

File No. 230578

Committee Item No. 3

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: April 4, 2024

Board of Supervisors Meeting:

Date: _____

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input 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 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 / DRAFT Mills Act 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 type="checkbox"/>	<u>Annual Report FY 2021-2022</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Financial Statements 063022</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>OEWD Memo 050923</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>FYI Referral 031224</u>
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Prepared by: Monique Crayton

Date: March 29, 2024

Prepared by: _____

Date: _____

Prepared by: _____

Date: _____

1 [Noe Valley Community Benefit District - Annual Report - FY2021-2022]

2
3 **Resolution receiving and approving an annual report for the Noe Valley Community**
4 **Benefit District for Fiscal Year (FY) 2021-2022, submitted as required by the Property**
5 **and Business Improvement District Law of 1994 (California Streets and Highways**
6 **Code, Sections 36600, et seq.), Section 36650, and the District's management**
7 **agreement with the City, Section 3.4.**

8
9 WHEREAS, On November 19, 2019, pursuant to the Property and Business
10 Improvement District Law of 1994 (the "Act"), California Streets and Highways Code, Sections
11 36600 *et seq.*, as augmented by Article 15 of the San Francisco Business and Tax
12 Regulations Code, the Board of Supervisors adopted Resolution No. 496-19, expressing the
13 City's intention to renew the then existing Noe Valley Community Benefit District, to be known
14 as the Noe Valley Community Benefit District ("Noe Valley CBD"); and

15 WHEREAS, On January 28, 2020, the Board of Supervisors adopted Resolution
16 No. 053-30 establishing the Noe Valley CBD ("Resolution to Establish") for a period of 15
17 years, commencing FY 2020-2021; and

18 WHEREAS, On December 1, 2020, the Board of Supervisors adopted Resolution
19 No. 549-20, authorizing an agreement with the owners' association for the
20 administration/management of the Noe Valley CBD, and a management agreement (the
21 "Management Contract") with the owners' association, Noe Valley Association, A Community
22 Benefit District, was executed accordingly; and

23 WHEREAS, A copy of the Management Contract is on file with the Clerk of the Board
24 of Supervisors in File No. 201225; and

1 WHEREAS, On December 13, 2022, the Board of Supervisors approved the Noe
2 Valley CBD's annual reports for fiscal year 2020-2021 in Resolution No. 538-22; and

3 WHEREAS, The Noe Valley CBD has submitted for the Board's receipt and approval
4 the Noe Valley CBD's annual report for fiscal year 2021-2022 as required by Section 36650 of
5 the Act and Section 3.4 of the Management Contract; and

6 WHEREAS, The annual report for fiscal year 2021-2022 is on file with the Clerk of the
7 Board of Supervisors in File No. 230578, and are incorporated herein by reference as though
8 fully set forth; and

9 WHEREAS, Supporting documents, including, but not limited to, a transmittal letter and
10 memorandum report from the City's Office of Economic and Workforce Development, dated
11 May 9, 2023, and documentation from the Noe Valley CBD for the annual report for fiscal year
12 2021-2022 is on file with the Clerk of the Board of Supervisors in File No. 230578; now,
13 therefore, be it

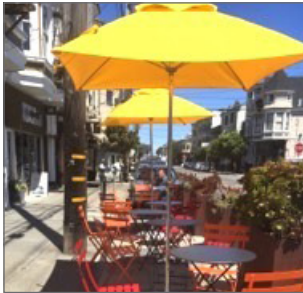
14 RESOLVED, That the Board of Supervisors hereby receives and approves the annual
15 report for the Noe Valley Community Benefit District for fiscal year 2021-2022.



Noe Valley Association

Community Benefit District

Annual Report 2021 – 2022



The NVA Clean Team! Billy, Joe, Jesus and Saito

Join Us! Annual NVA Property Owner Meeting
Thursday, September 29
5:30 PM – 6:30 PM
1330 Castro Street, San Francisco
Beverages/Appetizers outside in the back garden

RSVP by 9/27: info@noevalleyassociation.org

Agenda

Welcome and Introductions
Treasurer's Report
Annual Report
Announcements:
Board Members
Public Comment



The mission of the Noe Valley Association (NVA) is to improve the quality of life for property owners, merchants and residents in the Noe Valley neighborhood. NVA's efforts towards cleaning, greening and improving the public space and sidewalks in the commercial corridor reinforces the viability of the community's economic base.

NVA Continued as an Essential Service During COVID-19

The 2021-2022 fiscal year fluxuated between shutdowns and openings, hope and uncertainty, with reality being somewhere in between. While the pandemic has tested our fortitude, it also has validated our commitment to Noe Valley. Throughout it all, the NVA adapted as needed in support of its commercial district.

Despite the multiple challenges, the NVA remained committed to keeping the district as clean and green with pandemic protections in place. Our street porters removed hundreds of graffiti tags, thousands of pounds of trash, and swept and steam cleaned all the sidewalks. Our local skilled and caring gardener made sure all plants and ground installations were thriving.

The NVA continues to partner with the Noe Valley Merchants and Professionals Association, the Noe Valley Town Square and City of SF Departments to advance the neighborhood's wellbeing. Thank you to our Board of Directors, committees, staff, exceptional street porters, and to all who participate in making a difference in in our neighborhood.

