

BOARD of SUPERVISORS



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MEMORANDUM

TO: Kate Sofis, Director, Office of Economic and Workforce Development
Kate Robinson, Executive Director, North of Market/Tenderloin
Community Benefit District

FROM: Stephanie Cabrera, Assistant Clerk, Government Audit and Oversight
Committee, Board of Supervisors

DATE: October 24, 2022

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Preston on October 18, 2022:

File No. 221089

Resolution receiving and approving an annual report for the North of Market/Tenderloin Community Benefit District for Fiscal Year (FY) 2020-2021, 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 or by email at: Stephanie.Cabrera@sfgov.org

cc: Montana Cruz, Office of Economic and Workforce Development
Anne Taupier, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development
Lorraine Lewis, North of Market/Tenderloin Community Benefit District

1 [North of Market/Tenderloin Community Benefit District - Annual Report - FY2020-2021]

2

3 **Resolution receiving and approving an annual report for the North of Market/Tenderloin**
4 **Community Benefit District for Fiscal Year (FY) 2020-2021, submitted as required by the**
5 **Property and Business Improvement District Law of 1994 (California Streets and**
6 **Highways Code, Sections 36600, et seq.), Section 36650, and the District’s management**
7 **agreement with the City, Section 3.4.**

8

9 WHEREAS, On June 7, 2005, 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. 422-05, expressing the City’s intention to
13 establish the North of Market Tenderloin Community Benefit District (the “North of
14 Market/Tenderloin CBD”); and

15 WHEREAS, On August 9, 2005, the Board of Supervisors adopted Resolution
16 No. 584-05 establishing the North of Market/Tenderloin CBD ("Resolution to Establish") for a
17 period of 15 years, commencing FY 2005-2006; and

18 WHEREAS, On January 10, 2006, the Board of Supervisors adopted Resolution
19 No. 15-06, authorizing an agreement with the owners' association for the
20 administration/management of the North of Market/Tenderloin CBD, and a management
21 agreement (the “Management Contract”) with the owners' association, the North of
22 Market/Tenderloin Community Benefit 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. 052018; and

25

1 WHEREAS, On April 23, 2019, pursuant to the Property and Business Improvement
2 District Law of 1994 (the "Act"), California Streets and Highways Code, Sections 36600 *et*
3 *seq.*, as augmented by Article 15 of the San Francisco Business and Tax Regulations Code,
4 the Board of Supervisors adopted Resolution No. 195-19, expressing the City's intention to
5 renew and expand the North of Market/Tenderloin Community Benefit District (the "North of
6 Market/Tenderloin CBD"); and

7 WHEREAS, On June 25, 2019, the Board of Supervisors adopted Resolution
8 No. 297-19 renewing and expanding the North of Market/Tenderloin CBD ("Resolution to
9 Establish") for a period of 15 years, commencing FY 2019-2020; and

10 WHEREAS, On November 19, 2019, the Board of Supervisors adopted Resolution
11 No. 508-19, authorizing an agreement with the owners' association for the
12 administration/management of the North of Market/Tenderloin CBD, and a management
13 agreement (the "Management Contract") with the owners' association, the North of
14 Market/Tenderloin Community Benefit Corporation, was executed accordingly; and

15 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
16 of Supervisors in File No. 191084; and

17 WHEREAS, On May 27, 2022, the Board of Supervisors approved the North of Market/
18 Tenderloin CBD's annual reports for FY 2018-2019 and FY 2019-20 in Resolution No. 211-32;
19 and

20 WHEREAS, The North of Market/Tenderloin CBD has submitted for the Board's receipt
21 and approval the North of Market/Tenderloin annual report for FY 2020-2021 as required by
22 Section 36650 of the Act and Section 3.4 of the Management Contract; and

23 WHEREAS, The Annual Report is on file with the Clerk of the Board of Supervisors in
24 File No. _____, and are incorporated herein by reference as though fully set forth;
25 and

1 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
2 memorandum report from the City's Office of Economic and Workforce Development, dated
3 October 12, 2022, and documentation from the North of Market/Tenderloin CBD for the
4 Annual Report is on file with the Clerk of the Board of Supervisors in File No. _____;
5 now, therefore, be it

6 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
7 report for the North of Market/Tenderloin Community Benefit District for FY 2020-2021.

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ANNUAL REPORT FISCAL YEAR 2020-2021

Presented To:

Board of Supervisors, City and County of San Francisco
San Francisco Office of Economic and Workforce Development (OEWD)
Board of Directors, North of Market/Tenderloin Community Benefit Corporation

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introduction

In 2005, Tenderloin community leaders and property owners joined together to create the Tenderloin Community Benefit District (TLCBD). For 14 years TLCBD worked to turn an annual investment by the property owners into much needed supplemental services and programs that benefited everyone in the community. Then in 2019, Tenderloin property owners voted resoundingly to expand the boundaries of the district, increase their annual assessment and to continue the investment for another 15 years. The City and County approved a new management plan and in January 2020, TLCBD began expanded operations to lead the evolution of the Tenderloin into a vibrant community for all who live, work and visit one of the most storied neighborhoods in San Francisco.

But three months into 2020, the global COVID-19 pandemic brought uncertainty, exacerbated community trauma, and strained our typical ways of working together. The pandemic laid bare the deepening disparities in human health, social equity and economic security that were already endemic in the Tenderloin. However, it also reinforced the community's commitment to one another, and deepened our organizational understanding and capacity to respond programmatically to the emerging needs of our residents and businesses. Over the course of next fiscal year, **TLCBD rapidly expanded the range of services** that we provided in the neighborhood, and we came to recognize the organization's growth required foundational support systems and a reimagining of our role in the Tenderloin's development and resilience. Through a renewed focus on **community-led solutions**, we are reimagining the role of the **TLCBD as anchor institution, organizer, incubator and innovator.**



introduction

This fiscal year, TLCBD built out its programs to support the Tenderloin in its moment of need: through a new Parks and Open Spaces stewardship program, economic and food security assistance for small businesses and residents, Pedestrian Safety advocacy, an expanded Tenderloin Camera Network, and Neighborhood Pride organizing. We have continued to deepen the work of Safe Passage and the Clean Team. Even as the TLCBD has **expanded programs and services to meet the social, economic and environmental needs of the community**, our need for administrative and fiscal supports deepened.

In five years the TLCBD has grown from an organization run by an outside consultant and a handful of staff to 16 executive management staff and almost 30 direct-service positions consisting mainly of Tenderloin residents. To sustain our organization’s current service delivery, we must **re-invest in the foundational systems** that better support our organization-wide needs in finance, human resources, grants and development, and communications.

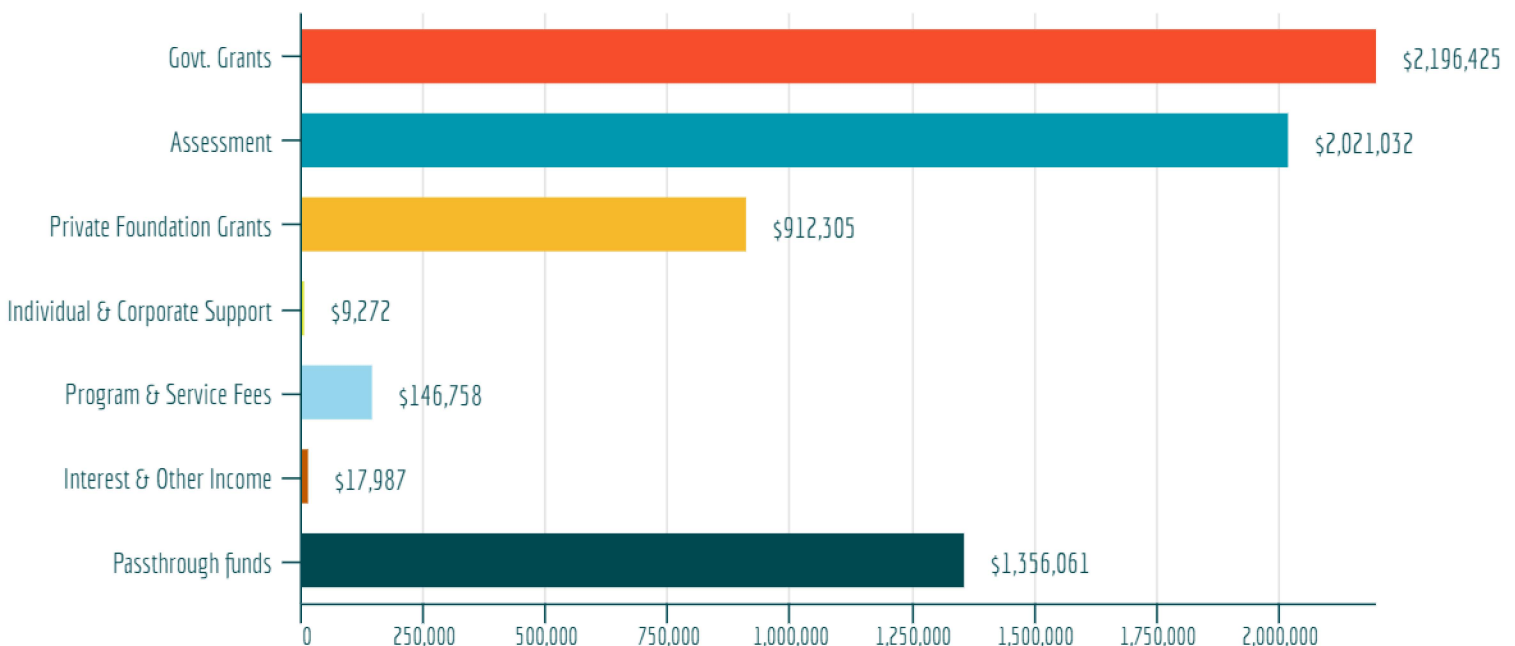
National issues of equity, urban transformation, community-based safety strategies, economic opportunity and resilience for businesses and residents alike, are all in the forefront of funding priorities identified by federal, state and private investment. We are confident that the TLCBD is now poised to be **a catalyst in the Tenderloin for community-led solutions** to address these issues. We ask for your consideration and support in the coming months, as we work to restructure, refine and scale the organizational means and methods by which we deliver services and advocate for the Tenderloin community.



revenue

assessment total: \$2,021,032
total budget: \$6,659,840
passthrough: \$1,356,061

By Type



TL Transforms is TLCBD's new flagship initiative encompassing all of our community-driven physical improvement projects and the organizing to support them. We work with residents, businesses, and partner organizations to beautify and activate spaces throughout the District. TL Transforms aims to demonstrate that we can **address issues of equity and access to safe and clean shared outdoor spaces** in a densely-populated, urban neighborhood like the Tenderloin. We convene, organize and empower our residents through **Block Groups** to identify and lead physical transformation projects and, in partnership with city partners, we advocate for the funding, maintenance, safety and infrastructure to sustain these advances.

