

MEMO

To: Matt Haney, District 6 Supervisor

CC: San Francisco Board of Supervisors

From: Chris Corgas; OEWD Senior Program Manager, Community Benefit Districts/Business Improvement Districts

RE: Yerba Buena Community Benefit District

Date: August 18, 2020

This is a memo summarizing the performance of the Yerba Buena Community Benefit District (YBCBD) and an analysis of their financial statements (based on their audit) for the period between July 1, 2018 and June 30, 2019.

Each year the YBCBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Yerba Buena CBD has complied with the submission of all these requirements. OEWD staff reviewed these financial documents to monitor and report on whether they have complied with the rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the Yerba Buena's Community Benefit District management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2015.

Also attached to this memo are the following documents:

1. Annual Reports
 - a. FY 2018-2019
2. CPA Financial Review Reports
 - a. FY 2018-2019
3. Draft resolution from the Office of Economic and Workforce Development

Background

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

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

Basic Info about Yerba Buena CBD

Year Established	June 2008
Assessment Collection Period	FY 2008 - 2009 to FY 2014 - 2015 (initial) FY 2015 - 2016 to FY 2029 - 2030 (renewal)
Services Start and End Date	July 31, 2015 – December 31, 2030 (District renewed in FY 14-15)
Initial Estimated Annual Budget	\$2,991,722.82
FY 2018-19 Assessment Submission	\$3,055,094.22
Fiscal Year	July 1 – June 30
Executive Director	Cathy Maupin
Name of Nonprofit Entity	Yerba Buena Community Benefit District Corporation

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

Summary of Service Area Goals

Cleaning and Streetscape Improvement Plan

The Cleaning and Streetscape Improvement Plan is a comprehensive program that aims to ensure the maximum possible cleanliness of sidewalks, curbs, fixtures, landscaping, and buildings throughout the YBCBD. This includes regular sidewalk and gutter sweeping, scheduled steam cleanings, power washing, refuse removal, graffiti removal and streetscape improvements based on, but not limited to, the Yerba Buena Street Life Plan. The YBCBD also distributes small annual grants to community organizations working to improve the neighborhood through its Community Benefit Fund.

Safety and Security Program

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

Branding, Activation, and Marketing Program

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

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

Management and Operations

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

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

The eight committees and meeting times are detailed below:

Standing Committees

- **Community Benefit Fund** – meets the 2nd Monday of March and October
- **Executive** –the fourth Thursday of the month
- **Finance** - the fourth Monday of the month for the months of August, October, January, March, April, May, and June
- **Marketing** - the third Thursday of the month
- **Services** - the second Thursday of the month
- **Streets and Public Space** –the third Wednesday of the month

Ad Hoc Committees

- **Audit** –as needed

- **Nominating** – as needed

Summary of Accomplishments, Challenges, and Delivery of Service Areas

FY 2018-2019

Cleaning and Streetscape Improvements

- Removed 390,000 pounds of trash from YCBCD public rights-of-way.
- Steam cleaned more than 6 million square feet of sidewalk frontage.
- Removed 2,749 instances of graffiti tags, flyers and stickers.
- Collected more than 17,000 discarded needles.
- Completed more than 180 extra requests for sidewalk sweeping, steam cleaning, and spot cleaning.
- Addressed over 70 issues of overflowing trash cans.
 - This CBD attributes this significant decrease to the installation of Bigbelly receptacles
- Addressed over 175 issues of illegal dumping.
- Supplemented our Clean Team with Downtown Streets Team volunteers in partnership with SF Travel to help keep the area around the Moscone Center clean and inviting. The Downtown Streets Team is a program that helps people in need find employment, housing, and a better life. The Downtown Streets team removed 11,375 pounds of trash and 291 needles from neighborhood streets and sidewalks.
- Introduced our updated “Yerba Buena Street Life Plan-An Evolution” in January to guide efforts to improve our streetscape.
- Added 13 more Bigbelly “smart” waste receptacles, bringing the district total to 22.

Safety and Security

- Made more than 620 connections to support services for our street population through the aid of our Social Service Specialist. Referrals included clothing assistance, food service, laundry/shower services, medical/dental, mental health services, shelter/housing assistance, and storage assistance.
- Community Guides worked 365 days a year to connect those who need help with services, provide information about the neighborhood and serve as an additional set of eyes to report safety issues.
- Addressed over 12,150 quality of life issues: aggressive panhandling, trespassing/loitering, sleeper/camper issues, drunk and disorderly and assisting people in need.
- SFPD 10B Bike Patrol officers worked 12 hour shifts daily to address quality of life issues and provide a reassuring presence in the district.
- Continued quarterly performance walks to measure sidewalk cleanliness.
- Completed a 3-year trend analysis of key service statistics to review performance and inform future decision.
- Updated team uniforms to improve safety and visibility.
- Supported the Bryant Street Navigation Center.

Branding, Activation, and Marketing

- Held 8th annual Yerba Buena Night, a free festival of music, dance, and performance.

