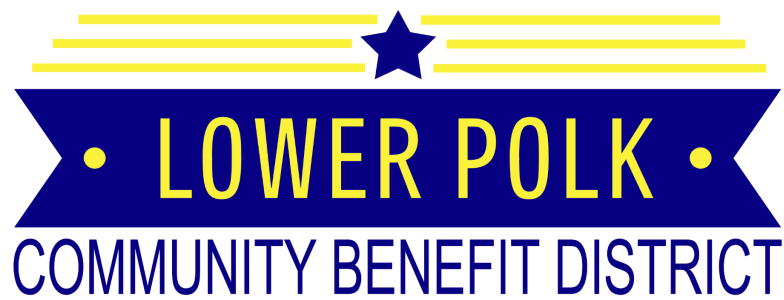


# LOWER POLK COMMUNITY BENEFIT DISTRICT

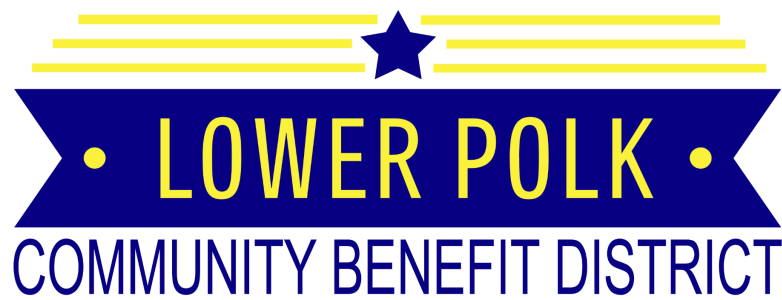
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## 2020-2021 Annual Report

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## Executive Summary

We are pleased to submit this annual report on our organizational accomplishments and financial status for the 2020-2021 Fiscal Year. Even during a continued period of great challenge and change, the members of our local, diverse, and active Board of Directors continued to collectively demonstrate outstanding leadership and commitment to our unique and vibrant District. As a growing CBD, our organization has been extremely busy. Some of our initiatives have included, but are not limited to:

### ❖ Working to:

- Lessen the effects of COVID-19 on our District and constituents by continuing to increase District cleaning and sanitizing public fixtures.
- Maintain the health and safety of our team by training people to use personal protective equipment and seeing to it that they use it.
- Help merchants hurt by the pandemic through additional business support services and our award-winning Lower Polk Tenant Landlord Clinic.
- Help renters affected by the pandemic through our Lower Polk Tenant Landlord Clinic. As a proactive response to the effect COVID-19 has had on our neighborhood, we transitioned our placemaking and arts manager from an events and arts focus to a business support activation focus through most of the fiscal year to support businesses facing COVID-19 losses and affects. You will see a budget difference in money we spent on our Marketing, Streetscape Improvements, and Beautification Program. Based on the effects of COVID-19, we doubled that budget and used decreased management costs to fund this temporary reallocation.

### ❖ We serve on:

- Lower Polk Neighbors stakeholder
- Lower Polk TAY Navigation Center CAC
- San Francisco Community Benefit District Consortium

We have accomplished much in our first few years, but we still have much to do. We did not let COVID-19 slow us down. We look forward to working in partnership with the City of San Francisco and our constituents to improve the quality of life for everyone who lives here, works here, and visits our District.



## Status and Progress of Programs

Some additional highlights of our accomplishments for the 2020-2021 fiscal year are outlined below.

### Management & Operations

#### Board & Staff

- ❖ Elected new board members, new officers and community chairs. Renewed the terms of current board members.
- ❖ Kept up with new developments in the Lower Polk District and their effect on quality of life and other issues.
- ❖ Stayed involved in leadership positions with many community and City organizations, including Lower Polk Neighbors and the Lower Polk TAY Navigation Center CAC , among others.