In Fiscal Year 2020-2021 our core programs included:

- **Clean:** daily sweeping, weekly pressure washing and Bigbelly trash receptacles at every intersection
- **Safe:** community-led visible safety presence focused on children and seniors as well as advocacy for pedestrian safety and calmer streets
- **Inviting Space:** physical improvement projects and stewardship of shared spaces and parks
- **Economic Opportunity:** helping small businesses thrive
- **Neighborhood Pride:** block groups, organizing and resident advocacy
- **Youth Voice:** empowering transitional age youth to organize for community and policy action
- **Camera Network** - providing after-the-fact footage to support criminal justice system



leadership & operational strategy

This last year, the Tenderloin community faced unprecedented challenges. TLCBD, with the support of OEWD's Invest in Neighborhoods, other City Partners, Tenderloin property owners and private foundations, was at the forefront of the response, bringing vision, solutions, services and resources to meet the needs of our community and magnify community-led solutions.

Highlights and accomplishments, together with our operational strategy, are outlined below.

- Engaged a consultant specializing in **organizational development and grants management** to facilitate a strategic plan for the next three years of TLC BD's development and funding sustainability.
- **Clean:** Overseeing contracts for third-party vendors to staff a Clean Team and provide supplemental cleaning services as well as building partnerships with other agencies and organizations providing cleaning services in the neighborhood;
- **Safe:** Overseeing TLCBD Safe Passage operations, Safe Routes to School work and oversaw Pedestrian Safety initiative that partnered with Tenderloin Traffic Safety Task Force to drive policy changes and improvements for sidewalks, intersections and the neighborhood as whole. TLCBD also built partnerships with neighborhood schools and nonprofits providing services for children and seniors, and expanding to support both Lower Polk CBD and food pantries. Finally, TLCBD forged partnerships in community-led safety that utilized Urban Alchemy practitioners to bring positive engagement and de-escalation strategies to support the safety of residents.
- **Inviting Space:** Overseeing an expanding program to steward the Tenderloin Park Network and realized a community-driven vision for Safe Passage Park on the 200 block of Turk; upholding a vision for beautiful and inviting shared public spaces;
- **Economic Opportunity:** Overseeing our programs for lease negotiation; business attraction and retention; supporting small businesses with mini-grants; and building partnerships to support workforce development for neighborhood residents;
- **Neighborhood Pride:** Overseeing programs that build neighborhood agency and voice by supporting a handful of Block Groups to create a community-driven vision for TL Transforms;
- **Youth Voice:** secured federal funding and launched a new program educating youth ages 14-24 to learn how to turn research into policy action. As a youth-led initiative, TLCBD educates and empowers youth to conduct primary and secondary research in the Tenderloin; to analyze policy initiatives and interventions aimed at addressing the systemic challenges - such as drug-use, violence, homelessness and crime in the Tenderloin; and advocating for youth-led policy change at the highest levels of government and leading community organizing and action.
- **Camera Program:** expanded network that provides after-the-fact camera footage to the police, district attorney and public defender. Also secured operational funding for the next four years;

Clean

OUR IMPACT

Pounds of trash removed = 292,600
Bags of trash removed = 11,704
Graffiti and stickers abated = 7,610
Moments of hospitality assistance = 261
Hot Spots pressure washed = 1,119
Block faces pressure washed = 6,270
Human & animal waste sanitized = 26,920
Needles safely removed = 11,257

- Through an ongoing contract with provider **Block By Block**, TLCBD's uniformed Clean Team provided daily supplemental cleaning services throughout the District including sweeping sidewalks and gutters, pressure washing sidewalks, collecting needles, abating graffiti, sanitizing human and animal waste, and reporting illegal dumping seven 7days/week, 361 days/year.
- Increased regular pressure washing of every sidewalk in the District from a monthly schedule to a weekly schedule since January 2020. Divided neighborhood into zones that were pressure washed on the same day every week in order to improve accountability and predictability.
- Even in the face of challenges and risks created by the COVID-19 pandemic, TLCBD's Clean Team continued to be a daily, visible presence as "essential workers" for the neighborhood.
- Funded by the Mayor's Office and District 6 Supervisor's Office, TLCBD placed Bigbelly trash receptacles at every intersection in the Tenderloin. These 68 Bigbellies are a positive addition to the neighborhood, almost doubling the number of receptacles and standing out proudly with colorful artist-designed wraps.
- TLCBD's Clean & Inviting Space programs collaborated on continued Bigbelly program, maintaining 68 stations, the largest fleet in San Francisco. This has also strengthened partnerships with SF Recology, Public Works, the Chamber of Commerce and Bigbelly.

OUR IMPACT

Daily average # of children served = 97
Total # of seniors/disabled served = 6,622
Total # of residents employed (both Corner Captains, and Leads) = 35
Total # of days of operation = 213
Total # of "activations" = shifts for activations of public space = 659
more than 2 events in public space every week-day of the year

Total # of children served = 21,215 (1 in 2 children in the TL are served by Safe Passage)

Safe Passage has served as a daily, visible safety presence for kids and families for 12 years and continued in the face of the pandemic.

- Led a successful neighborhood-wide 'Safe Trick or Treat Route' effort for the second year, providing kids and families a safe Halloween option in the neighborhood.
- Continued to keep vital economic opportunity for Corner Captains by pivoting during Shelter in Place, holding virtual weekly trainings in April - June, 2020.
- Pivoted Safe Passage to support food security and safe park access during the closure of schools due to the pandemic.
- Collaborated with Salvation Army Kroc Center on a weekly Grocery Delivery Program for TL residents unable to venture out for food during the Pandemic, starting in May 2020
- Established deployment plan to support safe access to Boeddeker Park.
- Expanded Food Security work to support SF & Marin Food Bank distribution efforts for the TL.

We began 2020-21 school year with supporting SFMTA's Safe Routes to Schools with outreach on program resources, activities, & events at Tenderloin Community School as well as schools in nearby neighborhoods where many TL children attend class, and pivoted to all-virtual

Safe



Safe

Pedestrian Safety assisted in establishing COVID physical distance corridors, QuickBuilds, 20mph/No Turn On Red, Muni service, TL Community Action Plan, etc.); and completed a survey on TL pedestrian safety conditions with over 100 seniors, and presented results to DPH. Distributed 150 Safety Goodie Bags to neighborhood seniors, who due to COVID, were specifically vulnerable population during the pandemic, and escort services were suspended.

TLCBD's Pedestrian Safety Manager increased and expanded Pedestrian Safety Outreach & Capacity Building with community residents and organizations while strengthening relationships with city agencies (i.e. SFFD, SFCTA, SFMTA, etc.), providing safety resources including safe street crossings for seniors & youth at priority 'high-risk' intersections. We increased and expanded pedestrian safety outreach with Safety Captain team, who give outreach presentations and provide on-the-ground education on safe crossings throughout the neighborhood.

TLCBD's Pedestrian Safety Manager also served as co-leader of TL Traffic Safety Task Force, assisted in the collaboration with Salvation Army Kroc Center on a weekly Grocery Delivery Program for TL residents unable to venture out for food during the Pandemic, starting in May 2020, assisted in the collaboration with the Boys & Girls Club weekly Grocery Delivery Program for 201 Turk St. residents unable to venture out for food during the Pandemic, starting in June 2020.

Advocating for Covid-19 physical distancing corridors in the TL; we assisted in the planning, implementation and outreach in selecting and developing corridor changes along Jones St. and Turk St., starting in June 2020; we assisted in the outreach and installation of Pedestrian Scrambles at eleven of the Tenderloin's most dangerous intersections, and helped in the planning, outreach and implementation of Leavenworth and Golden Gate QuickBuilds. Starting in January 2021, we assisted the SFMTA in the planning and implementation of 20MPH & No Turn On Red changes throughout the Tenderloin!



