

File No. 220863

Committee Item No. 2

Board Item No. 22

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: December 1, 2022

Board of Supervisors Meeting:

Date: December 13, 2022

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input type="checkbox"/>	<input type="checkbox"/>	Budget and Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Youth Commission Report
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Introduction Form
<input type="checkbox"/>	<input type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU - FY2022-2024 - Clean
<input type="checkbox"/>	<input type="checkbox"/>	MOU - FY2022-2024 - Redline
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Form 126 – Ethics Commission
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

OTHER

<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Annual Rpt FY2020-2021
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Surveillance Tech Rpt FY2020-2021
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Private Contribution Rpt FY2020-2021
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	CPA Rpt 063021
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	OEWD Memo 071322
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	REFERRAL FYI 072722
<input type="checkbox"/>	<input checked="" type="checkbox"/>	OEWD PPT 120122
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Prepared by: Stephanie Cabrera

Date: November 23, 2022

Prepared by: Stephanie Cabrera

Date: December 2, 2022

Prepared by: _____

Date: _____

1 [Fisherman's Wharf Landside Community Benefit District and Fisherman's Wharf Portside
2 Community Benefit District - Annual Report - FY2020-2021]

3 **Resolution receiving and approving the annual report for the Fisherman's Wharf**
4 **Community Benefit District and Fisherman's Wharf Portside Community Benefit District**
5 **for Fiscal Year (FY) 2020-2021, submitted as required by the Property and Business**
6 **Improvement District Law of 1994 (California Streets and Highways Code, Sections**
7 **36600 et seq.), Section 36650, and the Districts' management agreements with the City,**
8 **Section 3.4.**

9
10 WHEREAS, The Fisherman's Wharf Community Benefit District (the
11 "Fisherman's Wharf CBD") was established by the Board of Supervisors in 2005, and
12 the Fisherman's Wharf Portside Community Benefit District (the "Fisherman's Wharf
13 Portside CBD") was established by the Board of Supervisors in 2006, as described
14 below; and

15 WHEREAS, Both the Fisherman's Wharf CBD and the Fisherman's Wharf
16 Portside CBD are administered by the same owners' non-profit association, known as
17 the Fisherman's Wharf Association, as described below; and

18
19 **Fisherman's Wharf Community Benefit District**

20 WHEREAS, On June 7, 2005, in accordance with the Property and Business
21 Improvement District Law of 1994, California Streets and Highways Code, Sections
22 36600 et seq. (the "Act"), as augmented by Article 15 of the San Francisco Business
23 and Tax Regulations Code ("Article 15"), the Board of Supervisors adopted Resolution
24 No. 386-05 expressing the City's intent to form the Fisherman's Wharf CBD; and

25 WHEREAS, On July 26, 2005, the Board of Supervisors adopted Resolution

1 No. 540-05 establishing the Fisherman Wharf's CBD for a period of 15 years
2 commencing with fiscal year 2005-2006; and

3 WHEREAS, On January 10, 2006, the Board of Supervisors adopted Resolution
4 No. 16-06 authorizing a contract with the Fisherman's Wharf Association for the
5 management and administration of the Fisherman's Wharf CBD (the "Fisherman's
6 Wharf CBD Management Contract") which is on file with the Clerk of the Board of
7 Supervisors in File No. 052026; and

8
9 **Fisherman's Wharf Portside Community Benefit District**

10 WHEREAS, On October 24, 2006, in accordance with the Act, as augmented by
11 Article 15, the Board of Supervisors adopted Resolution No. 586-06 expressing the
12 City's intent to form the Fisherman's Wharf Portside CBD; and

13 WHEREAS, On December 12, 2006, the Board of Supervisors adopted
14 Resolution No. 696-06 establishing the Fisherman's Wharf Portside CBD for a period of
15 14 years commencing with fiscal year 2005-2006; and

16 WHEREAS, On June 19, 2007, the Board of Supervisors adopted Resolution
17 No. 312-07 with the Fisherman's Wharf Association, authorizing a contract with the
18 Fisherman's Wharf Association for the management and administration of the
19 Fisherman's Wharf Portside CBD (the "Fisherman's Wharf Portside Management
20 Contract") which is on file with the Clerk of the Board of Supervisors in File No. 070838;
21 and

22
23 **Annual Reports**

24 WHEREAS, On November 2, 2021, the Board of Supervisors approved the
25 Fisherman's Wharf CBD's and the Fisherman's Wharf Portside CBD's annual report for

1 fiscal year 2019-2020 in Resolution No. 515-21; and

2 WHEREAS, The Fisherman's Wharf Association has submitted for the Board's
3 receipt and approval an annual report for both the Fisherman's Wharf CBD and
4 Fisherman's Wharf Portside CBD for fiscal year 2020-2021 as required by Section
5 36650 of the Act and Section 3.4 of the Fisherman's Wharf Management Contract and
6 the Fisherman's Wharf Portside Management Contract (the "Annual Report"), which is
7 on file with the Clerk of the Board of Supervisors in File No. 220863 and is incorporated
8 herein by reference as though fully set forth; and

9 WHEREAS, Supporting documents, including, but not limited to, a transmittal
10 letter and memorandum report from the City's Office of Economic and Workforce
11 Development, dated July 13, 2022, and documentation from the Fisherman's Wharf
12 Association for the Annual Report is on file with the Clerk of the Board of Supervisors in
13 File No. 220863; now, therefore, be it

14 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
15 report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside
16 Community Benefit District for fiscal year 2020-2021.

FISHERMAN'S WHARF ANNUAL REPORT

JULY 2020 - JUNE 2021

SOBO / DISI / EVENTS





District Identity, Streetscape, Improvements, & Marketing

Website & Social Media Metrics

- More than 133,000 users initiated at least one session on the consumer website, VisitFishermansWharf.com.
- More than 4,300 users initiated at least one session on our constituent website, FWCBD.com.
- We had 8,000 users on our trip itinerary tool, Visit Widget. This included 48,000 pageviews, 770 iOS downloads, and 116 Android downloads.
- Our Facebook page likes totaled 52,800.
- Our Instagram followers have steadily increased to a total of 6,600.
- Our Twitter followers have increased to more than 3,600.

New Website Build for FishermansWharf.org

- An Interim Director of Marketing and website project manager was engaged in September 2020.
- Working with our newest vendor, Simpleview, we launched a brand-new SEO-enabled website, fishermanswharf.org in May 2021. The new website combined both the FWCBD site, visitfishermanswharf.com, and the FWMA's site, fishermanswharf.org, to ensure maximum SEO results for the Fisherman's Wharf brand.
- The augmented website features both CRM and CMS functionality, a reporting suite detailing the traffic for the website and individual business listings, and a beautiful new design featuring our latest brand refresh.
- The design element of the website is currently being rolled out in two phases, with the final design being unveiled in January of 2022.

PR Metrics and Communications Initiatives

- Fisherman's Wharf earned a potential media reach of 6,730,803,453 viewers from July 2020 to June 2021.
- There were 2,600 instances of news media exposure.
- Publicity/media exposure received had an equivalent value of \$62,800,000 as per Meltwater media monitoring.
- The "News You Need" newsletter was published at least once a week, sometimes multiple times a week depending on the content. As with the time-sensitive COVID-19 updates that began in March 2020, we continued with the robust communications strategy that provided our stakeholders with local, state, and national content as it became available.
- The FWCBD engaged with local media outlets to promote the businesses at Fisherman's Wharf. This proved to be a very effective strategy in the context of COVID-19, since our open spaces are perfect for social distancing outside.
- The FWCBD successfully championed the earlier return of the cable cars and generated positive media coverage in support of the cable cars as a sign that San Francisco is open for business.
- Deputy Director and Director of Communications Laura Schaefer worked with the Shine On SF Partnership to create and roll out a communications strategy on behalf of the SF Benefit District Alliance, in advance of the city-wide Shine On SF launch.

Events & Holidays

- Due to the pandemic, our annual Fisherman's Wharf events and sponsorships were canceled in the Fall and Winter of 2020. Fleet Week 2020, which we regularly sponsor, and our popular Wharf Fest 2020 were both cancelled due to health and safety concerns.
- As a result of the December 2020 lock down, Merry Time at the Wharf, our annual holiday event, was repositioned as an invitation to safely enjoy shopping, outdoor dining, take-away food, and outdoor activities while exploring the spacious northern waterfront. Merry Time at the Wharf was promoted on the City's Shop and Dine in the 49 Website, through paid Instagram and Facebook ads, and in paid radio ads.



District Identity, Streetscape Improvements, & Marketing

Advertising

- **Received a \$120,000 Google Grant for AdWords.** This annual grant allows the FWCBD to create ad campaigns and boost our search ranking on Google, which is our top referral search engine.
- **Social Media Advertising** - Facebook/Instagram (multiple campaigns during the fiscal year). For a total spend of \$449.92, our paid reach was 167,600 people, and we generated 287,200 paid impressions. This budget included ad campaigns for Merry Time at the Wharf in December of 2020.
- **Radio Advertising for Holiday 2020 (12/21/20-12/27/20).** With a total budget of \$2,500, the FWCBD negotiated 133 radio advertising spots on Radio Alice, KCBS, and Channel Q.
- **Radio Advertising for the Wharf's Reopening Campaign (3/3/21-4/11/21):** With a total budget of \$7,500, the FWCBD negotiated 497 radio advertising spots on Radio Alice, KCBS, and Channel Q, plus two live reads per week on Radio Alice's "Sarah & Vinnie" Show. The approximate reach for this campaign was 934,000 listeners!