#### Finance and Fund Development

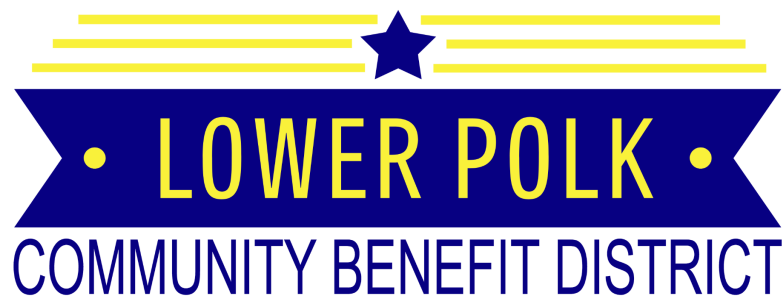
- ❖ Completed our organizational annual audit and received an unmodified opinion, which shows approval.
- ❖ Received a PPP Loan to assist in operations.
- ❖ Reviewed organizational investments.
- ❖ Reviewed organizational insurance.
- ❖ Prepared budget projections.

### Cleaning and Maintenance

COVID-19 has made it even more important that the LPCBD Ambassador Clean Team continue to work all year to fix District cleanliness issues.

Therefore, we continued to:

- Sweep and steam clean District sidewalks.
- Clean and weed tree wells.
- Monitor public trash receptacles and report large items to the City for removal.



- Add more members of the LPCBD Clean Team and conduct training sessions.
- Carry out performance measures and goals for neighborhood cleanliness.
- Analyze service trends over time to better understand the geographic distribution of neighborhood issues, and design solutions to improve neighborhood safety and cleanliness.

## Corridor Safety

### Neighborhood Safety

Neighborhood safety became an even higher priority of the LPCBD during the pandemic. Our residents, merchants, visitors, property owners, and other constituents should always feel safe to enjoy our District.

Therefore, we continued to:

- ❖ Work with the San Francisco Police Dept. to address issues around quality of life and safety.
- ❖ Work with the Department of Homelessness and Supportive Housing.
- ❖ Use ambassador staff to report areas that need to be cleaned, provide directions and information about the neighborhood and serve as an additional set of eyes to report safety issues.
- ❖ Participate in multiple neighborhood safety and security groups to discuss and take action on issues and trends, with a special focus on our Lower Polk alleyways.
- ❖ Work with the City on potential policies concerning empty storefronts.

### Neighborhood Support

Neighborhood support is closely related to neighborhood safety. Not only do we address homelessness with outreach as needed, we also work proactively with the City to address policy issues that may affect those who are unhoused or at risk of becoming unhoused.

Therefore, we continued to:

- ❖ Collaborate with the Dept. of Public Health to address homelessness and the neighborhood street population.
- ❖ Attend numerous neighborhood association meetings and coordinate additional constituent meetings to discuss LPCBD outreach services, address specific concerns and create action plans.
- ❖ Operate the award-winning Lower Polk Tenant Landlord Clinic, which helps landlords, small merchants and tenants resolve issues that may lead to tenant or merchant displacement.



## Marketing, Streetscape Improvements, and Beautification

### Marketing / Advocacy / Newsletters

We continued to:

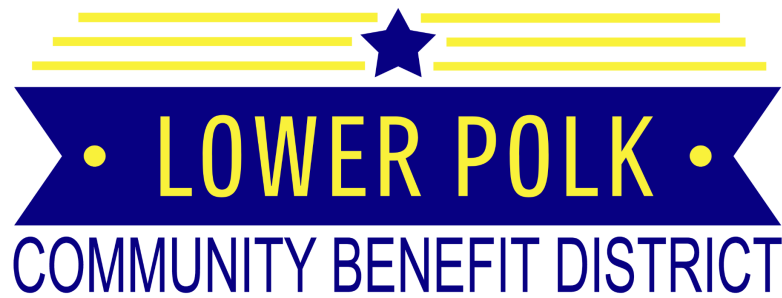
- ❖ Update and market the District website at [www.lowerpolkcbd.org](http://www.lowerpolkcbd.org).
- ❖ Send out email newsletters to more than 500 subscribers.
- ❖ Use Facebook and Twitter to keep constituents informed of special events in Lower Polk, and to seek feedback on our delivery of services. This was in effect before the pandemic.
- ❖ Use social media to share COVID-19 resources to our District community.
- ❖ Use the Tenant Landlord Clinic to mail out 32,902 multilingual flyers to people in the District. These flyers were targeted at people who do not use technology. Non-tech users were disproportionately affected by the pandemic, and the TLC wanted to reach them to explain its service offerings.
- ❖ The Tenant Landlord Clinic had 1,334 visitors to its website during the fiscal year and triaged 139 potential eviction matters. This does not include direct referrals to our mediation partner, the Bar Association of San Francisco Conflict Intervention Service.

