

File No. 181011

Committee Item No. 8

Board Item No. 34

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight
Board of Supervisors Meeting:

Date: November 7, 2018
Date: Nov. 13, 2018

Cmte Board

- | | | |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER

- | | | |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>OEWD Presentation - November 7, 2018</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Annual Report 2016</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>CPA Report - December 31, 2016</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>OEWD Memo - October 5, 2018</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Referral FYI - October 22, 2018</u> |

Prepared by: John Carroll
Prepared by: John Carroll

Date: November 2, 2018
Date: November 8, 2018

1 [Central Market Community Benefit District - Annual Report - 2016 Calendar Year]

2
3 **Resolution receiving and approving an annual report for the Central Market Community**
4 **Benefit District for the 2016 calendar year, submitted as required by the Property and**
5 **Business Improvement District Law of 1994 (California Streets and Highways Code,**
6 **Sections 36600, *et seq.*), Section 36650, and the District's management agreement with**
7 **the City, Section 3.4.**

8
9 WHEREAS, On September 12, 2006, pursuant to the Property and Business
10 Improvement District Law of 1994 (the "Act"), California Streets and Highways Code,
11 Sections 36600 *et seq.*, as augmented by Article 15 of the San Francisco Business and Tax
12 Regulations Code, the Board of Supervisors adopted Resolution No. 519-06, expressing the
13 City's intention to establish the Central Market Community Benefit District (the "Central Market
14 CBD"); and

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

18 WHEREAS, On June 19, 2007, the Board of Supervisors adopted Resolution
19 No. 313-07, authorizing an agreement with the owners' association for the
20 administration/management of the Central Market CBD, and a management agreement (the
21 "Management Contract") with the owners' association, the Central Market Community Benefit
22 District Corporation, was executed accordingly; and

23 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
24 of Supervisors in File No. 070673; and

1 WHEREAS, On July 23, 2013, the Board of Supervisors adopted Resolution
2 No. 264-13 renewing and expanding the Central Market CBD for a period of 15 years,
3 commencing with FY2013-2014; and

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

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

11 WHEREAS, On May 9, 2017, the Board of Supervisors approved the Central Market
12 CBD's annual reports for calendar year 2015 in Resolution No. 170-17; and

13 WHEREAS, The Central Market CBD has submitted for the Board's receipt and
14 approval the Central Market annual report for calendar year 2016 as required by
15 Section 36650 of the Act and Section 3.4 of the Management Contract; and

16 WHEREAS, The 2016 annual report is on file with the Clerk of the Board of
17 Supervisors in File No. 181011, and are incorporated herein by reference as though fully set
18 forth; and

19 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
20 memorandum report from the Office of Economic and Workforce Development, dated
21 October 5, 2018, and documentation from the Central Market CBD for the 2016 annual report
22 are on file with the Clerk of the Board of Supervisors in File No. 181011; now, therefore, be it

23 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
24 reports for the Central Market Community Benefit District for calendar year 2016.
25

Presented in Committee - November 7, 2018

Central Market Community Benefit District



Legislative Overview

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

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

3609

Review Process

This resolution covers the Annual Report for CY 2016

OEWD ensures that all CBDs/BIDs are meeting their management plans.

- OEWD staff conducts an annual review of Annual Reports and CPA Financial Reviews.
- OEWD provides the Board Supervisors with a summary memo.

CMCBD Formation

CMCBD	Type	Assessment Budget*	Year Established	Year Renewed	Expires
	Property-Based	\$ 1,225,433.63	2006	2013	June 30, 2028

3611

**budget identified in management plan*

CMCBD Operations

Staff

- Executive Director – Tracy Everwine

Service Areas

- Public Safety

- This program focuses on the overall safety of the Central Market district.
 - Contracts with MJM Management Group to staff Community Guides.
 - Hires 10 SFD 10B Officers.

- Cleaning and Maintenance

- This service area includes graffiti abatement, spot cleaning, sidewalk sweeping, and trash removal within the Central Market district. The organization contracts with MJM Management Group for Clean Team staff.

- Management & Economic Development

- This service area includes business attraction, retention, and expansion within the Central Market district. Additionally, it provides advocacy for the district as well day-to-day administration of the organization.

3612

BENCHMARKS

OEWD's staff reviewed the following budget related benchmarks for CMCBD:

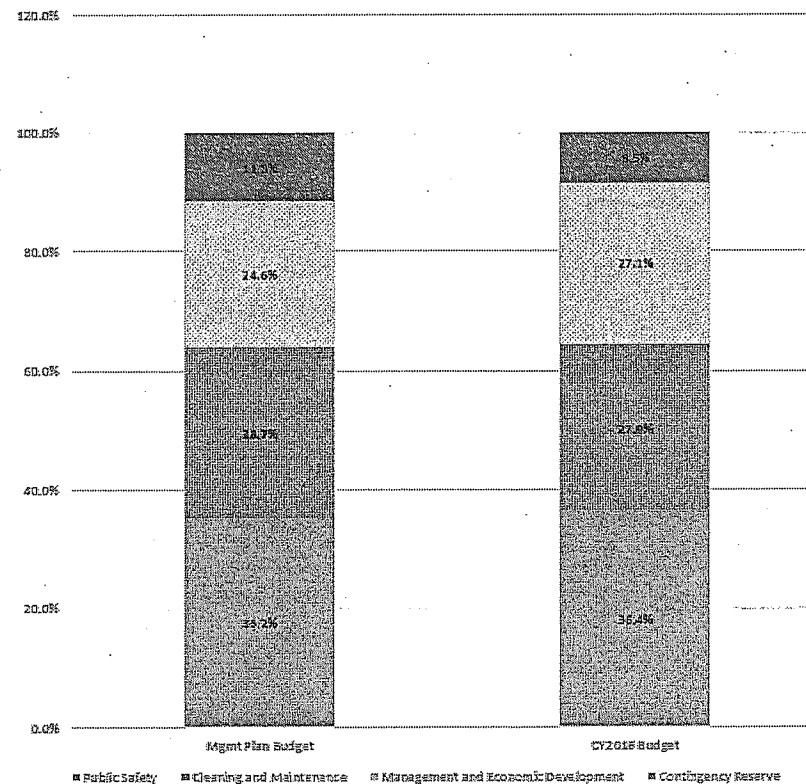
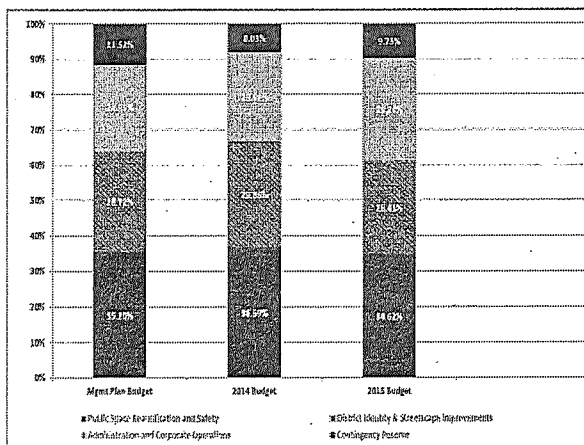
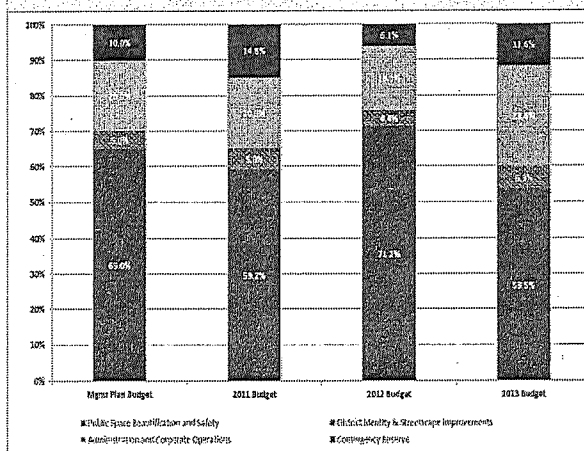
Benchmark 1 – Whether the variance between the budget amounts for each service category was within 10 percentage points from the management plan.

Benchmark 2 – Whether three and sixty eight hundredths percent (3.68%) of CMCBD's actuals came from sources other than assessment revenue.

Benchmark 3 - Whether the variance between the budget amounts for each service category was within 10 percentage points from the actuals.

Benchmark 4 - Whether CBD is indicating the amount of funds carried over from the current fiscal year and designating projects to be spent in the upcoming fiscal year.

