

File No. 160074

Committee Item No. 2

Board Item No. 20

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight Date February 25, 2016

Board of Supervisors Meeting

Date March 8, 2016

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

- OEWD Memo - 01/20/2016
- CBD Annual Report FY2014-2015
- CBD CPA Report FY2014-2015
- Referral FYI - 01/29/2016
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Completed by: Erica Major Date February 19, 2016

Completed by: V Young Date 3/3/16

1 [Top of Broadway Community Benefit District - Annual Report to the City - FY2014-2015]

2  
3 **Resolution receiving and approving an annual report for the Top of Broadway**  
4 **Community Benefit District for FY2014-2015, 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 June 4, 2013, pursuant to the Property and Business Improvement  
10 District Law of 1994 (the "Act"), California Streets and Highways Code, Sections 36600, *et*  
11 *seq.*, as augmented by Article 15 of the San Francisco Business and Tax Regulations Code,  
12 the Board of Supervisors adopted Resolution No. 165-13, expressing the City's intention to  
13 establish the Top of Broadway Community Benefit District (the "Top of Broadway CBD"); and

14 WHEREAS, On July 23, 2013, the Board of Supervisors adopted Resolution  
15 No. 263-13 establishing the Top of Broadway CBD ("Resolution to Establish") for a period of 8  
16 years, commencing FY2013-2014; and

17 WHEREAS, On February 25, 2014, the Board of Supervisors adopted Resolution  
18 No. 052-14, authorizing an agreement with the owners' association for the  
19 administration/management of the Top of Broadway CBD, and a management agreement (the  
20 "Management Contract") with the owners' association, the Top of Broadway Community  
21 Benefit District, Inc., was executed accordingly; and

22 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board  
23 of Supervisors in File No. 140100; and

24 WHEREAS, On April 28, 2015, the Board of Supervisors approved the Top of  
25 Broadway CBD's annual report for FY2013-2014 in Resolution No. 163-15; and

1           WHEREAS, The Top of Broadway CBD has submitted for the Board's receipt and  
2 approval the Top of Broadway annual report for FY2014-2015 ("the Annual Report") as  
3 required by Section 36650 of the Act and Section 3.4 of the Management Contract; and

4           WHEREAS, The Annual Report is on file with the Clerk of the Board of Supervisors in  
5 File No. 160074, and is incorporated herein by reference as though fully set forth; and

6           WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and  
7 memorandum report from the City's Office of Economic and Workforce Development, dated  
8 January 20, 2016, and documentation from the Top of Broadway CBD for the Annual Report  
9 is on file with the Clerk of the Board of Supervisors in File No. 160074; now, therefore, be it

10           RESOLVED, That the Board of Supervisors hereby receives and approves the annual  
11 report for the Top of Broadway Community Benefit District for FY2014-2015.

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  
Todd Rufo, Director, Office of Economic and Workforce Development

FROM: Erica Major, Assistant Committee Clerk, Government Audit and Oversight  
Committee, Board of Supervisors

DATE: January 29, 2016

SUBJECT: LEGISLATION INTRODUCED

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The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Peskin on January 26, 2016:

**File No. 160074**

**Resolution receiving and approving an annual report for the Top of Broadway Community Benefit District for FY2014-2015, 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 additional 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  
Lisa Pagan, Office of Economic and Workforce Development

**Major, Erica (BOS)**

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**From:** Major, Erica (BOS)  
**Sent:** Friday, January 29, 2016 11:12 AM  
**To:** Rosenfield, Ben (CON); Rufo, Todd (ECN)  
**Cc:** Rydstrom, Todd (CON); Rich, Ken (ECN); Pagan, Lisa (ECN)  
**Subject:** REFERRAL FYI (160074) Top of Broadway Community Benefit District - Annual Report to the City - FY2014-2015  
**Attachments:** 160074 FYI.pdf

Greetings:

This matter is being forwarded to your department for informational purposes. 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.

Thank you for your attention.

Best,

**Erica Major**  
**Assistant Committee Clerk**  
Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244  
San Francisco, CA 94102  
Phone: (415) 554-4441 | Fax: (415) 554-5163  
[Erica.Major@sfgov.org](mailto:Erica.Major@sfgov.org) | [www.sfbos.org](http://www.sfbos.org)

 Click [here](#) to complete a Board of Supervisors Customer Service Satisfaction form.

The [Legislative Research Center](#) provides 24-hour access to Board of Supervisors legislation, and archived matters since August 1998.

*Disclosures: Personal information that is provided in communications to the Board of Supervisors is subject to disclosure under the California Public Records Act and the San Francisco Sunshine Ordinance. Personal information provided will not be redacted. Members of the public are not required to provide personal identifying information when they communicate with the Board of Supervisors and its committees. All written or oral communications that members of the public submit to the Clerk's Office regarding pending legislation or hearings will be made available to all members of the public for inspection and copying. The Clerk's Office does not redact any information from these submissions. This means that personal information—including names, phone numbers, addresses and similar information that a member of the public elects to submit to the Board and its committees—may appear on the Board of Supervisors website or in other public documents that members of the public may inspect or copy.*



Office of Economic and Workforce Development

City and County of San Francisco :: Edwin M. Lee, Mayor  
Economic and Workforce Development :: Todd Rufo, Director

**MEMO**

To: Supervisor Aaron Peskin, District 3  
CC: San Francisco Board of Supervisors  
From: Chris Corgas, OEWD Project Manager  
RE: Top of Broadway Community Benefit District  
Date: January 20, 2016

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This is a memo summarizing the performance of the Top of Broadway Community Benefit District (ToBCBD) and an analysis of their financial statement (based on their audit) for the period between July 1, 2014, and June 30, 2015.

In the first year of operation, the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Top of Broadway CBD has complied with the submission of all these requirements. OEWD staff reviewed these 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 Top of Broadway Community Benefit District management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2013.

Also attached to this memo are the following documents:

1. Annual Report
  - a. FY 2014-2015
2. CPA Financial Review Report
  - a. FY 2014-2015
3. Draft resolution from the Office of Economic and Workforce Development



1 Dr. Carlton B. Goodlett Place, Room 448

San Francisco, CA 94102 | [www.oewd.org](http://www.oewd.org)

P: 415.554.6969 F: 415.554.6018

### Background

The Top of Broadway Community Benefit District includes 39 property-based parcels.

- July 23, 2013: the Board of Supervisors approved the resolution that established the property-based district called the Top of Broadway Community Benefit District for 8 years (Resolution # 263-13).
- November 5, 2013: Organization formed and incorporated; first meeting of the Board of Directors.
- February 25, 2014: the Board approved the contract for the administration and management of the Top of Broadway Community Benefit District (Resolution # 52-14)
- March 17, 2014: CBD received first assessment payment.

### Basic Info about Top of Broadway CBD

Year Established	July 2013
Assessment Collection Period	FY 2013-14 to FY 2020-21 (July 1, 2013 to June 30, 2021)
Services Start and End Date	January 1, 2014 – December 31, 2021
Initial Estimated Annual Budget	\$106,567
Fiscal Year	July 1 – June 30
Executive Director	Ben Horne
Name of Nonprofit Owners'	Top of Broadway Community Benefit District Association

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

#### **District Identity**

District Identity program area includes marketing, public relations, special events, and street enhancements, such as signage, historical markers, and banners, for the district. ToBCBD Management Plan calls for 42% of the budget to be spent in this service area.

#### **Sidewalk Operations, Beautification and Order (SOBO)**

Sidewalk Operations, Beautification and Order service area includes sidewalk and public rights of way maintenance and beautification. This service area calls for one person at 20 hours, 5 days per week to remove graffiti and stickers from street fixtures and sidewalk cleaning. In addition, the program provides periodic steam cleaning (each Friday; district-wide monthly), trimming trees, and cleaning tree wells. The ToBCBD Management Plan calls for 28% of the budget to be spent on SOBO.

#### **Administration, Organization and Corporate Operations**

The ToBCBD Management Plan calls for 30% of the budget to be spent on administration, organization, and corporate operations. In FY 14-15, ToBCBD was staffed by a part-time Executive Director who serves as the focal point person and advocate for Top of Broadway CBD. ToBCBD board has up to eleven (11)

board members that represent the diverse property owners and businesses in the district. Notice of meetings of the CBD's Board of Directors and CBD Advisory Committees will be posted to the website calendar and at the SF Main Library. All Board of Directors and Committee meetings are open to the public, and public comment is welcome. There are three advisory committees:

- **Marketing and Identity Advisory Committee** – The Marketing & Identity Advisory Committee is responsible for activities associated with area marketing and identity management, and makes related strategy and option recommendations for consideration by the Board of Directors. The Committee which is funded from the "District Identity" special benefit funds in the Management District Plan, proposes and manages promotion of CBD businesses and activities/events, and promotes area identity and manage branding efforts. The Committee meets monthly (at the option of the Committee Chair).
- **Services and Safety Advisory Committee** – The Services & Safety Advisory Committee is responsible for Services & Safety programs, including the coordination of services, activities and improvements related to sidewalk operations, beautification and safety. This is the equivalent of the SOBO allocation of funds as written in the Management District Plan. The Committee evaluates programs and initiatives, and advises the Board on issues that impact safety and quality of life and experience of CBD residents, businesses, property owners and visitors. The Committee meets monthly on the 3<sup>rd</sup> Thursday of the month and is often joined by the San Francisco Police Department (SFPD) Central Station Captain.
- **Finance Advisory Committee** – The Finance Advisory Committee is responsible for monitoring the financial and operating condition of the Organization as well as managing banking and insurance related matters. The Committee reviews all financial reports and oversees the CPA Review. The Committee provides counsel and administrative advice to the Executive Director and Board of Directors as needed. The Committee meets quarterly and as needed. This committee serves in the capacity of the Executive Committee of the Organization.

#### Summary of Accomplishments, Challenges, and Delivery of Service Areas

FY 2014-2015

##### **District Identity – Marketing and Identity**

- Hosted Off Broadway Summer Pop Up and other events
- Hosted events and a district tour as part of the International Downtown Association Conference
- Expanded flower baskets (20 installed) and decorative lighting
- Historical marker design and impending installation
- Developed and implemented a retail strategy and visioning project for the District

##### **Safety and Services Committee/Sidewalk Operations, Beautification and Order (SOBO)**

- Cleaning and litter removal – 262
- Graffiti incidents removal – 1,274
- Human/animal waste clean-up – 97
- Pressure washing entire district – 13 times plus 7 problem areas (entire



- Illegal dumping reports – 606
- Hospitality interactions – 1,250
- Decreased SFPD interactions by over 70% year over year
- Provided landscaping services and tree maintenance for area
- Conducted nearly 2,000 merchant check-ins.