### Festivals, Art Walks, and other special events

- ❖ Continued to sponsor the popular Lower Polk Art Walk. After the pandemic, we helped turn it into a virtual event.
- ❖ Worked with the City to help establish business activation and a Farmers Market in Austin Alley.

### Streetscape Improvements

- ❖ Maintained nine Bigbelly SMART waste receptacles. However, we are working with the San Francisco Office of Economic and Workforce Development to move to more robust trash receptacles.
- ❖ Improved the streetscape of Fern Alley West in conjunction with the City.
- ❖ Improved streetscape plans for Austin Alley.



## Other Accomplishments

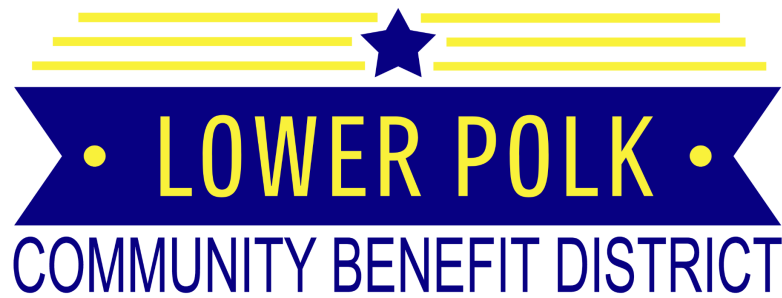
- ❖ Maintained leadership positions with Lower Polk Neighbors and the San Francisco Community Benefit District Consortium.
- ❖ Participated with Vision Zero Coalition.

## Metrics

Even with the damage of COVID-19, our metrics have not changed substantially compared with the last fiscal year except with needles. The City has implemented significant program(s) to pick up needles in the community. We base our metrics on weekly sampling and daily visual counts. We are proud to present these estimated metrics. They help illustrate the continued impact of our Cleaning and Maintenance services.

- ❖ "Bags picked up" counts the number of large, full trash bags we picked up.
- ❖ "Weight of trash picked up" is the weight of that trash, in pounds.
- ❖ "Other paper picked up" is the number of large cardboard boxes we recovered.
- ❖ "Needles picked up" refers to the number of hypodermic needles we have picked up.
- ❖ "Graffiti remediations" is the number of instances of graffiti we have removed or painted over.

Item Count	Average Per Month	Total
Bags Picked Up	520	6,240
Weight of Trash Picked Up in Pounds	13,000	156,000
Other Paper Picked Up	220	2,640
Needles Picked Up	180	2,160
Graffiti Remediations	154	1,848



## Summary Financial Data

Our Management Plan (<https://bit.ly/3kH5a4O>) generally calls for the following budget breakdown:

1. Cleaning, Maintenance and Safety Program - 57%
2. Marketing, Streetscape Improvements and Beautification Program - 11%
3. Management and Operations - 28%
4. Contingency and Reserves - 4%

Our FY20-21 budget expenditures were different from the above because we were able to leverage aggressive fundraising and fiscal discipline to decrease our effective internal management costs as a percentage of the budget.

Yet we were able to simultaneously double our Marketing, Streetscape and Beautification budget. This line item also includes direct merchant support, which we felt was important during this particular fiscal year.

This powerful combination allowed us to render a substantially higher level of crucial services to our District, while at the same time staying well within our assessment budget during a time of economic uncertainty. We ended the year with a very small \$38,622 deficit, which we will remedy in the next fiscal year.





## Financial Data\*

### Statement of Operations (Actual vs. Budget)

for the fiscal year ended June 30, 2021

	Actual	Budget	Variance Positive/(Negative)	Variance %
<b>REVENUE AND SUPPORT</b>				
Assessment revenue	899,328	901,681	(2,353)	0%
Grant revenue	361,464	38,138	323,326	848%
Contributions	15,360	-	15,360	100%
Interest	30	-	30	100%
<b>TOTAL REVENUE AND SUPPORT</b>	<b>1,276,182</b>	<b>939,819</b>	<b>336,363</b>	<b>36%</b>
<b>EXPENSES</b>				
Cleaning, Maintenance, and Safety	485,507	507,449	21,942	4%
Marketing, Streetscape, and Beautification	573,202	299,829	(273,373)	-91%
Management and Operations	147,883	212,734	64,851	30%
<b>TOTAL EXPENSES</b>	<b>1,206,592</b>	<b>1,020,013</b>	<b>(186,579)</b>	<b>-18%</b>
Change in Net Assets	69,590	(80,194)	(149,784)	187%
Prior Year Net Assets (Carryover)	663,405	663,405	-	0%
<b>TOTAL NET ASSETS</b>	<b>732,995</b>	<b>583,211</b>	<b>(149,784)</b>	<b>-26%</b>



