

MEMORANDUM

TO: Supervisor Matt Dorsey, District 6 Supervisor

CC: San Francisco Board of Supervisors

FROM: Chris Corgas; Deputy Director, Community Economic Development, OEWD
Mimi Hiraki; Project Specialist, OEWD

DATE: 5/9/2023

SUBJECT: Yerba Buena Community Benefit District; FY 2021-2022 Annual Report

This is a memo summarizing the performance of the Yerba Buena Community Benefit District (YBCBD) and an analysis of their financial statements (based on their audit) for the period between July 1, 2021 and June 30, 2022.

Each year the YBCBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Yerba Buena CBD has complied with the submission of all these requirements. OEWD staff reviewed these financial documents to monitor and report on whether they have complied with the rules per the Property and Business Improvement District Law of 1994, California Streets and Highways Code Sections 36600 Et Seq.; San Francisco's Business and Tax Regulations Code Article 15; the Yerba Buena's Community Benefit District management contract with the City; and their Management Plan as approved by the Board of Supervisors in 2015.

Also attached to this memo are the following documents:

1. Annual Reports
 - a. FY 2021-2022
2. CPA Financial Review Reports
 - a. FY 2021-2022
3. Draft resolution from the Office of Economic and Workforce Development



Background

Yerba Buena Community Benefit District spans 40 blocks, contains approximately 2,150 parcels, and is divided between two benefit zones. Benefit zones are determined by the property owners who have specified the level of special services they desire.

- July 29, 2008: the Board of Supervisors approved the resolution that established the property-based district called the Yerba Buena Community Benefit District (Resolution #330-08).
- February 10, 2009: the Board approved the contract for the administration and management of the Yerba Buena Community Benefit District (Resolution #44-09).
- June 2, 2015: the Board of Supervisors approved the resolution to renew and expand the Yerba Buena Community Benefit District (Resolution #197-15).
- April 11, 2017: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2015 – 2016 (Resolution #117-17).
- April 10, 2018: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2016-2017 (Resolution #095-18).
- October 29, 2019: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2017-2018 (Resolution #468-19)
- December 1, 2019: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2018-2019 (Resolution #539-20)
- January 25, 2022: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2019-2020 (Resolution #19-22)
- November 29, 2022: the Board of Supervisors approved the Yerba Buena CBD annual report for FY 2020-2021 (Resolution #519-22)

Basic Information about the Yerba Buena CBD:

Year Established	June 2008
Year Renewed	June 2015
Assessment Collection Period	FY 2008 - 2009 to FY 2014 - 2015 (initial) FY 2015 - 2016 to FY 2029 - 2030 (renewal)
Services Start and End Date	July 31, 2015 – December 31, 2030
Initial Estimated Annual Budget	\$2,991,722.82
FY 2021-22 Assessment Submission	\$3,253,534.98
Fiscal Year	July 1 – June 30
Executive Director	Cathy Maupin Scott Rowitz (starting November 1, 2022)
Name of Nonprofit Entity	Yerba Buena Community Benefit District Corporation

The current YBCBD website, <http://www.ycbcd.org/>, includes all the pertinent information about the organization and their programs, a calendar of events, their Management Plan, Mid-Year Report, Annual Report and meeting schedules.



Summary of Program Areas

Cleaning and Streetscape Improvement Plan

The Cleaning and Streetscape Improvement Plan is a comprehensive program that aims to ensure the maximum possible cleanliness of sidewalks, curbs, fixtures, landscaping, and building throughout the YBCBD. This includes regular sidewalk and gutter sweeping, scheduled steam cleanings, power washing, refuse removal, graffiti removal and streetscape improvements based on, but not limited to, the Yerba Buena Street Life Plan. The YBCBD also distributes small annual grants to community organizations working to improve the neighborhood through its Community Benefit Fund.

Safety and Security Program

The Safety and Security Program works with residents, merchants, the SFPD, and greater YBCBD community on a variety of strategies and initiatives to prevent crime and increase pedestrian safety throughout the District. The YBCBD provides Community Guides to assist visitors, connect those in need with social services, and report cleaning and safety issues. They also engage a Social Services Specialist to provide additional services to the street population in the District, spending extra time to meet their needs and connect and/or escort them to appointments for services. The YBCBD also contracts with SFPD for a bike patrol officer to address nuisance and quality of life issues.