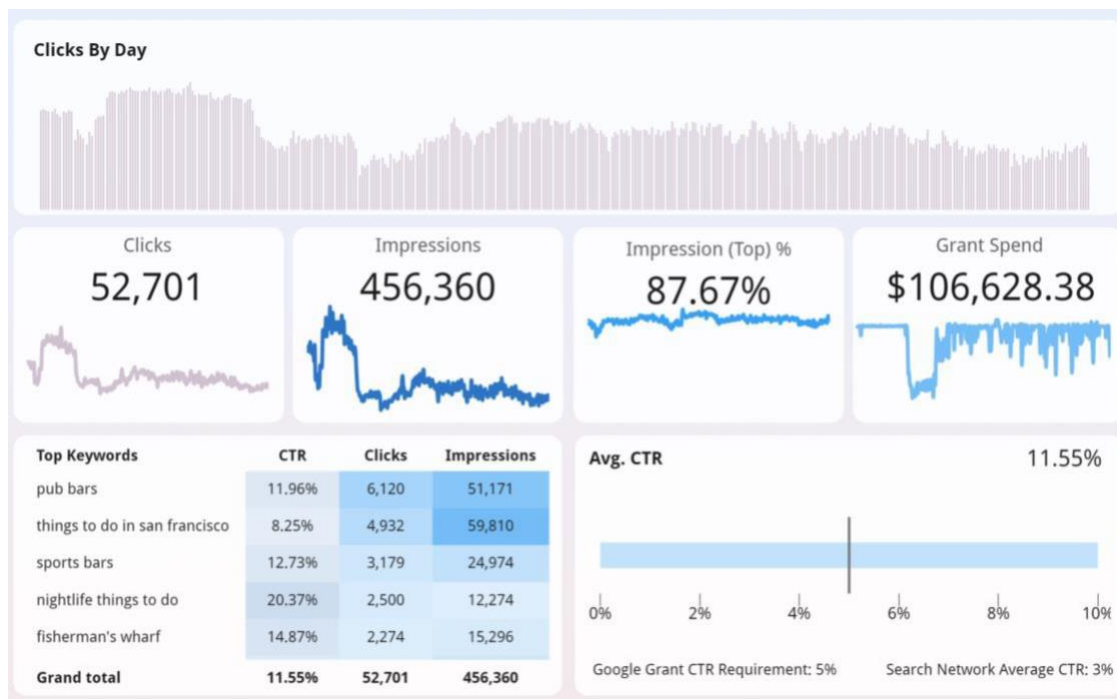
Accolades

- For the 6th year in a row, Fisherman's Wharf was honored with the Certificate of Excellence from Trip Advisor and was also inducted into the Trip Advisor Hall of Fame.
- Fisherman's Wharf maintained a 4/5-star rating on both Yelp and Trip Advisor.
- Fisherman's Wharf was honored with the Expert's Choice Award from Trip Experts.

Other

- Maintained the Springboard pedestrian and car-counting cameras in four locations along Jefferson Street to analyze and monitor footfall and vehicular traffic at the Wharf.

Google AdWords 2020





Street Operations, Beautification & Order

Ambassador Statistics July 2020 – June 2021

Cleaning

Trash Collected (in lbs.)	37,902
Graffiti & Stickers Removed	4,887
Pan & Broom Block Faces Swept	16,132
Street Furniture Cleaned	1,554
Tree Grates Cleaned	3,152
Painting Projects Completed	667

Visitor Hospitality

Hospitality	1,302
Assistance Given/Directions Given	927
Business Contacts Made	655

Safety & Security

Sit/Lie Advisements Given	1,110
Aggressive Panhandling Addressed	179
Drinking in Public Addressed	101
Instances of Camping/Sleeping	597
Instances of Illegal Dumping	439
Requests for Police/Fire/EMS	13





Street Operations, Beautification & Order

Safety

- Beginning Memorial Day 2021, the FWCBD hired private security for weekly deployments from Thursday through Sunday.
- From July to October 2021, the FWCBD hired private security guards and SFPD 10-B officers to assist the district with security and create a preventative presence.
- Through the efforts of our Ambassadors and continued community participation, the FWCBD worked successfully to obtain convictions and stay-away orders for key criminal offenders at Fisherman's Wharf.
- The FWCBD Ambassadors also led an awareness campaign about all persons of interest in our district.
- The FWCBD Ambassadors worked with City agencies and partners to provide access to care to members of the street population in our district.
- Wharf Patrol, the district's motorcycle crime deterrent team, returned in November of 2020 to assist with crime abatement.
- Executive Director Randall Scott continued to serve as co-chair of the Central Station Community Police Advisory Board under Central Station's new Captain, Julian Ng.

Renewal

- Renewed the Landside CBD for the next 15 years with 85% of property owners voting in favor.
- The renewal increased the Landside budget by 160%.
- The Portside CBD did not renew for another 15-year term, but the Affiliate Program was born to include those businesses who still wanted to receive select services from the FWCBD for a fee.

Other

- The FWCBD worked with DPW on the second phase of the Jefferson Street revitalization project and has been a partner during the construction process.
- Executive Director Randall Scott participated in Mayor Breed's COVID-19 Economic Recovery Task Force.
- Advocated for and assisted with Wharf business to open as early as possible during the pandemic.
- The FWCBD continues to execute on the Retail Strategy's 2-year goals, and to act as a resource for the brokerage community.
- The FWCBD offices were chosen as one of the City's distribution sites for PPE. Our Ambassadors were able to distribute and deliver PPE to many CBD stakeholders during the shelter-in-place emergency order.
- The FWCBD collaborated with the other CBD/BIDs to form a city-wide Alliance and hired consultants to legally form this new entity.
- A line of credit was secured in order to ensure continuous operations in the event that assessments were not received on time due to COVID-19.
- The FWCBD applied for and was awarded two PPP loans. Forgiveness has been obtained for the first PPP loan.
- Executive Director Randall Scott continued to remain an active member of the Aquatic Park and Pier Project (AP3) and worked with Wharf community members to elicit feedback on the proposed project design.
- Over 40 security camera sensors were installed at new locations at the Wharf to assist in public safety efforts.
- The FWCBD was awarded an OEWD grant to license new software that tracks ambassador metrics.



2020-2021 Port & Land Side Year End Financials

July 1, 2020 to June 30, 2021		GRAND TOTAL		
REVENUE	ACTUAL	BUDGET	Variance	% of Variance
Prior Year Carryover	\$ 450,299	\$ 450,299	\$ -	0%
Assessments	\$ 1,318,592	\$ 1,416,302	\$ (97,710)	-7%
Grants/Other	81,974	-	81,974	100%
Interest Savings	60	-	60	100%
Donations (Cash & In-Kind)	139,919	-	139,919	100%
TOTAL REVENUE	\$ 1,540,545	\$ 1,416,302	\$ 124,243	9%
TOTAL REVENUE + PRIOR YEAR CARRYOVER	\$ 1,990,844	\$ 1,866,601	\$ 124,243	7%
EXPENSE				
Sidewalk Operations & Beautification	\$ 138,094	\$ 143,997	\$ (5,903)	-4%
District Identity & Streetscape Improvement	330,489	208,770	121,719	37%
Clean and Safe Program	308,720	315,984	(7,264)	-2%
Marketing and Event Marketing Program	219,669	188,899	30,770	14%
Administration & Contingency	283,160	312,614	(29,454)	-10%
TOTAL EXPENSES	\$ 1,280,132	\$ 1,170,264	\$ 109,868	9%
Fiscal Year 2020-2021 Carryover	\$ 710,712	\$ 696,337	\$ 14,375	2%

July 1, 2020 to June 30, 2021	LANDSIDE				PORTSIDE			
REVENUE	ACTUAL	BUDGET	Variance	% of Variance	ACTUAL	BUDGET	Variance	% of Variance
Prior Year Carryover	\$ 514,237	\$ 514,237	\$ -	0%	\$ (63,938)	\$ (63,938)	\$ -	0%
Assessments	\$ 1,209,617	\$ 1,209,617	\$ -	0%	\$ 108,975	\$ 206,685	\$ (97,710)	-90%
Grants/Other	81,974	-	81,974	100%	-	-	-	0%
Interest Savings	60	-	60	100%	-	-	-	0%
Donations (Cash & In-Kind)	117,494	-	117,494	100%	22,425	-	22,425	100%
TOTAL REVENUE	\$ 1,409,145	\$ 1,209,617	\$ 199,528	16%	\$ 131,400	\$ 206,685	\$ (75,285)	-36%
TOTAL REVENUE + PRIOR YEAR CARRYOVER	\$ 1,923,382	\$ 1,723,854	\$ 199,528	12%	\$ 67,462	\$ 142,747	\$ (75,285)	-53%
EXPENSE								
Sidewalk Operations & Beautification	\$ 138,094	\$ 143,997	\$ (5,903)	-4%	\$ -	\$ -	\$ -	0%
District Identity & Streetscape Improvement	212,803	140,280	72,523	34%	117,686	68,490	49,196	42%
Clean and Safe Program	308,720	315,984	(7,264)	-2%	-	-	-	0%
Marketing and Event Marketing Program	219,669	188,899	30,770	14%	-	-	-	0%
Administration & Contingency	235,007	270,555	(35,548)	-15%	48,153	42,059	6,094	13%
TOTAL EXPENSES	\$ 1,114,293	\$ 1,059,715	\$ 54,578	5%	\$ 165,839	\$ 110,549	\$ 55,290	50%
Fiscal Year 2020-2021 Carryover	\$ 809,089	\$ 664,139	\$ 144,950	22%	\$ (98,377)	\$ 32,198	\$ (130,575)	-406%



Board of Directors, Vendors, & Advisory Committees

(FY 2020-21)

President

Sina von Reitzenstein, PIER 39

Vice President

Gina Alioto Biagi, F&A Alioto Properties, NunzioCorp.

