandalism after hours.
- CCCBD joined forces with the Mid Market CBD to co-host a free "Safety Summit" for over 200 area stakeholders at the Strand Theater. The event provided an Active Shooter Training by SFPD's Tactical Unit and a first aid training by Zuckerberg San Francisco General Hospital's Stop the Bleed Program. The event also featured information tables before and after the main program from organizations such as: SF72, SFSafe, A.L.E.R.T., BART Police and WalkSF.

Cleaning Program

- Removed approximately 60,000 pounds of litter from the District
- Pressure washed 46,464 linear feet of sidewalk
- **Removed graffiti from both public and private property with significant challenges being vacant property, the State of California building at Van Ness and McAllister and the Bill Graham Civic Auditorium**
- **Weeded tree basins and sidewalk cracks**
- Disposed of 12,470 used hypodermic needles in 12 months

Beautification & Activation

- CCCBD served as lead and project manager for multiple City agencies and private sector partners executing Civic Center Commons Initiative community events and programs throughout the year including:
 - 1st Sunday Events
 - 3rd Thursday Events
 - Civic Center Plaza Holiday Tree Lighting & Toy Giveaway
- CCCBD assumed ownership of the BiRite Café kiosk in Civic Center Plaza providing facility and operator oversight and ensuring rental fees from the kiosk are put into a maintenance fund for helping to maintain the Plaza.
- CCCBD partnered with the Recreation and Parks Department to install Tivoli lights in Civic Center Plaza improving evening aesthetics and pedestrian safety

Administration

- CCCBD expanded and continued its stewardship role in Civic Center in partnership with several public and private sector stakeholders including: City's Real Estate Division, the Recreation and Parks Departments, the Office of Economic and Workforce Development, Public Works and Planning to ensure the success of
 - the new Civic Center playgrounds
 - the new café kiosk
 - the Civic Center Commons Initiative
- Began renewal and expansion process a year earlier than necessary to meet the increasing demand for clean and safe services and to ensure the continued success of recent activation and investments in the Civic Center area

CCCBD Annual Budget Analysis

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

- **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 “Civic Center Community Benefit District”, Section 3.9 – Budget*).
- **BENCHMARK 2:** Whether one percent (1%) of actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B) (6); Agreement for the Administration of the “Civic Center 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 “Civic Center Community Benefit District”, Section 3.9 – Budget*).
- **BENCHMARK 4:** Whether CCCBD is indicating the amount of funds to be carried forward into the next fiscal year (*CA Streets & Highways Code, Section 36650(B)(5)*).

FY 2017-2018

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: CCCBD met this requirement. See table below.

Service Category	Management Plan Budget	% of Budget	FY 2017-2018 Budget	% of Budget	Variance Percentage Points
Safety	\$357,495	51.66%	\$ 449,092.91	54.11%	+2.44
Cleaning and Maintenance	\$139,890	20.22%	\$ 156,242.54	18.82%	-1.39%
Beautification	\$22,876	3.31%	\$ 30,988.41	3.73%	+0.43%
Activation of Public Places	\$24,081	3.48%	\$ 32,866.50	3.96%	+0.48%
Administration	\$147,622	21.33%	\$ 160,792.96	19.37%	-1.96%
TOTAL	\$691,964	100.00%	\$ 829,983.37	100.00%	

BENCHMARK 2: Whether one percent (1%) of actuals came from sources other than assessment revenue

ANALYSIS: *CCCBD met this requirement. Assessment revenue was \$664,659.00 or 53.78% of actuals and non-assessment revenue was \$571,118.00 or 46.22% of actuals. See table below.*

Revenue Sources	FY 2017-2018 Actuals	% of Actuals
Assessment Revenue	\$664,659.00	
Total assessment revenue	\$664,659.00	53.78%
Grants	\$385,712.00	31.21%
Contributions	\$9,500.00	0.77%
Earned Revenue	\$175,854.00	14.23%
Other	\$52.00	0.00%
Total non-assessment revenue	\$571,118.00	46.22%
Total	\$1,235,777.00	100%

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

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

Service Category	FY 2017-2018 Budget	% of Budget	FY 2017-2018 Actuals	% of Actuals	Variance Percentage Points
Safety	\$ 449,092.91	54.11%	\$ 438,526.78	53.39%	-0.72%
Cleaning and Maintenance	\$ 156,242.54	18.82%	\$ 155,366.64	18.92%	+0.09%
Beautification	\$ 30,988.41	3.73%	\$ 20,700.00	2.52%	-1.21%
Activation of Public Places	\$ 32,866.50	3.96%	\$ 13,728.47	1.67%	-2.29%
Administration	\$ 160,792.96	19.37%	\$ 155,045.97	18.88%	-0.50%
Contingency	\$ 0.00	0.00%	\$ 38,005.70	4.63%	+4.63%
TOTAL	\$ 829,983.37	100.00%	\$ 821,373.56	100%	

BENCHMARK 4: Whether CCCBD 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: CCCBD met this requirement. See table below.

FY 2017-2018 Carryover Disbursement	To be used in FY 2018-19
Projects & Administration	\$ 356,886.10
Designated Projects	N/A
Total Designated Amount	\$ 356,886.10

Findings and Recommendations

CCCBD has met all of its required benchmarks. CCCBD has continued to be a strong partner with City agencies in the implementation of its core services as well as Civic Center Commons Initiative efforts. CCCBD began its renewal process early to: 1) keep pace with the increasing demand for clean and safe services as District residential and commercial development and pedestrian activity grows, 2) ensure the success of recent public and private investment in Civic Center Commons such as the new playgrounds, BiRite café and multiple free community event series, and 3) to support the further development of the Civic Center Public Realm Plan. The CBD is anticipated to complete renewal proceedings in FY 2018-2019.

Beginning in FY 2017-18 the Civic Center CBD began working to collect several unpaid assessment amounts from both public and private entities. With assistance from CBD Board Members, the Office of Economic and Workforce Development and the Office of the San Francisco Treasurer Tax Collector, staff were able to collect several outstanding debts. Delinquent District members such as the State of California made a commitment to remain current on their special assessments and to be a more active participant in the Civic Center CBD going forward.

The CBD continues to be in a strong position to carry out its mission and to continue being a high capacity organization working alongside its public and private sector partners.

Conclusion

CCCBD has continued to successfully perform work the City does not (such as sidewalk cleaning and graffiti abatement on private property) and to supplement what public realm services the City does provide. They have sponsored free community events and programs in the District and successfully raised funds to provide additional cleaning, safety and activation improvements for the District. Board and current staff have worked diligently to carry out its mission and to strengthen the organization for the future.