Branding, Activation, and Marketing Program

The Branding, Activation, and Marketing Program promotes YBCBD's properties and businesses through specially targeted programs and initiatives. These activities play the dual role of contributing to the economic and social vitality of the area, and helps with the recruitment and retention of businesses and other entities.

The YBCBD also supports the creation and production of special events, such as the annual free outdoor festival Yerba Buena Night that welcomes visitors into the YBCBD area as a means of additional exposure. The YBCBD marketing and promotion services makes sure visitors, employees, patrons, and residents know about area attractions and helps them enjoy their experience within the YBCBD.

Management and Operations

The YBCBD is staffed by a full-time Executive Director who serves as the focal point person and advocate for Yerba Buena CBD as well as a Director of Neighborhood Services and Project, a Director of Branding, Marketing and Activation, and an Administrative Manager. The YBCBD Management Plan calls for 13% of the budget to be spent on administration and corporate operations.

The YBCBD board has twenty-three (23) members, represented by residents, property owners, community organizations, non-profit arts organizations, government and educational institutions, and businesses. Board member seats are determined using the following guidelines: At-Large (14%), Community Organizations (14%), Government or Education Institutions (14%), Non-Profit Arts (14%), Residents (14%), Commercial (30%). Board members are all asked to actively participate in committees including Audit, Community Benefit Fund, Executive, Finance, Marketing, Nominating, Services, Small Business Support, and Streets and Public Space



Summary of Accomplishments, Challenges, and Delivery of Services

FY 2021-2022

Cleaning and Streetscape Improvements

- Removed 513,750 pounds of trash from YBCBD public rights-of-way
- Removed 10,395 instances of graffiti tags, flyers and stickers, nearly double as many instances as reported in the last period
- Conducted 3,278 steam cleanings, including routine cleanings and special requests
- Abated 3,780 instances of human/animal waste from public rights-of-way
- Responded to 922 calls for cleaning directly to our Dispatch and 649 cleaning requests from 311
- Replenished SFMTA with a supply of 50 YBCBD-designed bike racks
- In partnership with Paint the Void, commissioned a 3-panel temporary mural

Safety and Security

- Community Guides worked 365 days a year to connect those who need help with services, provide information about the neighborhood, serve as an additional set of eyes to report safety issues and assist Clean Team with disinfecting high-touch public surfaces
- Responded to 928 calls for safety service a 42% increase from the previous year
- Worked with SFPD Bike Patrol Officer daily to address quality of life issues and provide a reassuring presence in the district

Branding, Activation, and Marketing

- Co-produced Litquake literary festival
- Piloted Yerba Buena Art Market at Yerba Buena Gardens with art, commerce, and performance
- Launched the “Experience The Art of...” campaign promoting neighborhood businesses with street pole banners, on the website and through social media
- Released “Welcome Back” video to promote neighborhood attractions
- Kicked off public art audio walking tour
- Relaunched Hidden SF Walking Tours

Management and Operations

- Secured a \$1.8 million grant to beautify and clean public spaces near the new Yerba Buena/Moscone subway station to add new plantings, murals, and double the frequency of power washing and cleaning in the area
- Served on advisory panels including SFPD Southern Station Community Police Advisory Board, Yerba Buena Gardens Conservancy Board, Tourism Improvement District Board, Better Market Street Community Advisory Committee, Clean Sidewalks Coalition, CleanSafe365 Coalition, San Francisco Benefit District Alliance, and the Healthy Streets Operation
- Hosted a candidate forum for the District 6 Board of Supervisors elections



Yerba Buena CBD Annual Budget Analysis

OEWD's staff reviewed the following budget related benchmarks for the Yerba Buena CBD:

- **BENCHMARK 1:** Whether the variance between the budget amounts for each service category was within 10 percentage points from the budget identified in the Management Plan (Agreement for the Administration of the “Yerba Buena Community Benefit District”, Section 3.9 – Budget).
- **BENCHMARK 2:** Whether five and eight hundredths percent (5.08%) of actuals came from sources other than assessment revenue (CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the “Yerba Buena Community Benefit District”, Section 3.4 - Annual Reports).
- **BENCHMARK 3:** Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percent (Agreement for the Administration of the “Yerba Buena Community Benefit District”, Section 3.9 – Budget).
- **BENCHMARK 4:** Whether YBCBD 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: *The YBCBD met this requirement. See tables below.*