Inviting Space

OUR IMPACT

of visitors to all three parks = 235 daily

of "activations" (i.e., planned programmatic events at the parks) = 72 parks programs

of Play Streets events 9

Event highlights included: Drum circle, School supplies giveaway, Mini golf, local museum art activities, Halloween costume contest, bike obstacle course, and Covid testing

86 attendees per event average

400 families served

284 Covid test administered through partnership with Department of Public Health

\$500 stipends to resident volunteers

of Park Captains & Leads employed = 8

Park Captains + 1 Park Captain Coordinator

of art installations = 6 murals with Paint The Void

826 Valencia

8 k-rail murals with SF Arts Commission and SPIN

of Art-wrapped Bigbelly waste receptacles with art from local artists = 68

and location of targeted sidewalk or physical improvements (SPark) = 1

The parks and open spaces played an increasingly significant role in the pandemic, allowing for TLCBD to use these activations and spaces as opportunities to connect the community to meaningful services, resources and to create outdoor opportunities - making joy visible. In 2021 we:

- Expanded the Inviting Space program to complement TLCBD's other programs by fostering safe, clean, and inviting shared public spaces.
- Hired full-time leadership staff for Inviting Space Program and fully staffed and stewarded the parks.
- Fostered community-led activities in the parks through our TL Resident Parks Advisory Council with neighborhood business owners and residents to help guide this work.
- Led the implementation of the community's vision for a coordinated Park Network and prepared for Safe Passage Park (SPark) to open on the 200 block of Turk.



Inviting Space

- Hosted the reopening celebration of Turk-Hyde Mini Park with over 200 attendees; speakers included Mayor Breed, Supervisor Haney, other partners and residents.
- Launched Urban Alchemy stewardship program for Turk-Hyde Mini Park and saw early success with 10-15 families consistently using the park in the afternoons.
- Created programming agreements with The Healing Well, a neighborhood wellness organization and CounterPulse, a neighborhood arts organization.
- Supported resident health and safety initiatives by working closely with SF Rec and Park and the Department of Public Health to monitor COVID-19 to use the parks and events as "health interventions" for testing and vaccination.
- Commissioned seven unique artist designs for the 68 Bigbelly trash receptacles.
- Created 3 murals featuring poems written by Tenderloin youths through a partnership with non-profit 826 Valencia.
- Completed a community mural on the 300 block of Ellis to honor local TL legends who symbolically stand in line with Glide's guests.

Economic Opportunity



OUR IMPACT

- # of business-owners assisted = 60
- # of mini grants funded = 95
- # of businesses assisted = 82
- Total financial assistance to businesses = \$213,000
- # of businesses receiving Shared Spaces Outdoor equipment = 14
- # of small businesses served in database = 250+
- # of applications supported for city/corporate grants = 73

- # SF Shines applications = 46
- #SF Help loan applications = 27
- # of food insecure residents served with economic opportunity pilot partnership = 3,500
- # of signed leases for new businesses opened = 2
- # of signed, renewed leases = 1
- # of lease terminations = 1
- # of LOIs/Proposals submitted = 13
- # of leases reviewed/negotiated = 15

TL small business storefronts faced significant, unprecedented challenges due to the COVID pandemic. TLCBD's newly-formed Economic Opportunity program - leveraging its newly-built database (of 250+ businesses) - developed strategies and tactics to quickly pivot and respond to the urgent needs:

- helping businesses significantly impacted by lost revenue (due to shut-downs, re-openings and shut-downs again), temporary and in some cases permanent closures, and lost customers;
- being nimble and quick to react, building internal financial processes for grant disbursement to almost 100 businesses;
- completing applications for city/corporate grant programs for SF Relief and SF Shines for Reopening, in addition to multiple city and state loan applications;
- identifying ways to help business owners and their employees feel safe (with devastating street conditions and an uptick in crime);
- providing assistance to help maintain vibrancy, and support businesses experiencing vandalism, store theft, and broken/boarded up windows;
- delivering webinars to inform business owners about:
- TLCBD's economic opportunity services, plus the COVID-19 TL Mini-Grant program, and meal delivery service RFQ
- the eviction moratorium;

Economic Opportunity

- supporting the execution of the Larkin Street and Golden Gate Avenue Shared Spaces street closure outdoor dining program - utilizing mini-grant funds for the purchase of equipment for outdoor dining for 14 businesses;
- delivering a Tenderloin Health and Economic Relief Pilot Program in partnership with SF New Deal:
- delivered 3,500 nutritious meals to food insecure residents
- partnered with three Tenderloin restaurants:
 - **Kusina Ni Tess**
 - **Morty's Delicatessen**
 - **Golden Era Vegan**
- increased revenue and hours/wages for businesses' existing employees;
- supporting existing and new businesses with the negotiation and review of leases, LOIs and proposals.
- supporting the Tenderloin Merchants Association (TMA):
- served as fiscal sponsor - disbursing grant funds in support of businesses
- helped market and promote merchant businesses
- enabled capacity building.



Neighborhood Pride

Resident Voice

OUR IMPACT

of block group meetings = 84

of attendees = Average 7 each

of improvements/interventions planned = 12

of improvements/interventions completed = 9

Neighborhood Pride is about shifting power to Tenderloin residents and businesses, so they agency over their future and in their neighborhood's future. Much of this work is built through consistent relationship building, leadership development, and accessible resources. What does Neighborhood Pride look like in the time of COVID? This has been a true test of this work. We have seen an entire neighborhood experience tragedies and hardship and yet, we can still see the fabric of connectedness and mutual support woven throughout - making a strong community. It is the neighbor to neighbor support that builds that foundation, which has led to incredible innovations that we have never seen before in the Tenderloin.

TL Transforms:

The Block Group strategy has proven to be both useful and effective during the COVID-19 crisis. It created these very central places to gather and share critical information, as well as make quick decisions with stakeholders at the lead. In 2021, TLCBD expanded its Block Group lens to center on neighborhood equity and leadership, innovation through multi-sector partnership, and transformation impacting the whole neighborhood. This work brought TLCBD's Neighborhood Pride and Inviting Space programs in close alignment and accomplished the following through the power of the Block Groups:



Neighborhood Pride

Three (3) of the now seven (7) Block Groups (growing from 6) began meeting more frequently, sometimes weekly, to carry out transformational projects on their blocks

300 Ellis - Partnered with Painting the Void to pay homage to “Neighborhood Legends” with their portraits painted on a large fence; Worked closely with SFMTA to close the block from traffic; The Block Group met weekly for the whole year to implement the street closure and coordinated programming including the Tenderloin Community Hub which hosts the weekly food pantry, COVID testing and vaccinations, mobile showers, and additional resources.

200/300 Turk - Created a network for food resources to be distributed to nearby households; Partnered with Livable City to implement a Play Street series in response to the critical need for youth, families, and seniors on the block to have safe, open space; met weekly with Envelope A+D and City partners to create a permanent Play Street named Safe Passage Park (SPark); SPark is a model for block level advocacy leading to consistent collaboration and City accountability, leading to block-led neighborhood transformation.

100 Golden Gate - (part of the Golden Gate Safety Group) Met weekly for several months and partnered with SFMTA to open their block to pedestrians, particularly clients of St. Anthony’s, every day from 6am to 3pm; Now meet twice monthly and created a working group focused on creating the Golden Gate Greenway to make this permanent; 100 Golden Gate now hosts Play Streets twice monthly.

Additional Neighborhood Pride Accomplishments

Created a Resident Block Representative program to recognize the often unpaid contributions of residents who are subject matter experts - shifting the power structure and voice of Block Groups. 3 Resident Block Reps piloted this work, and took on significant leadership roles within their Block Groups.

Restructured the Neighborhood Pride Committee to be a convening opportunity for residents from block groups to share ideas, challenges, and build community. The majority of the committee became neighborhood residents who collectively led decisions made for the program.

Expanded Neighborhood Pride to include Youth Voice, engaging youth leaders in the same work to transform the neighborhood through their voice and leadership.

Awarded a mini grant to the BLES (Better Lower Eddy Street) Block Group for continuing 4 Corner Friday virtually throughout the pandemic. With the funds, the resident group created a neighborhood emblem, a symbol of pride, and put them on tshirts.



OUR IMPACT

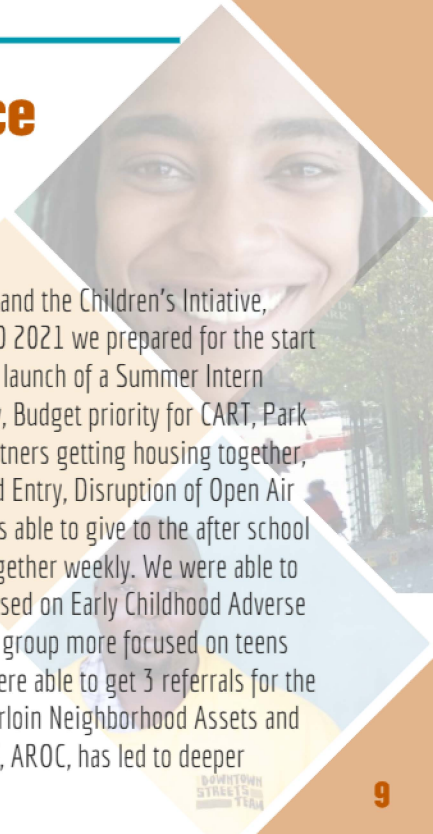
of youth interns = 7 interns

of days employed = 53 days

of trainings provided = 10 trainings

The Project Safe Neighborhoods program started January 2021 through a federal grant with Department of Justice and the Children’s Initiative, aimed at disrupting the cycle of youth engagement in the drug trade. The period between January 2021 and June 30 2021 we prepared for the start of our intern program which launched on June 16th. We started the overall program in January and planned for our launch of a Summer Intern program. Youth focused on issues impacting Transitional Age Youth (14-24) in the TL, such as: Housing availability, Budget priority for CART, Park Stewardship, Neighborhood Safety Presence expansion, Participation in TL Community Action Plan, Process for partners getting housing together, Noise Pollution, Harm Reduction Services, Safe Consumption Sites, Open Space for teens/TAY, Improve Coordinated Entry, Disruption of Open Air Drug Market, Healthy food options in local markets. A key highlight for the year was the support that the TLCBD was able to give to the after school programs in the neighborhood. The Tenderloin After School Program Collaborative brings 15 plus organizations together weekly. We were able to coordinate with HealSF and the Center for Youth Wellness to provide TLASP with a six session trauma training focused on Early Childhood Adverse Experiences as well as community trauma. By the end of the year, we were in discussions about getting a convener group more focused on teens and Transitional Age Youth programs. We were excited about our relationship with Larkin St. Youth Services. We were able to get 3 referrals for the Youth Voice Intern program which started in June 2021. Furthermore, we made progress on completion of a Tenderloin Neighborhood Assets and Needs Landscape Analysis. This program, lead by a steering committee of stakeholders such as DCYF, HealSF, UCSF, AROC, has led to deeper collaboration within the TL community. In 2021-22 the program will continue to foment.