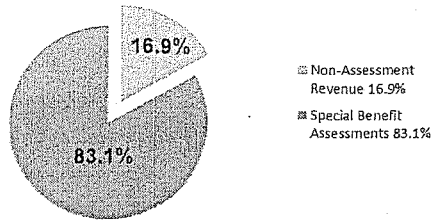
Management Plan vs. Annual Budgets



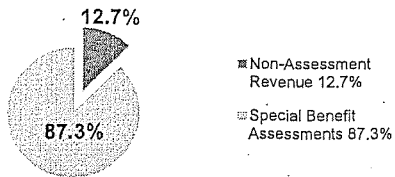
3614

Assessment Revenue & Other Income

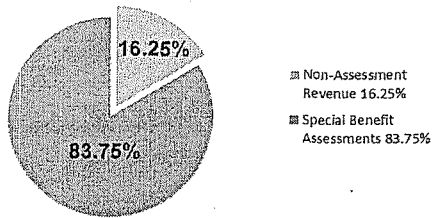
CY 2013



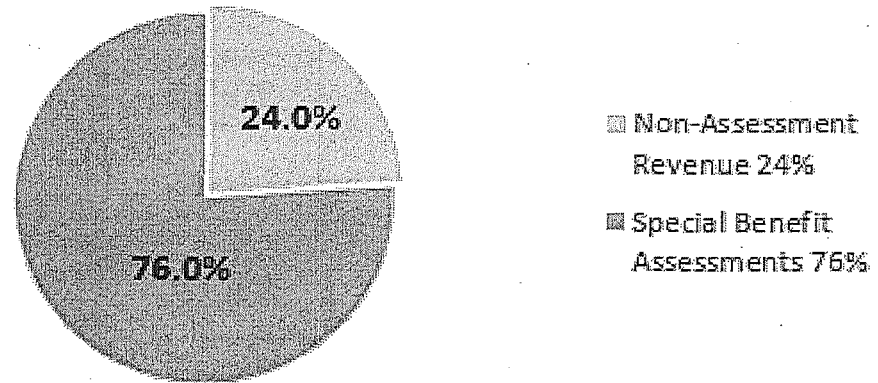
CY 2014



CY 2015



CY 2016



3615

Budget vs Actuals

Service Category	CY 2013 Variance % Points	Service Category	CY 2014 Variance Percentage Points	CY 2015 Variance Percentage Points	CY 2016 Variance Percentage Points
Public Space Beautification & Safety	+14.7%	Public Safety	-1.8%	+1.68%	-0.56%
District Identity and Street Improvements	+3.1%	Cleaning and Maintenance	+0.9%	+2.13%	-0.64%
Administrative Expenses	+0.6%	Management and Economic Development	-1.2%	-4.27%	-1.75%
		Contingency	+2.1%	+0.46%	+2.96%

3616

Carryover

CY 2016 Carryover	Total
Assessment	
Public Safety	\$96,270.88
Cleaning and Maintenance	\$79,630.88
Contingency and Reserve	150,136.84
Total Carryover Disbursement for Future Years	\$326,038.60

3617

Conclusion

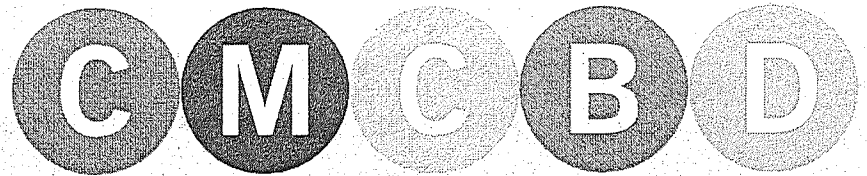
CMCBD has performed well in implementing the service plan in the district:

- **The organization did a commendable job of raising +24% in non-assessment revenue to support the district.**
- **Continues to partner well with community organizations and municipal organizations to fulfill the District management plan.**
- **Maintained an active board of directors and robust subcommittees.**



2016 Annual Report San Francisco

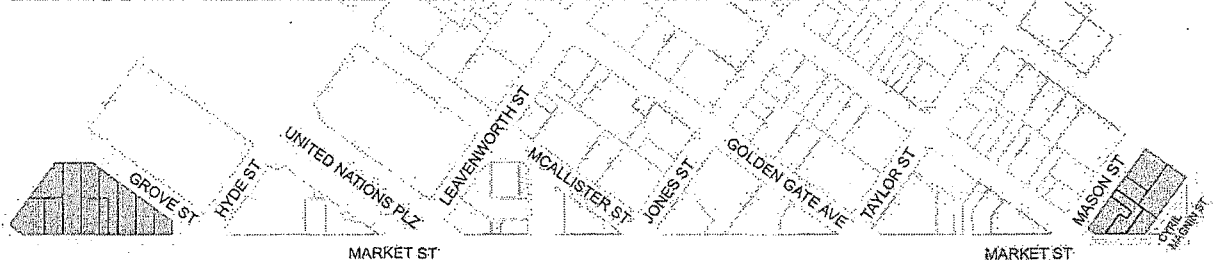
Board of Supervisors
Government Audit &
Oversight Committee



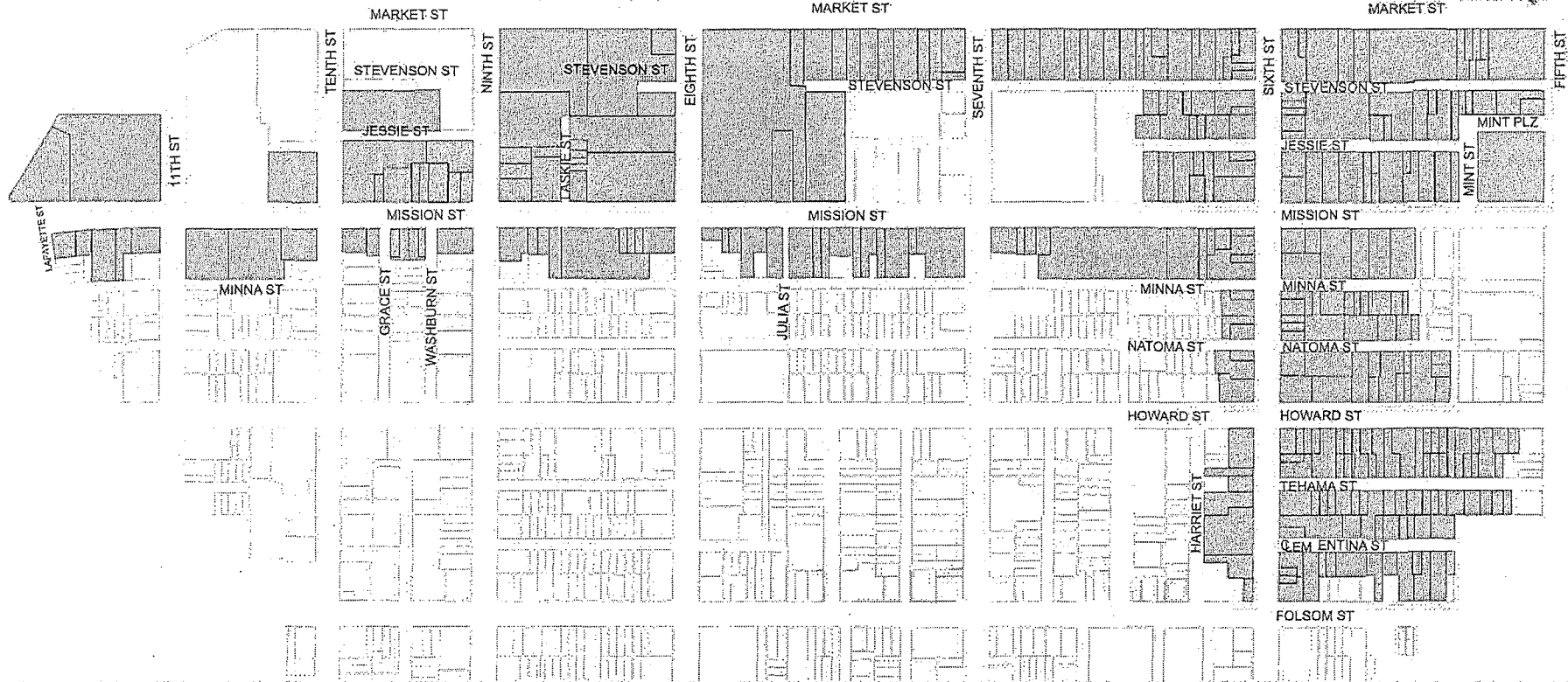
central market community benefit district



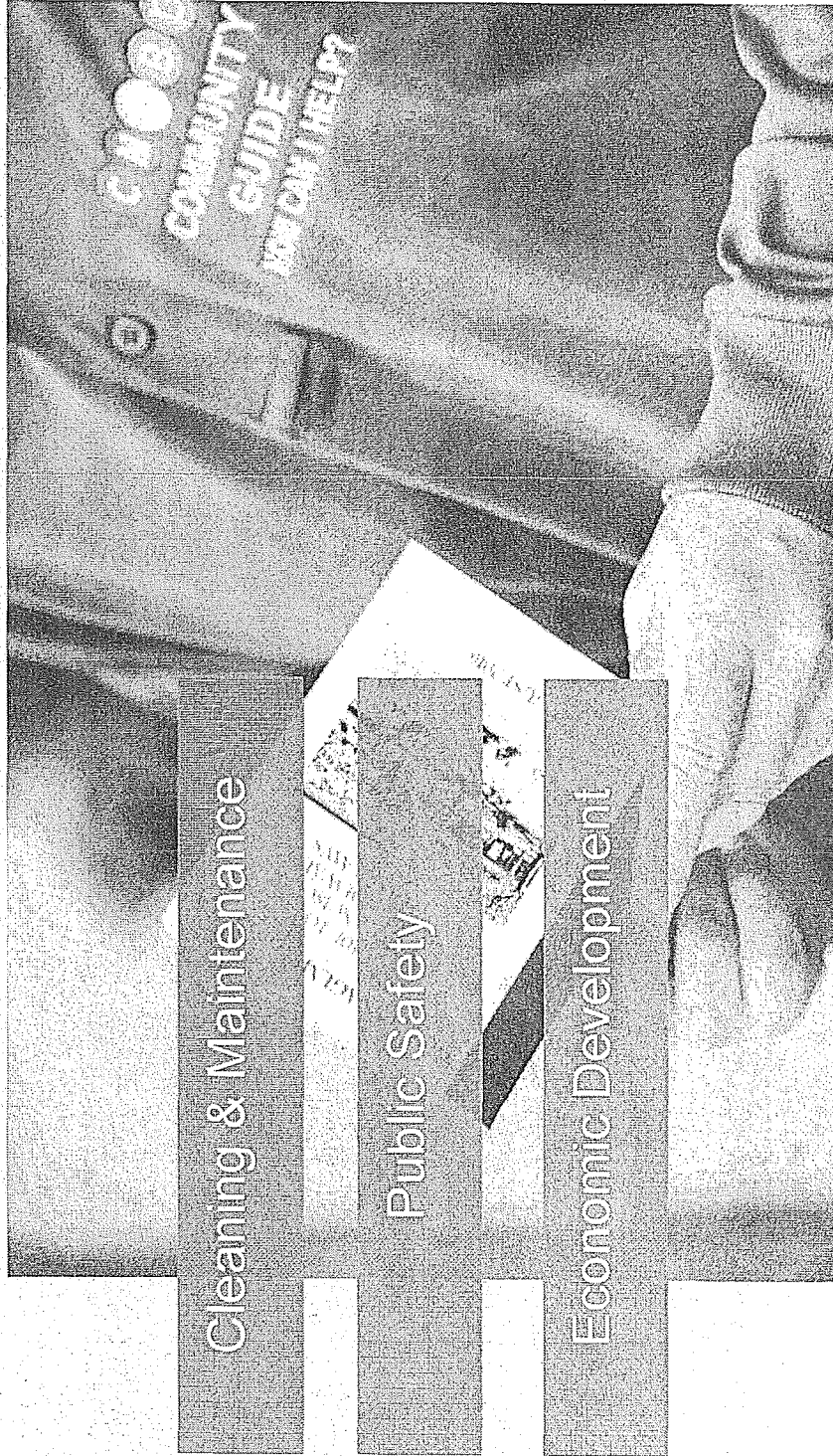
2016 District Map: 806 parcels, \$1.3M Annual Budget