#### **Administration, Organization and Corporate Operations**

- Began work on a formal district expansion project with the City (OEWD)
- Continued fundraising and grant applications to supplement District assessment dollars
- Recruited new affiliate members
- Held regularly scheduled board and committee meetings
- Held inaugural annual meeting

#### **ToBCBD Annual Budget Analysis**

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

- **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 "Top of Broadway 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 "Top of Broadway 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 "Top of Broadway Community Benefit District", Section 3.9 – Budget*)
- **BENCHMARK 4:** Whether ToBCBD is indicating the amount of any surplus or deficit revenues to be carried forward into the next fiscal year and designating projects to be funded by any surplus revenues (*CA Streets & Highways Code, Section 36650(B)(5)*)

#### **FY 2014-2015**

**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:** ToBCBD did not meet this requirement. ToBCBD was incredibly successful at obtaining grants and donations to fund the District's activities. Separating the non-assessment dollars from the review of this benchmark, demonstrates that the amount of assessment dollars allocated to each program is, in fact, appropriate. The basic allocation of funds as outlined in the Management District plan have not only been reached, but greatly exceeded. The percentages have been altered due to the great success in collecting grants that nearly double the CBD assessment collection. Since these funds are not generated from property assessments, they become "Board revenues" that allow the Board to fund services over and above the service levels and frequencies outlined in the original management district plan. See tables below.

Service Category	Management Plan Budget	% of Budget	FY 2014-2015 Budget	% of Budget	Variance Percentage Points
District Identity Activities	\$45,000	42.23%	\$47,920	21.35%	-20.88%
Sidewalk Operations, Beautification, & Order	\$30,000	28.15%	\$129,440	57.67%	+29.52%
Administration, Organization and Corporate Operations	\$25,000	23.46%	\$47,100	20.98%	-2.48%
Contingency and Reserves	\$6,567	6.16%	\$0	0%	-6.16%
<b>TOTAL</b>	<b>\$106,567</b>	<b>100%</b>	<b>\$224,460</b>	<b>100%</b>	

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

**ANALYSIS:** *ToBCBD met this requirement. Assessment revenue was \$106,135 or 59.95% of actuals and non-assessment revenue was \$70,909 or 40.05% of actuals. See table below.*

Revenue Sources	FY 2014-2015 Actuals	% of Actuals
Special Benefit Assessments	\$ 106,135	
<b>Total assessment revenue</b>	<b>\$106,135</b>	<b>59.95%</b>
Contributions	\$8,900	
Grants	\$30,000	
Earned Revenue	\$409	
Other	\$31,600	
<b>Total non-assessment revenue</b>	<b>\$70,909</b>	<b>40.05%</b>
<b>Total</b>	<b>\$177,044</b>	<b>100%</b>

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

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

Service Category	FY 2014-2015 Budget	% of Budget	FY 2014-2015 Actuals	% of Budget	Variance Percentage Points
District Identity	\$47,920	21.35%	\$65,265	26.24%	+4.89
Sidewalk Operations, Beautification, & Order	\$129,440	57.67%	\$125,408	50.42%	-7.25
Administration, Organization, and Corporate Operations	\$47,100	20.98%	\$58,062.00	23.34%	+2.36
Contingency and Reserves	\$0	0%	\$0	0%	0
<b>TOTAL</b>	<b>224,460</b>	<b>100.0%</b>	<b>\$237,773</b>	<b>100.0%</b>	

**BENCHMARK 4:** Whether ToBCBD is indicating the amount of any surplus or deficit revenues to be carried forward into the next fiscal year and designating projects to be funded by any surplus revenues

**ANALYSIS:** *ToBCBD 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 CBD. As a result, a CBD typically has a fund balance at the end of the fiscal year that is equal to about 6 months of their annual budget. See table below.*

<b>FY 2014-15 Carryover Disbursement</b>	<b>\$143,793</b>
Designated Projects for FY 2015-16	
CCGP Historical Markers	\$30,000
Sidewalk Operations, Beautification, and Order	\$19,180
General and Admin	\$79,771
<b>Total Designated amount for FY 2014-15</b>	<b>\$143,793</b>

#### Findings and Recommendations

ToBCBD has met all of the benchmarks as defined on page 4 of this memo, with the exception of Benchmark 1, based upon the significant contribution of non-assessment district revenues to the annual CBD operations.

While the SOBO percentage points exceed the allowable variance the variance between the budget amount for Sidewalk Operations, Beautification & Order exceeded 10 percentage points from the budget identified in the Management Plan. This variance is explained by their high performance in raising non-assessment revenue. ToBCBD received a two year pledge from the Broadway Entertainment and Cultural Association of \$200,000 (\$100,000 per year). The Board of Directors of the CBD allocated 90% of the first year funds to Sidewalk Operations, Beautification & Order (SOBO) including \$65,000 for safety patrols and \$25,000 for additional cleaning (pressure washing services). The remaining \$10,000 of the first year funds were allocated to Administration, Organization and Corporate Operations.

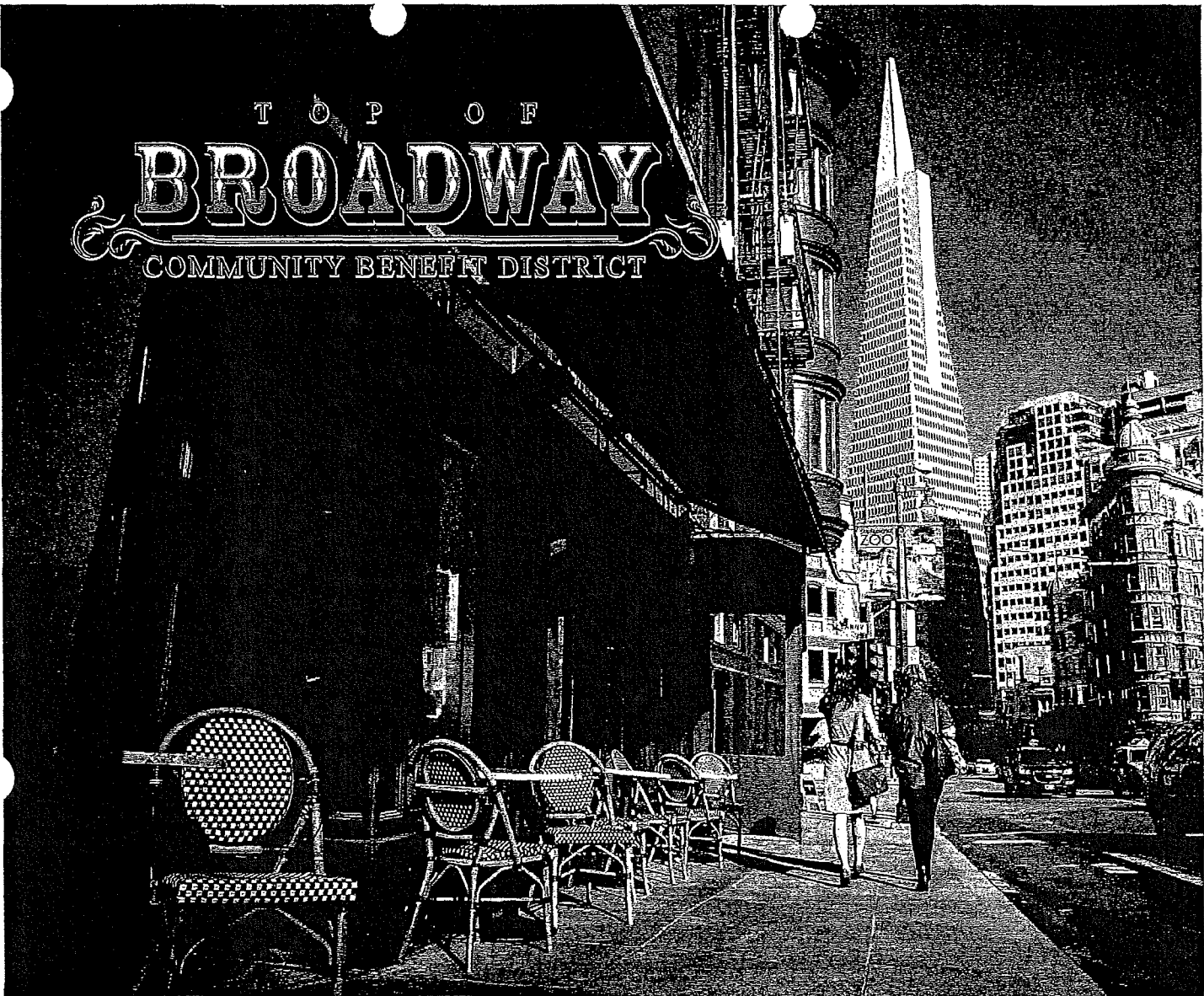
As a result of these high non-assessment revenues, the percentages do not provide an accurate assessment of fund allocation. Separating the non-assessment dollars from the review of those benchmarks, the amount allocated to each program year is in fact appropriate, and meet the benchmarks.

Moving forward, OEWD will work with Top of Broadway CBD to separate assessment and non-assessment revenues and expenditures in the analysis of their financials.

#### Conclusion

The Top of Broadway CBD was formed through an open community based process, developed governance policies and procedures and implemented its services. Top of Broadway CBD has performed well in implementing the service plan as well as forming and building infrastructure in a timely manner. Top of Broadway CBD has successfully developed and implemented branding and marketing materials. Top of Broadway CBD has increased their opportunities in partnering with community stakeholders and numerous municipal agencies in its planning and advocacy around district lighting and security cameras. Top of Broadway CBD has an active board of directors and committee members. OEWD believes the Top of Broadway CBD will continue to successfully carryout its mission and service plans.

TOP OF  
**BROADWAY**  
COMMUNITY BENEFIT DISTRICT



2014 - 2015 ANNUAL REPORT



## LETTER FROM THE BOARD PRESIDENT AND EXECUTIVE DIRECTOR

Dear Top of Broadway Community,

On behalf of the Top of Broadway Community Benefit District's (ToBCBD) Board of Directors, staff, contractors and volunteers, we are pleased to present to you our annual report for the 2014-2015 fiscal year – a year of many great accomplishments. Our future looks very bright as we continue to improve business vitality and quality of life, and enhance the safety, cleanliness, beautification and promotion of the district.

The Top of Broadway Community Benefit District continues to make a significant and positive impact on the neighborhood. Marketing, identity and streetscape projects were a primary focus during the 2014-2015 fiscal year, and as a result of our efforts, we saw the launch of our branding and marketing initiatives, including: the unveiling of new logo and brand, launch of new website and social media presence, and the introduction of branded uniforms and other collateral development. In March 2015, Alex Lopez was hired to manage the marketing efforts of the ToBCBD and he hit the ground running, developing a new marketing plan, improving the website and social media pages, and managing all marketing programs.

The ToBCBD partnered with a media company to host a "Microhood" event which brought over 1,300 visitors to the area in September 2014, as well as with Ansanelli Productions to hosting the CBD's first major event, the very successful Off-Broadway Summer Pop-Up event held in August 2015. The streetscape of the neighborhood has been enhanced with the installation of over 20 flower baskets and nearly a dozen street banners designed with the help of local artist Jeremy Fish. The ToBCBD is also working closely with Public Works (PW) on the Kearny Streetscape Improvement project, a long-needed upgrade for our community set to begin in early 2016.