Services and Programs

On-call Service Dispatch – text/call: 415-802-4461

Curb Appeal's Manager Billy Dinnell oversees the NVA district street porters. Text/call (415) 802-4461 for public area cleaning, graffiti, trash, maintenance and other non-emergency services. Monday - Saturday 7AM - 3PM, Sundays 7AM - 11AM. Please include a photo or description + location details.

Clean and Green

NVA street porters work seven days a week to sweep and weed sidewalks and gutters, remove graffiti and fliers, empty overfilled public trash receptacles, call 311 for removal of large bulky items left on the sidewalk, and remove animal feces. Billy and his team pressure wash all district sidewalks nine times a year starting at 6:30 am until 11 am when they stop due to store openings and pedestrian traffic.

The NVA has a part-time local gardener who maintains the health and vitality of open sidewalk gardens, planter boxes, flower baskets, and other neighborhood streetscape improvements. The City of SF Bureau of Urban Forestry now manages the trimming and replacement of street trees city wide. The NVA manages the tree wells and low-hanging branches - those hanging within eight feet of the sidewalk.

Promotion of District

Through marketing and branding, the NVA supports Noe Valley's economic base by creating a unique sense of space, enhancing the 24th Street shopping experience, and promoting the neighborhood as an inviting destination for shopping and dining. To attract even more customers to 24th Street, NVA is the fiscal agent for the Noe Valley Town Square and works with a special events program manager to activate the space. Noe Valley Town Square events have been active since 2017. The NVA receives a 12 percent Noe Valley Town Square fiscal agent fee which is applied to grant and financial administration.

Administration

The NVA is administered by a non-profit management corporation governed by a board of directors comprised of Noe Valley property owners and merchants. The board oversees the NVA's part-time Executive Director who monitors contracts, finances, and insurance requirements; publishes City of San Francisco mid-year and annual reports; supports NVA board committees, attends San Francisco Board of Supervisors hearings, and manages the NVA website, email communications and all community inquiries. Most critically, the Executive Director applies for City grants, an essential task as all major capital improvements to the district have been funded by grants. To date, the NVA has been awarded City grants totaling over a million dollars. This is the result of demonstrating that the NVA is a well-managed non-profit institution that responsibly maintains investments in community improvements.

Accomplishments

Cleaning, Greening & Improving Noe Valley's Commercial Corridor

With the gradual re-opening of the city since the beginning of the pandemic, the NVA district has experienced major increases in graffiti, stickers and fliers. Calls to 311 for removal of large bulky items left by tenants and merchants also saw an increase over last year.

Clean & Green	9 Sidewalk steam cleanings monthly, March – November
	536 Removal of defacing graffiti, stickers and improper signage - five times more than last year
	365 calls to 311 for pick-up of furniture, mattresses, tree limbs and other large items and pick-up of paint and other illegally dumped toxic materials
	200 Trees watered and weeded by NVA gardener
	4 Bigbelly garbage receptacles maintained and paid for by a grant from the Mayor's Fix-It budget
	199 removed bulky trash items, yard debris, clothing, paint cans, etc.; emptied overflowing trash cans, returns of abandoned shopping carts
	27 Planters/sidewalk gardens replanted, watered and maintained
	84 Chairs and tables maintained in both public parklets on 24th Street
	23 Hanging flower baskets watered and renewed
	2 parklets maintained year-round with flowers/plants , including related required DPW reports
Promotion of District	Maintenance of 26 community benches, 20 bike racks, 10 news racks and 24 trash receptacles throughout the district, as well as the 7 umbrellas in both parklets and in the Noe Valley Town Square
	8 NVA identity banners created and maintained
Admin	NVA website published and maintained
	\$115,000 in special grants from SF OEWD and Supervisor Rafael Mandelman was awarded to continue to activate the Noe Valley Town Square (NVTs). The NVA is fiscal agent for all NVTs events, bringing city residents and the local community to 24th Street to shop and enjoy events.

Noe Valley Town Square



**NOE VALLEY
TOWN
SQUARE**

A hearty shout out to the Mayor's Office of Economic and Workforce Development and D8 Supervisor Rafael Mandelman for continuing grant support of activation of the Noe Valley Town Square. The family and community events at the Square attract visitors to shop and dine in Noe Valley.
www.noevalleytownsquare.com





**The Noe Valley
Association
Board of Directors**

Bob Roddick
President

Meagan Wakefield
Vice President

Eric Alexanderson
Treasurer

Mark Campana

Lamisse Droubi

Al Goodwin

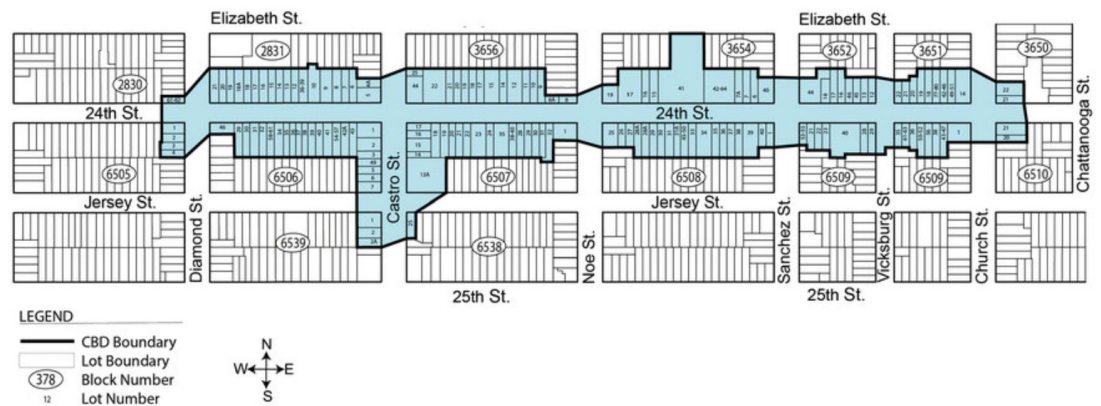
Renzo Lujan

Daniel Roddick

Debra Niemann
Secretary
NVA Executive Director

Noe Valley CBD Area Map

(starting January 1, 2021)