## Statement of Financial Position

As of 06/30/2021

### ASSETS

Cash and Cash Equivalents	971,211
Grants Receivables	156,497
Assessment and Other Receivables	26,519
Prepaid Expenses	34,269
Equipment, net	128,090
<b>TOTAL ASSETS</b>	<b>1,316,586</b>

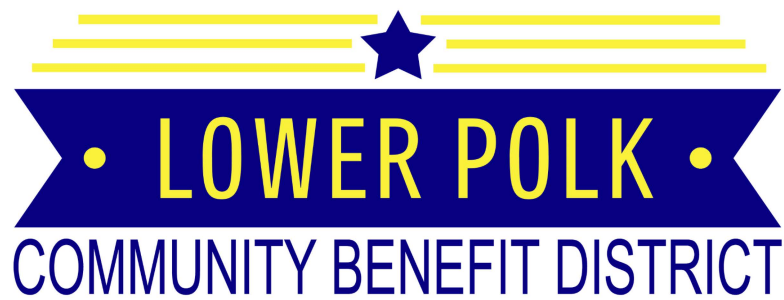
### LIABILITIES & NET ASSETS

#### LIABILITIES

Accounts Payable	141,197
Accrued Liabilities	56,810
Unearned Revenue	18,750
CARES Act PPP Loan	366,834
<b>TOTAL LIABILITIES</b>	<b>583,591</b>

#### NET ASSETS

Without Donor Restrictions	706,226
With Donor Restrictions	26,769
<b>TOTAL NET ASSETS (CARRYOVER)</b>	<b>732,995</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>1,316,586</b>



## **Budget**

FY 2021-22

### REVENUE AND SUPPORT

Assessments	982,784
Grants	173,102
Contributions	57,199
Interest	0
<b>TOTAL REVENUE AND SUPPORT</b>	<b>1,213,085</b>

### EXPENSES

Cleaning, Maintenance, and Safety	666,154
Marketing, Streetscape, and Beautification	290,782
Management and Operations	217,527
<b>TOTAL EXPENSES</b>	<b>1,174,463</b>

<b>DEFICIT</b>	<b>38,622</b>
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• LOWER POLK •  
COMMUNITY BENEFIT DISTRICT

FY2021-2022 Budget



\*Financial data from the audited financial statements is available upon request.



## Manner of Calculating Assessments

Each property owner pays a share of the cost of the LPCBD, based on a simple formula.

That formula is explained in detail in Section 6-1 of our Engineer's Report at: <https://bit.ly/2V0EiSw>

That formula is also summarized on pages 20 to 23 of our Management Plan, at: <https://bit.ly/3kH5a4O>

In general, each parcel within the District is assigned:

1. **A linear factor** that is equal to the parcel's linear street frontage that receives ongoing District cleaning and public safety improvements.
2. **A lot factor** is calculated for each parcel based upon the assigned lot square footage divided by 2,500.
3. **A building factor** is calculated for each parcel based upon the assigned building square footage divided by 2,500.

Each parcel is also assigned **benefit points**, based on the use of the building:

1. Non-Residential Property = 18 points
2. Residential Property = 2.25 points
3. Non-Profit / Public Property = 2.65 points

Each parcel's assessment is then calculated using this formula:

**(Linear Factor + Lot Factor + Building Factor) x Benefit Points**

The payment for this assessment is collected twice yearly through the property tax bill. The CBD assessment, including the collection and enforcement of any delinquent assessment and imposition of interest and penalties per City and County of San Francisco Business and Tax Regulations Code Article 6, and related law as it may be amended from time to time, is collected and enforced by the City's Treasurer and Tax Collector. The Treasurer and Tax Collector then transfers the assessment payments to the CBD for the improvements, services, and activities as described both in this Annual Report, and in our Management Plan, which is linked above.