Cleaning and safety continue to be top priorities for the ToBCBD. Through the work of a dedicated Services and Safety Advisory Committee and our partnership with the San Francisco Police Department (SFPD), the district has seen notable safety improvements during the 14-15FY. We have seen a dramatic drop (70%) in safety related incidents involving the SFPD reported by our safety team, which continues to shift its focus to visitor hospitality with over 1,250 hospitality interactions during the past fiscal year. In addition, the ToBCBD recently launched a security camera pilot program thanks to a generous matching donation, and it is our hope that future funding will be available to expand this program district-wide.

Our cleaning team has achieved some remarkable milestones as well with 1,274 graffiti incidents abated and 606 illegal dumping incidents reported and resolved during the 14-15FY. The Committee, staff and contractors continue to evaluate the district with our partners at PW and make improvements and advocate for additional upgrades. While excellent progress has been made, we are mindful of opportunities for further improvements and look forward to the development of a district "Good Neighbor Policy" to ensure all businesses, property owners and residents are working together to improve the visitor experience, quality of life, and the safety and cleanliness of the district.

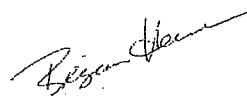
It is important to all of us that we work collaboratively and that the community is engaged. We encourage you to attend our meetings and participate in our advisory committees. Our volunteers are the heart of ToBCBD. With this community spirit in mind, the ToBCBD applied for and received a Community Challenge Grant of \$30,000 to install historical markers in the area to commemorate the unique and diverse history of our district. This project is being led by a project committee that has defined the markers, will draft content and design, and will facilitate installation of the markers at locations throughout the district.

Many thanks to our dedicated Board of Directors, committee members, contractors, property owners, business owners and community partners who continue to strive toward "making the area around Broadway a safe, beautiful, diverse, and enjoyable place to live, work and visit, with a commitment to promoting economic vitality, improving livability, and advocating area identity and history". Thank you all for your optimism, hard work and support.

Sincerely,



Stephanie Greenburg  
Board President



Benjamin Horne  
Executive Director



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# SERVICES, BOARD & COMMITTEES

## SERVICES

### Cleaning & Maintenance

Weekly, Thursday – Monday, 8am -12pm  
 Monthly Pressure Washing of Entire District

### Safety Services

Weekly, Thursday, Friday and Saturday Nights  
 10pm - 2:30am

### Marketing & Identity

Website, Social Media, Events; PR, Branding,  
 Collateral Development and Beautification Projects



## EXECUTIVE DIRECTOR

Benjamin Horne

## ADVISORY COMMITTEE CHAIRS

### Marketing & Identity Committee

Committee Chair: Stephanie Greenburg

### Safety & Services Committee

Committee Chair: Payam Arvin

### Finance Committee

Committee Chair: Calvin Louie

## BOARD OF DIRECTORS

Stephanie Greenburg

President

Joe Carouba

Vice President

Calvin Louie

Treasurer

Oliver Mar

Secretary

Carmen Crotti

Director

Matias Drago

Director

Gail Gilman

Director

Cindy Wu

Director

Nader Marvi

Director

Ryan Maxey

Director

Jerry Cimino

Director



## CLEANING & MAINTENANCE SERVICES

Dome Cleaning



## SECURITY & SAFETY SERVICES

Security Intelligence Specialist Corporation



## MARKETING & PUBLIC RELATIONS

Alex Lopez, Actually ALO



# BACKGROUND & ASSESSMENT METHODOLOGY

The Top of Broadway business community represents one of the oldest continuous commercial, cultural and entertainment corridors on the West Coast. This district has a very rich history of music, restaurants and adult entertainment, with venues that have been frequented by millions over the past 130 years. Formerly known as the Barbary Coast, this area is distinct as a special sub-district of the North Beach Community of San Francisco. Although the area has a rich history, in recent years the area has had numerous safety and cleanliness issues and suffered from blight and neglect.

The Top of Broadway Community Benefit District (map below) was formed in 2013 to address some of these issues, and to represent and give a voice to all members of the community including retail stores, restaurants, residents and visitors. The ToBCBD was officially formed in November 2013 and began delivering safety and cleaning services in January 2014.

Funding for the district is proportionally shared by property owners, who are self-assessed to provide services supplemental to those provided by the City of San Francisco. These annual assessments are based on the following variables:

- Frontage: approximately 3,211 total linear frontage in the district
- 1st floor building square footage: approximately 141,273 total building square footage
- Lot/Parcel size: approximately 165,591 total lot square footage

Rates for each variable are as follows:

- Linear Frontage: \$9.6880
- 1st Floor Building Square Footage: \$0.32957
- Lot/Parcel Size: \$0.18401834



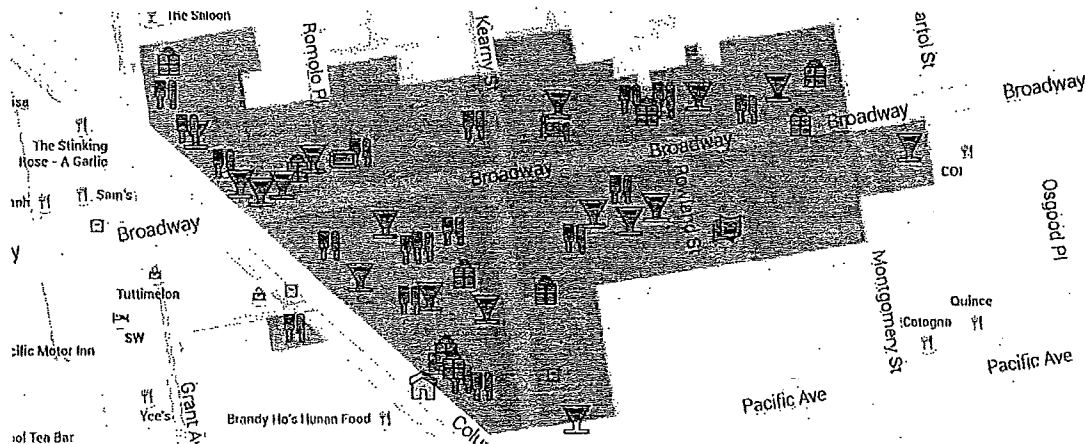
The total assessment per parcel is determined by adding the first floor building square footage assessment (if applicable to the parcel), plus the linear frontage assessment, plus the parcel/lot square footage assessment.

Each property owner's assessment is calculated according to the special benefit received from the services provided by the Top of Broadway Community Benefit District.

Accordingly, each property owner is assessed for their proportional special benefit for the following services:

- Sidewalk operations, beautification and order (cleaning and maintenance)
- Marketing & identity and streetscape improvements
- General admin, organization and corporate operations

The Broadway Entertainment & Cultural Association pledged a total of \$200,000 for the first two years of operations (November 2013 – October 2015) of the Top of Broadway Community Benefit District. This generous donation helped fund security, additional district cleanup and maintenance, administration and other improvements.



# ACCOMPLISHMENTS

## SIDEWALK OPERATIONS, BEAUTIFICATION & ORDER

- Engaged visitors to the district with 1,250 hospitality interactions (increase of 200% year over year)
- Conducted almost 2,000 merchant check-ins
- Implemented security camera pilot with 4 security cameras
- Decreased SFPD interactions by over 70% year over year
- Removed 1,274 graffiti incidents and 606 illegal dumping incidents
- Evaluated district conditions on regular basis with PW and advocated for improvements
- Removed graffiti covered and broken street furniture and fixtures
- Provided landscaping services and tree maintenance for area (trimmed, weeded, removed grates and filled in tree wells)
- Hosted monthly Services & Safety Committee meetings attended by community, SFPD, PW and others
- Advocated to City, property owners, and businesses for improved properties, parking lots, trash and illegal dumping, loitering and alcohol consumption (in public)



## CLEANING & MAINTENANCE REPORTS JULY 2014 – JUNE 2015

- District cleaning and litter removal (841,282 linear square footage of properties swept) .....262
- Graffiti incidents removed .....1,274
- Human/animal waste clean-up .....97
- Pressure washing entire district .....13 times plus 7 problem areas weekly
- Illegal dumping reports .....606



## SAFETY INCIDENT REPORTS JULY 2014 – JUNE 2015

- Hospitality/concierge services .....1,250
- Merchant check-ins .....1,946
- Physical altercations/fighting .....40
- Drunk & disorderly .....36
- Calls for service city agencies .....82
- Traffic/parking violations .....18
- Loitering .....548
- Alcohol & drug consumption .....185
- Jaywalking .....894
- Crowd control issues and assistance .....11
- SFPD interactions.....95
- Party bus management .....110

TOTALS 5,228

# ACCOMPLISHMENTS

## MARKETING & IDENTITY

- Participated in Bold Italic Microhood event bringing over 1,300 SF locals to area
- Hired new marketing manager in March 2015
- Launched new website & collateral materials including uniforms to accurately reflect area's brand and identity
- Launched social media pages
- Participated and helped plan International Downtown Association conference tour for October 2015
- Advocated for and collaborated with PW on the Kearny Street Improvement Project and hosted multiple community meetings
- Hung and maintained over 20 flower baskets throughout district
- Applied for and received grant for historical markers project (\$30,000) and formed project committee and launched project
- Developed street banners with local artist and installed June 2015
- Partnered with Ansanelli Productions in hosting the August 2015 Off-Broadway Summer Pop-Up event



## WEB AND SOCIAL MEDIA TOTALS JANUARY – JUNE 2015

• Website Visits .....	38,341
• Page Views .....	147,389
• Facebook Likes .....	63
• Twitter Followers .....	301
• Instagram Followers .....	10
• Google Followers.....	3

## GENERAL ADMIN, ORGANIZATION & CORPORATE OPERATIONS

- Raised \$71,000 in new grants, donations and memberships during 14-15FY
- Completed 990 and CPA review of financial statements
- Drafted and approved 14-15FY mid-year budget modification and 15-16FY budget
- Released first Annual Report and held Annual Meeting
- Presented ToBCBD 13-14FY performance summary at the Board of Supervisors Government Audit and Oversight Committee's annual CBD review, and received commendations from the District Supervisor and City staff
- Received confirmation of tax exempt status (501(C)3)
- Evaluated Executive Director
- Expanded Board of Directors to 11
- Held volunteer appreciation holiday event and named first *Board Member of the Year*
- Launched affiliate membership program and began formal district expansion efforts with City



# LOOKING FORWARD - UPCOMING PROJECTS

## MARKETING & IDENTITY

- Website and social media enhancements and expansion
- Off Broadway Summer Pop Up and other events
- Video project
- Collateral development
- IDA conference and tour of District
- Historical markers installation
- Expanded flower baskets and decorative lighting
- Kearny Streetscape Improvement project
- Community relations and outreach
- Retail strategy and area visioning project
- Support and partnership with the Piazza St. Francis