Youth Voice



Board Roster

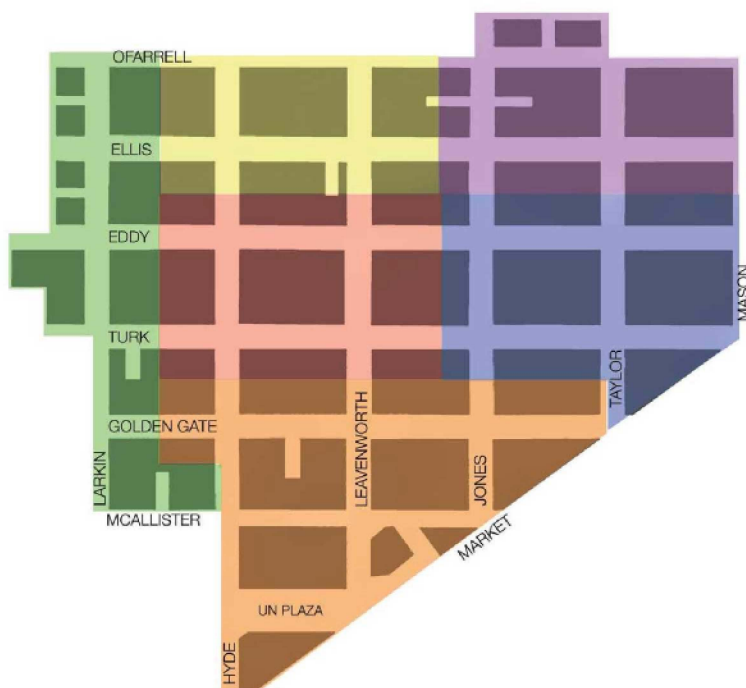
Lowell Caulder (President), Business Owner Representative, Studio Dental
Rhiannon Bailard (Vice President), Property Owner Representative, UC Hastings Law
Adam Tetenbaum (Treasurer), Property Owner Representative, Olympic Residential Group
Michael Vuong (Secretary), Business Owner Representative, Boys & Girls Clubs of San Francisco

Curtis Bradford (Committee Chair), Resident Representative
Kristen Villalobos (Committee Chair), Resident Representative
Christy Shirilla (Committee Chair), Resident Representative
Susie McKinnon (Committee Chair), Property Owner Representative, Cova Hotel
Aashish Kharkanis (Committee Chair), At-large Representative

Soha Abdou, Property Owner Representative, Chinatown Community Development Center
Regina Guggenheim, Property Owner Representative, BroadwaySF
Beth Borgna, Property Owner Representative, Dolmen Properties
Cindy Ramesh, Property Owner Representative, Hilton
Rene Colorado Jr., Business Owner Representative, Ler Ros
Jennifer Kiss, At-large Representative



District Boundary Map





ANNUAL REPORT FISCAL YEAR 2020-2021

CAMERA PROGRAM

Presented To:

Board of Supervisors, City and County of San Francisco
San Francisco Office of Economic and Workforce Development (OEWD)
Board of Directors, North of Market/Tenderloin Community Benefit Corporation

summary of programs, events and activities

Cameras

TLCBD Surveillance Technology Report for FY 2020-2021

List of the Surveillance Technology that TLCBD either owns or licenses for ongoing use:

- 109 IP (internet protocol) Video Recording Cameras of three types:
 1. Avigilon H4 Multi Sensor IP Cameras (AV-15C-H4A-3MH-180 & AV-15C-H4A-3MH-270): Multi-Sensor Cameras have 3 to 4 lenses capturing footage at either 180 degrees or 270 degrees at 15 megapixels, either 4 mm lenses or 2.8 mm lenses, and lightcatcher technology (to capture detail in areas with low lighting).
 2. Avigilon H5 Single Sensor IP Bullet Cameras (AV-4.0C-H5A-B02-IR): Bullet Cameras have a single sensor capturing footage at 4 megapixels, 9-22 mm lens, and “lightcatcher technology” (to capture detail in areas with low lighting).
 3. Axis 2MP Q1700-LE Robust Outdoor Color HD IP Cameras (AX-01782-001): Robust Outdoor Color HD Cameras have a single sensor capturing footage at 2 MP (mega pixels), capture range of 50 meters to 100 meters, 1920 x 1080 resolution, and can capture sharp images of license plates during day and night
- Avigilon Control Center 7 Video Management Software (ACC 7): Video Management Software secured through firewall port forwarding. Camera footage is stored on physical servers at each site/location and is accessed remotely through the Centralized Camera Control Center which is password protected and can only be accessed by authorized users.
- Purpose for the use of any Surveillance Technology: TLCBD’s cameras are never monitored and are only accessed when a video retrieval request form is submitted and approved for after-the-fact safety and criminal incidents that occur in the Tenderloin in public spaces where the cameras are installed.

Funding Contributions: \$0

Private Contributions: \$1,000,000 (4 years @ \$250k per year) from the Silicon Valley Community Foundation

list of requesters of camera footage

Cameras

Names of all organizations or individual who accessed information from the Surveillance Technology:

TLCBD authorized program staff

Camera Vendor Installation and Maintenance: Applied Video Solutions

Property owners who elect to access footage feed to cameras on their property:

Page Hotel

Broadway SF

Rubicon Partners

Broadway SF

Cova Hotel

Phoenix Hotel

TNDC

Haig Mardikian Enterprise

UC Hastings

YWAM

La Cocina

Faithful Fools



district boundary map

Organizations who've requested for footage evidence for after-the-fact incidents:

- City Department
- San Francisco Police Department
- Brisbane Police Department
- San Francisco Public Defender's Office
- USDA - Office of Inspector General
- San Francisco Human Service Agency
- California Highway Patrol
- San Francisco's Sheriff's Department
- Organization or Business
- TLCBD
- Urban Alchemy
- Vacations LLC
- Studio Dental

TLCBD Policies

TLCBD Board of Directors established and approved the Tenderloin Camera Network Usage Policy & Procedures prior to the installation and launch of the TLCBD's Camera Program. The Usage Policy is attached.



BOARD ROSTER

- Mike Vuong (President)
Business Owner Representative, Boys & Girls Clubs of San Francisco
- Rhiannon Bailard (Vice President)
Property Owner Representative, UC Hastings Law
- Adam Tetenbaum (Treasurer)
Property Owner Representative, Olympic Residential Group
- Aashish Karkhanis (Secretary)
At-Large Representative
- Soha Abdou (Committee Chair)
Property Owner Representative, Chinatown Community Development Ctr (CCDC)
- Jennifer Kiss (Committee Chair)
At-Large Representative
- Naomi Maisel (Committee Chair)
Business Owner Representative

Susie McKinnon (Committee Chair)
Property Owner Representative, Cova Hotel

Jaime Vioria (Committee Chair)
Resident Representative

Gary Besser
Resident Representative

Adama Bryant
Resident Representative

Regina Guggenheim
Property Owner Representative, Broadway San Francisco

Rene Colorado Jr
Business Owner Representative, Lers Ros/Esan Classic

Cindy Ramesh
Property Owner Representative, Hilton

Leigh Chang
Property Owner Representative

Eric Rodenbeck
Property Owner Representative

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

FINANCIAL STATEMENTS

June 30, 2021

(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2020)

CROSBY & KANEDA

Certified Public Accountants
for Nonprofit Organizations

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
North of Market/Tenderloin Community Benefit Corporation
San Francisco, California

Report on the Financial Statements

We have audited the accompanying financial statements of North of Market/Tenderloin Community Benefit Corporation, which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of North of Market/Tenderloin Community Benefit Corporation as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The accompanying summarized comparative information as of and for the year ended June 30, 2020 is derived from financials that were previously reviewed by us and we stated that we were not aware of any material modifications that should be made to those financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America in our report dated December 16, 2021. We have not performed procedures in connection with that review engagement since that date.