3620

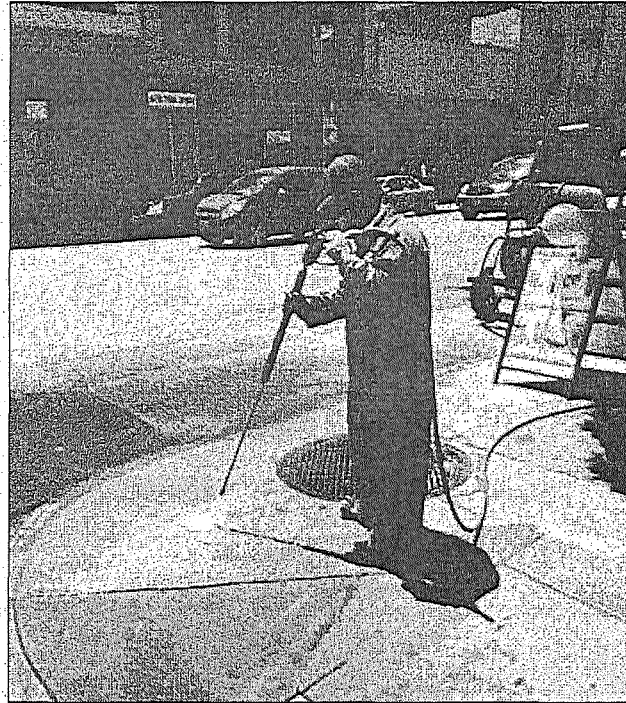


CMCBD Services 7am-7pm, 7 days / week





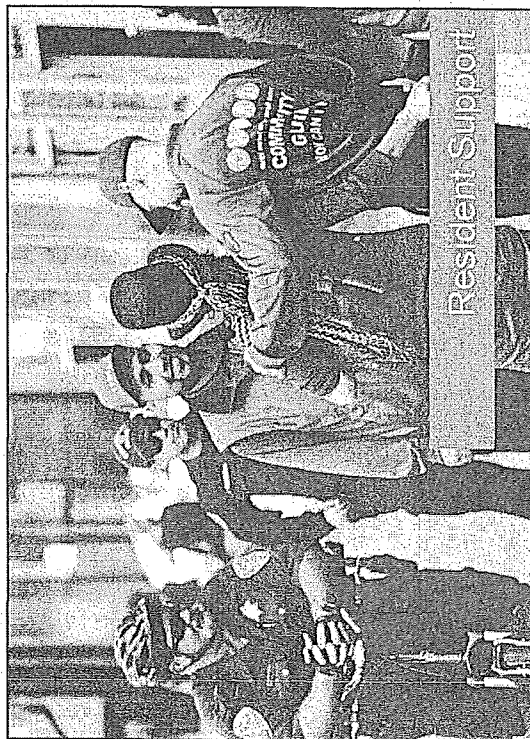
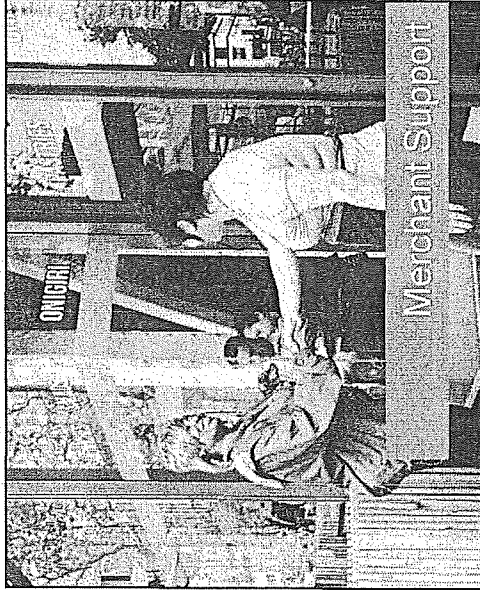
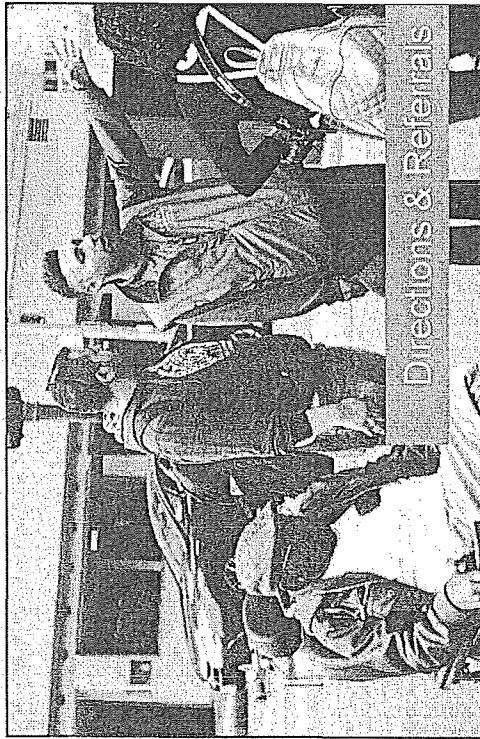
CLEANING & MAINTENANCE



3622

	<u>2016 Monthly Avg.</u>	<u>2016 Yearly total</u>
Human and animal waste removals	504	6,053
Graffiti tags removed	489	5,873
Syringes collected and disposed	462	5,540

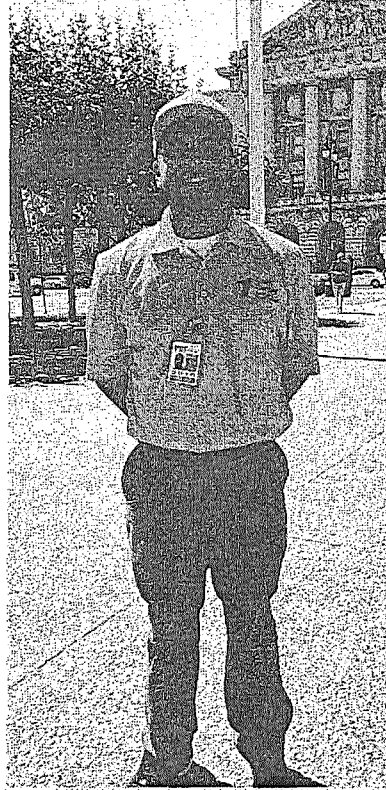
C M C B D PUBLIC SAFETY



Other Area Ambassador Programs



San Francisco
CAP



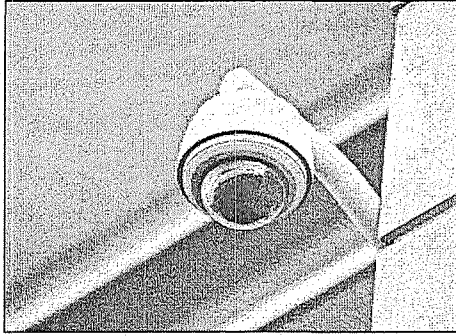
Civic Center
CBD



Safe
Passage

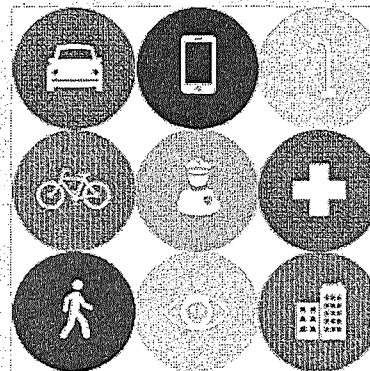
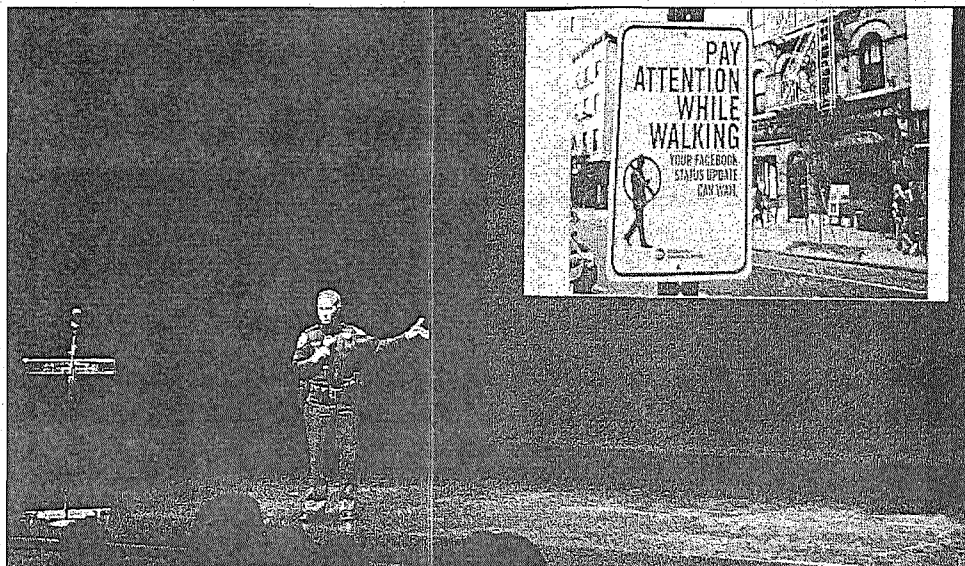