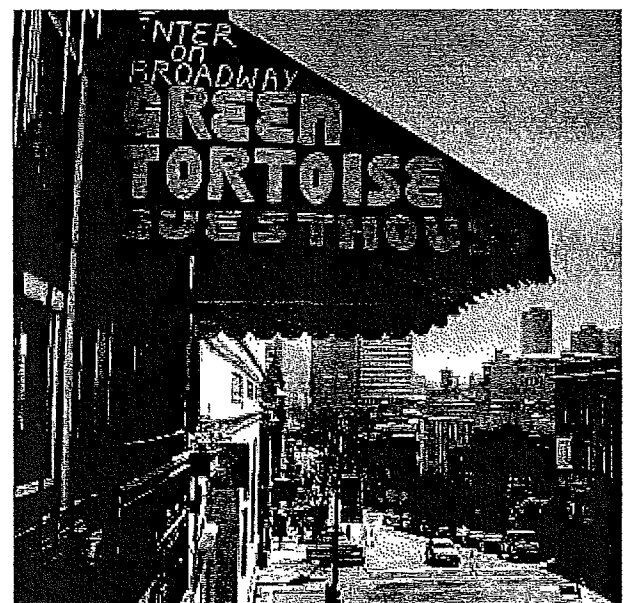
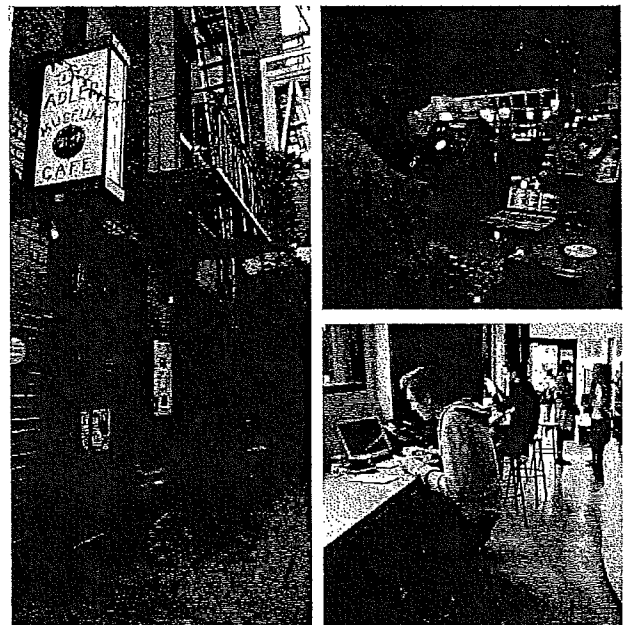


## SIDEWALK OPERATIONS, BEAUTIFICATION & ORDER

- Maintaining cleaning & maintenance and security patrols standards and continued evaluation and advocacy
- Good Neighbor Policy development
- Security camera pilot evaluation and expansion
- Community communications tool and networking
- Improved landscaping and tree replacement
- Partnership with North Beach Citizens on cleaning and social services
- Representation of CBD at SFPD Central Station's National Night Out
- Continued collaboration with SFPD for safety improvements

## GENERAL ADMIN, ORGANIZATION & CORPORATE OPERATIONS

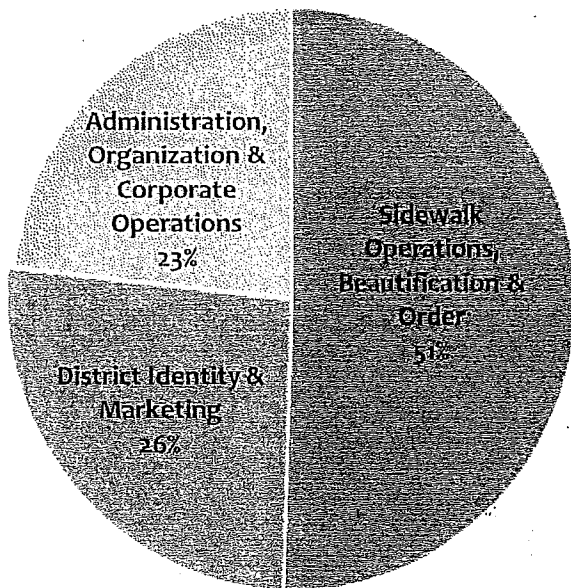
- Formal district expansion project with City
- Annual meeting
- CPA review for 14-15FY
- Continued fundraising and grant applications
- Recruitment of new affiliate members



# FINANCIAL REPORTS

**Top of Broadway Community Benefit District, Inc.  
Financial Results for 14-15FY (Unaudited)**

<b>FUNDS</b>	<b>14-15 Budget</b>	<b>14-15 Actual</b>	<b>Variance</b>	<b>Details</b>
Special Assessment Funds	\$105,502	\$106,135	\$633	Interest and penalties received
Grants	\$53,000	\$30,000	\$(23,000)	Received one grant instead of 2
Other Funds donations	\$6,100	\$40,909	\$34,809	In kind donations \$31K, other donations and affiliate membership
<b>TOTAL FUNDS</b>	<b>\$164,602</b>	<b>\$177,044</b>	<b>\$12,442</b>	Overall positive revenue variance
<b>EXPENSES</b>				
District Identity & Marketing	\$47,920	\$65,265	\$(17,345)	Streetscape projects, events in second half of year
Sidewalk Operations, Beautification & Order (SOBO)	\$129,440	\$125,408	\$4,032	Cleaning/pressure washing under budget
Administration, Organization & Corporate Operations	\$47,100	\$58,062	\$(10,962)	Received \$20K of in-kind services
Total Assessment & Core Expenses	\$224,460	\$248,735	\$(24,275)	
Total Grant Expenses	\$53,000	\$-	\$53,000	Grant expenses scheduled for 2015-2016
<b>NET SURPLUS (DEFICIT) FOR 14-15FY</b>	<b>\$(112,858)</b>	<b>\$(71,691)</b>	<b>\$(41,167)</b>	Overall positive variance of \$41K



**ACTUAL EXPENSES  
2014-2015 Fiscal Year**

**Statement of Financial Position  
As of June 30, 2015**

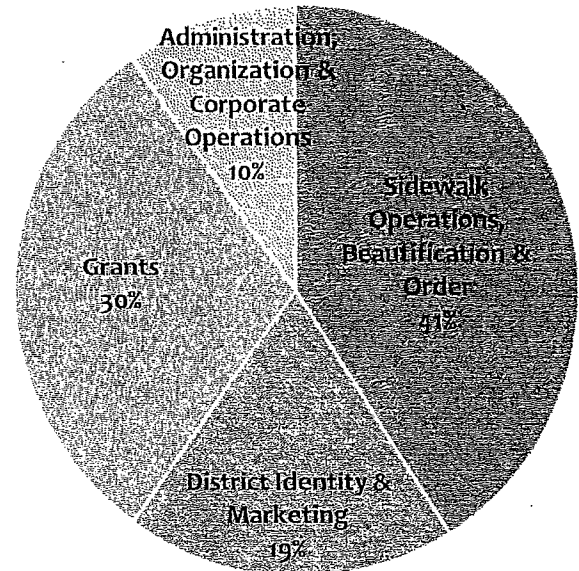
<b>ASSETS</b>	
Cash	\$102,980
Assessment Receivable	\$9,226
Pledge Receivable	\$25,000
Grant Receivable	\$30,000
Other Current Assets	\$728
Fixed Assets (Security Cameras) Net	\$5,054
<b>TOTAL ASSETS</b>	<b>\$172,988</b>
<b>LIABILITIES &amp; NET ASSETS</b>	
<b>LIABILITIES</b>	
Accounts Payable & Accrued Expenses	\$28,376
Deferred Revenue	\$819
<b>Total Liabilities</b>	<b>\$29,195</b>
<b>NET ASSETS</b>	
Unrestricted	\$113,793
Restricted Temporarily	\$30,000
<b>Total Net Assets</b>	<b>\$143,793</b>
<b>TOTAL LIABILITIES &amp; NET ASSET</b>	<b>\$172,988</b>



# FINANCIAL REPORTS

## Carry Over Funds from 14-15FY

District Identity & Marketing	
Sidewalk Operations, Beautification & Order	\$19,180
Administration, Organization & Corporate Operations	\$ -
Corporate Operations	\$14,842
Grant - Historical Markers Project	\$30,000
General Fund	\$79,771
<b>TOTAL CARRY OVER FUNDS (From 14-15)</b>	<b>\$143,793</b>

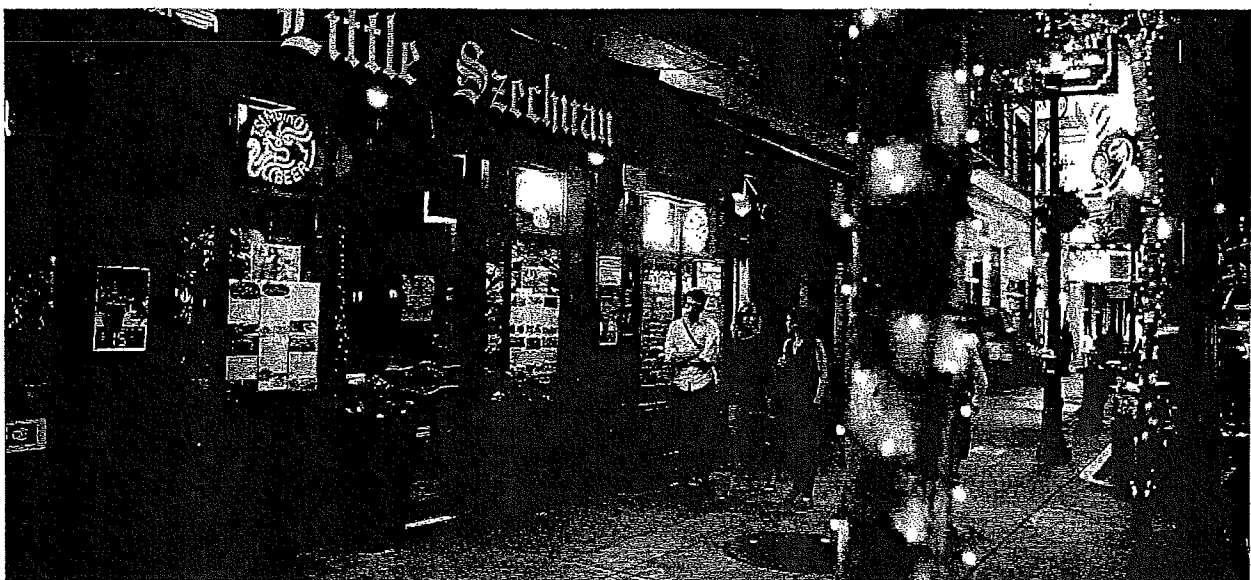


## JULY 2015 - JUNE 2016 Budget

INCOME	Amount	% of Income
Assessment Revenue	\$108,878	46%
Grants	\$65,000	28%
Fundraising & Other	\$62,300	26%
<b>TOTAL INCOME</b>	<b>\$236,178</b>	<b>100.00%</b>

EXPENSES	Amount	% of Expenses
District Identity & Markers	\$60,650	19%
Sidewalk Operations, Beautification & Order	\$130,245	41%
Administration, Organization & Corporate Operations	\$31,998	10%
Grants	\$95,000	30%
<b>TOTAL EXPENSES</b>	<b>\$317,893</b>	<b>100%</b>

**ALLOCATION OF BUDGET  
2015-2016 Fiscal Year**



## 2014 - 2015 DONORS

# T O P O F **BROADWAY** COMMUNITY BENEFIT DISTRICT

The Top of Broadway Community Benefit District would like to recognize the following visionary individuals and institutions that have supported us. Without their help many of the services outlined in this report would not be possible.