Secretary

*Brandy Marts, The Franciscan Crab Restaurant
Rodney Fong, Fong Real Estate (January 2021-Present)

Treasurer

*Al Casciato, Lefty's Ballpark Buffet
Jeff Sears, Blazing Saddles (January 2021-Present)

Asst. Secretary

*Rodney Fong, Fong Real Estate

Asst. Treasurer

*Jeff Sears, Blazing Saddles

Immediate Past President

Aline Estournes, NorthPoint Shopping Center

Board Members

*Erik Anfinson, Bass Tub sportfishing
David Berbey, SFO Forecast Inc. - Portco, Inc.
*Joe Burgard, Red and White Fleet
Amy Cacho, Noble House Hotels
John Cannizzaro, Jefferson Building, Inc.
Hagen Choi, Tower Tours
*Tom Creedon, Scoma's Restaurant
Mike Cunningham, Holiday Inn Express & Suites
Brian Huber, MapWest
Isabelle Matter, Hotel Caza
*Paul Miller, Bistro Boudin
*Kathy Paver, PIER 39
*Frank Rescino, The Lovely Martha Sportfishing
Kathleen Sasso, Ghirardelli Square

**Indicates Port-Side Board Members termed out as of 12.31.21*

Community Representatives

Jay Edwards, Port of San Francisco
Darlene Plumtree, SF Maritime N.H.P.

Third Party Vendors

Block by Block Ambassador Program
2929 S. Floyd Street
Louisville, KY 40209
610-408-9500

FWCBD Advisory Committees

- Executive
- *Marketing
- *Safety Outreach

**Indicates Inactive for this Fiscal Year*

Other

- Community Police Advisory Board
- Fisherman's Wharf Merchants Association
- CBD/BID Consortium
- SFNexTstop - Central Subway Advocacy
- Fisherman's Wharf Waterfront Advisory Group
- Clean, Safe & Civil Sidewalk Coalition
- Clean and Safe 365
- Aquatic Park and Pier Project (AP3)



Assessment Methodology

LAND SIDE CBD PROPERTY ASSESSMENTS

For the land side, there are four property variables that are used in determining individual assessments. The factors are:

1. Linear frontage (sidewalk frontage)
2. Land area
3. Entire usable building square footage
4. Building use

There is a total of 2,151,139 square feet in gross lot size, 28,276 feet in linear frontage and 4,486,146 in building square footage. Three benefit zones have been created in the District for calculating assessments.

Benefit Zone 1 includes roughly all parcels north of Bay/North Point, between Polk and Powell to Jefferson.

The formula for calculating the assessment is:

\$0.091612 per square foot of lot size
+ \$ 5.4296 per linear foot of lot frontage
+ \$ 0.072168 per square foot (Building Use "A or B") or
\$ 0.033368 per square foot (Building Use "C-E") or
\$0.05 per square foot for residential "F")

Note: See chart below for building categories.

Example: A 5,000 square foot lot, with 50 feet of frontage and 4,000 square feet of usable retail or commercial building use:

$5,000 \times .091612 = \$ 458.06$ in lot size
 $50 \times \$ 5.4296 = \$ 271.48$ in linear frontage, and
 $4,000 \times \$.072168 = \$ 288.67$ in bldg sq footage (A or B)
Total assessment: = \$1,018.21 per year

Benefit Zone 2 includes parcels west of Polk and east of Powell. Benefit Zone 2 parcels are assessed at the same rate as above but without a building factor assessment.

The formula for calculating the assessment is:

\$0.091612 per square foot of lot size
+ \$ 5.4296 per linear foot of lot frontage
= Total Assessment

Benefit Zone 3 includes the ILWU* block bordered by Beach, Mason, Taylor and North Point. Parcels are assessed on the basis of linear frontage only. All residential parcels are assessed \$0.05 per square foot per year. The formula for calculating the assessment is:

\$ 5.4296 per linear foot of lot frontage (ILWU Block)
= Total Assessment

* The ILWU is designated as Benefit Zone 3, because of its unique position in the district and was assessed upon its four sides of linear frontage only.

Building Uses In Land Side CBD For Zone 1

BUILDING CODE	CATEGORY
A	Retail space, hotels, motels, visitor related
B	Office and Commercial uses, free standing parking structures
C	Industrial/Manufacturing/Distribution
D	Institutional (City, County, public utility, parks, etc.)
E	Church, non-profit, tax-exempt, affordable housing, rent-controlled housing
F	Multi-unit housing, condos, apartments
G	Non-functional building structures

PORT SIDE CBD PROPERTY ASSESSMENTS

The port side is comprised of retail/walk-in, hotel, food and beverage businesses, general motorized land-based tour operators and for-profit parking lots. These businesses are assessed on their annual gross sales as reported to the Port of San Francisco from the previous calendar year. This data is provided to the Port of San Francisco on a monthly basis and is public information. The assessment factor applied to that gross sales figure is .0014%.

Example: Gross Sales \$1,000,000 x .0014
= \$1,400 Assessment

Tour operators/tour boat vessels and related businesses (including large and small tour boats and sport fishing boats), are assessed based on the number of passengers per vessel operator or per horse drawn carriage company or per pedi cab company.

The assessments range from \$250 to \$2,000.



FISHERMAN'S WHARF COMMUNITY BENEFIT DISTRICT

Surveillance Technology Report Fiscal Year 2020-2021

This report contains information detailing the Fisherman's Wharf Community Benefit District (FWCBD) video surveillance technology program. Details include:

- I. A list of video surveillance technology that the FWCBD either owns or licenses for ongoing use,
- II. A brief description of video surveillance technology,
- III. The purpose for the use of any video surveillance technology, and
- IV. Any policies, internal or otherwise, that these entities adhere to.



FWCBD Video Surveillance Technology Program

I. Technologies in Place:

Avigilon H3, H4 and H5 Cameras and ACC 7 Software

II. Brief Description of Technologies:

Cameras are currently installed around the public spaces (sidewalks, parking lots, etc.) within the FWCBD boundaries. These cameras overlook the public spaces. In the future, additional cameras may be added to other public spaces in the district.

Cameras are not used to specifically protect private properties within the district and are not located around areas where the public might have an expectation of privacy (e.g., public restrooms). The FWCBD will not use covert cameras or “dummy” or fake cameras. The FWCBD also does not record any sounds or voices.

The system is not continuously monitored. However, a desktop has been set up at the FWCBD office which is accessible by staff and by at 2801 Leavenworth St., Suite B-16, San Francisco, CA 94133.

The general public (visitors) and the FWCBD members should be aware that a security officer is not watching the cameras. They should not expect that they are under continuous surveillance when they are within the range of a camera. For example, if a visitor or an FWCBD member has a crime committed against them, they should not expect someone to automatically come to their rescue because they are in front of a camera - they should call 911 for emergencies and/or the SFPD immediately for assistance.

The general public and the FWCBD members should also be aware that the video surveillance system has cameras that only cover a fraction of the public space within the FWCBD and even when camera coverage exists, it may not provide the level of detail necessary to identify suspicious activity or identify criminals.

The system is managed by the FWCBD and its contractor, Applied Video Solutions, Inc. (AVS).

III. Purpose of the Video Surveillance Technology Program:

The primary purpose of the FWCBD Video Surveillance Technology Program is to help make the district safer for visitors, residents, and employees by providing surveillance of key public space areas. The system provides a platform for after-the-fact investigation of crimes committed within the public space or when the perpetrator has fled into the public space.

IV. Usage Policies and Procedures:

The FWCBD Board of Directors reserves the right to modify or change these policies at any time.

The usage policies and procedures of the FWCBD Video Surveillance Technology Program are to help deter crime, assist in protecting the safety and property of persons and businesses within the district, and apprehend persons who have committed criminal activities. The use of video surveillance and monitoring for other purposes inconsistent with those identified in this policy is prohibited.

Video surveillance and monitoring for the purposes identified in this policy will be conducted in a professional, ethical, and legal manner.

Video surveillance and monitoring for the purposes identified in this policy will be conducted in a manner that does not violate reasonable expectations of privacy as defined by law.

To maintain an informed public community and to further this policy's goals of reducing criminal activity in the district, video footage may be released from time to time, including to appropriate public safety agencies, at the discretion of the FWCBD to ensure that this policy's goals are continuously being met.

System users will operate the system in a manner that relies on suspicious behavior or reports of specific incidents or threats, and not individual characteristics, including race, gender, ethnicity, sexual orientation, or disability.

Staff and contractors will not seek out or continuously view private offices, living areas, private spaces, or places of public accommodation not otherwise visible without technological assistance.

System users will not seek out or continuously view people being intimate in public areas.

Process for Requests for Video Surveillance, Video Footage Review, and Copies of Records

All recorded and archived video images, clips, or footage are subject to all the same policies set forth under Section IV.

All video surveillance cameras are being recorded continuously by a digital video recording system (Avigilon Network Video Recorder). Recorded video is used exclusively for the investigation of security, safety-related, and code violation incidents and not for other purposes. The FWCBD and AVS are responsible for the management of the video surveillance system and have exclusive control of the release of the video recordings produced by this system.

Recorded videos will be made directly available to the general public only to the extent required by law. The FWCBD will also comply with all provisions in its contract with the City and County of San Francisco related to FWCBD records. In the event of a crime or security incident in the area where video surveillance coverage may be available, individuals should report the crime to the SFPD. The SFPD can then request the appropriate video from the FWCBD office. If relevant video is available, a video clip of the incident may be produced and made available to the SFPD (or other law enforcement agencies) and the affected party in accordance with the policies set forth herein.