Assessment Methodology

The Noe Valley Association Community Benefit District is funded through an annual assessment paid by property owners and businesses in the district. The assessment methodology was updated effective January 1, 2021 when the CBD was renewed – as voted on by the CBD property owners and approved by the San Francisco Board of Supervisors.

State law and city policy dictate that the assessment formula take into account three factors in calculating the assessment for each lot: the square footage of the lot, the linear feet of frontage on the street, and the square footage of the developed building space. The assessed amount for each of these factors has changed to comply with changes in state law. Annual assessments are based on program costs allocated among the parcels based on assessable footage.

Because commercial parcels receive special benefits from all of the CBD activities, their annual assessment rates for the first year of the District renewal term are as follows:

Lot Square Foot Assessment Rate: \$0.2025

Building Square Foot Assessment Rate: \$0.1388

Front Footage Assessment Rate: \$14.7723

By contrast, non-profits and residential parcels do not specially benefit from Promotion of District activities, so those types of entities pay a reduced rate that does not reflect the cost of these activities:

Non-Profit/Residential Lot Square Foot Assessment Rate: \$0.1487

Non-Profit/Residential Building Square Foot Assessment Rate: \$0.1177

Non-Profit/Residential Front Footage Assessment Rate: \$10.4161

Expenditures may require an annual adjustment up or down to continue the intended level of programs and services. In no case shall these annual assessment increases exceed that year's increase in the San Francisco, Oakland, and San Jose area Consumer Price Index (CPI) or 5%, whichever is less. Total assessment revenue may also increase based on development in the District. The determination of annual adjustments in assessment rates will be subject to the approval of the Noe Valley CBD Owners' Association (the NVA Board of Directors).

As provided by the Property and Business Improvement Law of 1994, the CBD's assessment shall appear as a separate line item called Special Assessment on the annual property bill prepared by the City and County of San Francisco. For a complete listing of 2021-2022 NVA property assessments as well as the NVA renewal assessment methodology and management plans, please visit www.noevalleyassociation.org.

As a reminder: Public Works is responsible for street maintenance (curb to curb) and street trees; property owners are responsible for sidewalk maintenance in front of their properties. For more information on property owners' sidewalk maintenance responsibilities please refer to/visit; California SHC 5610, The San Francisco Controller's Office, San Francisco Better Streets. More information is posted to the NVA website on the NVA CBD trees page.

Assessment Increase 2022-2023

The NVA Board of Directors, comprised primarily of property owners like yourself has not raised assessment fees since 2016. We have been fiscally prudent regarding all NVA CBD expenditures.

Importantly, the NVA has been successful in winning grants for capital improvements including benches, open sidewalks, and bike racks. All efforts to provide a welcoming space and inviting programming at the Noe Valley Town Square have been received by merchants and the local community.

The NVA has also been successful in retaining a dedicated staff of street porters and steam cleaners: some have been with the district as long as five years. The 5% increase in assessments unanimously approved by the NVA Board of Directors, effective FYE2023, will largely fund a long overdue pay increase for the four street porters who service the district. The NVA competes for competent workers just like any business; a pay increase was essential after four years.

If you have any questions about the assessment increase, please contact the the NVA's Executive Director, Debra Niemann at debranemo@gmail.com or 415-519-0093.

Financial Statement as of June 30, 2022

The financials for FYE22 below reflects the mandated reporting format of the current NVA CBD management plan. The NVA does not have security cameras and does not operate a surveillance security system. The NVA did not receive any private contributions over \$1,000 during FYE22. The NVA engages Accounting Results, Inc. for bookkeeping services. For the annual account review, the NVA hired Maze & Associates for the 2021-22 fiscal year. The figures shown here are unaudited. The review and final report will be posted to the NVA website when it is complete, or may be provided by request to the NVA Executive Director.