Broadway Entertainment and Cultural Association  
City and County of San Francisco Community Challenge Grant Program  
Oliver Mar  
BSC Management  
Carmen Crotti  
Tommaso's  
Benjamin Horne  
The Beat Museum  
Ryan Maxey  
Stephanie Greenburg  
Chinatown Community Development Center  
Matias Drago  
Gail Gilman  
Calvin Louie  
Monroe  
Nader Marvi  
Jeremy Fish  
Vesuvio Cafe  
Security Intelligence Specialist Corporation  
Dome Cleaning

## THANK YOU!

The Top of Broadway Community Benefit District is a 501(C)3 non-profit organization. Donations to the Top of Broadway Community Benefit District are tax deductible. Please contact us at [ben@topofbroadwaycbd.com](mailto:ben@topofbroadwaycbd.com) if you are interested in making a donation to help support our programs.





**TOP OF BROADWAY COMMUNITY  
BENEFIT DISTRICT, INC.  
FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2015**

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.  
FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2015**

**TABLE OF CONTENTS**

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Independent Accountant's Review Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6

CHEK  TAN  
AND COMPANY  
A CERTIFIED PUBLIC ACCOUNTING FIRM

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of  
Top of Broadway Community Benefit District, Inc.  
San Francisco, California

I have reviewed the accompanying statement of financial position of Top of Broadway Community Benefit District, Inc. (a nonprofit organization) as of June 30, 2015, and the related statements of activities, functional expenses, 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 statements as a whole. Accordingly, I do not express such an opinion.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements.

My responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. I believe that the results of my procedures provide a reasonable basis for my report.

Based on my review, I am not aware of any material modifications 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 of America.

*Chek Tan and Company*

San Francisco, California  
December 22, 2015

\*\*\*

601 VAN NESS AVENUE, SUITE Q/R  
SAN FRANCISCO, CALIFORNIA 94102  
TEL: 415.673.8573 FAX: 415.673.0883  
www.chektan.com

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2015**

**ASSETS**

Current assets	
Cash	\$102,980
Assessments receivable	9,226
Grant receivable	30,000
Pledge receivable	25,000
Prepaid expenses and deposits	<u>5,782</u>
 Total assets	 <u>\$172,988</u>

**LIABILITIES AND NET ASSETS**

Accounts payable	\$ 28,376
Deferred revenue	<u>819</u>
 Total liabilities	 <u>29,195</u>
Net assets	
Unrestricted net assets	113,793
Temporarily restricted net assets	<u>30,000</u>
 Total net assets	 <u>143,793</u>
 Total liabilities and net assets	 <u>\$172,988</u>

See Independent Accountant's Review Report and accompanying notes.

(2)

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2015**

Support and revenue	
Assessment revenue	\$106,135
Affiliate member dues	409
Contributions	8,900
Grant	30,000
In-kind rent and facility use	5,300
In-kind services	<u>26,300</u>
Total support and revenue	<u>177,044</u>
Expenses	
Program services	
Sidewalk operations, beautification and order	125,408
District identity	65,265
Supporting services	
Management and general	54,818
Fundraising	<u>3,244</u>
Total expenses	<u>248,735</u>
Changes in net assets	( 71,691)
Net assets, beginning of year	215,484
Net asset, end of year	\$ <u>143,793</u>

See Independent Accountant's Review Report and accompanying notes.

(3)

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2015**

	<u>Program</u>	<u>Supporting Services</u>		<u>Total</u>
		<u>Management and general</u>	<u>Fundraising</u>	
Security and safety	\$ 62,445	\$ 0	\$ 0	\$ 62,445
Sidewalk cleaning and maintenance	48,018	0	0	48,018
Consultant (Executive Director)	16,300	23,712	3,244	43,256
District identity	39,736	0	0	39,736
Consultant (in-kind)	4,413	15,762	0	20,175
Landscaping and streetscapes	10,452	0	0	10,452
Support and professional services fees	1,251	7,308	0	8,559
Rent and facility use (in-kind)	1,000	4,300	0	5,300
Landscaping (in-kind)	3,500	0	0	3,500
Designer services (in-kind)	2,500	0	0	2,500
Insurance	0	2,404	0	2,404
Printing and copying	933	879	0	1,812
Postage	0	232	0	232
Printing (in-kind)	125	0	0	125
Supplies	0	91	0	91
License and permits	0	85	0	85
Bank services	<u>0</u>	<u>45</u>	<u>0</u>	<u>45</u>
<b>Total functional expenses</b>	<b><u>\$190,673</u></b>	<b><u>\$54,818</u></b>	<b><u>\$3,244</u></b>	<b><u>\$248,735</u></b>

See Independent Accountant's Review Report and accompanying notes.

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2015**

Cash flow from operating activities:	
Decrease in net assets	\$( 71,691)
Adjustments to reconcile change in net assets to cash used in operating activities:	
Change in assets and liabilities:	
Assessments receivable	( 6,235)
Grant receivable	( 30,000)
Pledge receivable	100,000
Prepaid expenses and deposits	( 5,066)
Accounts payable	6,277
Deferred revenue	<u>819</u>
Net cash used in operating activities	( 5,896)
Net decrease in cash	( 5,896)
Cash, beginning of year	<u>108,876</u>
Cash, end of year	<u>\$ 102,980</u>

See Independent Accountant's Review Report and accompanying notes.

(5)

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 1 - Nature of Activities

a. Organization

The Top of Broadway Community Benefit District, Inc. ("Organization"), was incorporated in California on October 18, 2013 as a non-profit public benefit corporation. Its mission is to make the area around Broadway a safe, beautiful, diverse and enjoyable place to live, work and visit with a commitment to promote economic vitality, improve livability and advocate area history and identity. All property owners whose parcels of land fall within the Organization's geographic area fund the Organization through a special assessment fee, as established after a majority of property owners vote and legislation adopted by the Board of Supervisors, and signed by the Mayor of the City and County of San Francisco ("City").

Upon formation of the district in 2013, its members (property owners) were assessed an annual special tax assessment levied by the City under the Property and Business Improvement District Law of 1994. The term of the district will expire (unless renewed) on June 30, 2021. Under a contract with the City and a Management Plan, the Organization receives these special tax assessments and, in exchange, provides certain services to the members of the District. The services include, but are not limited to, supplemental regular cleaning of the sidewalks and curb gutters (sweeping/pressure washing), graffiti removal, security, marketing, greening and landscaping services, public space management, and promotional activities, and management and corporate operations.

Note 2 - Significant Accounting Policies

a. Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America (GAAP).

b. Basis of presentation

The Organization presents 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. The three classes are differentiated by donor restrictions.

*Unrestricted net* assets – consist of resources which have not been specifically restricted by a donor. Unrestricted net assets may be designated for specific purposes by the Organization or may be limited by contractual agreements with outside parties.



**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 2 - Significant Accounting Policies (continued)

b. Basis of presentation (continued)

*Temporarily restricted net assets* – represent contributions whose use is limited by donor-imposed stipulations that expire by the passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

*Permanently restricted net assets* – represent contributions whose use is limited by donor-imposed stipulations that require the gift to be invested in perpetuity. The income from such invested assets, including realized and unrealized gains, is generally available to support the activities of the Organization. Donors may also restrict all or part of the income and/or appreciation from these investments to permanently restricted net assets, resulting in increases/decreases to these net assets.

c. Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period the promise is received. Conditional promises to give are not recognized until they become unconditional; that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the date of contribution. Contributions to be received after one year are discounted at an appropriate rate commensurate with the risks involved. Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Unrestricted contributions are recorded as unrestricted revenue when received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or 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.

d. Assessments receivable

Assessments receivable primarily consists of delinquent tax assessments owed by property owners. Since the taxpayers will be subject to City enforcement procedures, all assessments are considered to be fully collectible at June 30, 2015.

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 2 - Significant Accounting Policies (continued)

d. Assessments receivable (continued)

Although delinquent assessments are subject to penalties and fines, the Organization believes that these amounts will be offset by delays in collections. Accordingly, no receivable has been recognized for penalties and fines and the Organization has not calculated the present value of this receivable.

e. Income taxes

The Internal Revenue Service and the California Franchise Tax Board have determined that the Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and the California Revenue and Taxation Code Section 23701(d). The Organization has evaluated its current tax positions as of June 30, 2015 and is not aware of any significant uncertain tax positions for which a reserve would be necessary. The Organization's tax returns are generally subject to examination by federal and state taxing authorities for three and four years, respectively after they are filed.

f. Donated services and materials

Donated services are reflected in the financial statements at the fair value of the services received only if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Donated property is recognized as contribution in the accompanying financial statements at its estimated fair market value at date of gift.

g. Use of accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

h. Concentration of credit risk

The Organization places its cash with financial institutions and its balances are insured by the Federal Deposit Insurance Corporation. At June 30, 2015, there was no uninsured balance.

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 2 - Significant Accounting Policies (continued)

i. Property and equipment

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs and maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives on the property and equipment. Maintenance and repairs, which are not considered betterments and do not extend the useful life of property and equipment, are charged to expense as incurred. When property and equipment are retired or disposed of, their cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in net assets.

j. Deferred revenue

Deferred revenue consists of payments received in advance from property owners who are outside the district to receive same types of community services provided to the members of the district.

k. Functional allocation of expenses

The costs of providing 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 benefited.

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 3 - Contributed Services

The Organization recognized contribution revenue in the year ended June 30, 2015 for contributed services related to both program services and supporting services. Contribution revenue from services were measured based on the fair value of those services, and the amounts recognized were as follows:

	<u>June 30, 2015</u>
Program services:	
District identity program -	
Designer services	\$ 2,500
Consulting services	2,206
Landscaping	2,500
Printing	<u>125</u>
	7,331
Sidewalk operations, beautification, and order -	
Consulting services	2,207
Landscaping	<u>1,000</u>
	3,207
Supporting services:	
Management and general	<u>15,762</u>
	<u>\$26,300</u>

Note 4 - Concentration of Support and Revenue

The Organization received special benefit assessments under a contract with the City and County of San Francisco, which represents 60% of the Organization's total revenue.

The Organization also received a grant at the total amount of \$30,000 from one donor. As of June 30, 2015, the grant receivable amounted to \$30,000. The management believes that the grant will be fully collectible.

**TOP OF BROADWAY COMMUNITY BENEFIT DISTRICT, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

Note 5 - Net Assets

Unrestricted net assets	
Designated by the Board for	
Sidewalk operations, beautification and order	\$ 19,180
General and administration	14,842
Undesignated	<u>79,771</u>
Total unrestricted net assets	<u>113,793</u>
Temporarily restricted net assets	
Restricted for CCGP – Historical Markers Project	<u>30,000</u>
	<u>\$143,793</u>

Note 6 - Subsequent Events

The Organization has evaluated subsequent events through December 22, 2015, the date which the financial statements were available to be issued.