All requests for video recordings shall be coordinated by the FWCBD office and/or AVS, and the correct form submitted to the FWCBD located at 2801 Leavenworth St. Suite B-16, San Francisco, CA, 94133 (as outlined below).

The FWCBD and AVS will cooperate fully with all court orders or subpoenas for video recordings provided the video evidence is still retrievable at the time of request.

Video recordings will be provided in response to requests reasonably describing the desired recordings in accordance with the process provided under Section IV. AVS will assist and support FWCBD with requests for large amounts of video recordings (more than 2 hours) or other complex requests by the terms and procedures of this usage policy. All other requests will be processed by FWCBD staff accordingly.

All requests for real-time video surveillance, review of recorded video footage, and/or copies of recorded video footage will generally be evaluated in accordance with the following policies:

Action Item	Public Records Act Request	Request by Law Enforcement Agencies
Request to Observe Real-Time Video Surveillance	Restricted and not subject to requirements set forth by the California Public Records Act.	Will be evaluated on a case-by-case basis.
Request to View Stored Recorded Video Footage and/or for Copies of Recorded Video Footage	Will be evaluated subject to requirements set forth by the California Public Records Act.	Will be evaluated on a case-by-case basis.

Like other requests by the public, media requests for video records will be evaluated on a case-by-case basis and subject to the requirements of the Public Records Act. The requester will generally receive a response within 10 calendar days. The FWCBD may withhold the requested video records if the public's interest in disclosure is outweighed by the public's interest in non-disclosure, including certain instances when releasing the video records would compromise a police investigation.

Recorded video is generally stored for a period of 30 days. On the 31st day, recorded video footage is generally deleted, erased, or destroyed unless a copy has been made in accordance with a request related to a security or safety incident. Any video associated with a specific security incident or event is generally converted into a permanent video clip and stored for one year. Video clips that could become evidence in a civil or criminal proceeding may be retained until the conclusion of legal proceedings.

This FWCBD policy does not guarantee the provision of records upon request.

All internal and external requests for footage review and copies of records are to be documented using the FWCBD Request for Video Retrieval Form, attached as Exhibit B. The form is also to be used to document the progress of the video retrieval process and is designed to help measure and improve system performance and operating procedures.

The form should be submitted to the FWCBD located at 2801 Leavenworth St., Suite B-16, San Francisco, CA, 94133 during normal business hours, from 9:00 a.m. – 5:00 p.m. Monday-Friday or may be sent in by email to info@fwcbd.com. The FWCBD or its designees will typically provide the video or respond to the request within 10 calendar days.

FWCBD staff or its designees will provide assistance to persons making Public Records Act requests as required by law and may fill in and submit the form if the person does not wish to do so. Although preferable, the form does not need to be fully completed in order to initiate the request. FWCBD shall respond to all requests for footage review and copies of records in the timeframes required by applicable laws and regulations.

All video footage review is to be carried out by and/or under the direct supervision of authorized system user(s).

All copies of video records are to be made by the authorized system user(s) only.

Copies of all video records and images provided are to be retained by FWCBD (or its designees) on-premises for a period of 180 days. FWCBD (or its designees) may retain a copy of any video record or image provided to a third party beyond 180 days or until all legal proceedings are concluded.

Copies of all request forms may be retained by FWCBD or their designees.

The FWCBD reserves the right to assess fees for requests for recorded video footage, including personnel costs for conducting a search for recorded video footage and/or images, and the actual costs of CDs, DVDs, or other media devices.

Procedures and Processes

System Users

System Users are defined as those individuals and groups of individuals who have been authorized to have direct or remote access to live and/or archived video footage captured by FWCBD cameras. Attached as Exhibit A is a User Rights Groups chart, identifying the four main user groups and each group's access rights within the system.

All System Users are to have their own unique log in name and password. All credentials are to be kept securely on file by FWCBD or its designees.

System Administrators

System Administrators possess full administrative rights in the system permitting the performance of any system function including all authorized System User functions. System Administrators have access to system settings and can add, modify, and delete System Users. System Administrator passwords are to be kept separately from the System Users credentials.

Individuals Authorized to Request Technical Support

All individuals who are authorized to request technical support assistance (all System Users) must attend user training and follow standard service request protocol per terms of support.

Real-Time Video Viewing and Monitoring

All System Users are to use their own personal username/password when accessing video surveillance systems and it is their responsibility to protect their username/password and not to share it with other individuals.

EXHIBIT A

User Rights Groups

Group	Group Rights	User Description
Group A	Live Video Access Archive Video Access Video and Still Export PTZ Control Camera setup, naming, and image control	Applied Video Solutions designees as system administrators FWCBD Staff
Group B	Live Video On-Site Access Remote Access to Live Video Archive Video Access On-Site Only Video Export On-Site Only PTZ Control Only	FWCBD Staff
Group C	Live Video Access Remote Access to Live Video	FWCBD Executive Staff Law enforcement agencies on a case-by-case basis for a specified amount of time.
Group D	Remote Mobile Access	Determined on case-by-case basis and limited to the individuals listed in other groups with approval of Executive Director of the FWCBD.
Group E	Live Video On-Site Access Live Video Remote Access Recorded Video Access	Designee of property owner where cameras are located. Camera access is restricted to their property(s) only. Designee of tenant (where applicable) where cameras are located.

EXHIBIT B

FWCBD Request for Video Retrieval Form	
REQUESTOR PROVIDED INFORMATION	
Requestor Name	
Company/Organization	
Daytime Phone Number	
Date and Time of Video Requested	
Location and/or Cameras Requested	
CASE/FILE # (if applicable)	
Footage Retrieval Method (Flash drive issued, other, etc.)	
Print Name	
Requestor signature verifying information provided above is correct	
FWCBD STAFF USE ONLY	
Camera(s) Exported (#'s)	
Export Start Date/Time ACTUAL	
Export End Date/Time ACTUAL	
Name of Authorized System User	
Video export procedure successful (Y/N)	
Time expended on THIS search/export:	
Copy of video footage archived	
Date Submitted	
Date Retrieved	
Printed name of person retrieving video	
Signature of person retrieving video	
Quick Notes:	



**FISHERMAN'S WHARF
COMMUNITY BENEFIT DISTRICT**

**Private Contribution Report
Fiscal Year 2020-2021**

This report contains information detailing the Fisherman's Wharf Community Benefit District (FWCBD) private contributions. Details include:

1. All private contributions \$1,000.00 or over within the reporting period.

Donations Over \$1000 Received FY20-21

Date	Donor	Amount
2021	Freelance Restorations LLC "Steamboat" 500 S Buena Vista Street MC3301 Burbank, CA, 91521	\$5000.00
TOTAL		\$5000.00

Fisherman's Wharf Association
of San Francisco

Financial Statements

June 30, 2021
(Reviewed)

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

JUNE 30, 2021

TABLE OF CONTENTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT	PAGE NO. 1-2
STATEMENT OF FINANCIAL POSITION June 30, 2021	3
STATEMENT OF ACTIVITIES AND NET ASSETS Year ended June 30, 2021	4
STATEMENT OF FUNCTIONAL EXPENSES Year ended June 30, 2021	5
STATEMENT OF CASH FLOWS Year ended June 30, 2021	6
NOTES TO FINANCIAL STATEMENTS	7-13

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

BOARD OF DIRECTORS
FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO
SAN FRANCISCO, CALIFORNIA

We have reviewed the accompanying financial statements of the FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO (a California mutual benefit corporation), which comprise the statement of financial position as of June 30, 2021, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

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

Accountants' Conclusion

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

Barlow & Hughan LLP
September 28, 2021

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2021

(See independent accountants' review report)

ASSETS

CURRENT ASSETS

Cash		<u>\$657,025</u>
Assessments receivable	\$263,393	
Less allowance for doubtful accounts	<u>(105,085)</u>	158,308
Prepaid expenses		<u>23,920</u>
		839,253

OFFICE FURNITURE AND EQUIPMENT

	9,929	
Less accumulated depreciation (Note 4)	<u>(9,929)</u>	

\$839,253

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accrued liabilities	\$ 66,996
Current portion of note payable (Note 5)	<u>30,683</u>
	97,679

NOTE PAYABLE (Note 5)

30,862
128,541

NET ASSETS

NET ASSETS WITHOUT DONOR RESTRICTIONS

710,712

\$839,253

See notes to financial statements

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF ACTIVITIES AND NET ASSETS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Special benefit assessments	\$1,318,592		\$1,318,592
Public support	<u>139,920</u>		<u>139,920</u>
	1,458,512		1,458,512
OTHER INCOME (EXPENSE)			
Payroll Protection Program loan forgiveness	81,974		81,974
Interest and other income	60		60
Net assets released from restriction -			
Purpose restriction satisfied	99,804	\$(99,804)	
Expiration of time restrictions	<u>11,002</u>	<u>(11,002)</u>	
	<u>1,651,352</u>	<u>(110,806)</u>	<u>1,540,546</u>
EXPENDITURES			
Program services			
Landside - District identity and street improvement	212,803		212,803
Landside - Street operations, beautification and order	138,094		138,094
Landside - Clean and safe program	308,720		308,720
Landside - Marketing and event program	217,944		217,944
Portside - District identity and street improvement	117,686		117,686
Support Services			
General and administrative expenses	283,160		283,160
Fund-raising	<u>1,725</u>		<u>1,725</u>
	<u>1,280,132</u>		<u>1,280,132</u>

HERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021

a independent accountants' review report)

Program Services Landside				Program Services Portside	Fund-raising	General and Administrative		Total
District identity and street improvement	Street operations beautification and order	Clean and Safe Program	Marketing and Event Program	District identity and street improvement		Landside	Portside	
\$ 13,414	\$ 67,714	\$ 41,267	\$ 40,192	\$ 9,947		\$133,529	\$27,476	\$ 333,539
1,379	3,144		1,085	743		16,128	3,373	25,852
<u>2,447</u>	<u>3,754</u>	<u>3,060</u>	<u>3,934</u>	<u>1,307</u>		<u>10,420</u>	<u>1,255</u>	<u>26,177</u>
17,240	74,612	44,327	45,211	11,997		160,077	32,104	385,568
31,919	63,482	159,617		31,824				286,842
51,563			166,541	34,371				252,475
14,410		96,753		23,512				134,675
90,000		8,023		10,000				108,023
						26,886	8,544	35,430
						26,086	4,735	30,821
1,880				1,012		8,553	1,151	12,596
counter rtization 2,816			4,692	2,815				10,323
						6,418		6,418
						3,344	1,108	4,452
						2,508	329	2,837
and 710			1,500	370				2,580
1,275				1,275				2,550
990				510	\$1,725			1,725
								1,500
						<u>1,135</u>	<u>182</u>	<u>1,317</u>

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

CASH FLOWS FROM OPERATING ACTIVITIES

Assessments received	\$1,276,973
Cash paid to suppliers and employees	(1,155,980)
Grants received	11,002
Interest received and other	<u>60</u>
Net cash provided by operating activities	132,055

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from borrowing under note payable	<u>61,545</u>
--	---------------

NET INCREASE IN CASH 193,600

CASH - Beginning of year 463,425CASH - End of year \$ 657,025

RECONCILIATION OF CHANGE IN NET ASSETS

TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Change in net assets	\$ 260,414
Items not requiring cash:	
Depreciation and amortization	6,418
Payroll protection loan forgiven	(81,974)
Allowance for doubtful accounts	105,085
Decreases (increases) in assets:	
Assessments receivable	(146,704)
Grant receivable	11,002
Prepaid expenses	(16,568)
Increases (decreases) in liabilities:	
Accounts payable and accrued liabilities	<u>(5,618)</u>

NET CASH PROVIDED BY OPERATING ACTIVITIES \$ 132,055

SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES

Value of in-kind contributions used for operations \$134,624

See notes to financial statements **Barlow & Hughan LLP**

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History and Operations

The Fisherman's Wharf Association of San Francisco (the Association) was incorporated in California on February 23, 2006 as a non-profit public benefit corporation. Its purpose is to provide services to the Fisherman's Wharf Landside Community Benefit District (the District). The members of the Landside District include the owners of all parcels of land subject to property tax assessments within the geographic area of Fisherman's Wharf as established on July 26, 2005 by the Board of Supervisors of the City and County of San Francisco (the City). The Association also provided services to the former Portside Community Benefit District until its disestablishment on December 31, 2020. Members of the Portside District included the tenants who have leased property from the Port of San Francisco within the Portside District as established by the Board of Supervisors on December 3, 2006.

Upon formation of each District, its members were subject to multi-year special assessments imposed by the City under the Property and Business Improvement District Law of 1994. Under contracts with the City, the Association receives these special assessments and, in exchange, provides certain services to the members of the Districts. The services to the Landside District include supplemental security services to maintain order, the cleaning and maintenance of sidewalks, the removal of graffiti, the coordination of services provided to the homeless, neighborhood beautification program, and the organization and funding of special events. The services to the former Portside District included marketing, branding, and advocacy. The contracts with the City also require that the Association raise a specified level of private donations. Management believes that during the year ended June 30, 2021, the Association has complied with this requirement.

In addition to the special assessment funds, the Association relies on public support, grants, and service revenues to supplement the special assessments and provides services to the Districts and the neighboring areas.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

History and Operations (Continued)

The annual special assessments imposed by the City on the Landside District were set to expire on December 31, 2020 but were renewed by a majority vote of its members on July 24, 2020 for 15 more years. The Portside annual assessments expired on December 31, 2020 with the disestablishment of the Portside District. The Association's contract related to the Landside District with the City will expire on December 31, 2035 but would expire earlier upon the disestablishment of the remaining Landside District.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic 958 Not-For-Profit Entities dated August 2016. Under FASB ASC Topic 958, the Association reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, and net assets with donor restrictions, based upon the existence or absence of donor-imposed restrictions. If restrictions imposed by the donor are not satisfied by the end of the current year or if the funds have not been received by year end, then the income will be recognized to be with donor restrictions. Net assets without restrictions include funds separately designated by the Board of Directors.

The Association follows the FASB Codification 606 - Revenues from Contracts with Customers (ASC 606). Revenue from the contract with the City is recognized when the special assessments imposed by the City become due and enforceable for collection by the City Assessor for the period during which the Association provides services to the members of the districts.

Assessments Receivable

Assessments billed but not transmitted by the City at year end are recorded as receivables, net of an allowance for doubtful accounts based on the Association's historical experience. At June 30, 2021 Management determined that allowance for doubtful accounts was \$105,085.

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CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Expense allocation by Function

The financial statements report certain natural categories of operating expenses that are attributable to more than one program or supporting function.

The expenses were allocated on the following basis:

Employment Costs	Time and effort
Program and other expenses	Based on square footage

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status

The Association qualifies as a tax-exempt organization and is therefore generally exempt from income taxes. Income taxes are payable, however, on revenue from sources unrelated to its tax exempt purpose. There were no such revenues during the year. There were no penalty or interest assessments by any government agency recorded in the financial statements during the year. In addition, the Association has not taken an unsubstantiated tax position that would require provision of a liability under Accounting Standards Codification Topic 740, "Income Taxes."

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Donated Services

A number of volunteers have donated significant amounts of their time to the Association. These donated services are not reflected in the financial statements since they do not meet generally accepted criteria for recognition as contributed services.

A number of organizations have donated services and materials to the Association. The Association also received discounted rental and meeting space to carry on its activities. Management estimates the value of these donations during the year to be approximately \$135,000. This amount was recognized as public support revenue and corresponding expenses were also recognized by the Association.

Compensated Absences

Accumulated paid time off is accrued when earned. As of June 30, 2021 the liability for employees for compensated absences was \$10,372.

2. CASH

Cash at June 30, 2021 consisted of the following:

Cash in checking account	\$ 58,273
Cash deposited in interest-bearing account	<u>598,752</u>
	<u>\$657,025</u>

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The cash and financial assets at June 30, 2021 available for general use consisted of the following:

Cash	\$657,025
Assessments receivable	<u>158,308</u>
	<u>\$815,333</u>

The Association has a goal to maintain financial assets on hand to meet its normal monthly operating expenses. The Association has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

4. OFFICE FURNITURE AND EQUIPMENT

Office furniture and equipment are stated at cost. Depreciation is provided using the straight-line method over five years. Depreciation charged to general and administrative expenses for the year ended June 30, 2021 was \$394.

Office furniture and equipment at June 30, 2021 consisted of the following:

Furniture and equipment	\$9,929
Less accumulated depreciation	<u>9,929</u>
	<u>\$ -</u>

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

5. NOTE PAYABLE AND LINE OF CREDIT ARRANGEMENT

On April 20, 2021 the Association received forgiveness of a Payroll Protection Program loan that was obtained in the previous year under a note payable to the Small Business Administration on May 3, 2020. The Association recognized \$81,974 in other income.

On February 18, 2021, the Association obtained another Payroll Protection Program loan under a note payable to the Small Business Administration of \$61,545. The note is eligible for forgiveness upon meeting certain requirements. The note is unsecured and bears interest at a rate of 1% per annum. The note is repayable in monthly payments of \$4,424 including interest commencing in December 2021. The remaining principal is due in Jan 2023.

Future minimum principal payments on the note are as follows:

Year ending June 30,

2022	\$30,683
2023	<u>30,862</u>
	<u>\$61,545</u>

The Association obtained a line of credit arrangement with a bank which expires in December 2021. The arrangement allows borrowings of up to \$235,000; interest is payable monthly at the prime rate plus 0.75%, currently 4.00%. There were no borrowings under this arrangement during the year. The arrangement is secured by all assets of the Association.

6. RISK AND UNCERTAINTIES

Special benefit assessments received under a contract with the City and County of San Francisco represent approximately 85% of the Association's total revenues. Under the terms of the contract, the City can suspend distributions and ultimately terminate the contract if the Association fails to provide adequate services to the Landside District. The contract expires on December 31, 2035 but could be terminated at an earlier date if the Fisherman's Wharf Community Landside Benefit District was disestablished by a vote of more than 50% of the assessed members.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS

FISHERMAN'S WHARF ASSOCIATION OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

(See independent accountants' review report)

6. RISK AND UNCERTAINTIES - (Continued)

In the early months of 2020 an outbreak of the novel strain of coronavirus (COVID-19) emerged globally. As a result there have been mandates from federal, state, and local authorities resulting in an overall decline in economic activity. Management is currently evaluating the impact on its activities and operations and has concluded that the effect of the general economic decline on the Association is unknown. While it is reasonably possible that the effect of the general decline could have a negative effect on the operations of the Association, the specific impact is not readily determinable. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

7. CONCENTRATIONS OF CREDIT RISK

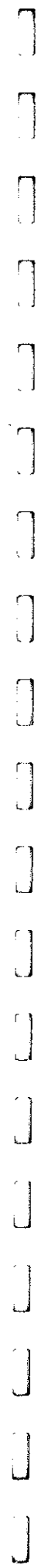
At June 30, 2021 the Association had uninsured cash deposits with a bank totaling approximately \$422,000.