Central Market
CBD



Security Camera Program & Co-responder Safety Teams





CMCBD SAFETY SUMMIT

ACT Strand Theater
1127 Market Street, SF

You are cordially invited to the CMCBD Safety Summit on
September 12, 2016 3-5 pm

Come learn about keeping yourself, your staff and your residents safe in an urban environment.

- 3:00-3:30:** Registration □ safety resources tables □ refreshments
- 3:30-4:30:** Instructional presentations by the San Francisco Police Department, the San Francisco District Attorney's office, community safety specialists AVS and MJM, and the opportunity to meet the District's foot beat officers.
- 4:30-5:00** Networking reception and further Q&A with safety resource provider representatives □ wine & appetizers

Service resource providers will include:

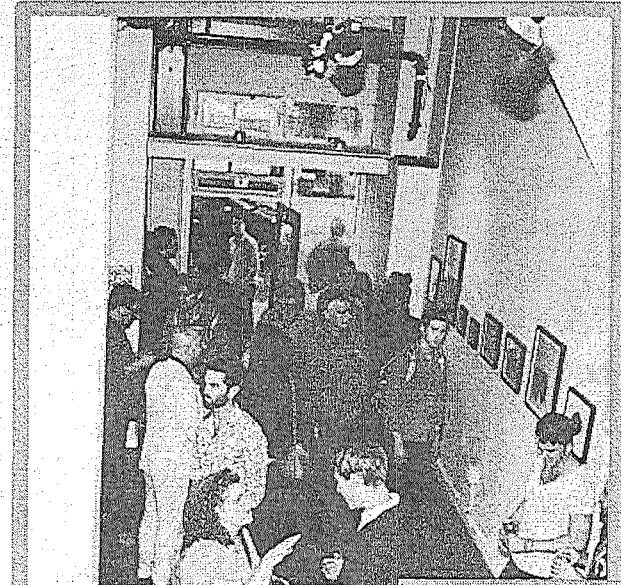
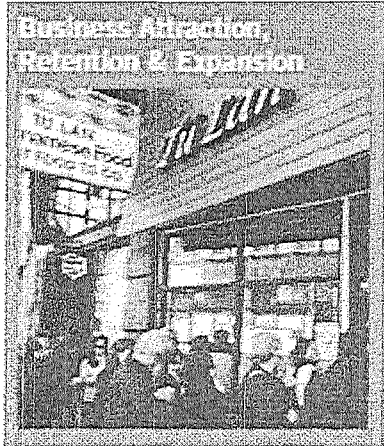
BART & Muni Police □ Central Market Community Benefit District
NERT - Neighborhood Emergency Response Team
OCEIA Community Ambassadors Program □ Safe Passage □ SF Safe
SFPD A.L.E.R.T. (Auxiliary Law Enforcement Response Team)

RSVP REQUIRED – CONTACT: info@central-market.org

Questions? Call 415.957.5985.



Economic Development: Promotion and advancement of District Resources

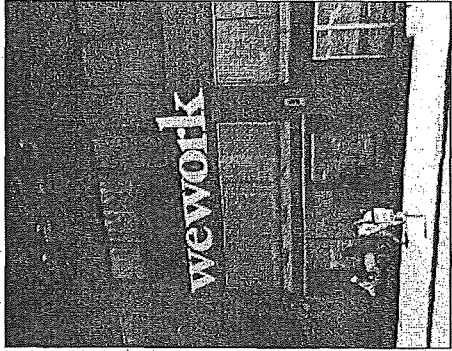
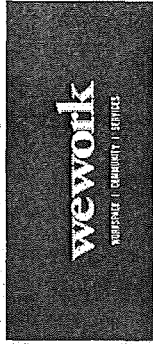
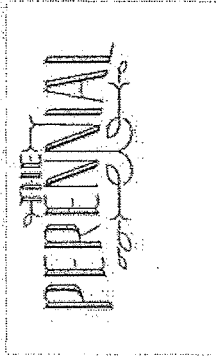
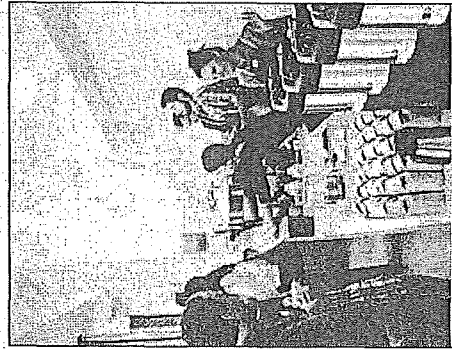
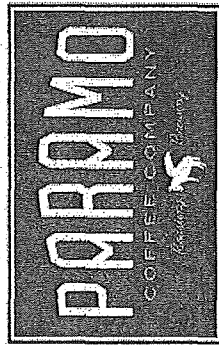
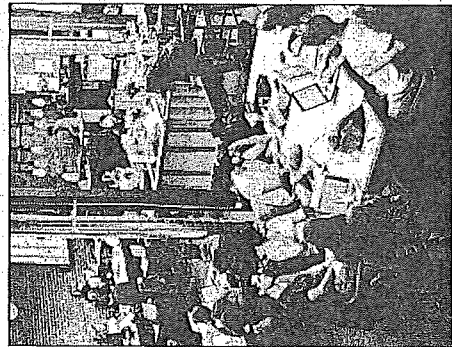


- Fill Commercial Retail Vacancies
- Small Business Technical Assistance
- Construction Barricade Enhancement
- 2 Blocks of Art Art Walk



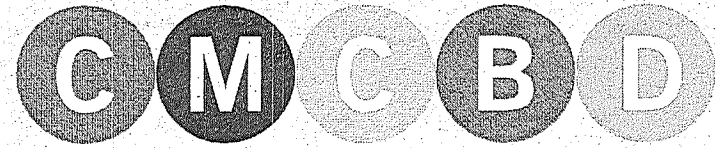
ECONOMIC DEVELOPMENT: New District Business Openings

**JOBS
GOODS AND SERVICES
ACTIVE STOREFRONTS
SIDEWALK STEWARDSHIP**





3629



central market community benefit district



Text:

dispatch@central-market.org



Call:

415.543.5223



Email:

dispatch@central-market.org



Service Hours:

7am-7pm, 7 days/week

2016 BOARD OF DIRECTORS

David Farfello
UCSF Citywide Case Management

Jim Sangiacomo
Trinity Properties

David Harrison
Polson Company

Matt Semmelhack
Mercer Restaurant Group

Ralph Lee
Hotel Whilcomb

Brian Smith
Huckleberry Bicycles

Sara McGhie
Alonzo King LINES Dance Center

Jane Well
Resident

Dipak Patel
Stay In SF

Bill Whitfield
Shorenstein Realty

Kyle Pickett
Urban Fabrick Inc.

3630



central market community benefit district

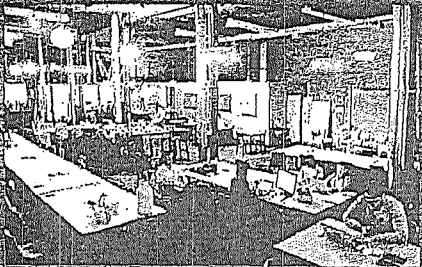
901 Market Street, Suite 490 San Francisco, CA 94103
415.957.5985 | info@central-market.org | central-market.org

CENTRAL MARKET
COMMUNITY BENEFIT DISTRICT
ANNUAL REPORT 2016

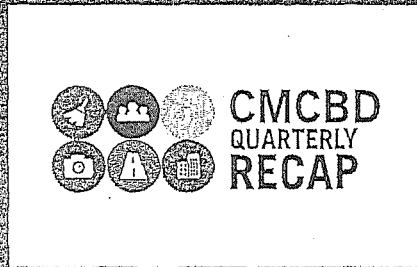


2016 ACHIEVEMENTS

Business Attraction,
Retention & Expansion



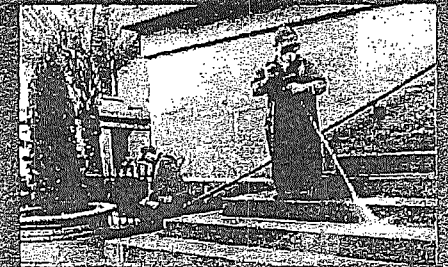
Quarterly Recaps



2 Blocks of Art



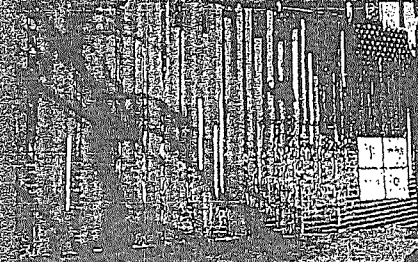
Clean Team



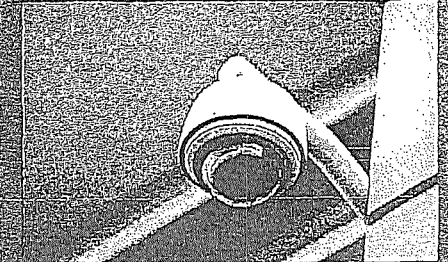
Safety Summit



Safety Teams



"Be Barrier Beautiful!" Barricade Program



Security Camera Program

THE DISTRICT

The 98 acres that comprise the Central Market Community Benefit District (CMCBD) include portions of adjacent neighborhoods: Civic Center, SOMA, Tenderloin and Union Square. Home to two of downtown San Francisco's busiest transit stations-Powell Street and Civic Center-early morning commuters, late night theater-goers, residents and international tourists enjoy convenient access to the City's Municipal Railway (Muni) and Bay Area Rapid Transit (BART).