Croby & Lameda CPAs LLP

Oakland, California

May 5, 2022

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

Statement of Financial Position
June 30, 2021
(With Comparative Totals as of June 30, 2020)

	<u>2021</u>	<u>2020</u>
	<u>(Audited)</u>	<u>(Reviewed)</u>
Assets		
Assets		
Cash and cash equivalents	\$ 956,150	\$ 1,287,793
Grants and accounts receivable	1,642,776	230,030
Assessments receivable	17,388	51,191
Prepaid expenses and deposits	21,347	35,070
Total Assets	<u>\$ 2,637,661</u>	<u>\$ 1,604,084</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 629,415	\$ 258,797
Pass-through payables (Note 9)	123,163	22,504
Accrued vacation	60,351	59,557
PPP loan (Note 4)	168,400	168,400
Total Liabilities	<u>981,329</u>	<u>509,258</u>
Net Assets		
Without donor restrictions	919,865	669,334
With donor restrictions (Note 5)	736,467	425,492
Total Net Assets	<u>1,656,332</u>	<u>1,094,826</u>
Total Liabilities and Net Assets	<u>\$ 2,637,661</u>	<u>\$ 1,604,084</u>

See Notes to the Financial Statements

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Statement of Activities
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

	Without Donor Restrictions	With Donor Restrictions	Total	
			2021 (Audited)	2020 (Reviewed)
Support and Revenue				
Assessment revenue (Note 6)	\$ 2,021,032	\$	\$ 2,021,032	\$ 1,969,176
Government grants and contracts	2,196,425		2,196,425	642,702
Foundation support	29,500	882,805	912,305	604,431
Individual and corporate support	9,272		9,272	24,188
Program service fees	146,758		146,758	129,926
Interest and other income	17,987		17,987	23,629
Support provided by expiring time and purpose restrictions	571,830	(571,830)	-	-
Total Support and Revenue	<u>4,992,804</u>	<u>310,975</u>	<u>5,303,779</u>	<u>3,394,052</u>
Expenses				
Program	4,420,874		4,420,874	3,019,838
Management and general	269,067		269,067	312,134
Fundraising	52,332		52,332	33,035
Total Expenses	<u>4,742,273</u>	<u>-</u>	<u>4,742,273</u>	<u>3,365,007</u>
Change in Net Assets	250,531	310,975	561,506	29,045
Net Assets, beginning of year	<u>669,334</u>	<u>425,492</u>	<u>1,094,826</u>	<u>1,065,781</u>
Net Assets, end of year	<u>\$ 919,865</u>	<u>\$ 736,467</u>	<u>\$ 1,656,332</u>	<u>\$ 1,094,826</u>

See Notes to the Financial Statements

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

Statement of Cash Flows
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

	2021 <u>(Audited)</u>	2020 <u>(Reviewed)</u>
Cash flows from operating activities:		
Change in net assets	\$ 561,506	\$ 29,045
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:		
Depreciation	-	1,750
Change in assets and liabilities:		
Assessments receivable	33,803	(39,652)
Grants and accounts receivable	(1,412,746)	108,212
Prepaid expenses and deposits	13,723	120,128
Accounts payable and accrued expenses	370,618	13,598
Pass-through payables	100,659	-
Accrued vacation	794	26,682
Net cash provided (used) by operating activities	<u>(331,643)</u>	<u>259,763</u>
Cash flows from financing activities		
Proceeds from Paycheck Protection Program loan	-	168,400
Net cash provided (used) by financing activities	<u>-</u>	<u>168,400</u>
Net change in cash	(331,643)	428,163
Cash and cash equivalents, beginning of year	<u>1,287,793</u>	<u>859,630</u>
Cash and cash equivalents, end of year	<u>\$ 956,150</u>	<u>\$ 1,287,793</u>

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Statement of Functional Expenses
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

	Program	Management and General	Fundraising	Total	
				2021 (Audited)	2020 (Reviewed)
Salaries	\$ 1,087,131	\$ 136,188	\$ 27,766	\$ 1,251,085	\$ 912,239
Employee benefits	122,161	15,303	3,120	140,584	99,101
Payroll taxes	86,518	10,838	2,210	99,566	79,004
Total Personnel	<u>1,295,810</u>	<u>162,329</u>	<u>33,096</u>	<u>1,491,235</u>	<u>1,090,344</u>
Fees for service					
Cleaning services	1,894,477	-	-	1,894,477	1,125,620
Camera services	322,813	-	-	322,813	366,543
Safety services	179,475	-	-	179,475	245,397
Public space improvements	166,627	-	-	166,627	166,427
Economic opportunity services	66,240	-	-	66,240	82,580
Accounting fees	-	39,191	-	39,191	14,900
Other fees for service	180,369	5,734	17,100	203,203	38,596
Neighborhood mini grants	95,035	-	-	95,035	141,000
Office expenses and supplies	130,017	16,582	45	146,644	9,750
Information technology	9,328	528	30	9,886	7,427
Occupancy	80,683	10,107	2,061	92,851	59,431
Depreciation	-	-	-	-	1,750
Insurance	-	34,596	-	34,596	15,242
Total Expenses	<u>\$ 4,420,874</u>	<u>\$ 269,067</u>	<u>\$ 52,332</u>	<u>\$ 4,742,273</u>	<u>\$ 3,365,007</u>

See Notes to the Financial Statements

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Notes to the Financial Statements
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

NOTE 1: NATURE OF ACTIVITIES

The North of Market/Tenderloin Community Benefit Corporation (“TLCBD” or “Organization”) is a California nonprofit public benefit corporation, which was established in 2005. The core purpose of TLCBD is to lead the evolution of the Tenderloin into a vibrant community for ALL with a focus on providing supplemental cleaning, safety and beautification services to a 40-block special benefits district in the Tenderloin neighborhood of San Francisco.

Fiscal Year 2019-20 was a transition year for TLCBD, with the organization finishing the delivery of services to its original 30-block district under its original 2005 management plan and beginning expanded services under its renewed 2019 management plan to a larger 40-block district in January 2020. For the last 15 years, TLCBD has turned the annual investment by the property owners, who pay an assessment as part of their property tax bill, into much needed supplemental services and programs that benefit everyone in the community. Now TLCBD is committed to using the renewal of that commitment for another 15 years to expand its programs and impact.

TLCBD continued its long-standing Clean and Safe programs and established innovative programs to support Tenderloin Parks and Open Spaces, Economic Opportunity for small businesses and residents, Pedestrian Safety, an expanded Tenderloin Camera Network, and Neighborhood Pride

TLCBD’s Clean Program provides supplemental cleaning services in the public right-of-way including sidewalk and gutter sweeping, weekly pressure washing of all sidewalks, needles pick-up, human and animal waste sanitation and graffiti abatement. TLCBD also supports a fleet Bigbelly trash cans with colorful wraps designed by local artists – bringing multiple litter receptacles to every intersection in the district.

TLCBD’s Safe Program operates the celebrated Safe Passage Program, which provides a visible safety presence on key corridors to help children and families get to and from school safely every day and other safety initiatives including a new Pedestrian Safety initiative to do outreach, education and organizing to support safer streets in the neighborhood.

TLCBD’s Camera Program operates a network of cameras in the neighborhood to provide after-the-fact footage to all parties in the criminal justice system – including the Police, District Attorney, Public Defender and others.

TLCBD’s Inviting Space program operates the Tenderloin Park Network to support safe, clean and inviting parks and playgrounds as well as physical improvement and beautification projects to the sidewalks and other public spaces.

TLCBD’s Economic Opportunity Program provides business assistance services, referrals and grants and advocates on behalf of small businesses in the neighborhood.

TLCBD’s Neighborhood Pride Program provides support to multiple block groups as they seek to transform the physical and social conditions on their blocks as well other efforts to organize resident voice and bring attention to the dynamic low-income, affordable multi-racial neighborhood at the heart of San Francisco.

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

Notes to the Financial Statements
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

Net assets without donor restrictions – are resources available to support operations. The only limits on the use of the net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions – are resources that are restricted by a donor for use for a particular purpose or in a particular period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; there were no restrictions of this nature as of June 30, 2021

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor-imposed restrictions. Net assets restricted for acquisition of building or equipment (or less commonly, the contribution of those net assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless the contributed assets are specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as restricted until payment is due, unless the contribution is clearly intended to support activities of the current fiscal year. Conditional promises are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Notes to the Financial Statements
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

Accounting for Revenue

The Organization recognizes revenue as performance obligations are satisfied.

Revenue is recognized over time for cost reimbursement contracts as eligible expenses are incurred if other conditions of the contract are satisfied. Revenue from agreements that include milestones and milestone payments are recognized over time as milestones are reached. Revenue is recognized based on estimated progress towards complete satisfaction of the performance obligation if the Organization can reasonably measure such progress. If the Organization's efforts are expended evenly throughout the performance period the Organization may recognize revenue on a straight-line basis over such a period.

Revenue is recognized at a point in time when goods or services are provided to customers and the Organization is not required to provide additional goods or services or if the above criteria are not met.

The Organization tracks contract assets representing earned amounts that are not yet receivable separately from accounts receivable, if any. As a practical expedient the Organization disregards the effects of potential financing components if the period between payment and performance is one year or less.

The Organization recognizes revenue for certain government funding on a deliverable basis rather than on a cost reimbursement basis. These deliverables are approved by agency staff prior to payment based on Organizational reporting of work performed.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless related to a donor specified restriction for a particular purpose or future period.

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.

Grants and Accounts Receivable

Grants and accounts receivable are primarily unsecured non-interest-bearing amounts due from grantors on a cost reimbursement basis or customers on performance contracts. The Organization considers all accounts receivable to be fully collectible at June 30, 2021. Accordingly, no allowance for doubtful accounts was deemed necessary. If amounts become uncollectible, they are charged to expense in the period in which that determination is made.

Program Service Fees

Program service fees consists primarily of contracts conducted on a fee for service basis. The Organization recognizes revenue on such activities as the related performance obligations are completed.

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

Notes to the Financial Statements For the Year Ended June 30, 2021 (With Comparative Totals for the Year Ended June 30, 2020)

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 IRC 501(c)(3) and California RTC 23701(d). The Organization has evaluated its current tax positions as of June 30, 2021 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.

Contributed Services

Contributed 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. There were no contributed services that met the criteria for recognition for the year ended June 30, 2021.

Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all money market funds and other highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Estimates

The preparation of financial statements in conformity with GAAP 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.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2 - Inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly.

Level 3 - Unobservable inputs for the assets or liability.

The Organization had no assets or liabilities recorded at fair value on June 30, 2021.

Property and Equipment

Property and equipment purchased by the Organization is recorded at cost. The Organization capitalizes all expenditures for property and equipment over \$3,000; the fair

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Notes to the Financial Statements
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

value of donated fixed assets is similarly capitalized. Depreciation is computed using the straight-line method over the shorter of the estimated useful lives on the property and equipment or the related lease terms.