8. SUBSEQUENT EVENTS

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were available to be issued.

Barlow & Hughan LLP

CERTIFIED PUBLIC ACCOUNTANTS



MEMORANDUM

TO: Supervisor Aaron Peskin, District 3 Supervisor

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

FROM: Mimi Hiraki; Project Specialist, OEWD

DATE: July 13, 2022

SUBJECT: Fisherman's Wharf Community Benefit; FY 2020-2021 Annual Report

This is a memo summarizing the performance of the Fisherman's Wharf Community Benefit District (FWCBD) for both "Landside" and "Portside" and an analysis of their financial statements (based on their audit) 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. Fisherman's Wharf CBD has complied with the submission of all these requirements. OEWD staff, with assistance from the Controller's Office, 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 Fisherman's Wharf Association management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2005 for Landside and 2006 for Portside.

Also attached to this memo are the following documents:

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

Background



The Fisherman's Wharf Community Benefit District includes two districts - the "Landside" property-based district includes 127 parcels and "Portside" business-based district includes 58 parcels.

Landside:

- July 26, 2005: the Board of Supervisors approved the resolution that established the property-based district called the Fisherman's Wharf Landside Community Benefit District for 15 years (Resolution # 540-05).
- January 10, 2006: the Board of Supervisors approved the contract for the administration and management of the Fisherman's Wharf Community Landside CBD (Resolution # 16-06).
- March 14, 2017: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Landside CBD (Resolution # 077-17).
- July 24, 2018: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Landside CBD (Resolution # 240-18)
- September 17, 2019: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Landside CBD (Resolution # 398-19)
- July 14, 2020: the Board of Supervisors approved the resolution to establish (renew and expand) Fisherman's Wharf Landside Community Benefit District for 15 years (Resolution # 323-20)
- September 15, 2020: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Landside CBD (Resolution # 391-20)
- November 2, 2021: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Landside CBD (Resolution # 515-21)
- December 11, 2020: the Board of Supervisors approved the contract for the administration and management of the Fisherman's Wharf Community Landside CBD (Resolution # 551-20).

Portside:

- December 12, 2006: the Board of Supervisors approved the resolution that established the business-based district called the Fisherman's Wharf Portside Community Benefit District for 14 years (Resolution # 696-06).
- June 19, 2007: the Board of Supervisors approved the contract for the administration and management of the Fisherman's Wharf Portside CBD (Resolution # 312-07).
- March 14, 2017: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Portside CBD (Resolution # 077-17).
- July 24, 2018: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Portside CBD (Resolution #240-18)
- September 17, 2019: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Portside CBD (Resolution #398-19)
- September 15, 2020: the Board of Supervisors approved the Annual Report for the Fisherman's Wharf Portside CBD (Resolution # 391-20)
- November 17, 2020: the Board of Supervisors killed the resolution that established the property-based district called the Fisherman's Wharf Portside Community Benefit District.

Basic Information about Fisherman's Wharf CBD

Year Established	Landside 2005 Portside 2006
Year Renewed	Landside 2020



Assessment Collection Period	Landside: FY 2020-21 to FY 2034-35 (July 1, 2020 to June 30, 2035) Portside: FY 2006-07 to FY 2019-20 (July 1, 2006 to June 30, 2020)
Services Start and End Date	Landside: January 1, 2021 – December 31, 2021 Portside: January 1, 2007 – December 31, 2020
Initial Estimated Annual Budget	Landside: \$1,346,000.00 Portside: \$187,113
FY 20-21 Submission	Landside: \$1,218,900.68
Fiscal Year	July 1 – June 30
Executive Director	Randall Scott
Name of Nonprofit Owners' Association	Fisherman's Wharf Association of San Francisco

The current CBD website <http://www.fwcdbd.com>, includes all the pertinent information about the organization and its programs, a calendar of events, its Management Plan, Mid-Year Report, Annual Report and meeting schedules. It should also be noted that the organization also manages the site <http://www.visitfishermanswharf.com> that is designed specifically for visitors to the district.

Summary of Service Area Goals

Service Area Categories for July 1, 2020, to December 31, 2020

Landside renewed and expanded the District during this review period. For the first half of the fiscal year (July 1, 2020 to December 31, 2020), the CBD operated under the previous Management Plan's framework which detailed the following service areas:

District Identity and Street Improvements (DISI)

District Identity and Street Improvements service includes marketing and public relations and street enhancements for the district. The Landside CBD Management Plan calls for 41% of the budget to be spent on DISI while the Portside CBD Management Plan calls for 70% of the budget to be spent in this service area.

Street Operations, Beautification and Order (SOBO)

Street Operations, Beautification and Order service area includes street maintenance, beautification, and safety and emergency preparedness. FWCBD contracts with Block by Block to provide removal of litter from sidewalks seven days a week year round, annual sidewalk steam cleaning, ongoing power washing and removal of graffiti within 72 hours. Security in the district is provided by SFPD 10B officers several days a week from July to early October. Three full-time and one part-time ambassador provide assistance with directions and questions, communication with law enforcement and the Port of San Francisco, and outreach to homeless on the wharf. The Landside CBD Management Plan calls for 29% of the budget to be spent on SOBO while the Portside CBD Management Plan does not allocate funds for this service area.

Administration and Corporate Operations



The Landside and Portside CBD Management Plan calls for 20% of the budget to be spent on administration and corporate operations. The FWCBD is staffed by a full-time Executive Director who serves as the point person and advocate for the Fisherman's Wharf CBD. FWCBD board has twenty-five (25) board members who represent the diverse property and business owners in the district. In addition, there are two non-voting community representatives on the board that include the National Park Service, the Fishing Industry, and the Port of San Francisco. The board meets the fourth Thursday of the month. Each committee requires at least one board member serve on the committee or as the chair. The five committees include:

- **Marketing/District Identity & Streetscape Improvements** - The Marketing/District Identity & Streetscape Improvements committee works to promote visitation to Fisherman's Wharf and meets the second Tuesday of the month.
- **PIERSafe** - The PIERSafe committee works to create a safety and emergency preparedness for businesses and residents in the Fisherman's Wharf community and meets the first Thursday of the month. Fisherman Wharf CBD regularly holds trainings, meetings and drills to ensure safety for merchants, workers and visitors on the wharf.
- **Sustainability/Zero** - The Sustainability/Zero Waste committee works to assist businesses and residents in reaching the City's goals of becoming 100% sustainable by the year 2020 and meets every two months.
- **Street Operations, Beautification and Order (SOBO)** - The SOBO committee works to ensure a clean and safe commercial district and meets the second Tuesday of the month.
- **Transportation Improvement** - The Transportation Improvement committee works to help mitigate traffic congestion and improve vehicle and pedestrian safety and meets every two months.

Service Area Categories for January 1, 2021, to June 30, 2021

The second half of the fiscal year (January 1, 2021-June 30, 2021), the CBD transitioned to an updated framework. The new service areas are similar to the previous service areas as described below:

Clean and Safe Program

Clean and Safe Program includes sidewalk sweeping and pressure washing, graffiti removal and abatement, security patrols and emergency preparedness. The goals are to improve safety and cleanliness of sidewalks, curbs, and street fixtures within the District boundaries. Programs under Clean and Safe include the Staffing Program to assist visitors with directions and questions, clean and remove graffiti, provide outreach to the street population and aid law enforcement; 10B SFPD Officers or private security to be visual crime deterrent, report crimes to 911 or non-emergency, and advise the public on laws and rules regarding the public realm; committees are developed for short term issues such as the Safety Outreach Working Group (formerly PIERSafe), the Transportation Improvement Working Group and the Jefferson Street Working Group; and security cameras.

Marketing and Events Program



Marketing and Events Program aims to attract more tourists and locals to the area and promote businesses and events in the District. This program includes community and special events, communications, outreach, public relations efforts, other marketing efforts, advocacy, and street improvements. Under the communication, public relations and community relations area, regular activities include, but are not limited to, attendance at community and City meetings, participation of neighborhood organization committees, coordinating services among merchants and public sector, maintaining district website, event promotion and coordination, publishing newsletter regularly, and issuing press releases. Under marketing, activities included but not limited to are maintaining wayfinding and district signage, social media marketing, district marketing, public space activation and events, and networking and educational opportunities for business owners. Streetscape Improvement services include, but are not limited to, landscaping, activation, events, beautification, “Little Embarcadero” events, and signage. Special community events include, but not limited to the Fourth of July Waterfront Celebration, Fleet Week, Holiday Lights & Sights Campaign, Wharf Fest, and Lighted Boat Parade.

Operating and Administration Costs

Staff will provide oversight and coordination of both District and contractor-provided services, annual assessment roll preparation, addressing property owners’ questions and concerns, ensuring adherence to the Management District Plan and ensuring compliance with the law.

Contingency/Reserve Allocation

A contingency reserve will be used to cover possible unforeseen future expenses or ensure smooth cash flows.

Summary of Accomplishments, Challenges, and Delivery of Service Areas

The following activities are reported by the CBD at the annual level. Based off the descriptions of the service categories areas in each of the management plans, the service areas are grouped by similarity. District Identity and Street Improvement is grouped with Marketing and Events Program as both service areas largely focused on services such as marketing. Streets Operations, Beautification and Order is grouped with Clean and Safe Program as both service areas largely focused on safety and security services, visitor/merchant services and cleaning/maintenance services. Administration and Corporate Operations is grouped with Operating and Administration Costs as both service areas largely focused on providing oversight and coordination of District and contractor-provided services, administrative tasks such as annual assessment roll preparation, addressing property owners’ questions and concerns and ensuring adherence to the Management District Plan.