NVA Current Management Plan Budget

Service Category	Dollar Amount	Percentage			
Clean and Green	\$165,000.00	64.71%			
Promotion of District	\$20,000.00	7.84%			
Administration	\$60,000.00	23.53%	Assessment Revenue	\$246,750.00	96.76%
Contingency & Reserve	\$10,000.00	3.92%	Non-Assessment Revenue	\$8,250.00	3.24%
TOTAL	\$255,000.00	100.00%	TOTAL	\$255,000.00	100.00%

NVA FYE 2022 Budget July 2021 - June 2022

Service Category	Assessment \$	Non-Assessment \$	Total \$ Amount	% Total Assessment	% Total Budget
Clean and Green	\$162,000.00	\$3,000	\$165,000	65.59%	64.64%
Promotion of District	\$15,000	\$5,250	\$ 20,250	6.07%	7.93%
Administration	\$60,000.00		\$ 60,000	24.29%	23.51%
Contingency & Reserve	\$10,000.00		\$ 10,000	4.05%	3.92%
TOTAL	\$247,000	\$8,250	\$255,250	100%	100%

NVA FYE 2022 Actuals July 2021 - June 2022

Service Category	Assessment \$	Non-Assessment \$	Total \$ Amount	% Total Assessment	% Total Actuals
Clean and Green	\$158,495.99	\$ 3,240	\$161,735.99	65.65%	64.12%
Promotion of District	\$12,936.75	\$ 7,560	\$ 20,496.75	5.36%	8.13%
Administration	\$ 59,987.53		\$ 59,987.53	24.85%	23.78%
Contingency & Reserve	\$ 10,000		\$ 10,000	4.14%	3.96%
TOTAL	241,420.27	\$ 10,800	\$252,220.27	100%	100%

The Noe Valley Association welcomes your questions & feedback.

Noe Valley Association • 1330 Castro Street • SF • CA • 94114

Please direct any questions to info@noevalleyassociation.org or call Debra Niemann at 415-519-0093.

The Noe Valley Association is a registered 501(c)(3) organization. All contributions are tax-deductible to the extent allowed by law.

**NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT
REVIEWED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

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**NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT
REVIEWED FINANCIAL STATEMENTS
For the Year Ended June 30, 2022**

Table of Contents

INTRODUCTORY SECTION

Table of Contents	i
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FINANCIAL SECTION

INDEPENDENT ACCOUNTANT’S REVIEW REPORT	1
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FINANCIAL STATEMENTS

Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5

NOTES TO THE FINANCIAL STATEMENTS	7
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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Noe Valley Association, a Community Benefit District
San Francisco, California

We have reviewed the accompanying financial statements of Noe Valley Association, a Community Benefit District (the Organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, cash flows and functional expenses 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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's 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.

Accountant's Conclusion

Based on our review, we are not aware of any material modification 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.

Report on Summarized Comparative Information

We have previously reviewed the Organization's 2021 financial statements, and we stated that we were not aware of any material modifications that should be made to those financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America in our report dated February 22, 2022. In our opinion, the accompanying summarized comparative information as of and for the year ended June 30, 2021 is consistent, in all material respects, with the reviewed financial statements from which they've been derived.

A handwritten signature in black ink that reads 'Maze & Associates' in a cursive script.

Pleasant Hill, California
January 9, 2023

NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT

STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2022
WITH COMPARATIVE AMOUNTS AS OF JUNE 30, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and cash equivalents (Note 2B)	\$ 344,730	\$ 288,593
Due from City	<u>-</u>	<u>86</u>
TOTAL ASSETS	<u>\$ 344,730</u>	<u>\$ 288,679</u>
NET ASSETS (Note 2A)		
Without donor restrictions	\$ 326,852	\$ 277,874
With donor restrictions (Note 5)	<u>17,878</u>	<u>10,805</u>
Total Net Assets	<u>344,730</u>	<u>288,679</u>
TOTAL NET ASSETS	<u>\$ 344,730</u>	<u>\$ 288,679</u>

See Independent Accountant's Review Report and Notes to Financial Statements.

NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	2022	2021
SUPPORT AND REVENUE				
Property assessment revenue	\$ 255,605	\$ -	\$ 255,605	\$ 247,114
Grants	33,221	90,000	123,221	50,229
Fees for service	19,482	-	19,482	12,466
Donations	-	-	-	-
Interest and other	114	-	114	1,998
Net assets released from restriction	82,927	(82,927)	-	-
Total Support and Revenue	<u>391,349</u>	<u>7,073</u>	<u>398,422</u>	<u>311,807</u>
EXPENSES				
Program services	261,730	-	261,730	247,024
Management and general	67,672	-	67,672	71,597
Fundraising	12,969	-	12,969	15,413
Total Expenses	<u>342,371</u>	<u>-</u>	<u>342,371</u>	<u>334,034</u>
Changes in net assets	48,978	7,073	56,051	(22,227)
Net assets at beginning of period	<u>277,874</u>	<u>10,805</u>	<u>288,679</u>	<u>310,906</u>
Net assets at end of period	<u><u>\$ 326,852</u></u>	<u><u>\$ 17,878</u></u>	<u><u>\$ 344,730</u></u>	<u><u>\$ 288,679</u></u>

See Independent Accountant's Review Report and Notes to Financial Statements.

NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022
WITH SUMMARIZED AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	Program Services						Totals	
	District Projects	Fiscal Projects	Total Program	Management and General	Fundraising		2022	2021
Salaries	\$ 6,549	\$ -	\$ 6,549	\$ 48,042	\$ 2,275	\$	56,866	\$ 56,335
Payroll taxes	638	-	638	3,737	182		4,557	4,530
Accounting	559	-	559	6,518	295		7,372	7,370
Advertising and promotions	10,407	10,456	20,863	-	-		20,863	7,510
Bigbelly trash cans	-	-	-	-	9,826		9,826	12,429
Clean and Green - street maintenance and improvements	161,736		161,736	-	-		161,736	81,338
Due, permits and renewal fees	-	1,292	1,292.00	351	15		1,658	273
Entertainment	-	19,457	19,457	-	-		19,457	18,691
Fee for service	-	37,058	37,058	4,176	174		41,408	30,498
Insurance	-	1,000	1,000	2,957	123		4,080	4,467
Office expenses	-	-	-	614	26		640	96
Repairs and maintenance	1,360	9,708	11,068	-	-		11,068	23,905
Street maintenance	-	-	-	-	-		-	75,991
Streetscape improvement	-	-	-	-	-		-	9,057
Other	200	1,310	1,510	1,277	53		2,840	1,544
Total Expenses	<u>\$ 181,449</u>	<u>\$ 80,281</u>	<u>\$ 261,730</u>	<u>\$ 67,672</u>	<u>\$ 12,969</u>	<u>\$</u>	<u>342,371</u>	<u>\$ 334,034</u>

See Independent Accountant's Review Report and Notes to Financial Statements.

NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022
WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED JUNE 30, 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 56,051	\$ (22,227)
Adjustment to reconcile net income to cash provided (used) by operating activities:		
(Increase) decrease in:		
Assessment receivable	-	2,795
Due from City	<u>86</u>	<u>-</u>
Net Cash (Used) by Operating Activities	<u>56,137</u>	<u>(19,432)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	56,137	(19,432)
Cash and cash equivalents, beginning of year	<u>288,593</u>	<u>308,025</u>
Cash and cash equivalents, end of year	<u><u>\$ 344,730</u></u>	<u><u>\$ 288,593</u></u>

See Independent Accountant's Review Report and Notes to Financial Statements.

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**NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2022**

NOTE 1 – ORGANIZATION

The Noe Valley Association, a Community Benefit District (the Organization), is a nonprofit organization founded by property owners, merchants and community members in the Noe Valley neighborhood of San Francisco, California. The Organization receives community benefits district assessment funds from taxes paid by property owners and merchants. Program activities of the Organization include:

Clean and Green

Programs may consist of, but are not limited to, the following: Sidewalk and gutter sweeping, sidewalk pressure washing, graffiti and handbill removal, trash removal, trees water and weeded, hanging flower baskets, parklets and gardens planted and maintained, and public space activation.

Promotion of District

Programs may consist of, but are not limited to, the following: Events, media relations, website, and District stakeholder outreach.

Administration

Administrative staff oversees the Noe Valley CBD's services which are delivered seven days a week.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) and, therefore, include all support and revenues when earned and all expenses when incurred, regardless of whether the support and revenues or expenses were received or paid as of the end of a period. Grants are recognized as support when earned in accordance with the terms of each grant or agreement.

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in the Accounting Standards Codification (ASC), No. 958, *Financial Statements of Not-for-Profit Organizations*.

The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net Assets Without Donor Restrictions: Net assets available for use in general operations that are not subject to or are no longer subject to donor-imposed restrictions.

**NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2022**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets With Donor Restrictions: Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met with the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

B. Cash and Cash Equivalents

For purposes of reporting cash flows, the Organization considers highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

C. Concentration of Credit Risk

The Federal Deposit Insurance Corporation (“FDIC”) insures account balances up to \$250,000 at each insured institution. The Organization sometimes carries balances that exceed FDIC insurance limits. Management believes the Organization is not exposed to any significant credit risk related to cash.

D. Property Assessments Revenue

The Organization recognizes assessment revenue when assessed. Property taxes are payable in December and April of each fiscal year. Amounts are collected by the Treasurer and Tax Collector (Tax Collector) of the City and County of San Francisco and are remitted to the Organization in four payments each year.

E. Property Assessments Receivable

Assessments receivable primarily consists of delinquent tax assessments owed by property owners. Since the taxpayers will be subject to City enforcement procedures, all assessments are considered to be fully collectible at June 30, 2022.

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

**NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2022**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs and maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives on the property and equipment. The Organization had no property and equipment that met this capitalization policy at June 30, 2022.

G. Recognition of Contributions

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

H. Contributed Services

Contributed services are reflected in the financial statements at the fair value of the services received only if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. There were no contributed services that met the criteria for recognition for the year ended June 30, 2022.

I. Functional Allocation of Expenses

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

Salaries and wages, benefits, and payroll taxes are allocated based on quarterly activity reports prepared by key personnel.

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

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

**NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2022**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. The Organization generally does not conduct fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Additionally, advertising costs are expenses as incurred.

J. Estimates

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

K. Income Taxes

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and California RTC 23701(d). Accordingly, no provision for income taxes has been provided in these financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private Organization under Section 509(a)(1). Unrelated business income, if any, may be subject to income tax. The Organization paid no taxes on unrelated business income in the year ended June 30, 2022.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Organization's tax returns. Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. Generally, the Organization tax returns remain open for federal income tax examination for three years from the date of filing.

L. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards set a framework for measuring fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs (interest rates, currency exchange rates, commodity rates and yield curves) that are observable or corroborated by observable market data for substantially the full term of the assets or liabilities.

**NOE VALLEY ASSOCIATION,
A COMMUNITY BENEFIT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2022**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 3: Inputs that are not observable in the market and reflect the management's judgment about the assumptions that market participants would use in pricing the asset or liability.

M. Subsequent Events

The Organization evaluated subsequent events for recognition and disclosure through January 9, 2023, the date which these financial statements were available to be issued.