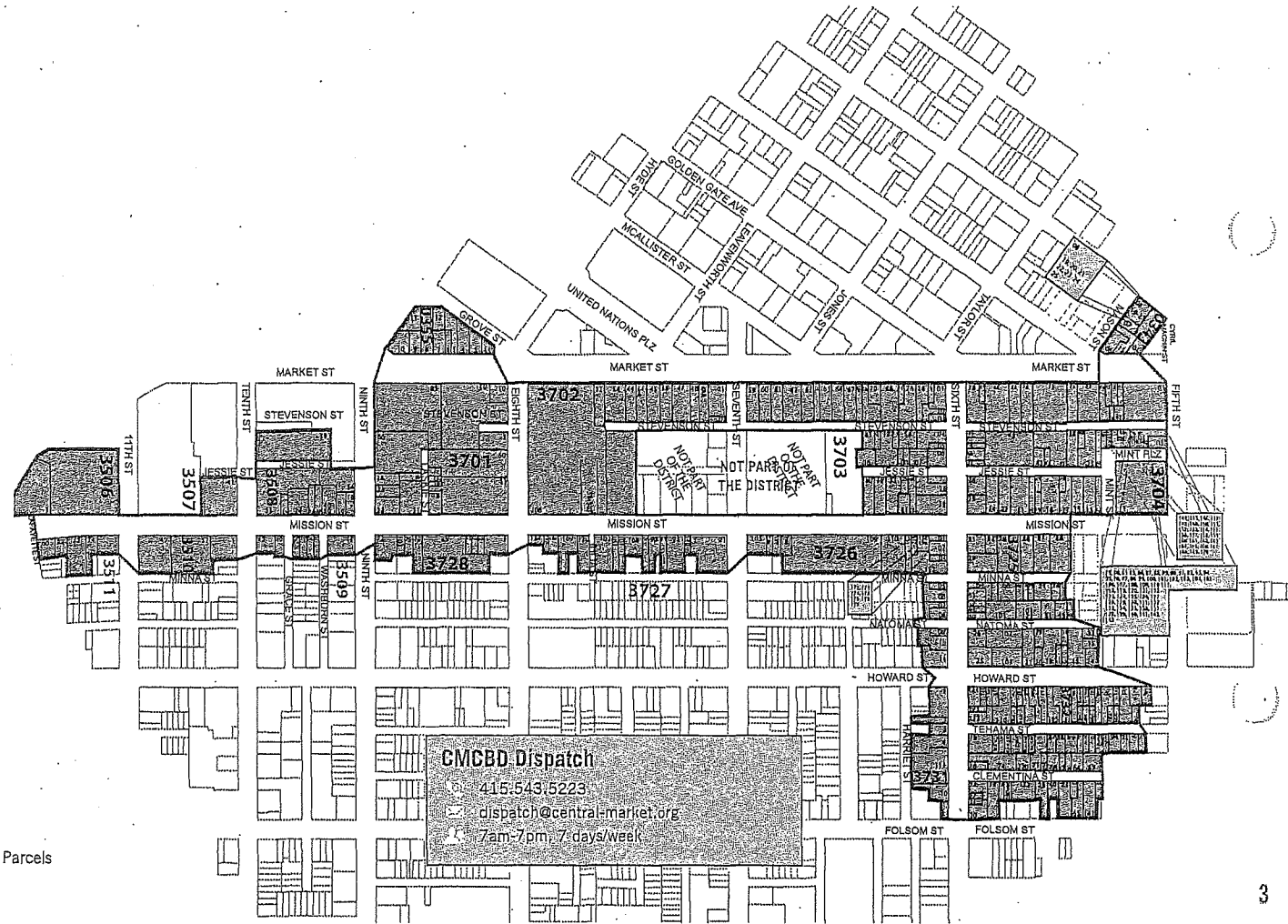
The highly-trafficked area requires balancing the needs of the District with a specialized approach, and great attention to detail. From the thorough work of the Clean Team to the attentiveness of the Community Guide Ambassadors, the CMCBD continued its efforts to make the neighborhood a safer, more attractive, more desirable place to be. In 2016, it also ensured the City fulfilled its contractual obligation to maintain baseline cleaning, maintenance, and public safety services.

Economic Development efforts resulted in the attraction and retention of new businesses and non-profit organizations, such as Covo and Lighthouse for the Blind; and with several new residential and commercial real estate development projects underway, the CMCBD remains San Francisco's most dynamic property-based Improvement district.

Events such as the 6th annual 2 Blocks of Art artwalk spotlighted local businesses, talent and strengths of the CMCBD community while marketing and promotional activities illuminated the District's robust amenities. These efforts were featured throughout the year on the website, via social media and in the Quarterly Recaps.

The following pages contain the year's programming highlights, initiatives and outcomes. Please visit CMCBD's website for more current and in-depth information at central-market.org.

3632



CLEANING, MAINTENANCE & PUBLIC SAFETY

Clean Team

CMCBD's Clean Team provides enhanced cleaning and maintenance services within the public right-of-way, including sidewalks and plazas in the District, above and beyond the baseline level of service provided by the City of San Francisco.

Cleaning services include sidewalk sweeping, monitoring of public trash receptacles for overflow and trash removal, weeding of tree basins, sidewalk cracks, and landscape planters, reporting of bulky items for removal by the Department of Public Works and cleaning quarterly steam cleaning and graffiti abatement on public and private property.

Community Guide Ambassadors

Community Guides focus on oral service outreach including customer service and pedestrian safety support. Through their service to the District's Community Guides support and work in partnership with local law enforcement agencies, social service providers, residents, workers, merchants and property owners in creating a clean, safe and welcoming Central Market neighborhood.

TOB Officer Program

CMCBD provides TOB Officers through the San Francisco Police Department (SFPD). TOB Officers address crime and quality of life issues in the District with the purview of SFPD, such as issuing citations for public intoxication, trespassing, permit violations, littering and possession safety infractions, with the authority to make arrests and the ability to request additional police presence when necessary.



Central Market Safety Summit

On September 12th, CMCBD gathered over 200 District members at ACE's Strand Theater for an insightful series of presentations to improve personal safety in the District. The Strand lobby was filled with representatives and information tables from public safety organizations such as:

- ALERT
- Applied Video Solutions
- BART Police
- CMCBD
- District Attorney's Office
- MUNIPolice
- NERT
- SESafe
- Salt Passage
- San Francisco Police Department

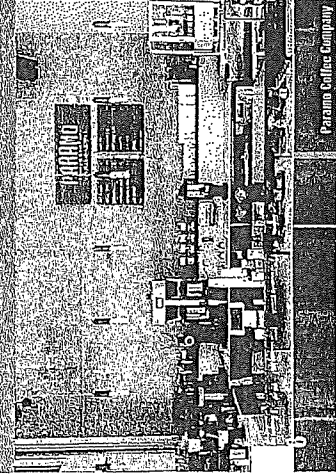
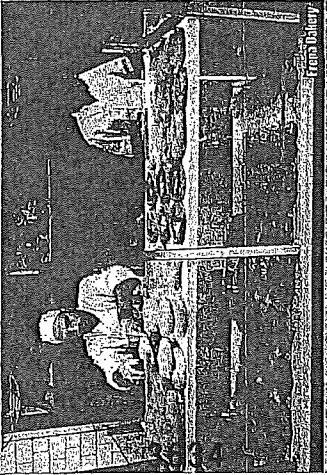
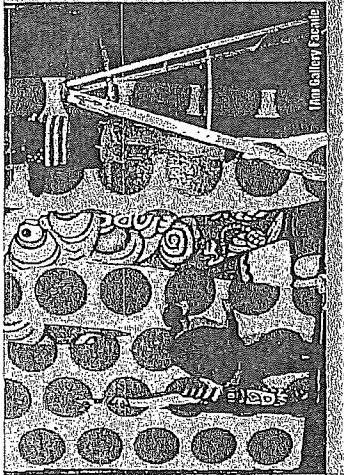
On stage, presenters shared public safety best practices and followed up with a Q&A which can be found later.

Safety Teams

Our Community Guide Ambassadors and SFPD TOB Officer teams have had a tremendously positive impact on the District. CMCBD's Community Guide Ambassadors who focus on hospitality, way finding and social service interventions, enjoy strolling the sidewalks with uniformed law enforcement while making their daily rounds. Similarly, SFPD TOB Officers enjoy walking with a community partner focused on civility and community robustness.