	Management Plan Budget		FY2021-2022		Variance	
Service Category	Assessment (Percentage)	Total (Percentage)	Assessment (Percentage)	Total (Percentage)	Assessment	Total
Cleaning and Streetscape Improvements	\$1,216,547.79 (40.66%)	\$1,281,655.91 (40.66%)	\$1,624,993.80 (37.02%)	\$1,711,961.44 (37.02%)	-3.65%	-3.65%
Safety and Security Program	\$1,656,700.02 (32.51%)	\$1,024,744.40 (32.51%)	\$1,572,539.66 (35.82%)	\$1,656,700.02 (35.82%)	+3.31%	+3.31%
Branding, Activation, and Marketing Program	\$649,792.95 (13.79%)	\$434,614.14 (13.79%)	\$616,783.47 (14.05%)	\$649,792.95 (14.05%)	+0.26%	+0.26%
Management and Operations	\$606,366.27 (13.03%)	\$410,811.64 (13.03%)	\$575,562.86 (13.11%)	\$606,366.27 (13.11%)	+0.08%	+0.08%
TOTAL	\$2,991,713.32	\$3,151,826.09	\$4,389,879.79	\$4,624,820.68		

BENCHMARK 2: Whether five point and eight hundredths percent (5.08%) of actuals came from sources other than assessment revenue



ANALYSIS: *The YBCBD met this requirement. Assessment revenue was \$3,286,253.00 or 92.70% of actuals and non-assessment revenue was \$258,728.00 or 7.30% of actuals. See table below.*

Revenue Sources	FY 2021-2022 Actuals	% of Actuals
Assessment Revenue	\$3,286,253.00	
Total Assessment (Special Benefit) Revenue	\$3,286,253.00	92.70%
Fundraising/In-Kind	\$141,543.00	
Interest Income	\$117,185.00	
Total Non-Assessment (General Benefit) Revenue	\$258,728.00	7.30%
TOTAL	\$3,544,981.00	100.00%

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

ANALYSIS: *The YBCBD met this requirement. See table below.*

	FY2021-2022 Budget		FY2021-2022 Actuals		Variance	
Service Category	Assessment (Percentage)	Total (Percentage)	Assessment (Percentage)	Total (Percentage)	Assessment	Total
Cleaning and Streetscape Improvements	\$1,624,993.80 (37.02%)	\$1,711,961.44 (37.02%)	\$1,195,043.75 (35.91%)	\$1,259,001.00 (35.91%)	-1.11%	-1.11%
Safety and Security Program	\$1,572,539.66 (35.82%)	\$1,656,700.02 (35.82%)	\$1,134,604.39 (34.09%)	\$1,195,327.00 (34.09%)	-1.73%	-1.73%
Branding, Activation, and Marketing Program	\$616,783.47 (14.05%)	\$649,792.95 (14.05%)	\$467,504.73 (14.05%)	\$492,525.00 (14.05%)	0.00%	0.00%
Management and Operations	\$575,562.86 (13.11%)	\$606,366.27 (13.11%)	\$530,955.90 (15.95%)	\$559,372.00 (15.95%)	+2.84%	+2.84%
TOTAL	\$4,389,879.79	\$4,624,820.68	\$3,328,108.77	\$3,506,225.00		

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

ANALYSIS: *The YBCBD met this requirement. See table below.*



Please note: There is a period between when the City collects assessment payment and when the City disburses the funds to the CBD. As a result, a CBD typically has a fund balance at the end of the fiscal year that is equal to about 6 months of their annual budget. See table below.