NOTE 3 – CONCENTRATIONS

For the year ended June 30, 2022, the Organization received approximately 91% of its revenue from community benefit district assessments on property owners in the Noe Valley Community Benefit District. A significant reduction in the level of this support, if this were to occur could have a significant effect on the Organization's program and activities.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

A. Assessments

Community benefit district assessments are received from the City and County of San Francisco under an agreement that was renewed on January 1, 2021 for fifteen years. The assessments and related revenue to the Organization may be terminated at an earlier date if the community benefit district which funds the Organization's operations is disestablished by a vote of the assessed property owners or in certain other circumstances.

B. Grant Awards

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

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

The Organization sponsors the Noe Valley Town Square project and the Noe Valley Girls' Film Festival project. Net assets with donor restrictions for fiscal projects consisted of \$17,878 and \$10,805 as of June 30, 2022 and 2021, respectively.

<p style="text-align: center;">NOE VALLEY ASSOCIATION, A COMMUNITY BENEFIT DISTRICT NOTES TO THE FINANCIAL STATEMENTS For the Year Ended June 30, 2022</p>

<p>NOTE 6 – LIQUIDITY AND AVAILABILITY</p>

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, consisted of the following at June 30, 2022:

Total current financial assets:	
Cash and cash equivalents	\$ 344,730
Total current financial assets	<u>344,730</u>
Less: Purpose-restricted net assets	<u>(17,878)</u>
 Total	 <u><u>\$ 326,852</u></u>

As part of the Organization’s liquidity management plan, the Organization maintains funds in excess of daily requirements in cash and cash equivalent accounts.

MEMORANDUM

TO: Supervisor Rafael Mandelman, District 8 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: Noe Valley Community Benefit District; FY 2021-2022 Annual Report

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

Each year the CBD is required to submit a mid-year report, an annual report, and a CPA Financial Review or Audit. Noe Valley 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 Noe Valley CBD management contract with the City; and their Management Plan approved by the Board of Supervisors in 2020.

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

The Noe Valley Community Benefit District (Noe Valley CBD) was formed to clean, beautify, and improve public space within the district. Noe Valley CBD includes both privately and publicly owned properties. The district is 8 square blocks and includes 211 parcels. The main commercial street that services Noe Valley is 24th Street between Church and Douglass Streets.

- August 2, 2005: the Board of Supervisors approved the resolution that established the Noe Valley Community Benefit District for 15 years (Resolution # 583-05).
- January 10, 2006: the Board of Supervisors approved the contract for the administration and management of the Noe Valley Community Benefit District (Resolution # 13-06).
- March 3, 2015: the Board of Supervisors approved the Annual Reports for FYs 2009-2010, 2010-2011, 2011-2012, 2012-2013, and 2013-2014 (Resolution # 062-15).
- March 22, 2016: the Board of Supervisors approved the Annual Report for FY 2014-2015 (Resolution # 111-16).
- March 21, 2017: the Board of Supervisors approved the Annual Report for FY 2015-2016 (Resolution # 093-17).
- May 22, 2018: the Board of Supervisors approved the Annual Report for FY 2016-2017 (Resolution # 154-18).
- September 17, 2019: the Board of Supervisors approved the Annual Report for FY 2017-2018 (Resolution # 399-19).
- December 1, 2020: the Board of Supervisors approved the Annual Report for FY 2018-2019 (Resolution # 549-20).
- February 7, 2020: the Board of Supervisors approved the resolution to establish (renew) the Noe Valley Community Benefit District for 15 years (Resolution # 53-20).
- December 1, 2020: the Board of Supervisors approved the contract for the administration and management of the Noe Valley Community Benefit District (Resolution # 549-20).
- January 25, 2021: the Board of Supervisors approved the Annual Report for FY 2019-2020 (Resolution # 22-22)
- December 13, 2022: the Board of Supervisors approved the Annual Report for FY 2020-2021 (Resolution No. 538-22).

Basic Info about Noe Valley Community Benefit District

Year Established	August 2005
Year Renewed	February 2020
Assessment Collection Period	FY 2020-2021 to FY 2034-2035 (July 1, 2020 to June 30, 2035)
Services Start and End Date	January 1, 2021 – December 31, 2035
Initial Estimated Annual Budget	\$255,000
FY 2021-22 Assessment Submission	\$248,541.48
Fiscal Year	July 1 – June 30
Executive Director	Debra Niemann
Name of Nonprofit Owners' Entity	Noe Valley Association



The current CBD website www.noevalleyassociation.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

Clean & Green

The Noe Valley Management Plan calls for 65% of the budget to be spent on Public Rights of Way and Sidewalk Operations. This program area includes sidewalk cleaning covering systematic sidewalk and gutter cleaning, sweeping litter, debris and refuse; sidewalk pressure washing; graffiti removal; and greenscape management covering watering and weeding tree wells, providing gardens, benches, planter boxes, hanging flower baskets and parklets.

Promotion of District

Approximately 8% of the annual budget is allocated for promotion of district, local businesses, helping property owners attract tenants through advertisement and neighborhood branding efforts. This program area includes but is not limited to promoting the district through a website that includes information about their purpose and accomplishments, managing media relations, sponsoring special events such as street festivals, and district stakeholder outreach.