Expense Recognition and Allocation

The cost of providing the Organization's programs and other activities is summarized on a functional basis in the statement of activities and statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions using a reasonable allocation method that is consistently applied as follows:

Salaries and wages, benefits, and payroll taxes are allocated based on estimated staff allocations at year end.

Occupancy, depreciation and other shared are allocated on dependent on the programs and supporting activities occupying the space.

Office expenses and supplies, insurance, and other expenses that cannot be directly identified are allocated on the basis of staff allocations for program and supporting activity.

Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct fundraising activities in conjunction with its other activities. Additionally, advertising costs are expensed as incurred. All expenses and net losses are reported as decreases in net assets without donor restrictions.

Recent Accounting Standards

The Organization adopted *ASU 2014-09 – Revenue from Contracts with Customers (Topic 606)* during the year ended June 30, 2021. This guidance requires an entity to recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Reclassifications

Certain accounts in the prior year's summarized information have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Notes to the Financial Statements
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

NOTE 3: CONTINGENCIES

Community Benefit District

Community benefit district assessments are received under agreement with the City and County of San Francisco and assessments have been currently authorized through June 2034. The assessments and related revenue to the Organization may be terminated at an earlier date if the community benefit district which funds the Organization’s operations is disestablished by a vote of the assessed property owners or in certain other circumstances. The Organization has been late in certain of its standard financial reporting and may incur additional costs to bring its financial reporting current and to comply with its reporting requirements. No reasonable estimate of the costs of such efforts was available.

Grant Awards and Governmental Funding

Grant awards require the fulfillment of certain conditions as set forth in the instrument of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization’s management is of the opinion that the Organization has complied with the terms of all grants.

NOTE 4: PAYCHECK PROTECTION PROGRAM

The Organization received a \$168,400 paycheck protection program (PPP) loan bearing interest of 1% and maturing April 2022 which it accounts for under FASB 470 including interest accrual. Based on the guidance in FASB ASC 405-20-40-1, the proceeds from the loan will remain recorded as a liability until either (1) the loan is, in part or wholly, forgiven and the Organization has been “legally released” or (2) the Organization pays off the loan. As noted in Note 12, the Organization received notification of the loan forgiveness subsequent to year end.

NOTE 5: NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restriction consisted of \$736,467 and \$425,492 for specific programmatic purposes as of June 30, 2021 and 2020, respectively.

NOTE 6: ASSESSMENT REVENUE

Assessment revenue consists of regular annual property assessments which are recognized as revenue when assessed. In addition, the Organization may receive other related revenue for late fees and other items, which it records when paid. Assessment revenue consisted of the following for the year ended June 30:

	<u>2021 (Audited)</u>	<u>2020 (Reviewed)</u>
Assessment revenue – regular annual	\$ 2,015,547	\$ 1,962,806
Assessment revenue – penalties and other	<u>5,485</u>	<u>6,370</u>
Total	<u>\$ 2,021,032</u>	<u>\$ 1,969,176</u>

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Notes to the Financial Statements
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

NOTE 7: CONCENTRATIONS

Support and Revenue

For the year ended June 30, 2021, the Organization received 38% of its revenue from community benefit district assessments on property owners in the North of Market/Tenderloin Community Benefit District and 40% from the City and County of San Francisco. A reduction in the level of this support, if this were to occur, may have an effect on the Organization's program and activities.

Grants and Accounts Receivable

As of June 30, 2021, approximately 84% of grants and accounts receivable was from the City and County of San Francisco.

Geographic Area

The majority of the organization's revenue and support are received from corporations, foundations, government agencies and individuals located in the San Francisco area. As such, the organization's ability to generate resources may be dependent upon the economic health of that area.

Concentration of Credit Risk

At times, the Organization may have deposits in excess of federally insured limits. The risk is managed by maintaining all deposits in high quality financial institutions.

NOTE 8: RETIREMENT PLAN

The Organization has a defined contribution retirement plan (the Plan) under section 403(b) of the Internal Revenue Code. The Plan covers all employees who meet age and length of service requirements. The Organization may make a matching contribution of up to 3% of the employee's salary. The contribution rate is determined annually. All contributions to an employee's account vest immediately. The Organization made contributions of \$17,842 and \$13,670 for the years ended June 30, 2021 and 2020.

NOTE 9: PASS-THROUGH ACTIVITY AND COLLABORATIVE PAYABLES

The Organization serves as the lead fiscal agent for a number of grants in which funds have been earmarked for partner organizations. In addition to the activity reflected on the Organization's financials, an additional \$1,356,061 was accounted for on a pass-through basis reflecting the activity of the partners year ended June 30, 2021. Funds payable to partners are contingent on payment by the funder. As of June 30, 2021, \$123,163 remained payable to collaborative partners.

NOTE 10: RELATED PARTY ACTIVITY

The Organization's board includes representatives of the local community that the Organization operates within. During the year ended June 30, 2021, the Organization paid one board member approximately \$39,860 for neighborhood monitor services.

NORTH OF MARKET/TENDERLOIN COMMUNITY BENEFIT CORPORATION

**Notes to the Financial Statements
For the Year Ended June 30, 2021
(With Comparative Totals for the Year Ended June 30, 2020)**

NOTE 11: LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of June 30, 2021 are:

Cash and cash equivalents	\$ 956,160
Grants and accounts receivable	1,642,776
Assessments receivable	17,388
Less purpose restricted net assets	<u>(736,467)</u>
Total	<u>\$ 1,879,857</u>

As part of the Organization's liquidity management plan, the Organization invests cash in excess of daily requirements into its bank money market account.

NOTE 12: SUBSEQUENT EVENTS

The Organization has evaluated subsequent events and has concluded that as of May 5, 2022, the date that the financial statements were available to be issued, there were no significant subsequent events to disclose beyond the following:

Coronavirus

In March 2020, the WHO classified the COVID-19 outbreak as a pandemic and the Organization. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude of the effect that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact on its financial condition, liquidity, operations and workforce.

Paycheck Protection Program Loan

In August 2021, the organization received notice that funds received under the PPP – First Round funding totaling \$168,400 had been forgiven.

TLCBD

Benchmark 1	Management Plan					FY2020-2021 Budget				Variance Calculation	
Service Category	Management Plan Total Budget	General Benefit	Assessment Budget	Total Budget Percent	Assessment Budget Percent	FY2020-2021 Total Budget	FY2020-2021 Assessment Budget	FY2020-2021 Total Budget Percent	FY2020-2021 Assessment Budget Percent	Total Variance	Assessment Variance
Clean and Safe	\$ 1,356,618.00	\$ 45,311.04	\$ 1,311,306.96	66.77%	66.77%	\$ 2,803,774.00	\$ 1,314,928.56	75.27%	66.00%	8.50%	-0.77%
Marketing and Economic Development	\$ 315,950.00	\$ 10,552.73	\$ 305,397.27	15.55%	15.55%	\$ 441,234.00	\$ 308,593.98	11.85%	15.49%	-3.71%	-0.06%
Administration	\$ 309,103.00	\$ 10,324.04	\$ 298,778.96	15.21%	15.21%	\$ 420,172.00	\$ 309,023.98	11.28%	15.51%	-3.93%	0.30%
Contingency and Reserve	\$ 50,000.00	\$ 1,670.00	\$ 48,330.00	2.46%	2.46%	\$ 59,769.48	\$ 59,769.48	1.60%	3.00%	-0.86%	0.54%
TOTAL	\$ 2,031,671.00	\$ 67,857.81	\$ 1,963,813.19	100.00%	100.00%	\$ 3,724,949.48	\$ 1,992,316.00				

Benchmark 2 3.34%

Revenue Sources	FY 2020-21 Actuals	% of actuals
FY Assessment Revenue	\$ 2,015,547.00	38.00%
Penalties	\$ 5,485.00	0.10%
Total Assessment (Special Benefit) Revenue	\$ 2,021,032.00	38.11%
Contributions and Sponsorships	\$ 912,305.00	17.20%
Grants	\$ 2,196,425.00	41.41%
Donations	\$ 9,272.00	0.17%
Interest Earned	\$ 17,987.00	0.34%
Earned Revenue	\$ 146,758.00	2.77%
Total Non-Assessment (General Benefit) Revenue	\$ 3,282,747.00	61.89%
Total	\$ 5,303,779.00	100.00%

Benchmark 3	FY2020-2021 Budget				FY2020-2021 Actual				Variance Calculation	
Service Category	FY2020-2021 Total Budget	FY2020-2021 Assessment Budget	FY2020-2021 Total Budget Percent	FY2020-2021 Assessment Budget Percent	FY2020-2021 Total Actual	FY2020-2021 Assessment Actual	FY2020-2021 Total Actual Percent	FY2020-2021 Assessment Actual Percent	Total Variance	Assessment Variance
Clean and Safe	\$ 2,803,774.00	\$ 1,314,928.56	75.27%	66.00%	\$ 3,238,779.00	\$ 1,290,723.47	82.17%	71.90%	6.90%	5.90%
Marketing and Economic Development	\$ 441,234.00	\$ 308,593.98	11.85%	15.49%	\$ 341,644.00	\$ 239,108.35	8.67%	13.32%	-3.18%	-2.17%
Administration	\$ 420,172.00	\$ 309,023.98	11.28%	15.51%	\$ 360,955.00	\$ 265,286.94	9.16%	14.78%	-2.12%	-0.73%
Contingency and Reserve	\$ 59,769.48	\$ 59,769.48	1.60%	3.00%	\$ -	\$ -	0.00%	0.00%	-1.60%	-3.00%
TOTAL	\$ 3,724,949.48	\$ 1,992,316.00	0.00%	0.00%	\$ 3,941,378.00	\$ 1,795,118.77	100.00%	100.00%		

Benchmark 4

FY 2020-21 Assessment Carryforward Disbursement	Dollar Amount	Spenddown Timeline
Clean and Safe	\$ 548,632.00	FY22
Marketing and Economic Development	\$ 128,647.00	FY22
Administration	\$ 95,894.00	FY22
Contingency and Reserve	\$ -	
Special Assessment Total	\$ 773,173.00	
FY 2020-21 Non-Assessment Carryforward Disbursement		
Non-Assessment Project or bucket name		
Inviting Spaces	\$ 142,065.00	
Camera	\$ 147,483.00	
	\$ -	
	\$ -	
Non-Assessment Total	\$ 289,548.00	

MEMORANDUM

TO: Supervisor Dean Preston, District 5 Supervisor

CC: San Francisco Board of Supervisors
Chris Corgas; Program Director, OEWD

FROM: Mimi Hiraki; Project Specialist, OEWD

DATE: 10/12/2022

SUBJECT: North of Market/Tenderloin Community Benefit District; FY 2020-2021 Annual Report

This is a memo summarizing the performance of the North of Market/Tenderloin Community Benefit District and an analysis of its financial statements (based on financial review by their auditors) for the period between July 1, 2020 and June 30, 2021.