Mid-Market Business Association Safety Team

In 2016, the Mid-Market Business Association partnered with CMCBD to deploy a special summer safety team three times a week for the months of July, August and September along Market Street and Geary Street from 10th and SOMA blocks. The program specifically targeted the tropical first blocks of July and Geary Gate, as well as Stearns Street from 4th to 7th. The Safety Team frequently stopped to meet and greet local businesses, provide directions to visitors, and address quality of life issues.



ECONOMIC DEVELOPMENT

Business Attraction, Retention & Expansion

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

- Tax Exemptions
- Property Tax Exemptions
- Job Creation Incentives
- Job Retention Incentives
- Job Expansion Incentives
- Job Creation Incentives
- Job Retention Incentives
- Job Expansion Incentives

Attracting an Art

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

Attracting an Art

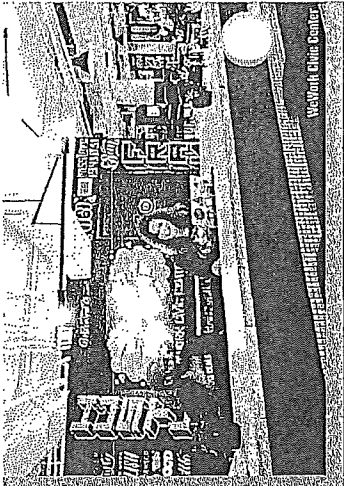
City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

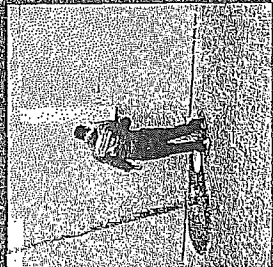
City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

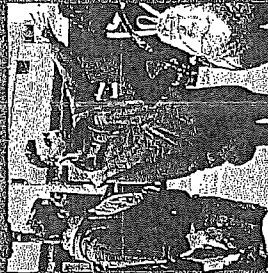
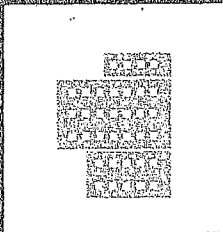
City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.

City of Parma offers a variety of incentives to attract, retain and expand businesses. These incentives are available to businesses that create or retain jobs in the city. The incentives are available to businesses that create or retain jobs in the city.





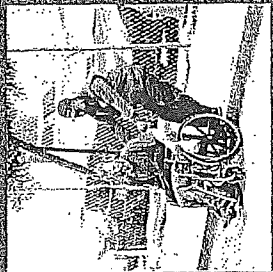
5,873
Graffiti Tags
Removed



9,169
Camping &
Trespassing
Interventions



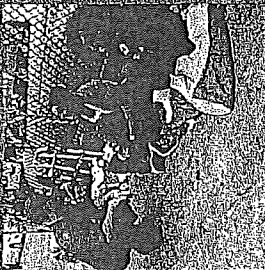
3,139
Directions
and Referrals



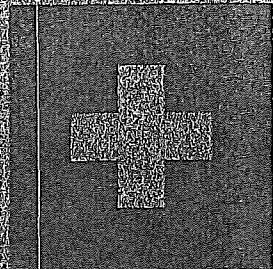
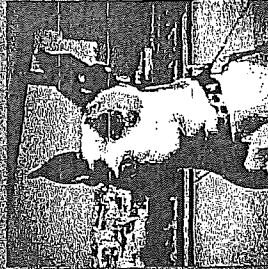
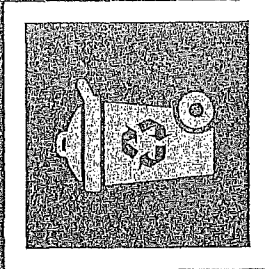
855
Social Service
Interventions



5,450
Needles
Disposed



6,002
Human / Animal
Waste
Clean-Ups



FINANCIALS

Assessment Methodology

The method of apportioning benefit to parcels within the District reflects the proportional special benefit assigned to each property from the District's local activities and improvements based on the various property characteristics for each parcel as compared to other properties within the District. Given that the special benefits provided by the District's services, activities, and improvements (such as cleanliness, maintenance, safety, and economic development) it was determined that property linear street frontage, lot square footage, building square footage, and land use are the most appropriate parcel factors. Each parcel's linear street frontage, lot square footage, building square footage, and land use have been used as the primary assessment variables for the benefit point calculation and as secondary Equalization details of the annual assessment calculation and in the District Management Plan and financial statements.

2016 CM CBD Budget & Balance Sheet

	BUDGET	ACTUAL
Assessments	\$1,305,538	\$1,484,513
Non-Assessment Income: Fundraising/ In-kind	\$351,000	\$468,712
Interest Income	\$100	\$80
Total Income	\$1,656,638	\$1,953,305

EXPENSES	BUDGET	ACTUAL
Cleaning and Maintenance	\$376,188	\$357,089
Public Safety	\$490,386	\$469,084
Management and Economic Development	\$365,605	\$332,301
Non-Assessment Expense: Fundraising/ In-kind	\$275,560	\$444,984*
Total Expense	\$1,507,739	\$1,603,458

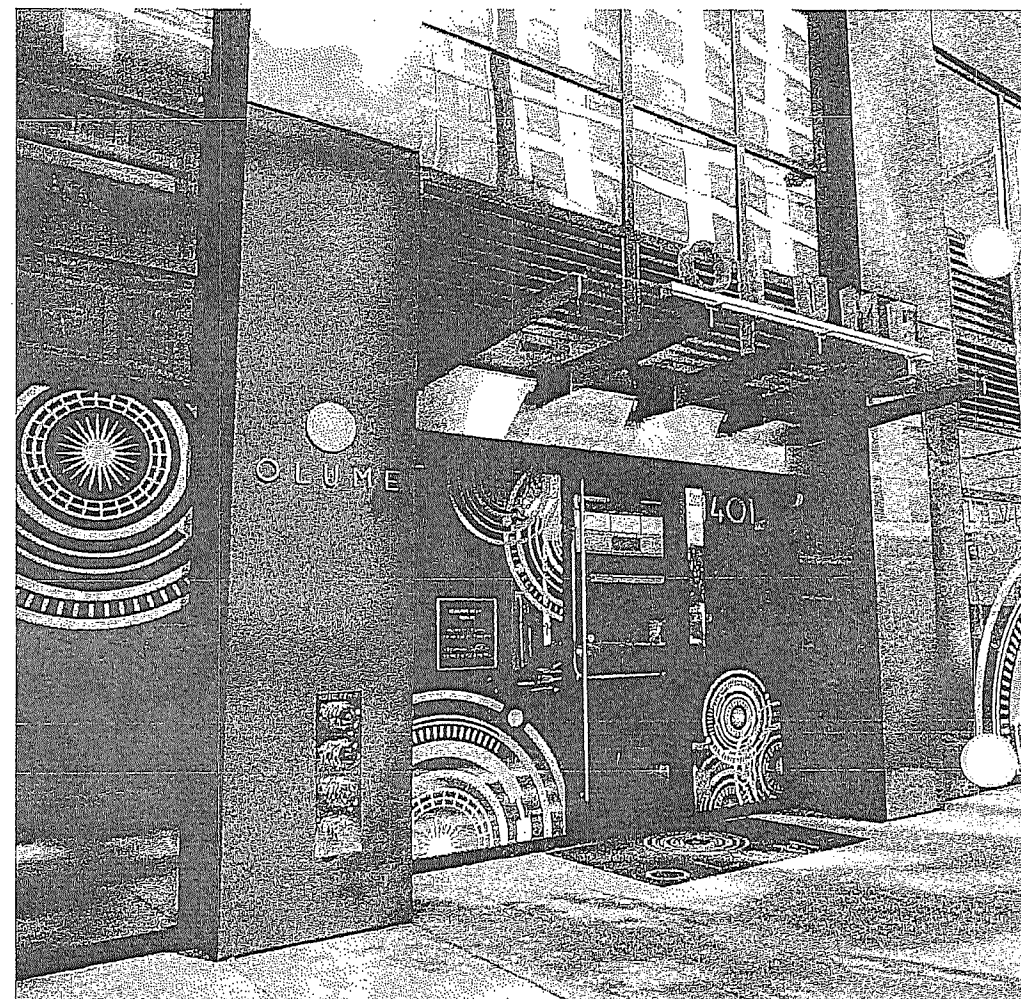
ASSETS	
Cash and Cash Equivalents	\$1,611,095
Accounts Receivable	\$68,408
Total Assets	\$1,679,503

LIABILITIES	
Accounts Payable	\$82,112
Accrued Expenses	\$46,173
Deferred Revenue	\$906,263
Total Liabilities	\$1,034,548

NET ASSETS	
Unrestricted	\$644,955
Total Net Assets	\$644,955
Total Liabilities & Net Assets	\$1,679,503

CARRY-OVER	
Contingency & Reserve	\$393,425
Net Assets	\$251,530
Total Carry Over	\$644,955

*Includes 2016 Carry Over Expenses (\$22,736)



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

Service Category/Budget Line	Management Plan Budget	Management Plan Budget	Amt. from Gen. Benefit (if applicable)	% of Budget	FY 2016 Budget	2016		Variance	Source
						General Benefit Dollars	FY 2016 Actuals from Budget		
SA 66 - Central Market CBD - Public Safety		\$ 481,387.73		35.20%	\$ 480,886.00		\$ 501.73	1.21%	
SA 66 - Central Market CBD - Cleaning and Maintenance		\$ 352,000.00		28.72%	\$ 376,188.00		\$ 24,188.00	-0.79%	
SA 66 - Central Market CBD - Management and Economic Development		\$ 300,885.66		24.55%	\$ 365,605.00		\$ 64,719.34	2.60%	
SA 66 - Central Market CBD - Contingency and Reserve		\$ 141,165.24		11.52%	\$ 114,678.00		\$ -26,487.24	-8.01%	
SA 66 - Central Market CBD - General Benefit					\$ -		\$ -		
TOTAL		\$ 1,275,438.63		89.99%	\$ 1,346,857.00		\$ 71,418.37	100.00%	