Administration

Noe Valley CBD is staffed by a part-time Executive Director who 1) performs the day-to-day management of the organization, 2) works with various city departments, 3) advocates for city funds and services, and 4) ensures that the organization is in compliance with their Management Plan and City contract. The Noe Valley CBD Management Plan calls for approximately 24% of the budget to be spent on management and operations. The remaining 4% of annual budget is to be allocated to a contingency fund.

The Noe Valley CBD board is represented by residents, property owners, merchants, and community organizations. Board member seats are determined using the following guidelines: at least 50% to be property owners and at least 20% non-property-owning merchants. This structure complies with Article 15 of the San Francisco Business and Tax Regulations Code.

Summary of Accomplishments, Challenges, and Delivery of Services

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. Public Rights of Way and Sidewalk Operations is grouped with Clean & Green as both service areas largely focused on services such as sidewalk cleaning, greenscape management, weeding tree wells and watering planter boxes. District Identity and Streetscape Improvements is grouped with Promotion of District as both service areas largely focused on promoting the district, sponsoring special events and website management. Management & Operations is grouped with Administration as both service areas largely focused on providing performing day-to-day management of the organization, working with various city departments, advocating for city funds and services and ensures the organization is in compliance with their Management Plan and City contract.



FY 2021-2022

Clean & Green

- Removed 536 instances of graffiti, stickers and improper signage – five times more than the previous year
- Responded to 365 calls, via 311, for pick-up of large items (e.g. furniture, mattresses, tree limbs, etc.) and illegally dumped toxic materials
- Weeded and watered 200 trees
- Removed 199 bulky trash items, yard debris, clothing, paint cans, emptied overflowing trash cans, returned abandoned shopping carts
- Maintained 84 chairs and tables in the public parklets on 24th Street
- Steam cleaned sidewalks monthly from March to November
- Maintained 27 planters/sidewalk gardens
- Watered and renewed 23 hanging flower baskets
- Maintained 4 BigBelly garbage receptacles through an OEWD grant
- Maintained 2 parklets with flowers/plants
- In Noe Valley Town Square, maintained 26 community benches, 20 bike racks, 10 new bike racks, 24 trash receptacles, and 7 umbrellas

Promotion of District

- Created and maintained 8 NVA identity banners
- Published and maintained NVA website

Administration

- Awarded \$115,000 in grants from SF OEWD and Supervisor Mandelman to activate Noe Valley Town Square. NVCBD continues to be a fiscal agent for Noe Valley Town Square events

NVCBD Annual Budget Analysis

OEWD's staff reviewed the following budget related benchmarks for Noe Valley 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 "Noe Valley Community Benefit District," Section 3.9 – Budget*)
- **BENCHMARK 2:** Whether five percent (5%) of actuals came from sources other than assessment revenue (*CA Streets & Highways Code, Section 36650(B)(6); Agreement for the Administration of the "Noe Valley Community Benefit District," Section A - Annual Reports*)
- **BENCHMARK 3:** Whether the variance between the budget amount and actual expenses within a fiscal year was within 10 percent (*Agreement for the Administration of the "Noe Valley Community Benefit District," Section 3.9 – Budget*).



- **BENCHMARK 4:** Whether Noe Valley CBD 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 (*CA Streets & Highways Code, Section 36650(B)(5)*).

FY 2021-2022 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: *Noe Valley CBD met this requirement.*

Service Category	Management Plan Budget		FY 2021-2022 Budget		Variance	
	Assessment (%)	Total (%)	Assessment (%)	Total (%)	Assessment	Total
Clean and Green	\$159,661.76 (64.71%)	\$165,000.00 (64.71%)	\$162,000.00 (65.59%)	\$165,000.00 (64.64%)	+0.88%	-0.06%
Promotion of District	\$19,352.94 (7.84%)	\$20,000.00 (7.84%)	\$15,000.00 (6.07%)	\$20,250.00 (7.93%)	-1.77%	+0.09%
Administration	\$58,058.82 (25.53%)	\$60,000.00 (25.53%)	\$60,000.00 (24.59%)	\$60,000.00 (23.51%)	+0.76%	-0.02%
Contingency & Reserve	\$9,676.47 (3.92%)	\$10,000.00 (3.92%)	\$10,000.00 (4.05%)	\$10,000.00 (3.92%)	+0.13%	0.00%
TOTAL	\$246,750.00 (100%)	\$255,000.00 (100%)	\$247,000.00 (100%)	\$255,250.00 (100%)		

BENCHMARK 2: Whether five percent (5%) of Noe Valley CBD's actuals came from sources other than assessment revenue

ANALYSIS: *Noe Valley CBD met this requirement. Assessment revenue was \$255,605.00 or 64.15% of actuals and non-assessment revenue was \$142,817.00 or 35.85% of actuals. See table below.*

Revenue Sources	FY 2021-2022 actuals	% of actuals
Assessment Revenue	\$255,605.00	
Total Assessment (Special Benefit) Revenue	\$255,605.00	64.15%
Grants	\$123,221.00	
Fees for Service	\$19,482.00	
Interest Earned	\$114.00	
Total Non-Assessment (General Benefit) Revenue	\$142,817.00	35.85%
TOTAL	\$398,422.00	100.00%