FY 2020-2021

District Identity and Street Improvements (DISI) / Marketing and Events Programs

- Launched new SEO-enabled website combining the FWCBD site and the Fisherman’s Wharf Merchants Association’s site to centralize information for visitors and increase traffic on the website
- More than 133,000 users on the new website with 8,000 users on the trip itinerary tool (Visit Widget)



- Increased online presence with the Facebook page likes totaling 52,800, Instagram followers to 6,600 and Twitter followers to more than 3,600
- Fleet Week 2020 and Wharf Fest 2020 were both cancelled due to health and safety concerns related to the Covid-19 pandemic
- Adapted annual holiday event, Merry Time at the Wharf, by promoting shopping, outdoor dining, take-away food and outdoor activities through paid Instagram, Facebook and radio ads.
- Awarded Certificate of Excellence from Trip Advisor for 6th year in a row and inducted into Trip Advisor Hall of Fame.
- Maintained 4/5 star rating on both Yelp and Trip Advisor
- Awarded Trip Experts' Expert's Choice Award

Street Operations, Beautification and Order (SOBO) / Clean and Safe Program

- Safety & Security Services:
 - Camping/sleeping in public right of way – 597
 - Aggressive panhandling addressed – 179
 - Drinking in Public – 101
 - Illegal Dumping – 439
 - Requests for Police/Fire/EMS – 13
 - Worked with City agencies and partners to provide access to care to members of the street population
 - From July to October the Fisherman's Wharf CBD hired private security guards and SFPD 10-B officers to assist the district with security and create a preventative presence.
 - Beginning Memorial Day 2021, hired private security for weekly deployments
 - Wharf Patrol, the district's motorcycle crime deterrent team returned in November 2020
 - Through the efforts of its Ambassadors and continued community participation, the FWCBD worked to get convictions and stay-away orders for the top three criminal offenders at Fisherman's Wharf. The Ambassadors also led an awareness campaign about the persons of interest in our district.
 - 40+ security camera sensors were installed at new locations at the Wharf
- Visitor/Merchant Services:
 - Hospitality assistance – 1,302
 - Directions given – 927
 - Business contacts made – 655
- Cleaning/Maintenance Services
 - Trash collected – 37,902 lbs.
 - Graffiti/Stickers removed – 4,887
 - Pan and broom block faces swept - 16,132
 - Street furniture cleaned – 1,554
 - Tree grates cleaned – 3,152
 - Painting projects completed – 667

Administration and Corporate Operations / Operating and Administration Costs

- Renewed the Landside CBD for the next 15 years with 85% of property owners in favor and increased the budget by 160%.
- Participated in Mayor's COVID-19 Economic Recovery Task Force.



- Distributed and delivered PPE to CBD stakeholders during the pandemic as one of the City's distribution sites for PPE.
- Secured a line of credit to ensure continuous operations.
- Applied for and awarded two PPP loans. Forgiveness was obtained for the first one.
- Continue to be an active member of the Aquatic Park and Pier Project to be a liaison between community members and the project team.
- Awarded an OEWD grant to license new software to track ambassador metrics.

FWCBD Annual Budget Analysis

The reporting period (FY2021) was a year of transition for the Fisherman's Wharf CBD Landside as the CBD successfully completed renewal on July 14, 2020 and transitioned to a new management plan. Thus, for the first half of this reporting period, July 2020-December 2020, the CBD's benchmarks are evaluated under the previous management plan and engineer's report adopted by the Board of Supervisors on January 10, 2006 (File # 052026) while the second half of this reporting period, January 2021-June 2021 will be evaluated under the new management plan and engineer's report adopted by the Board of Supervisors on September 15, 2020 (File #200959).

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

- **BENCHMARK 1.** This benchmark remained the same: 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 "Fisherman's Wharf Community Benefit District", Section 3.9 – Budget; Agreement for the Administration of the "Fisherman's Wharf Portside Community Benefit District", Section 3.9 - Budget*).
- **BENCHMARK 2.** This benchmark changed: Under the previous management plan, it was whether five percent (5%) of Landside's actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the "Fisherman's Wharf Community Benefit District", Section 3.4 - Annual Reports*). Under the current management plan, it is whether nine and eight tenths percent (9.08%) of Landside's actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the "Fisherman's Wharf Community Benefit District", Section 3.4 - Annual Reports*).
- **BENCHMARK 3.** This benchmark remained the same: Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percent (*Agreement for the Administration of the "Fisherman's Wharf Community Benefit District", Section 3.9 – Budget; Agreement for the Administration of the "Fisherman's Wharf Portside Community Benefit District", Section 3.9 - Budget*).
- **BENCHMARK 4.** This benchmark remained the same: Whether FWCBD is indicating the amount of funds to be carried forward into the next fiscal year and designating projects to be spent in current fiscal year (*CA Streets & Highways Code, Section 36650(B)(5)*).

FY 2020-2021 Budget Analysis

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: *FWCBD did not meet this requirement for Portside or for Landside. See tables below.*

Landside - JANUARY 2021-JUNE 2021

Service Category	Management Plan Budget (Percentage)	FY2020-2021 Budget – Asst. (Percentage)	FY2020-2021 Budget – Total (Percentage)	Variance Percentage Points – Asst.	Variance Percentage Points - Total
Clean and Safe Program	\$550,702.44 (45.00%)	\$315,984.00 (44.84%)	\$605,700.00 (49.45%)	-0.16%	+4.45%
Marketing and Events Program	\$318,183.63 (26.00%)	\$188,899.00 (26.81%)	\$349,960.00 (28.57%)	+0.81%	-2.57%
Administration Costs	\$244,756.64 (20.00%)	\$144,711.00 (20.54%)	\$269,200.00 (21.98%)	+0.54%	+1.98%
Contingency/Reserve Allocation	\$110,140.49 (9.00%)	\$55,070.00 (7.82%)	\$121,140.00 (9.89%)	-1.18%	+0.89%
January 2021-June 2021 TOTAL	\$1,223,783.20 (100%)	\$704,664.00 (100%)	\$1,224,860.00 (100%)		

Landside - JULY 2020-DECEMBER 2020

Service Category	Management Plan Budget (Percentage)	FY2020-2021 Budget (Percentage)	Variance Percentage Points – Asst.
Sidewalk Operations & Beautification	\$164,683.40 (29.09%)	\$143,997.00 (40.56%)	+11.46%
District Identity & Streetscape Improvement	\$231,846.00 (40.96%)	\$140,280.00 (39.51%)	-1.45%
Administration Costs	\$113,650.00 (20.08%)	\$70,774.00 (19.93%)	-0.14%
Contingency/Reserve Allocation	\$55,902.16 (9.88%)	\$0.00 (0.00%)	-9.88%
July 2020-December 2020 TOTAL	\$566,081.56 (100%)	\$355,051.00 (100%)	

Portside

Service Category	Management Plan Budget (Percentage)	FY2020-2021 Budget (Percentage)	Variance Percentage Points
District Identity & Streetscape Improvement	\$130,979.00 (70.00%)	\$68,490.00 (61.95%)	-8.05%
Administration/Corporate Operations	\$37,423.00 (20.00%)	\$42,059.00 (38.05%)	+18.05%



Contingency/Reserve Allocation	\$18,711.00 (10.00%)	\$0.00 (0.00%)	-10.00%
TOTAL	\$187,113.00 (100%)	\$110,549.00 (100%)	

BENCHMARK 2: Whether nine and eight tenths percent (9.08%) of Landside’s actuals came from other sources other than assessment revenue during the second half of the fiscal year.

ANALYSIS: *FWCBD met this requirement. Assessment revenue was \$1,209,617.00 or 85.84% of actuals and non-assessment revenue was \$199,528.00 or 14.16% of actuals. See table below.*

Revenue Sources	FY2021 Actuals	% of Actuals
Assessment Revenue Landside	\$1,209,617.00	85.84%
Total Assessment (Special Benefit) Revenue	\$1,209,617.00	85.84%
Grants	\$81,974.00	5.82%
Interest Earned	\$60.00	0.00%
Donations - Cash & In Kind	\$117,494.00	8.34%
Total Non-Assessment (General Benefit) Revenue	\$199,528.00	14.16%
Total (Assessment and Non-Assessment) Revenue	\$1,409,145.00	100.00%

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

ANALYSIS: *FWCBD Landside did not meet this requirement; FWCBD Portside met this requirement. See table below.*

Landside - JANUARY 2021-JUNE 2021

Service Category	FY2020-2021 Budget – Asst. (Percentage)	FY2020-2021 Budget – Total (Percentage)	% of Actuals	Variance Percentage Points
Clean and Safe Program	\$315,984.00 (44.84%)	\$605,700.00 (49.45%)	49.21%	+4.37%
Marketing and Events Program	\$188,899.00 (26.81%)	\$349,960.00 (28.57%)	26.13%	-0.68%
Administration Costs	\$144,711.00 (20.54%)	\$269,200.00 (21.98%)	24.66%	+4.13%



Contingency/Reserve Allocation	\$55,070.00 (7.82%)	\$121,140.00 (9.89%)	0.00%	-7.82%
January 2021-June 2021Total	\$704,664.00 (100%)	\$1,224,860.00 (100%)		