BENCHMARK 2: General Benefit Requirement

Revenue Source	FY 2016 Actual	% of Actual	Source
Assessment Revenue	\$ 1,444,519.09	76.00%	
Total Assessment (Special Benefit) Revenue	\$ 1,444,519.09		
Contributions and Sponsorships			
Grants			
Donations			
Interest Earned			
Earned Revenue			
Other			
Total Non-Assessment (General Benefit) Revenue	\$ 468,792.00	24.00%	
Total	\$ 1,913,311.09	100.00%	

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

Service Category/Budget Line	FY 2016 Budget	Amount from Assessment	Amt. from Gen. Benefit (if applicable)	% of Budget (Assessment)	% of Budget (Total Budget)	FY 2016		% of Actual (Assessment)	% of Actual (Total Budget)	Variance (Assessment)	Variance (Total Budget)	Source
						Actual	Amount from Assessment					
SA 66 - Central Market CBD - Public Safety	\$ 480,886.00	\$ -	\$ -	38.41%	\$ 469,054.00	\$ 469,054.00	\$ -	35.45%	-0.96%			
SA 66 - Central Market CBD - Cleaning and Maintenance	\$ 376,188.00	\$ -	\$ -	27.93%	\$ 357,088.00	\$ 357,088.00	\$ -	27.39%	-0.54%			
SA 66 - Central Market CBD - Management and Economic Development	\$ 365,605.00	\$ -	\$ -	27.15%	\$ 332,301.00	\$ 332,301.00	\$ -	25.39%	-1.75%			
SA 66 - Central Market CBD - Contingency and Reserve	\$ 114,678.00	\$ -	\$ -	8.51%	\$ 150,137.00	\$ 150,137.00	\$ 35,459.00	11.47%	2.96%			
SA 66 - Central Market CBD - General Benefit	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -					
TOTAL	\$ 1,346,857.00	\$ -	\$ -	100.00%	\$ 1,308,611.00	\$ 1,308,611.00	\$ -38,246.00	100.00%	-2.84%			

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

FY 2016 Carryover Disbursement	Source	Spenddown Timeline
General Project Total	\$ 175,901.76	
Special Assessment Project	\$ 175,901.76	
SA 66 - Central Market CBD - Public Safety	\$ 175,901.76	
SA 66 - Central Market CBD - Cleaning and Maintenance	\$ -	
SA 66 - Central Market CBD - Management and Economic Development	\$ -	
SA 66 - Central Market CBD - Contingency and Reserve	\$ -	
SA 66 - Central Market CBD - General Benefit	\$ -	
Special Project Total	\$ 175,901.76	
Total Designated Amount for FY 2016	\$ 175,901.76	

3638

**CENTRAL MARKET COMMUNITY
BENEFIT CORPORATION**

REVIEWED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2016**

This Page Left Intentionally Blank

CENTRAL MARKET COMMUNITY
BENEFIT CORPORATION
FOR THE YEAR ENDED DECEMBER 31, 2016

Table of Contents

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S REVIEW REPORT.....	1
FINANCIAL STATEMENTS	
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Cash Flows.....	5
Notes to Financial Statements.....	7
SUPPLEMENTAL INFORMATION	
Schedule of Functional Expenses.....	14

This Page Left Intentionally Blank



INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Central Market Community Benefit Corporation
San Francisco, California

We have reviewed the accompanying statement of financial position of Central Market Community Benefit Corporation (a California nonprofit benefit organization) as of December 31, 2016, and the related statements of activities and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement taken as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

Accountant's Conclusion

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

Supplementary Information

The supplementary information included in the Schedule of Functional Expenses is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Maze & Associates

Pleasant Hill, California
April 25, 2017

Accountancy Corporation
3478 Buskirk Avenue, Suite 215
Pleasant Hill, CA 94523

T 925.930.0902
F 925.930.0135
E maze@mazeassociates.com
W mazeassociates.com

This Page Left Intentionally Blank

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

STATEMENT OF FINANCIAL POSITION

December 31, 2016

ASSETS

Current Assets:

Cash and cash equivalents (Note 3)	\$1,217,670
Cash restricted for contingencies and reserve (Note 3)	393,425
Other assets	66,534
Security deposits	<u>1,875</u>

Total Assets 1,679,504

LIABILITIES

Current Liabilities:

Accounts payable	82,112
Accrued expenses	46,173
Deferred revenue (Note 5)	<u>906,263</u>

Total Liabilities 1,034,548

NET ASSETS (Note 2G)

Unrestricted 644,956

Total Net Assets \$644,956

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

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2016

CHANGE IN UNRESTRICTED NET ASSETS:

Support and Revenues:

Local property assessments	\$1,484,513
General benefit non-assessment revenue	468,712
Investment Income	<u>80</u>
Total Support and Revenues	<u>1,953,305</u>

Expenses:

Program:

Cleaning and maintenance	357,089
Public safety	469,084
General benefit non-assessment expense	444,984
Management and economic development	<u>332,301</u>

Total Expenses	<u>1,603,458</u>
Change in Unrestricted Net Assets	349,847
Unrestricted Net Assets, Beginning of Year	<u>295,109</u>
Unrestricted Net Assets, End of Year	<u>\$644,956</u>

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

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$349,847
Adjustments to reconcile support and revenue over expenses to net cash provided (used) by operating activities:	
Increase/decrease in:	
Accounts receivable	28,971
Other assets	(66,534)
Accounts payable	17,058
Accrued expenses	(29,791)
Deferred revenue	74,965
Total adjustments	<u>24,669</u>
Net cash provided by operating activities	<u>374,516</u>
Net increase in cash	374,516
Cash and cash equivalents, beginning of year	<u>1,236,579</u>
Cash and cash equivalents, end of year	<u><u>\$1,611,095</u></u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

No taxes or interest were paid by the Corporation during 2016

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

This Page Left Intentionally Blank

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2016

NOTE 1 – ORGANIZATION AND PROGRAMS

A. Reporting Entity

Central Market Community Benefit Corporation (CMCBC) or (the Organization) is a California nonprofit, community-based organization incorporated in February 2007, to provide programs and services to improve the overall cleanliness, safety and economic development of the Central Market district in San Francisco, California.

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

B. Programs

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

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

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

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2016

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Basis of Accounting*

The financial statements have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to the three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Contributions and grants received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor or payor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. The Organization considers that all contributions for long-lived assets have implied time restrictions and classifies this support as temporarily restricted until the purpose restriction is met. When a restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

B. *Income Taxes*

The Organization is exempt from income tax under Section 501(c)(3) of U.S. the Internal Revenue Code. Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Organization paid no taxes on unrelated business income for the year ended December 31, 2016.

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

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2016

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. *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.

D. *Statement of Cash Flows*

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

E. *Functional Expenses*

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted based on management's estimates.

F. *Support and Revenue Recognition*

Support and revenue are recognized when the donor or grantee makes a promise to give to the Organization that is, in substance, unconditional. Support that is restricted by donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

G. *Net Assets Classifications*

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted Net Assets: Unrestricted net assets include expendable resources over which the CMCBC Board of Directors has discretionary control and are used to carry out operations in accordance with its bylaws. Included in unrestricted net assets are funds used to account for fixed asset acquisitions, improvements and related activities.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2016

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Temporarily Restricted Net Assets: Temporarily restricted net assets include resources expendable only for those purposes specified by the donor or grantor. The restrictions are satisfied either by the passage of time or by actions of the Organization.

Permanently Restricted Net Assets: Permanently restricted net assets include resources subject to donor-imposed stipulations that they be maintained permanently by the Organization.

H. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Inputs that are not observable in the market and reflect the management's judgment about the assumptions that market participants would use in pricing the asset or liability.

I. Advertising

The Organization follows the policy of expensing advertising costs as incurred.

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended December 31, 2016

NOTE 3 – CASH AND CASH EQUIVALENTS

As of December 31, 2016, the Organization's cash is summarized as follows:

Cash in bank	<u>\$1,611,095</u>
Total	<u><u>\$1,611,095</u></u>

Of the \$1,611,095 total cash and cash equivalents above, \$393,425 has been set aside as restricted for contingencies and reserve, in accordance with the Organization's management plan with the City and County of San Francisco.

NOTE 4 – RETIREMENT PLAN

The Organization sponsors a defined contribution plan for its full-time employees. The Organization contributed \$6,036 to the plan during the year ended December 31, 2016.

NOTE 5 – DEFERRED REVENUE

Assessments for any given year are collected in the prior year and may be transferred to the Organization in the year collected. As of December 31, 2016, the balance of deferred revenue is \$906,263 and is expected to be applied in 2017.

NOTE 6 – ASSESSMENT REVENUE

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

As of December 31, 2016, the Organization had outstanding assessments of \$24,448 for fiscal year 2016.

NOTE 7 – SUBSEQUENT EVENTS

The Organization evaluated subsequent events for recognition and disclosure through January 25, 2017, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2016 that require recognition or disclosure in such financial statements.