Carryover	As of 6.30.22	Budgeted for FY23	Budgeted for Future Years
Management & Operations	\$1,417,757.00	\$370,857.00	\$1,046,899.00
Cleaning & Streetscape Improvements	\$2,990,403.00	\$903,308.00	\$2,087,095.00
Safety & Security	\$43,437.00	\$114,063.00	-\$70,626.00
Branding, Activation & Marketing	\$119,312.00	\$222,880.00	-\$103,568.00
Fiscally Sponsored Projects	\$11,500.00	\$0.00	\$11,500.00
Other Projects	\$350.00	\$0.00	\$350.00
Capital Assets	\$189,736.00	\$0.00	\$189,736.00
Total Designated Amount for FY 2022	\$4,772,495.00	\$1,611,108.00	\$3,161,386.00

Findings and Recommendations

The Yerba Buena CBD has met all 4 benchmarks as defined on page 5 of this memo as set by California Streets and Highways Code Section 36650-36651; and the Agreement for the Administration of the Yerba Buena Community Benefit District. The organization has a strong history of meeting these benchmarks. The CBD is in compliance with OEWD's memorandum regarding surveillance technology and does utilize any.

The Yerba Buena CBD has historically been one of San Francisco's strongest performing CBDs. This can be attributed to a strong Board of Directors, robust committee structure, and leadership from their executive director. FY 21-22 marked Executive Director Cathy Maupin's final year as head of the organization. Ms. Maupin has done and led extraordinary work over the years at Yerba Buena CBD and is widely seen as both a citywide and statewide leader in the field. Following a robust search, Scott Rowitz was hired on as the new executive director of the Yerba Buena CBD beginning FY 22-23. Mr. Rowitz spent the last four years as executive director of the Yerba Buena Gardens Conservancy leading the organization from its inception to its current central role as its nonprofit steward. Prior to that, he served as COO of the Yerba Buena Center for the Arts for ten years.

Yerba Buena CBD led a number of initiatives throughout this reporting period, including joining the Connected Worker App pilot, also known as Integrated 311. In FY 21-22 the CBD responded and addressed 620 unique 311 tickets, or 59.9% of those generated within their service area. Based off data provided by the system, the CBD was able to respond and address these issues significantly faster than city crews. OEWD will continue monitoring this data to check for emerging trends in response time and requests within the service area. The following is a sample of the data from FY 21-22.



Agency	Number of Cases in FY21-22 (beginning 11/2021)	Percentage
Yerba Buena CBD	620	59.90%
DPW Ops Queue	278	26.86%
Recology – Abandoned	60	5.8%
CSP Supervisor Queue	39	3.77%
DPW – Bureau of Street Environmental Services	7	0.68%
DPW – BSM Queue	4	0.39%
MUNI Feedback Received Queue	4	0.39%
DPT Sign Shop Queue	3	0.29%
HSOC Queue	3	0.29%
311 Service Request Queue – Hold	2	0.19%
DPT Signal Queue	2	0.19%
PUC – Water – Graffiti Queue	2	0.19%
Recology – Overflowing	2	0.19%
Clear Channel – Transit Queue	1	0.1%
DPT – Traffic Signal	1	0.1%
DPT Meter_Bike Queue	1	0.1%
BPE – Bureau of Street and Sewer Repair	1	0.1%
HSOC Individual Queue	1	0.1%
PUC – Water	1	0.1%
PUC – Sewer Ops	1	0.1%

Request Type	CBD Response Time – Average	City Response Time - Average
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General Request – PW	3.14 hours	1,802.80 hours
Graffiti	9.57 hours	1,879.54 hours
Illegal Postings	9.65 hours	536.76 hours
Street and Sidewalk Cleaning	5.53 hours	154.80 hours

OEWD expects that numbers in FY 22-23 and FY 23-24 will help paint a more accurate picture as these numbers only relate to November 2021 – June 30, 2022.

In addition to the organization’s core cleaning and safety related services, they focus on promoting businesses, arts, and culture through a variety of unique events. The CBD also led work to improve streetscapes throughout their service area. The CBD is within the sphere of influence of the Moscone Convention Center so efforts to bring conventions and foot traffic back to the downtown core were paramount throughout this reporting period.

There were no reported violations OEWD of the Brown Act or California Public Records Act for this organization during this reporting period.

Conclusion

Yerba Buena CBD has performed incredibly well in implementing their service plan. Yerba Buena CBD has continued to successfully market and produce events. Yerba Buena CBD has increased their opportunities in partnering with community stakeholders and numerous municipal agencies for the implementation of the Yerba Buena Street Life Plan and Community Benefit Fund. Yerba Buena CBD is an extremely well-run organization with an active board of directors and committee members. OEWD believes the Yerba Buena CBD will continue to successfully carryout their mission and service plans.