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. North of Market/Tenderloin CBD did not comply with the submission of all these requirements for FY 2020-2021 in a timely manner; specifically, the CBD turned in its annual report and financial review or audit late. 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 North of Market/Tenderloin CBD management contract with the City; and their Management Plan approved by the Board of Supervisors in 2006 and 2019.

Also attached to this memo are the following documents:

1. Annual Reports FY 2020-2021
2. Camera Program Annual Report FY 2020-2021
3. CPA Financial Review Reports FY 2020-2021
4. Draft resolution from the Office of Economic and Workforce Development



Background

North of Market/Tenderloin Community Benefit District spans across 41 blocks and includes approximately 800 parcels.

- August 2, 2005: the Board of Supervisors approved the resolution that established the North of Market Tenderloin Community Benefit District for 15 years (Resolution # 584-05).
- January 10, 2006: the Board approved the contract for the administration and management of the North of Market Tenderloin Community Benefit District (Resolution # 15-06).
- July 12, 2011: the Board of Supervisors approved the Annual Reports for FYs 2006-2007, 2007-2008, 2008-2009 and 2009-2010 (Resolution #284-11).
- April 28, 2015: the Board of Supervisors approved the Annual Reports for FYs 2010-2011, 2011-2012, and 2012-2013 (Resolution #160-15).
- August 2, 2016: the Board of Supervisors approved the Annual Reports for FY’s 2013-2014 and 2014-2015 (Resolution #348-16).
- December 12, 2017: the Board of Supervisors approved the Annual Reports for FY’s 2015-2017 (Resolution #449-17).
- November 13, 2018: the Board of Supervisors approved the Annual Reports for FY’s 2016-2017 (Resolution #382-18).
- April 23, 2019: the Board of Supervisors approved a resolution declaring the intention of the Board of Supervisors to renew and expand a property-based business improvement district known as the “North of Market/Tenderloin Community Benefit District” and levy a multi-year assessment on all parcels in the district (Resolution #195-19).
- June 25, 2019: the Board of Supervisors approve a resolution to establish (renew and expand) the property-based business improvement district known as the “North of Market/Tenderloin Community Benefit District,” ordering the levy and collection of assessments against property located in that District for 15 years commencing with FY2019-2020 (Resolution #297-19).
- November 19, 2019: the Board of Supervisors approved the Annual Reports for FY 2017-2018 (Resolution #507-19).
- November 19, 2019: the Board of Supervisors approved an agreement with the nonprofit Owners' Association for administration/management of the established property-based Community Benefit District known as the “North of Market/Tenderloin Community Benefit District,” pursuant to California Streets and Highways Code, Section 36651, for a period commencing upon Board approval, through June 30, 2034 (Resolution #508-19).
- May 17, 2022: the Board of Supervisors approved the Annual Reports for FYs 2018-2019 and 2019-2020 (Resolution #211-22).

Basic Info about Greater North of Market/Tenderloin CBD:

Year Established	2005
Year Renewed	2019
Assessment Collection Period	FY 2019-2020 to FY 2033-2034 (July 1, 2019 to June 30 2034)
Services Start and End Date	January 1, 2020 – December 31, 2034
Initial Estimated Annual Budget	\$1,963,840 (FY 2019-2020 to FY 2033-2034)



FY 2020-2021 Assessment Submission	\$2,042,888.92
Fiscal Year	July 1 – June 30
Executive Director	Simon Bertrang Kate Robinson (starting August 2022)
Name of Nonprofit Owners' Entity	North of Market/Tenderloin Community Benefit Corporation

TLCBD's website www.tlcbd.org includes all the pertinent information about the organization and their programs, a calendar of events, their Management Plans, Mid-Year Reports, Annual Reports and meeting schedules. TLCBD regularly updates their calendar, meeting schedule and meeting minutes. The last Annual Report posted was for FY2019-2020.

Summary of Program Areas

Clean & Safe

The Clean & Safe Program is designed to promote the cleanliness and safety of the area within the North of Market/Tenderloin CBD boundaries. The clean program may include, but is not limited to:

- Sidewalk pressure washing: Uniformed, radio-equipped personnel sweep litter, debris and refuse from sidewalks and gutters of the North of Market/Tenderloin CBD. Paper signs and handbills that are taped or glued on property, utility boxes, poles and telephones are removed.
- Trash collection: Collector truck personnel collect trash from sidewalks as needed. They are also dispatched to collect large bulky items illegally dumped in the North of Market/Tenderloin CBD.
- Graffiti removal: Painters remove graffiti by painting, using solvent and pressure washing. The North of Market/Tenderloin CBD maintains a zero-tolerance graffiti policy. An effort is made to remove all tags within 24 hours on weekdays.
- Landscape maintenance: Refreshing plants, maintaining and planting trees. When funding is available, the CBD may weed tree wells and sidewalk cracks as well as provide landscape maintenance to decorative planters.

The Safe Program provides community-based safety services for the area within the CBD. The Safe Program does not include armed security forces and does not hire private security to remove people from the sidewalks. The Safe Program will support safe initiatives that acknowledge that everyone on the sidewalks deserves to be and feel safe, and that are initiated by the community and led by the community.

This program consists of:

- Safe Passage: A program that aims to keep the North of Market/Tenderloin CBD safe and create safe walking groups for youth and seniors will be maintained and may be expanded.
- Block Safety Groups: A program to organize residents and businesses and support them in community-led strategies for improving the street conditions and sidewalks in front of their buildings to be maintained and expanded.
- Camera Network
- Public Space Activation

Marketing & Economic Development

The program helps parcel owners in their efforts to attract tenants and support local commerce and investment and work to improve the positive perception of the North of Market/Tenderloin CBD. The programs may include, but are not limited to, the following:

- Destination Marketing



- Branding
- Events
- Media Relations
- Website
- District Stakeholder Outreach

Administration

The aforementioned improvements and activities are managed by a professional staff that requires centralized administrative support. Administration staff oversees the North of Market/Tenderloin CBD’s services, which are delivered seven days a week. Administration staff actively works on behalf of the North of Market/Tenderloin CBD parcels to ensure that City and County services and policies support the North of Market/Tenderloin CBD. Included in this item are office expenses, professional services, organizational expenses such as insurance, and the cost to conduct a yearly financial review.

Contingency/Reserve/City Fees

An operating reserve is budgeted as a contingency for any payment of delinquencies, uncollectible assessments, Community Benefit District establishment and/or renewal efforts, and/or unforeseen budget adjustments.

Summary of Accomplishments, Challenges, and Delivery of Services

FY 2020-2021

Clean & Safe

- 292,600 lbs of trash removed
- 26,920 instances of human or animal waste being removed and sanitized
- 11,704 bags of trash removed
- 11,257 needles safely removed
- 7,610 instances of graffiti and stickers abated
- 6,270 block faces pressure washed
- 1,119 instances of hot spots being pressure washed
- Increased regular pressure washing of every sidewalk in the District from a monthly schedule to a weekly schedule.
- Through funding from the Mayor’s Office and District 6 Supervisor’s Office, TLCBD placed 68 Bigbellies with colorful art-designed wraps at every intersection of the district
- Served total of 21,215 children and 6,622 seniors/disabled people through the Safe Passage Program and Safe Passage Senior Program
- Provided kids and families a safe Halloween option called “Safe Trick or Treat Route”
- Pivoted Safe Passage to support food security and safe park access during the closure of schools due to the pandemic
- Planned 72 park programs for activation
- Planned 9 Play Streets events with 86 attendees on average per event
- 6 murals with Paint the Void installed

Marketing & Economic Development



- Formed a new Economic Opportunity Program, significantly increasing the support and resources for small businesses in the Tenderloin, through a newly-built database of 250+ businesses.
- Assisted 82 businesses leading to \$213,000 total financial assistance to businesses.
- Funded 95 mini grants.
- Provided support to 73 businesses applications to city/corporate grants, 46 SF Shines applications, and 27 SF Help loan applications.
- Served 3,500 food insecure residents through a partnership with SF New Deal within the Tenderloin Health and Economic Relief Pilot program.
- Support businesses with the negotiation and review of leases, LOIs and proposals.
- Support execution of the Larkin Street and Golden Gate Avenue Shaped Spaces street closure outdoor dining program to provide mini-grant funds for 14 businesses to purchase equipment.