This Page Left Intentionally Blank

SUPPLEMENTAL INFORMATION

CENTRAL MARKET COMMUNITY BENEFIT CORPORATION

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2016

	<u>Totals</u>
Cleaning and Maintenance	
· Cleaning and Maintenance Support	\$345,916
· Cleaning Maintenance Indirect Expense	<u>11,173</u>
Total Cleaning and Maintenance Expense	<u>357,089</u>
Public Safety	
· Community Guides	348,812
· Dispatch Services	43,462
· 10B Officers	61,359
· Public Safety Indirect Expense	<u>15,451</u>
Total Public Safety Expense	<u>469,084</u>
Total Program Expense	<u>826,173</u>
Management and Economic Development	
· Rent	14,200
· Office Supplies	3,544
· Accounting and Auditing Fees	17,837
· Legal Fees	475
· Marketing and Promotion	18,990
· Marketing and Promotion Indirect Expense	613
· Other Indirect Expense	1,165
· Economic Development	
· Economic Development	40,757
· Economic Development Indirect Expense	1,864
· Staff	
· Salaries	189,550
· Payroll Taxes	17,298
· Health and Other Fringe Benefits	19,165
· Workers' Compensation	2,543
· Payroll Fees	<u>4,300</u>
Total Management and General	<u>332,301</u>
Total Expenses (A)	<u>\$1,158,474</u>

(A) - Total Expenses does not include contingencies and reserve

MEMO

To: Supervisor Jane Kim, District 6

CC: San Francisco Board of Supervisors

From: Chris Corgas, OEWD Senior Program Manager

RE: Central Market Community Benefit District

Date: October 5, 2018

This is a memo summarizing the performance of the Central Market Community Benefit District (CMCBD) and an analysis of their financial statements (based on their audit) for the period between January 1, 2016 and December 31, 2016.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Central Market CBD has complied with the submission of all these requirements. OEWD staff reviewed these financial documents to monitor and report on whether they have complied with the rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the Central Market Community Benefit District's Management Contract with the City; and their Management Plan as approved by the Board of Supervisors in 2014.

Also attached to this memo are the following documents:

1. Annual Reports
 - a. CY 2016
2. CPA Financial Review Reports
 - a. CY 2016
3. Draft resolution from the Office of Economic and Workforce Development

Background

The District is generally described as from the West side of 5th Street to the East side of South Van Ness Avenue, and from the South side of Market Street to the South Side of Mission Street. In addition, one block North of Market between Cyril Magnin and Mason, and one block North of Market between Grove and Larkin are included. Also, properties along Sixth Street between Market and Folsom Streets, along with the properties on adjacent streets and alleys East and West of Sixth Street (to varying distances) are included. The District contains 807 parcels, including the former US Mint building and Mint Plaza.



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

Basic Info about Central Market CBD

Year Established	2006
Year Renewed	2013
Year Modified	2016
Assessment Collection Period	2013 - 2027
Services Start and End Date	January 1, 2014 - December 31, 2028
Initial Estimated Annual Budget	\$1,225,433.63
Calendar Year	January 1 – December 31
Executive Director	Tracy Everwine
Name of Nonprofit Entity	Central Market Community Benefit District Corporation

The current CBD website, <http://www.central-market.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

Public Safety

The District's approach focuses on customer service hospitality, crime prevention and social service outreach. Key programs include: Community Guide ambassadors, SFPD 10B Officers, community meetings and public safety seminars.

Cleaning and Maintenance

Cleaning and maintenance services include enhanced cleaning and maintenance services within the public right-of-ways (above and beyond) the baseline level of service provided by the City of San Francisco.

Management and Economic Development

Management includes day-to-day management of the organization and advocacy for District needs with various City departments ensuring good and timely service. Economic Development activities such as business attraction, retention and promotion encourage non-residential properties to maximize their development and land use.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

CY 2016

**Note: In collaboration with the Mayor's Office of Economic and Workforce Development, CMCBD has developed standardized metrics for measuring program performance.*

Public Safety

- Public Safety Services (*partial list*):
 - Completed 9,169 camping and trespassing interventions
 - Provided 3,139 directions and referrals
 - Gathered over 200 District members at Act's Strand Theater to participate in the Central Market Safety Summit which aims to improve personal safety in the District
 - Partnered with Mid-Market Business Association to deploy a special summer of Safety Team three times a week for the months of July, August and September along Market Street, Tenderloin, and SoMa blocks

Cleaning and Maintenance

- Cleaning and Maintenance Services (*partial list*)
 - Removed 5,450 needles (on average 454 per month)
 - Removed 5,873 graffiti tags, stickers, and flyers
 - 6,002 human/animal waste clean-ups
 - 855 social service interventions

Management and Economic Development

- Effectively collaborated with neighboring CBDs and multiple City agencies
- Regularly posted on retail vacancies on CMCBD's website and available spaces were shown to a number of prospects
- Provided lease renewal assistance and physical improvement project assistance to new and existing businesses
- Provided free advertising and lease negotiation services for owners and tenants
- Helped attract 4 new retail businesses to the District: Covo Café, Frena, Paramo Coffee, The Perennial
- Helped attract 2 new offices to the District: Covo Office, Lighthouse for the Blind
- Helped the City re-design and launch Epicenter-SF.org
- Continued "Be Barrier Beautiful" construction barricade improvement program

- o Held the 6th annual “2 Blocks of Art” art walk promoting local art and District businesses

CMCBD Annual Budget Analysis

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

- **BENCHMARK 1:** Whether the variance between the budget percentages for each service category were within 10 percentage points of the percentages in the Management Plan (*Agreement for the Administration of the “Central Market Community Benefit District”, Section 3.9 – Budget*).
- **BENCHMARK 2:** Whether three and sixty eight hundredths percent (3.68%) of actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the “Central Market Community Benefit District”, Section 3.4 - Annual Reports*).
- **BENCHMARK 3:** Whether the variance between the budget expenses and actual expenses within a calendar year was within 10 percent (*Agreement for the Administration of the “Central Market Community Benefit District”, Section 3.9 – Budget*).
- **BENCHMARK 4:** Whether CMCBD is indicating the amount of funds to be carried forward into the next calendar year and designating projects to be spent in that calendar year (*CA Streets & Highways Code, Section 36650(B)(5)*).

CY 2016

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

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

Service Category	Original Management Plan Budget	% of Budget	CY 2016 Budget	% of Budget	Variance Percentage Points
Public Safety	\$431,382.73	35.20%	\$490,386.00	36.41%	+1.21%
Cleaning and Maintenance	\$352,000.00	28.73%	\$376,188.00	27.93%	-0.79%
Management and Economic Development	\$300,885.66	24.55%	\$365,605.00	27.15%	+2.60%
Contingency and Reserve	\$141,165.24	11.52%	\$114,678.00	8.51%	-3.01%
TOTAL	\$1,225,433.63	100%	\$1,346,857.00	100%	

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

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

Revenue Sources	CY 2016 Actuals	% of Actuals
Special Benefit Assessments	\$1,484,513.00	
Total assessment revenue	\$1,484,513.00	76%
Interest Earned	\$80.00	
Fundraising/In-Kind	\$468,712.00	
Total General Benefit (non-assessment) revenue	\$468,792.00	24%
Total	\$1,953,305.00	100%

Non-assessment revenue applied to 3.68% General Benefit requirement

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

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

Service Category	CY 2016 Budget	% of Budget	CY 2016 Actuals	% of Actuals	Variance Percentage Points
Public Safety	\$490,386.00	36.41%	\$469,084.00	35.85%	-0.56%%
Cleaning & Maintenance	\$376,188.00	27.93%	\$357,089.00	27.29%	-0.64%%
Management and Economic Development	\$365,605.00	27.15%	\$332,301.00	25.39%	-1.75%
Contingency and Reserve*	\$114,678.00	8.51%	\$150,137.00	11.47%	+2.96%
TOTAL	\$1,346,857.00	100%	\$1,308,611.00	100%	

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

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

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

	Total
CY 2016 Carryover	
Public Safety	\$96,270.88
Cleaning and Maintenance	\$79,630.88
Contingency and Reserve	\$150,136.84
Total Carryover Disbursement for Future Years	\$326,038.60

Findings and Recommendations

Within the review period of CY 2016, the Central Market CBD met 4 out of the 4 expectations and requirements as set by the California Street and Highways Code Section 36650-36651 as found on pages 4 of this memo; the Agreement for the Administration of the "Central Market Community Benefit District; and the Agreement for the Administration of the "Central Market Community Benefit District."

In 2016, OEWD and Central Market CBD collaborated on a CBD election to modify the Management District Plan. The amendment clarified the implementation of CA Government Code Section 53750 (h) (3). This section indicates that a parcel could receive lower or higher assessment charges due to events other than a revised assessment methodology; such as a "change in density, intensity, or nature of the use of land" occurring at that parcel.

Conclusion

Central Market CBD has performed well in implementing their service plan. Central Market CBD has continued to successfully implement the service areas stated in their management plan and seized opportunities to leverage and add value to its work through fundraising, grants and collaborative partnerships. Central Market CBD has an active Board of Directors and committee members; and OEWD believes the Central Market CBD will continue to successfully carryout its mission and service plans.

BOARD of SUPERVISORS



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

MEMORANDUM

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

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

DATE: October 22, 2018

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Kim on October 16, 2018:

File No. 181011

Resolution receiving and approving an annual report for the Central Market Community Benefit District for the 2016 calendar year, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, et seq.), Section 36650, and the District's management agreement with the City, Section 3.4.

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

c: Todd Rydstrom, Office of the Controller
Ken Rich, Office of Economic and Workforce Development
J'Wel Vaughan, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2018 OCT 16 PM 3:27
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):

Kim

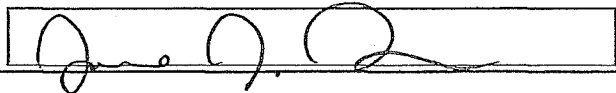
Subject:

Central Market Community Benefit District – CY 2016 Annual Report to the City

The text is listed:

Attached

Signature of Sponsoring Supervisor:



or Clerk's Use Only