Print Form

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) 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 a Imperative Form.**

Sponsor(s):

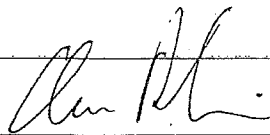
Aaron Peskin

Subject:

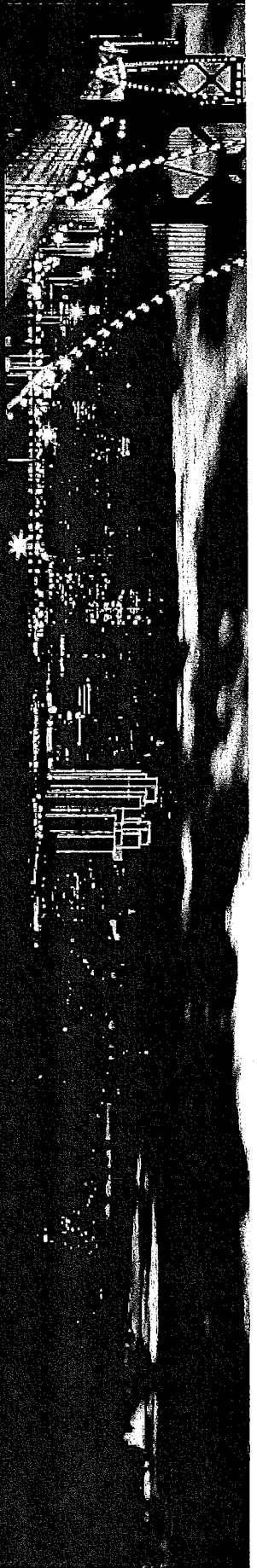
Top of Broadway Community Benefit District -- Annual Report for FY 2014-2015

The text is listed below or attached:

See Attached

Signature of Sponsoring Supervisor: 

For Clerk's Use Only:



# Top of Broadway Community Benefit District

**SAN FRANCISCO**  
Office of Economic and Workforce Development

# Legislative Overview

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

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

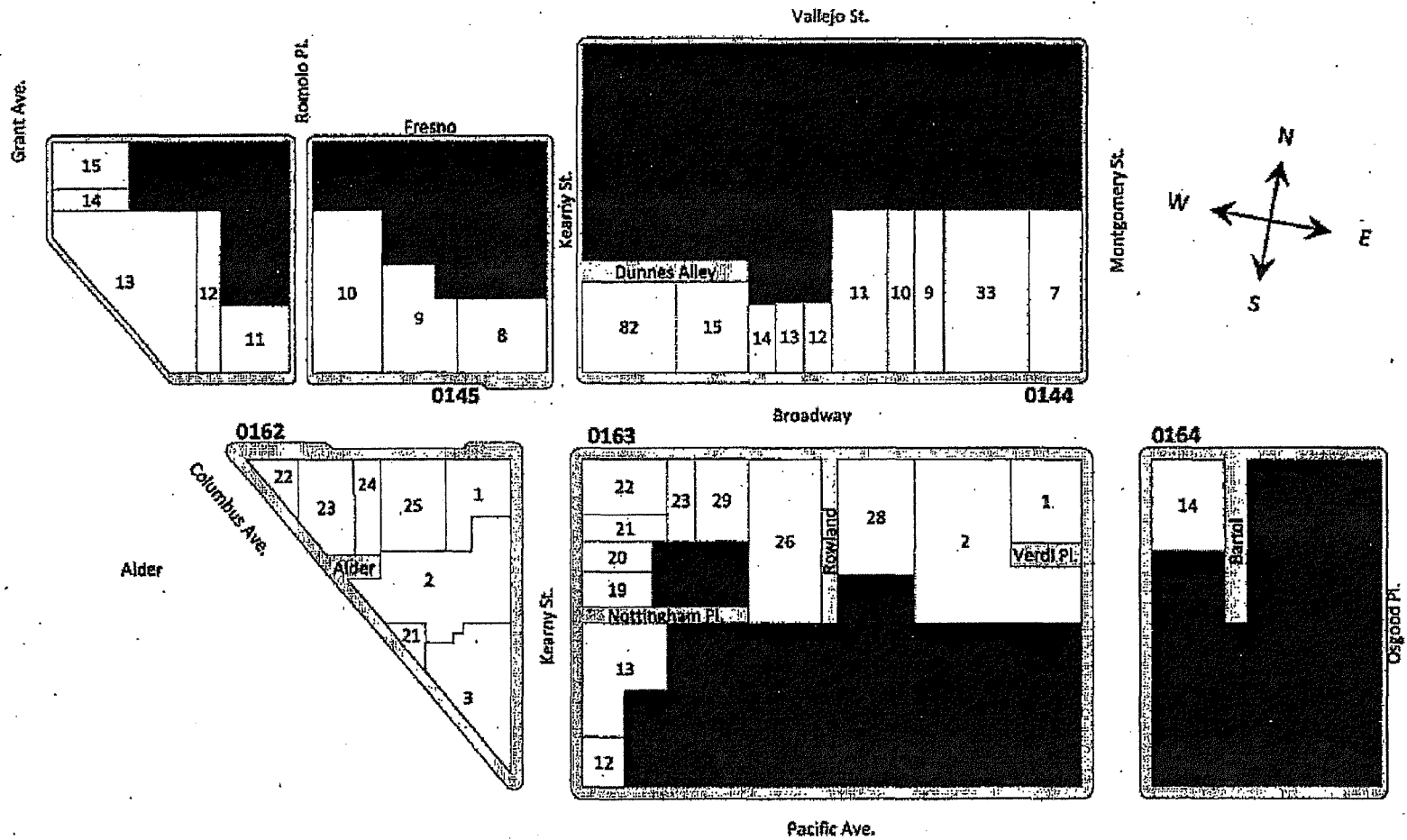


# Review Process

## This resolution covers the Annual Report for FY 2014-2015

- OEWD ensures that all CBDs/BIDs are meeting their management plans.
- OEWD staff conducts an annual review of the Annual Report and CPA Financial Review.
- OEWD provides the Board Supervisors with a summary memo.

# Parcel Map



# ToBCBD Formation

ToBCBD	Type	Assessment Budget*	Year Established	Expires
	Property-Based	\$ 106,567	2013	June 30, 2021

*\*budget identified in management plan*

# ToB Operations

- **Staff**

- Executive Director – Ben Horne\*

- **Service Areas**

- **District Identity**

- This program includes marketing, public relations, special events, and street enhancements, such as signage, historical markers, and banners, for the district.

- **Street Operations, Beautification and Order (SOBO)**

- This service area includes street maintenance and beautification – including but not limited to graffiti removal, sidewalk cleaning, periodic steam cleaning, trimming trees, and cleaning tree wells.

- **Administration, Organization and Corporate Operations**

- Admin and operations includes oversight of service contract, implementation of major projects, staffing the Board of Directors and Committees, and general day to day operations.

*\*as of the midway point of FY 14-15 Dominic Li Mandri is the District Manager*

# BENCHMARKS

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

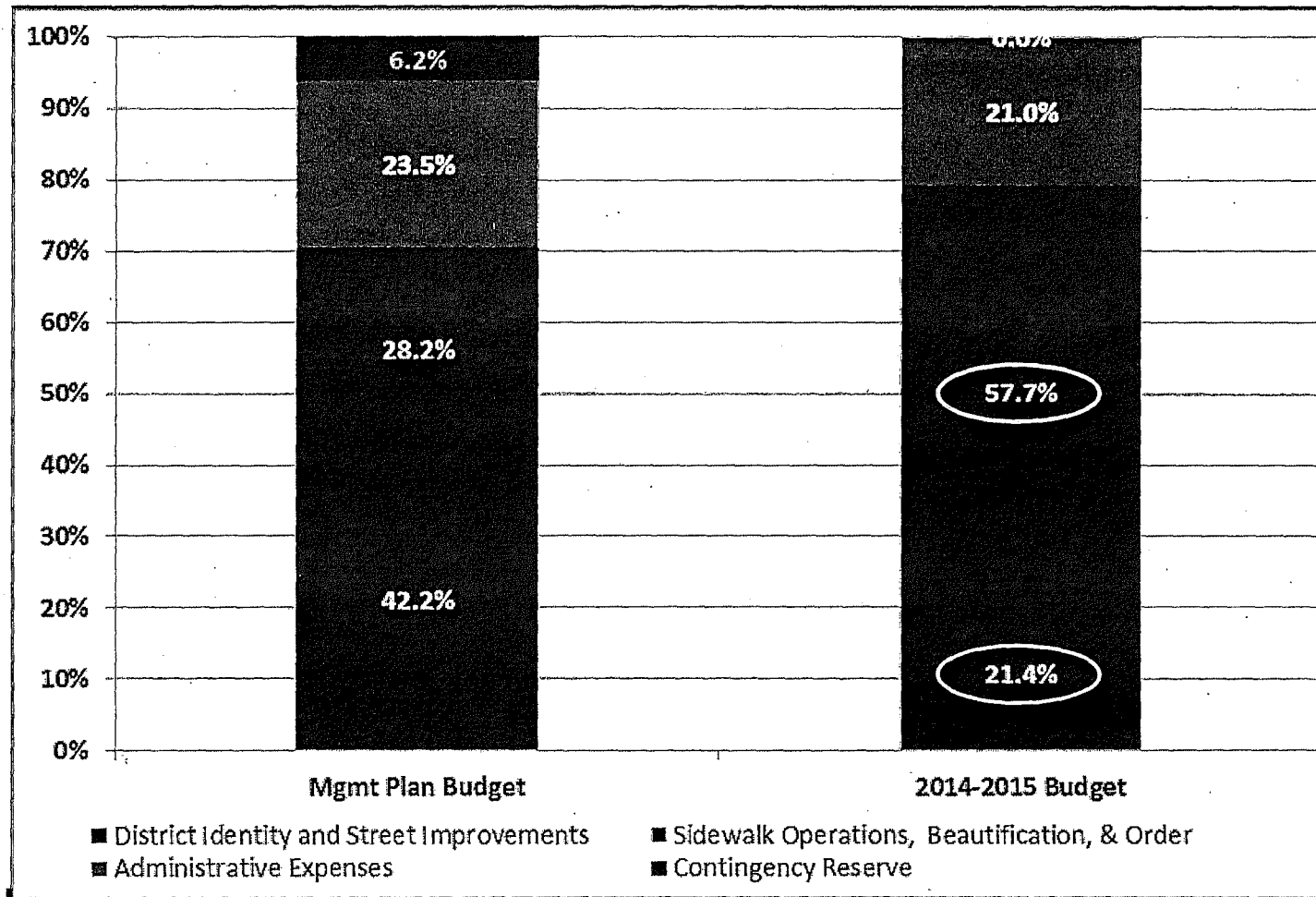
**Benchmark 1 – Whether the variance between the budget amounts for each service category was within 10 percentage points from the management plan.**