Administration

- Established new Committee Structure to engage Board and community partners in expanded programs - rather than the three traditional program committees, Public Right of Way (PROW), Community Engagement & Communications (CEC) and Safe Passage, the new structure matched the programs in the Core Framework that TLCBD started developing in 2016. TLCBD expanded Program Committees to include:
 - Clean: Overseeing contracts for third-party vendors to staff a Clean Team and provide supplemental cleaning services as well as building partnerships with other agencies and organizations providing cleaning services in the neighborhood
 - Safe: Overseeing TLCBD Safe Passage operations, Safe Routes to School work and a new Pedestrian Safety initiative as well as building partnerships with neighborhood schools and nonprofits providing services for children and seniors
 - Inviting Space: Overseeing a new program to build a Tenderloin Park Network and uphold a vision for beautiful and inviting shared public spaces
 - Neighborhood Pride: Overseeing programs that build neighborhood agency and voice by supporting a handful of Block Safety Groups, a vision for Community Pride Through Environmental Design (CPTED) and continuing the TL Thrives initiative
 - Economic Opportunity: Overseeing the development of a new program supporting small businesses, building partnerships to support workforce development for neighborhood residents and shepherding the partnership and then eventual acquisition of the Tenderloin Equitable Development Project (TEDP)
 - Evaluation: Overseeing the TLCBD Evaluation Program to evaluate effectiveness of the work that the CBD does in its various programs and in the wider community and also serving the function of an Audit Committee
 - Youth Voice: launched a new program to educate youth ages 14-24 to learn how to turn research into policy action on topics such as drug use, violence, homelessness and crime in the Tenderloin

NOM/TL CBD Annual Budget Analysis

OEWD's staff reviewed the following budget related benchmarks for NOM/TL CBD:

- **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 “North of Market/Tenderloin Community Benefit District”, Section 3.9 – Budget)

- **BENCHMARK 2:** Whether three and thirty four hundredths percent (3.34%) of actuals came from sources other than assessment revenue (CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the “North of Market Tenderloin Community Benefit District”, Section A - 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 “North of Market Tenderloin Community Benefit District”, Section 3.9 – Budget.
- **BENCHMARK 4:** Whether NOM/TL 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 (CA Streets & Highways Code, Section 36651)

FY 2020-2021

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: *NOM/TL CBD met this requirement. See table below.*

Service Category	Management Plan Budget (Percentage)	FY 2020-21 Budget – Asst (Percentage)	FY 2020-21 Budget – Total (Percentage)	Variance Percentage Point – Asst	Variance Percentage Points - Total
Clean & Safe	\$1,356,618.00 (66.77%)	\$1,314,928.56 (66.00%)	\$2,803,774.00 (75.27%)	-0.77%	+8.50%
Marketing & Economic Development	\$315,950.00 (15.55%)	\$308,593.98 (15.49%)	\$441,234.00 (11.85%)	-0.06%	-3.71%
Administration	\$309,103.00 (15.21%)	\$309,023.98 (15.51%)	\$420,172.00 (11.28%)	+0.30%	-3.93%
Contingency/ Reserve/City Fees	\$50,000.00 (2.46%)	\$59,769.48 (3.00%)	\$59,769.48 (1.60%)	+0.54%	-0.86%
TOTAL	\$2,031,671.00 (100%)	\$1,992,316.00 (100%)	\$3,724,949.48 (100%)		

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

ANALYSIS: *NOM/TL CBD met this requirement. Assessment revenue was \$2,021,032.00 or 38.11% of actuals and non-assessment revenue was \$3,282,747.00 or 61.89% of actuals.*



Revenue Sources	FY 2020-21 Actuals	% of actuals
FY Assessment Revenue	\$2,015,547.00	38.00%
Penalties	\$5,485.00	0.10%
Total Assessment (Special Benefit) Revenue	\$2,021,032.00	38.11%
Contributions and Sponsorships	\$912,305.00	17.20%
Grants	\$2,196,425.00	41.41%
Donations	\$9,272.00	0.17%
Interest Earned	\$17,987.00	0.34%
Earned Revenue	\$146,758.00	2.77%
Total Non-Assessment (General Benefit) Revenue	\$3,282,747.00	61.89%
Grand Total	\$5,303,779.00	100.00%

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

ANALYSIS: *NOM/TL CBD met this requirement. See table below.*

Service Category	FY 2020-21 Budget – Asst (Percentage)	FY 2020-21 Budget – Total (Percentage)	FY 2020-2021 Actuals – Asst (Percentage)	FY 2020-2021 Actuals – Total (Percentage)	Variance Percentage Points – Asst	Variance Percentage Points – Total
Clean & Safe	\$1,314,928.56 (66.00%)	\$2,803,774.00 (75.27%)	\$1,290,723.47 (71.90%)	\$3,238,779.00 (82.17%)	+5.90%	+6.90%
Marketing & Economic Development	\$308,593.98 (15.49%)	\$441,234.00 (11.85%)	\$239,108.35 (13.32%)	\$341,644.00 (8.67%)	-2.17%	-3.18%
Administration	\$309,023.98 (15.51%)	\$420,172.00 (11.28%)	\$265,286.94 (14.78%)	\$360,955.00 (9.16%)	-0.73%	-2.12%
Contingency/ Reserve/City Fees	\$59,769.48 (3.00%)	\$59,769.48 (1.60%)	\$00.00 (0.00%)	\$0.00 (0.00%)	-3.00%	-1.60%
TOTAL	\$1,992,316.00	\$3,724,949.48	\$1,795,118.77	\$3,941,378.00		

BENCHMARK 4: Whether NOM/TL 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.



ANALYSIS: *NOM/TL CBD met this requirement. See table below.*

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.

FY 2020-21 Assessment Carryforward Disbursement		
Service Category	Dollar Amount	Spenddown Timeline
Clean and Safe	\$548,632.00	FY22
Marketing and Economic Development	\$128,647.00	FY22
Administration	\$95,894.00	FY22
Special Assessment Total	\$773,173.00	
FY 2020-21 Non-Assessment Carryforward Disbursement		
Non-Assessment Project		
Inviting Spaces	\$142,065.00	
Camera	\$147,483.00	
Non-Assessment Total	\$289,548.00	

Findings and Recommendations

During the FY2020-2021 review period, the North of Market/Tenderloin CBD met 4 of the 4 benchmarks as set by the California Street and Highways Code Section 36650-36651; and the Agreement for the Administration of the North of Market Tenderloin Community Benefit District as detailed on pages 5 and 6 of this memo.

The North of Market/Tenderloin CBD continues to struggle in providing OEWD with a full and complete annual reports and financial statements in a timely manner for the third consecutive year. Annual reporting is required under both state law and the CBD’s management agreement with the City and County of San Francisco. Delays were caused by the absence of finance and management knowledge and experience in the organization and was exacerbated by changing the bookkeeping and accounting services, incongruent manual processes, and the Covid-19 pandemic. The CBD addressed issues relating to the internal structure by hiring a senior director of finance and administration in October 2021 who improved some of the processes leading to a shorter delay for this reporting period. It is in OEWD’s opinion, the CBD will likely continue to improve as they address the remaining issues leading to the delays with the implementation of enterprise systems to improve revenue tracking, grants tracking, financial/accounting processes, HR/Payroll, and project management.



With pre-existing health and socioeconomic inequities in the North of Market/Tenderloin Community Benefit District, the emerging health and economic impacts of the COVID-19 global pandemic disproportionately impacted the district. The CBD pivoted well to the emerging health and economic impacts of the pandemic and adjusted exceptionally to the continuous changes of health orders issued by the San Francisco Health Officer, including the renewed shelter-in-place health order in December 2021.

Along with increasing the work of the Clean Program to help address the increased disarray of the sidewalks, the NOM/TLCBD developed an Economic Opportunity program to assist small businesses with technical assistance, disseminating grants, lease negotiation, and troubleshooting safety concerns, developed a Parks and Open Spaces stewardship program to focus on improving public spaces to be safe and welcoming through community-led activities, expanded the Tenderloin Camera Network, and expanded their food security work collaborating with the Salvation Army Kroc Center to deliver food weekly to residents starting in May 2020 and assisted with the Boys and Girls Club weekly Grocery Delivery Program for 201 Turk St residents starting in June 2020. NOM/TL CBD continues to assist SFDPH in optimizing the district's parks and events for COVID testing and vaccination sites. Additionally, the CBD continued to participate in pedestrian safety advocacy and contributed to initiatives such as the QuickBuilds, 20mph/No Turn on Red policy, and Tenderloin Community Action Plan.

The North of Market/Tenderloin CBD is a high-capacity entity operating in the neighborhood with strong ties to its businesses, residents, and other neighborhood and nonprofit partners. The organization has demonstrated its exceptional ability to work nimbly with its neighborhood partners as well as the City and County of San Francisco on issues affecting its service area. The CBD has an active board of directors and committee members and complied with the requirements for surveillance technology reporting.

Conclusion

North of Market/Tenderloin CBD has performed well in implementing their service plan. The CBD continues to address its core objectives and continues to be successful at partnering with the community-at-large on specific initiatives and goals. The CBD must do a better job of turning in annual reports in a timely manner. The CBD has an active board of directors and committee members; and OEWD believes it will be able to carry out their mission and service plans.



Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

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

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Topic submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Preston

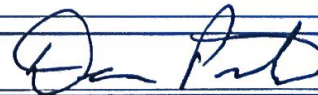
Subject:

North of Market/Tenderloin Community Benefit District – FY 2020-2021

The text is listed:

Resolution receiving and approving annual report for the North of Market/Tenderloin Community Benefit District for FY 2020-2021, 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.

Signature of Sponsoring Supervisor:



For Clerk's Use Only