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

ANALYSIS: *Noe Valley CBD met this requirement. See table below.*

	FY 2021-2022 Budget		FY 2021-2022 Actuals		Variance	
Service Category	Assessment (%)	Total (%)	Assessment (%)	Total (%)	Assessment	Total
Clean and Green	\$162,000.00 (65.59%)	\$165,000.00 (64.64%)	\$158,495.99 (65.65%)	\$161,735.99 (64.12%)	+0.06%	-0.52%
Promotion of District	\$15,000.00 (6.07%)	\$20,250.00 (7.93%)	\$12,936.75 (5.36%)	\$20,496.75 (8.13%)	-0.71%	+0.19%
Administration	\$60,000.00 (24.59%)	\$60,000.00 (23.51%)	\$59,987.53 (24.85%)	\$59,987.53 (23.78%)	+0.56%	+0.28%
Contingency & Reserve	\$10,000.00 (4.05%)	\$10,000.00 (3.92%)	\$10,000.00 (4.14%)	\$10,000.00 (3.96%)	+0.09%	+0.05%
TOTAL	\$247,000.00 (100%)	\$255,250.00 (100%)	\$241,420.27 (100%)	\$252,220.27 (100%)		

BENCHMARK 4: Whether Noe Valley CBD 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: *Noe Valley CBD did not meet this requirement. Please note: There is a period between when the City collects assessment payment and when the City disburses the funds to the CBD. As a result, a CBD typically has a fund balance at the end of the fiscal year that is equal to about 6 months of their annual budget. See table below.*

FY2021-2022 Carryover	Dollar Amount
Assessment Amount for FY2022	
Total Designated Amount for FY 2022	

Findings and Recommendations

Noe Valley CBD met three of the four benchmarks as defined on pages 4 and 5 of this memo as set by the California Street and Highways Code Section 36650-36651; and the Agreement for the Administration of the Noe Valley Community Benefit District. The Noe Valley CBD missed Benchmark 4 which requires the CBD to detail its carryforward amount and its planned spenddown plan. Typically, CBDs operating on the fiscal year have a fund balance that is equal to about 6 months of their annual budget. This coincides with the period of time they do not receive distributions from the City and County of San Francisco. The CBD's



financial statements does indicate the amount of money it has in reserves, but does not provide a spenddown plan. State code specifically calls for both parameters to be in the annual report. OEWD will review guidelines with the CBD and remind them of their obligation to include this in their annual report. OEWD will also review the carryforward amount with the executive director and understand the CBD's spenddown plan. Should this oversight occur again, OEWD may make additional recommendations or take additional action.

The CBD historically did not meet Benchmark 1 under its former management plan. OEWD worked with the CBD during its renewal to ensure that Benchmark 1 would be met under the new plan. This reporting period is the first full fiscal year under the new plan and the CBD successfully met this benchmark, indicating the structural issue in the prior management plan was addressed successfully.

The Noe Valley CBD is not part of the Connected Worker App, also known as Integrated 311. Based on the size and scope of the CBD's services this makes operational sense for them. The Noe Valley CBD does not utilize surveillance technology and is in compliance with OEWD's memorandum regarding surveillance technology. OEWD did not receive and reports of violations of the Brown Act or California Public Records Act by the organization in this reporting period.

Conclusion

Noe Valley CBD has performed well in implementing the service plan, but must fully comply with benchmark 4 in future annual reports. Although events in the Noe Valley Town Square were largely suspended due to the pandemic, the CBD continues to activate the public space and see people utilizing the space. Noe Valley CBD is a well-run organization with active board and committee members and will continue to successfully carryout its mission as a community benefit district.



BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Sarah Dennis-Phillips, Executive Director, Office of Economic and Workforce Development
Greg Wagner, City Controller, Office of the City Controller

FROM: Monique Crayton, Assistant Clerk, Government Audit and Oversight Committee, Board of Supervisors

DATE: March 12, 2024

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Supervisor Rafael Mandelman on May 16, 2023:

File No. 230578

Resolution receiving and approving an annual report for the Noe Valley Community Benefit District for Fiscal Year (FY) 2021-2022, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, *et seq.*), Section 36650, and the District's management agreement with the City, Section 3.4.

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

cc:

Anne Taupier, Office of Economic and Workforce Development
Alesandra Lozano, Office of Economic and Workforce Development
Todd Rydstrom, Office of the City Controller

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2023 MAY 16 PM 12:54

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

- ☒ 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment) *JR*
- ☐ 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- ☐ 3. Request for Hearing on a subject matter at Committee
- ☐ 4. Request for Letter beginning with "Supervisor [] inquires..."
- ☐ 5. City Attorney Request
- ☐ 6. Call File No. [] from Committee.
- ☐ 7. Budget and Legislative Analyst Request (attached written Motion)
- ☐ 8. Substitute Legislation File No. []
- ☐ 9. Reactivate File No. []
- ☐ 10. Topic submitted for Mayoral Appearance before the Board on []

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- ☐ Yes ☐ No

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

Sponsor(s):

Mandelman

Subject:

Noe Valley Community Benefit District – Annual Report for FY 2021-2022

Long Title or text listed:

Resolution receiving and approving annual report for the Noe Valley Community Benefit District for fiscal year 2021-2022, submitted as required by the Property and Business Improvement District Law of 1994 (California Streets and Highways Code, Sections 36600, et seq.), Section 36650, and the District's management agreement with the City, Section 3.4.

Signature of Sponsoring Supervisor:

[Handwritten Signature]