**Benchmark 2 – Whether one percent (1%) of ToB'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.**

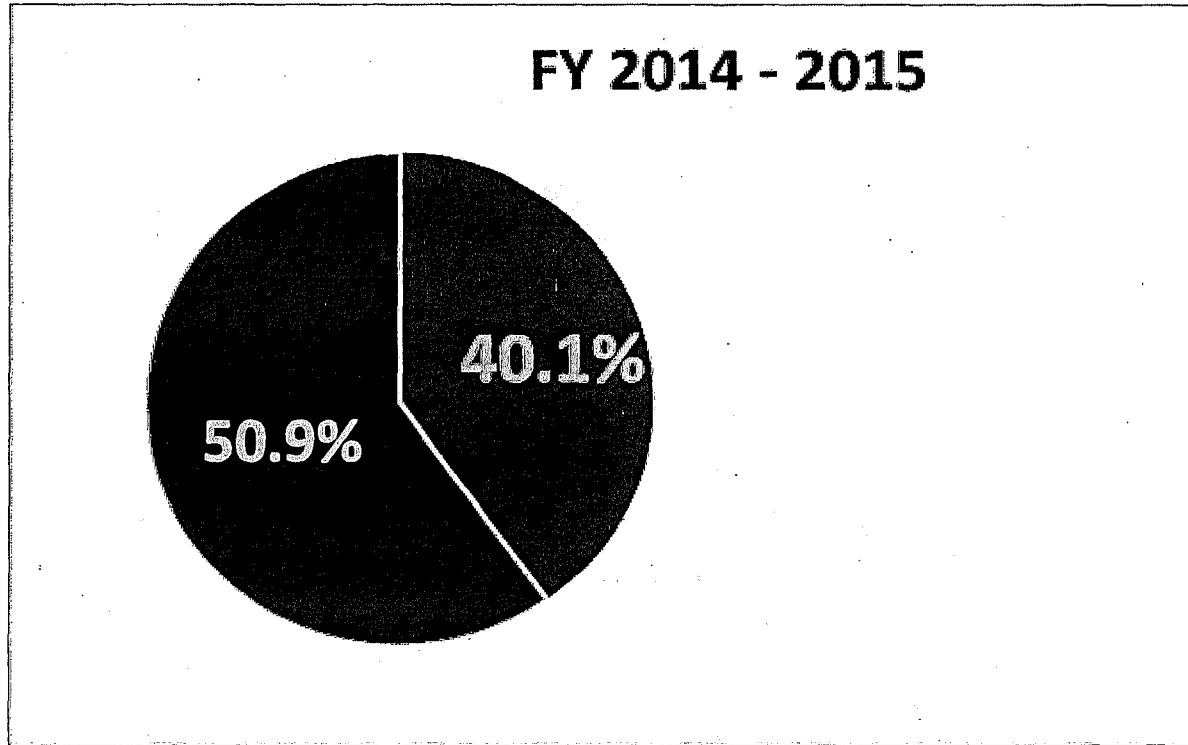
**Benchmark 4 - Whether CBD is indicating the amount of funds carried over from the current fiscal year and designating projects to be spent in the upcoming fiscal year.**

# Management Plan vs. Annual Budgets



772

# Assessment Revenue & Other Income



# Budget vs Actuals

Service Category	FY 2014-2015 Variance % Points
District identity	+4.89
Sidewalk Operations, Beautification & Order	-7.25
Administration, Organization & Corporate Operations	+2.36
Contingency Reserve	-



# Carryover

Designated Projects	FY 2014-2015
CCGP Historical Markers	\$30,000
Sidewalk Operations, Beautification, & Order	\$19,180
Administration & General Fund	\$79,711
<b>Total Designated Amount</b>	<b>\$143,793</b>

# Recommendations for ToB

In completing the review of the ToB CBD's annual report and financials, OEWD sets forth the following recommendations:

- Although the FY 14-15 budget exceeds the allowable variance for SOBO and DISI, further research shows that this variance in program area budget allocation is explained by their high performance in raising non-assessment revenue.
- As a result of these high non-assessment revenues, the percentages do not provide an accurate assessment of fund allocation. Separating the non-assessment dollars from the review of those benchmarks, the amount allocated to each program year is in fact appropriate, and meet the benchmarks.
- OEWD will work with Top of Broadway CBD to develop a framework that identifies assessment fund allocation and non-assessment expenditures.

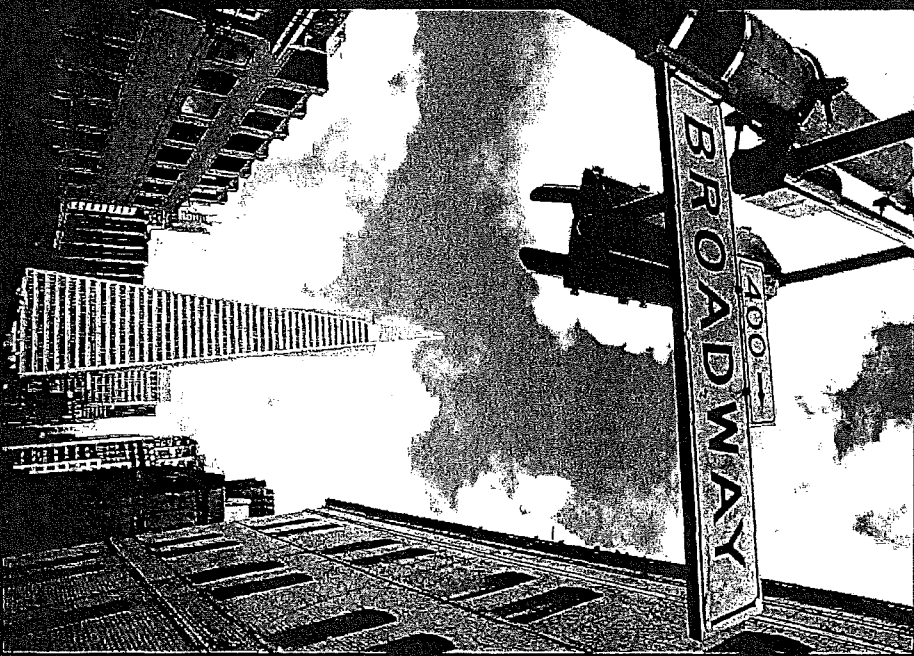
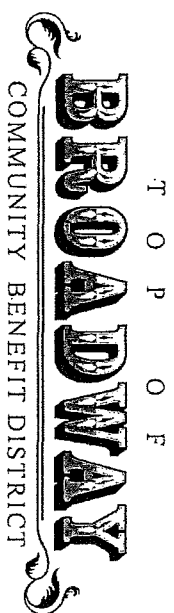
# Conclusion

ToB CBD has performed well in implementing the service plan in the district:

- Developed and implemented branding and marketing materials.
- Increased their opportunities in partnering with community stakeholders and numerous municipal agencies in its planning and advocacy around district lighting & security cameras.
- Maintained an active board of directors and committee members.

**Top of Broadway  
Community Benefit  
District (TOBCBD)**

**Presentation to San  
Francisco  
Government Audit  
& Oversight  
Committee  
Fiscal Year 2014-  
2015**



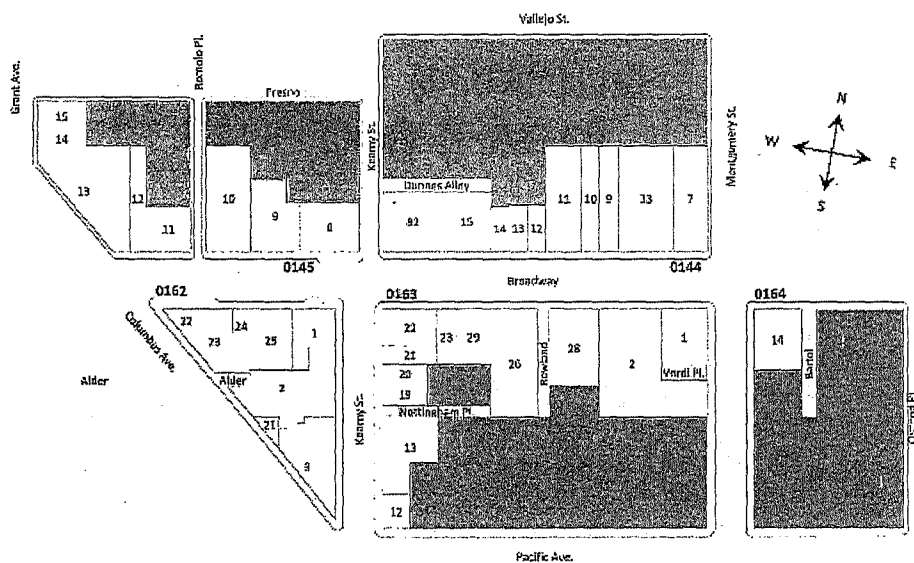
**February 25th, 2016**

**Top of Broadway, CBD**

# ToBCBD District Boundary and Information

Top of Broadway CBD Map

May 2012

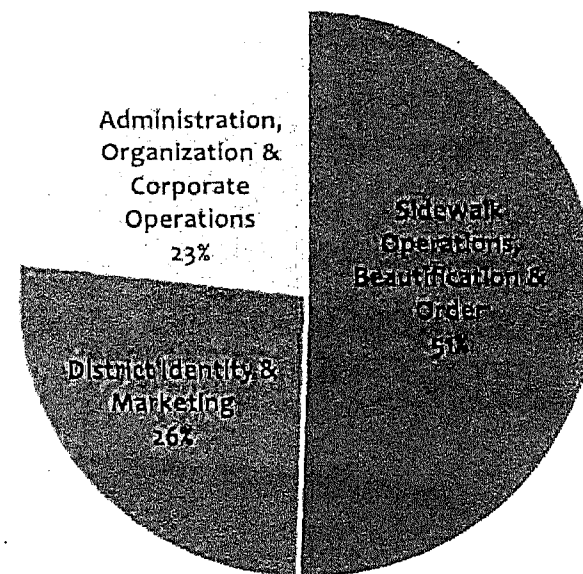


## ToBCBD Info (14-15FY)

- Organization formed Nov 2013; Started Services Jan 2014.
- 39 Parcels, 100+ businesses
- \$177K Operating Budget, \$125K spent on cleaning and public safety
- Provide 5 day/week sidewalk cleaning (Thurs – Mon)
- Provide weekly Thurs-Sat safety patrols

# Grants and Donations

- ▶ \$100,000 2-year pledge from the Broadway Entertainment & Cultural Association (\$100K/year)
- ▶ \$30,000 Community Challenge Grant Program for Historical Marker Project



ACTUAL EXPENSES  
2014-2015 Fiscal Year

# Mission

The Top of Broadway CBD mission statement is quite simple:

“To make the area around Broadway a safe, beautiful, diverse, and enjoyable place to live, work and visit, with a commitment to promoting economic vitality, improving livability and promoting area identity and history.”

To this end, ToBCBD directors and members deliberate and strategize initiatives via three advisory committees, endorsing directives which are then facilitated by staff.