- In partnership with Wild SF Tours, hosted monthly walking tours of the neighborhood featuring actors playing historical figures.
- Revamped VisitYerbaBuena.org, a website to promote and provide information about district art, dining, shopping, nightlife, hotels, and attractions.
- Debuted “Colorful to the Core,” a new campaign to create awareness of Yerba Buena’s places, culture, and energy.
- Installed new street banners.
- Provided a calendar of neighborhood events.
- Ongoing promotion of the district’s businesses and attractions.
- Continued communication with constituents via weekly emails, monthly e-newsletter, quarterly bulletins, and social media.

Management and Operations

- Exceeded fundraising goals
- Participated in and financially supported the formation of the Yerba Buena Gardens Conservancy
- Day-to-day management of the District
- Continued to stay abreast of new developments in the neighborhood and their overall impact.
- Served on advisory panels to promote the neighborhood’s interests such as: the SFPD Southern Station Community Police Advisory Board; Yerba Buena Gardens Conservancy Interim Board; Tourism Improvement District Board; Better Market Street Community Working Group; Clean Civil Sidewalks Coalition; CleanSafe365 Coalition; and the San Francisco CBD Consortium.

YBCBD Annual Budget Analysis

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

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

FY 2018-2019

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: YBCBD met this requirement. See table below.

Service Category	Management Plan Budget	% of Budget	FY 2018-2019 Budget	% of Budget	Variance Percentage Points
Cleaning and Streetscape Improvements	\$1,281,665.91	40.66%	\$1,564,660.00	36.79%	-3.87%
Safety and Security	\$1,024,744.40	32.51%	\$1,623,196.00	38.17%	+5.65%
Branding, Activation, and Marketing	\$434,614.14	13.79%	\$592,989.00	13.94%	+0.15%
Management and Operations	\$410,811.64	13.03%	\$472,163.00	11.10%	-1.93%
TOTAL	\$3,151,836.09	100%	\$4,253,008.00	100%	

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

ANALYSIS: *YBCBD met this requirement. Assessment revenue was \$3,078,768.00 or 88.97% of actuals and non-assessment revenue was \$381,757.00 or 11.43% of actuals. See table below.*

Revenue Sources	FY 2018-2019 Actuals	% of Actuals
Special Benefit Assessments	\$3,078,768.00	88.97%
Total assessment revenue	\$3,078,768.00	88.97%
Contributions and Sponsorships	\$325,509.00	9.25%
Interest Earned	\$31,674.00	0.92%
Other Revenue	\$30,024.00	0.87%
Total non-assessment revenue	\$381,757.00	11.03%
Total	\$3,460,525.00	100%

Non-assessment revenue applied to 5.08% General Benefit requirement

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

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

Service Category	FY 2018-2019 Budget	% of Budget	FY 2018-2019 Actuals	% of Actuals	Variance Percentage Points
Cleaning and Streetscape Improvements	\$1,564,660.00	36.79%	\$953,750.00	31.83%	-4.96%
Safety and Security	\$1,623,196.00	38.17%	\$1,234,552.00	41.20%	+3.04%
Branding, Activation, and Marketing	\$592,989.00	13.94%	\$455,917.00	15.22%	+1.27%
Management and Operations	\$472,163.00	11.10%	\$350,104.00	11.69%	+0.58%
Fiscally Sponsored Projects	\$0.00	0.00%	\$1,860.00	0.06%	+0.06
TOTAL	\$4,253,008.00	100%	\$2,996,183.00	100%	

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

ANALYSIS: *YBCBD met this requirement. Please note: There is a period between when the City collects assessment payment and when the City disburses the funds to the CBDAs 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. . Yerba Buena also includes its ongoing Contingency/Reserve fund as part of this reporting. See table below.*

FY 2018-2019 Carryover Disbursement	\$1,550,698.00
Designated Projects	
Cleaning and Streetscape Improvements	\$610,910.00
Safety and Security	\$388,644.00
Branding, Activation, and Marketing	\$137,072.00
Management and Operations	\$122,059.00
Donor Restricted	\$292,013.00
Total Designated Amount (FY 18-19)	\$1,550,698.00

Findings and Recommendations

Within the review period of FY 2018-2019, the Yerba Buena CBD met all benchmarks mentioned on Page 5 of this memo and all expectations and requirements as set by the California Street and Highways Code Section 36650-36651; the Agreement for the Administration of the “Yerba Buena Community Benefit District; and the Agreement for the Administration of the “Yerba Buena Community Benefit District.”

YBCBD’s Community Benefit Fund is continually supporting public art, community engagement, streetscape improvements, and public safety enhancements. Yerba Buena CBD, in an effort to reduce litter, added more BigBelly waste receptacles bringing the district total to 22. The CBD also began a new marketing campaign to create awareness if Yerba Buena’s places and culture.

OEWD finds that the Yerba Buena CBD is performing well and functioning as intended; as such, OEWD has no recommendations for the organization and believe it is well positioned to implement services for the CBD area.

Conclusion

Yerba Buena CBD has performed incredibly well in implementing their service plan. Yerba Buena CBD has continued to successfully market and produce events such as Yerba Buena Night. Yerba Buena CBD has increased their opportunities in partnering with community stakeholders and numerous municipal agencies for the implementation of the Yerba Buena Street Life Plan and Community Benefit Fund. Yerba Buena CBD is an extremely well run organization with an active board of directors and committee members. OEWD believes the Yerba Buena CBD will continue to successfully carryout their mission and service plans.