Landside – JULY 2020-DECEMBER 2020

Service Category	FY2020-2021 Budget (Percentage)	FY2020-2021 Actuals – Asst. (Percentage)	FY2020-2021 Actuals – Total (Percentage)	Variance Percentage Points – Asst.	Variance Percentage Points – Total* *Due to not having a budget different between total and assessment, this was determined from the FY 20-21 budget provided
Sidewalk Operations & Beautification	\$143,997.00 (40.56%)	\$70,380.44 (34.70%)	\$138,094.44 (32.86%)	-5.85%	-7.69%
District Identity & Streetscape Improvement	\$140,280.00 (39.51%)	\$71,594.73 (35.30%)	\$212,802.91 (50.64%)	-4.21%	+11.13%
Administration Costs	\$70,774.00 (19.93%)	\$60,828.43 (29.99%)	\$69,298.43 (16.49%)	+10.06%	-3.44%
Contingency/Reserve Allocation	\$0.00 (0.00%)	\$0.00 (0.00%)	0.00% (0.00%)	0.00%	0.00%
July 2020-December 2020 Total	\$355,051.00 (100%)	\$202,803.60 (100%)	\$420,195.78 (100%)		

Portside

Service Category	FY2020-2021 Budget (Percentage)	FY2020-21 Actuals – Asst. (Percentage)	FY2020-2021 Actuals – Total (Percentage)	Variance Percentage Points – Asst.	Variance Percentage Points - Total
District Identity & Streetscape Improvement	\$68,490.00 (61.95%)	\$87,790.71 (65.80%)	\$117,685.89 (70.96%)	+3.85%	+9.01%
Administration/Corporate Operations	\$42,059.00 (38.05%)	\$45,622.02 (34.20%)	\$48,152.02 (29.04%)	-3.85%	-9.01%
Contingency/Reserve Allocation	\$0.00 (0.00%)	\$0.00 (0.00%)	\$0.00 (0.00%)	0.00%	0.00%
Total	\$110,549.00 (100%)	\$133,412.73 (100%)	\$165,937.91 (100%)		



BENCHMARK 4: Whether FWCBD 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: FWCBD Landside met this requirement. *There is a period between when the City collects assessment payment and when the City disburses the funds to the CBD. As a result, a CBD typically has a fund balance at the end of the fiscal year that is equal to about 6 months of their annual budget. See table below.*

Landside

FY 2020-2021 Carryover Disbursement	Amount	Spenddown Timeline
Clean and Safe Program	\$235,607.14	Jul-Dec 2021
Marketing and Events Program	\$150,612.60	Jul-Dec 2021
Administration Costs	\$87,214.40	Jul-Dec 2021
Contingency/Reserve Allocation	\$231,923.35	Jul-Dec 2021
Total Assessment (Special Benefit) Carry Forward	\$705,357.49	
Total Non-Assessment (General Benefit) Carry Forward	\$5,355.33	

Findings and Recommendations

FY2020-2021 was a year of transition for the Fisherman's Wharf CBD Landside as the CBD successfully completed renewal on July 14, 2020 and began operating under a new management plan mid-year. Thus, for the first half of this reporting period, July 2020-December 2020, the CBD's benchmarks are evaluated under the previous management plan and engineer's report adopted by the Board of Supervisors on January 10, 2006 (File # 052026) while the second half of this reporting period, January 2021-June 2021, will be evaluated under the new management plan and engineer's report adopted on September 15, 2020 (File #200959). The Fisherman's Wharf CBD Portside's renewal process was defeated during the election process in November 2020 and set to sunset on December 31, 2020 so will only be evaluated for the time period it operated, July 2020-December 2020.

Fisherman's Wharf CBD Landside met all four benchmarks as defined on pages 7 to 9 of this memo for the first half of the reporting period, July 2020-December 2020. Fisherman's Wharf CBD Landside met 2 of the 4 benchmarks as defined on pages 7 to 9 of this memo for the second half of the reporting period. The CBD missed Benchmark 1 which compares whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan for January-June 2021 and Benchmark 3 which compares the organization's fiscal year budget with the fiscal



year actuals for January – June 2021. In relation to Benchmark 1, per Section 3.4 of the *Agreement for the Administration of the “Fisherman’s Wharf Community Benefit District,”* each CBD is allotted ten (10) percent deviation from their budget from their management plan budget and in relation to Benchmark 3, per Section 3.4 of the *Agreement for the Administration of the “Fisherman’s Wharf Community Benefit District,”* each CBD is allotted ten (10) percent deviation from their budget and actual expenses. If they do not meet this, OEWD must determine if this deviation adversely impacts the special benefits conferred on parcels within the CBD.

In this particular situation, based on assessment dollars, the CBD overbudgeted 1.46% on their Sidewalk Operations & Beautification service category more than the 10% variance for January-June 2021. In order to determine if these actions adversely impacted special benefits conferred on the parcels within the CBD, OEWD reviewed the CBD’s management plan and engineer’s report approved by the Board of Supervisors on September 15, 2020 (File # 200959). Per the Engineer’s Report, Sidewalk Operations & Beautification service confers aesthetic benefit, safety benefit and economic and promotional activity benefit; both aesthetic benefit and safety benefits are stated to bring benefit to all land use benefits types including non-residential property, apartment property, condominium property and public property. Thus, this deviation adversely impacts the special benefits conferred on parcels within the CBD.

Based on the assessment dollars, the CBD overbudgeted .06% on their Administration Costs service category more than the 10% variance for January-June 2021. In order to determine if these actions adversely impacted special benefits conferred on the parcels within the CBD, OEWD reviewed the CBD’s management plan and engineer’s report approved by the Board of Supervisors on September 15, 2020 (File # 200959). Per the Engineer’s Report, Administration Costs confers aesthetic benefit, safety and economic and promotional activity benefit; both aesthetic benefit and safety benefits are stated to bring benefit to all land use benefits types including non-residential property, apartment property, condominium property and public property. Thus, this deviation adversely impacts the special benefits conferred on parcels within the CBD.

Fisherman’s Wharf CBD Portside met 3 of the 4 benchmarks as defined on pages 7 to 9 of this memo. The CBD missed Benchmark 1 whether the variance between the budget amounts fore each service category was within 10 percentage points from the budget identified in the Management Plan. The CBD overbudgeted 8.05% on their Administration/Corporate Operations service category for July-December 2020. In order to determine if these actions adverse impacted special benefits conferred on the parcels within the CBD, OEWD reviewed the CBD’s management plan approved by the Board of Supervisors on October 24, 2006 (File # 061419). Per the management plan, activities confer benefit only to the businesses within the stated boundaries. It is in OEWD’s opinion that the deviation did not adversely impact the special benefits conferred on parcels within the CBD.

Given the CBD’s strong historical precedence of meeting all benchmarks for more than past five reporting periods, this reporting period is one of transition and the variances are less than 2%, it is in OEWD’s opinion that the CBD will likely be able to meet the benchmarks in future years.

In FY 19-20 the CBD and its renewal steering committee focused on completing their renewal process before the district expired. The Landside CBD successfully completed renew on July 14, 2020 with 85% of property owners voting in favor. Portside CBD’s renewal process was killed during the election process in November 2020 with the Portside CBD failing to garner the necessary support of assessment payers to



renew the district. Proponents of the Portside CBD renewal were met with significant and organized opposition from some of the assessment payers. The Portside CBD sunset on December 31, 2020. OEWD worked with FWCBD to ensure that all laws were followed in the dissolution of the Portside CBD. The Affiliate Program was launched on the sunset of Portside CBD, so businesses still interested in receiving select services from FWCBD can pay a fee.

During this review period, the CBD has performed well pivoting to the emerging health and economic impacts of the COVID-19 global pandemic that started in March 2020 and continued through this review period. During this review period, the CBD continuously adjusted 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.

Fisherman's Wharf CBD has been on the forefront of partnering with the City and County of San Francisco as we work to emerge from the Covid-19 pandemic. The CBD was instrumental in connecting with neighborhood stakeholders, managing PPE deliveries, and its executive director, Randall Scott, sat on the Economic Recovery Task Force. The CBD is currently proactively thinking how to emerge from the pandemic to welcome visitors back to the area to support the Wharf's unique businesses. The CBD continues to execute the Retail Strategy's 2 year goals. Although many of Fisherman's Wharf CBD's traditional events such as Wharf Fest and Fleet Week were canceled due to the pandemic, the CBD pivoted other events such as Merry Time at the Wharf event well to promote their district's businesses.

Due to their strategic marketing decision to launch a new website that combined both the CBD's and Fisherman Wharf's Merchant Association websites, their online presence significantly increased with more than 138,000 users on the site.

Conclusion

Fisherman's Wharf CBD has performed well in implementing the service plan of both the Landside and Portside areas. The CBD continues to a valued partner providing resources to its constituents and working well with OEWD and other city agencies. Fisherman's Wharf CBD has an active board of directors and committee members. OEWD believes the Fisherman's Wharf CBD Landside will continue to successfully carry out its mission and service plans and the Portside was successfully closed.



BOARD of SUPERVISORS



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MEMORANDUM

TO: Kate Sofis, Director, Office of Economic and Workforce Development

FROM: Jessica Perkinson, Assistant Clerk, Government Audit and Oversight
Committee, Board of Supervisors

DATE: July 27, 2022

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Aaron Peskin on July 19, 2022:

File No. 220863

Resolution receiving and approving the annual report for the Fisherman's Wharf Community Benefit District and Fisherman's Wharf Portside 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 Districts' Management Agreements with the City, Section 3.4.

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

cc: J'Wel Vaughan, Office of Economic and Workforce Development
Anne Taupier, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development

Introduction Form

By a Member of the Board of Supervisors or Mayor

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):

Subject:

The text is listed:

Signature of Sponsoring Supervisor:

For Clerk's Use Only