## Advisory Committees

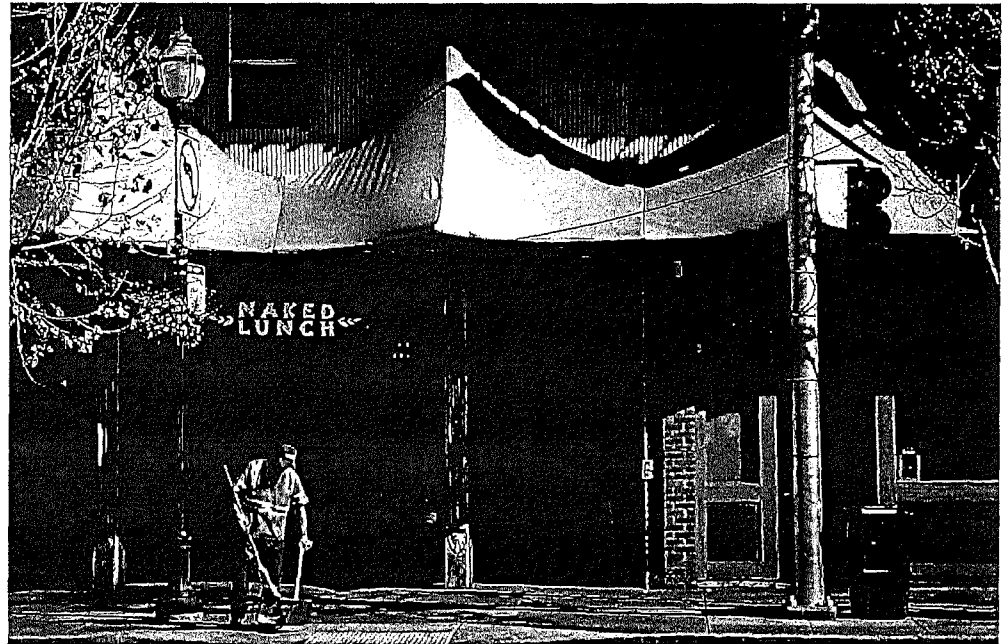
- ▶ Services & Safety Committee
- ▶ Marketing & Identity Committee
- ▶ Finance Committee



# Safety & Services Committee Highlights

## Sidewalk Operations, Beautification & Order (SOBO)

- ▶ Decreased SFPD interactions by over 70% year over year
- ▶ Engaged visitors to the district with 1,250 hospitality interactions
- ▶ Conducted over 2,000 merchant check-ins
- ▶ Removed 1,274 graffiti incidents and 606 illegal dumping incidents
- ▶ Monthly district-wide pressure washing



# Marketing & Identity Committee Highlights

## Marketing & Identity

- ▶ Hired new Marketing manager in March 2015
- ▶ Launched new website and acquired branded uniforms for contracted personnel
- ▶ Developed street banners w/ local artists and installed in June 2015
- ▶ Hung and maintained over 20 hanging flower baskets
- ▶ Applied for and received \$30K from OEWD for historical marker project.



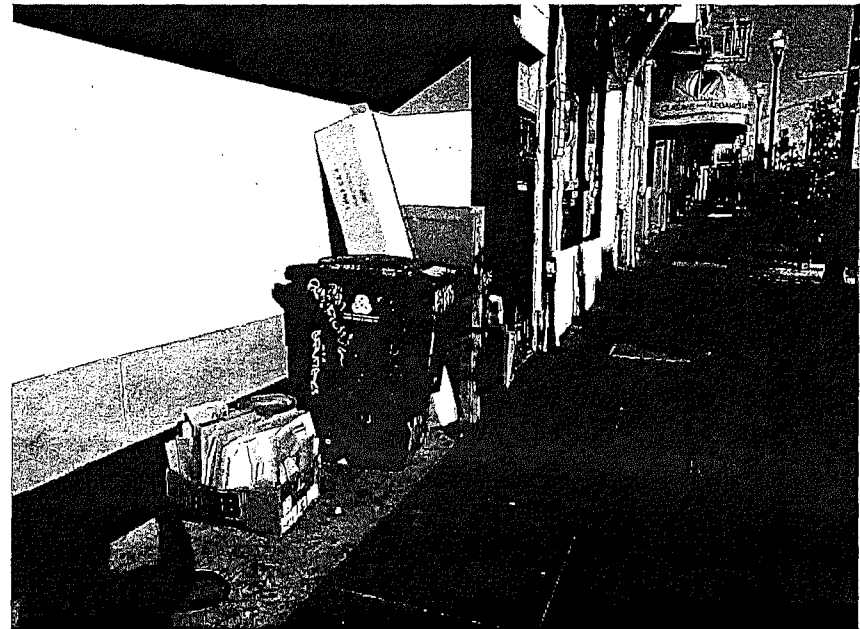
## Events + Highlights FY14-15

- ▶ Raised \$71,000 in new grants and donations during 14-15 FY
- ▶ Expanded Board of Directors to 11 members
- ▶ Hosted the August 2015 off-Broadway Summer Pop-Up event
- ▶ Participated and helped plan an International Downtown Association conference tour for October 2015
- ▶ Participated in Bold Italic Microhood event bringing over 1,300 SF locals to the area
- ▶ Implemented security camera pilot with 4 security cameras



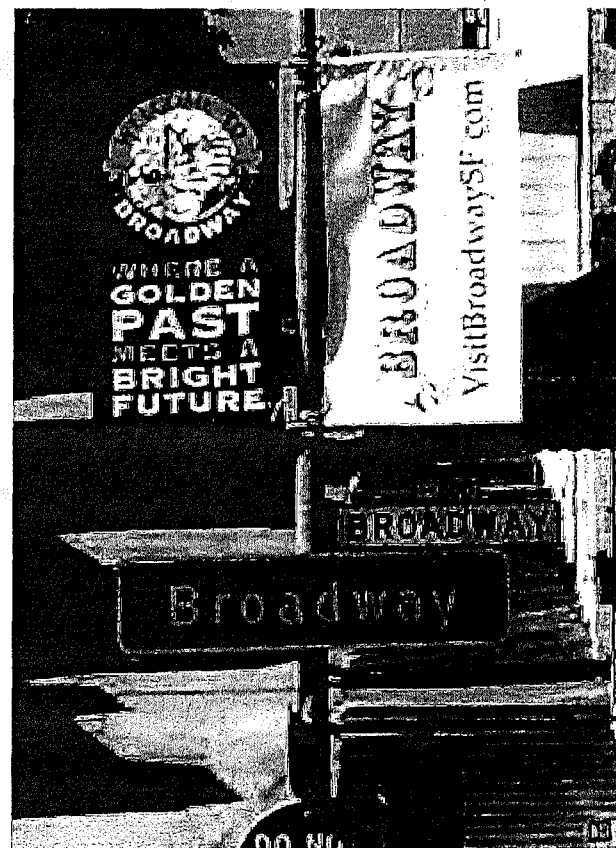
# Challenges

- Illegal dumping and graffiti concentration
- Property owner engagement
- Blighted properties and vacancies
- Persistent security concerns
- Diversity of district identity



## Opportunities & Projects

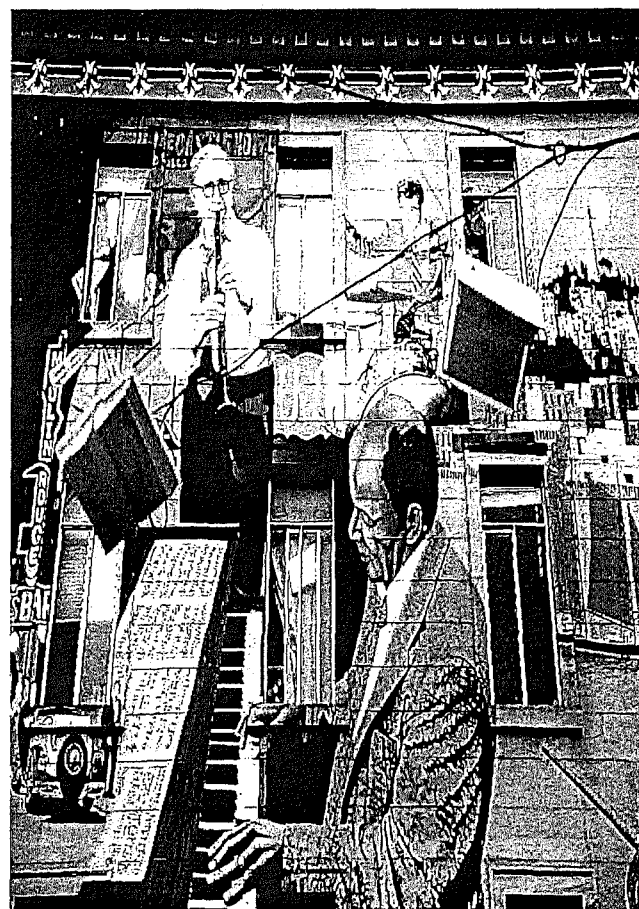
- ▶ Kearny Street improvement project
- ▶ Art installations/increased landscaping in and around the North Beach Broadway corridor
- ▶ Partnership with North Beach Citizens
- ▶ Historical markers project finalization and installation
- ▶ Develop a rotation of identity-based special events
- ▶ District expansion into Jackson Square



# Vision & Plan

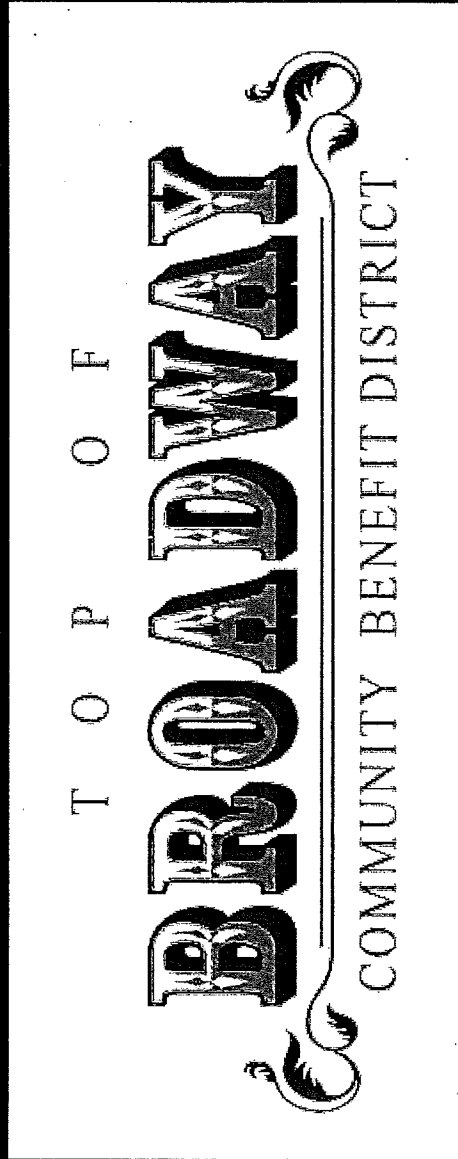
The Top of Broadway CBD strategic plan and vision going forward will emphasize the following directives:

- ▶ Expand district to have larger mission impact and financially sustainable organization
- ▶ Further integrate into the surrounding community and coordinate resources among the various local entities
- ▶ Create a safe atmosphere for locals, residents and business owners alike
- ▶ Promote the diversity of the district brand and cultural history of the area
- ▶ Increase the walkability of the district through further streetscape enhancements and cleanliness/safety initiatives.



## Partner Organizations

- ▶ OEWD
- ▶ SFPW
- ▶ SFPD
- ▶ Chinatown Community Development Center (CCDC)
- ▶ North Beach Business Association
- ▶ Broadway Entertainment & Cultural Association (BECA)
- ▶ North Beach Citizens



Thank You