

ANNUAL REPORT





On behalf of the Union Square Business Improvement District (Union Square BID) Board of Directors and Staff, we are pleased to present this Annual Report to our stakeholders and the City and County of San Francisco. As we begin a new fiscal year, we are hopeful that by working together to keep Union Square clean, safe and vibrant and continuing to invest in the area, we will create a better experience for everyone working and visiting here.

Under the past leadership of Board President Russell D. Keil, Jr., we accomplished much and certainly ended the calendar year on a high note. Just before Thanksgiving, we launched Winter Walk SF – a pop-up pedestrian plaza on Stockton Street, which was a huge success. This project was originally envisioned by our Streetscapes Chair, Manuela King, to mitigate the impacts of the Central Subway construction and take advantage of the holiday moratorium and put into action by our Marketing and Streetscapes teams.

In early December, we were delighted to have been awarded a \$3 million grant from the Silicon Valley

Community Foundation to increase police presence during the holidays and to expand our security camera program.

The extra SFPD presence over the holidays greatly improved the Union Square experience and the additional resources were critical in handling the Season of Protests in Union Square. With these additional funds we also partnered with property owners to install 32 new cameras on your buildings with 50 more in the pipeline, bringing the total number of cameras to over 100. The camera project represents a meaningful enhancement to the safety and security of our district.

In 2014-2015, the Union Square BID also focused on continuous improvement of our Ambassador and Cleaning

services. The Union Square BID engaged with Block by Block, a new service provider, on February 1, 2015. You may have noticed that we now have Safety and Hospitality Ambassadors in different red uniforms to identify their specific roles. A new white truck with the Union Square BID's logo and URL is now on duty and responding to maintenance requests. After six short months, Block by Block is off to a great start.

In the next year, you will be seeing even more exciting projects in Union Square. Among them, we will be hosting the annual International Downtown Association (IDA) conference from September 30-October 2, 2015. The Union Square BID's aim is to have the district sparkle as we invite 600-900 international downtown professionals to tour Union Square and San Francisco. A plan to redesign the Union Square BID's website is also in the works so that we may continue to have a dynamic, trendsetting online presence that will help draw visitors to our district.

The attached reports provide a detailed list of accomplishments, financial results and a summary of the clean and safe service numbers for the period of July 2014–June 2015. As always, I encourage you to contact us or any member of our staff if you have any additional questions.

Sincerely,

Stephen Brett Board President

April Porell

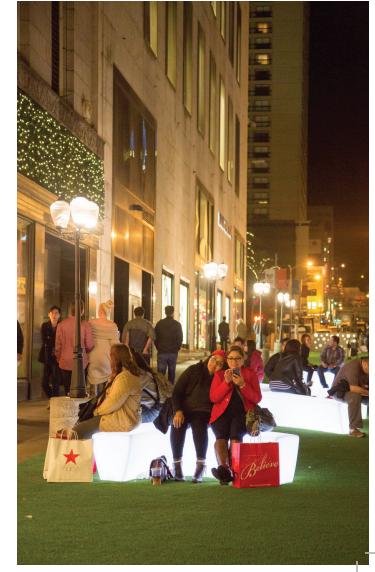
Kaim Flood

Karin Flood Executive Director









2014-2015 ACCOMPLISHMENTS

SERVICES & PUBLIC SAFETY

- Evaluated district conditions on a regular basis and advocated to City departments for improvements.
- Conducted RFP for service provider, evaluated proposals and selected new service provider, Block by Block. Negotiated new contract starting February 1, 2015.
- Contracted with a dedicated Services Manager to oversee and assist Block by Block with the transition of services for the district. The Services Manager oversaw and managed the transition of the SFPD 10B program and assisted the service provider with scheduling and district information and contacts. Services Manager also managed logistics and installations for security camera program.
- Hired social services caseworker through the San Francisco Homeless Outreach Team, dedicated to the Union Square BID area. Connected numerous individuals in need with social services and resources.
- Received \$3 million grant from a donor advised fund of the Silicon Valley Community Foundation in December 2014 for extra police presence and expanding security camera program.
 - Hired 10B officers during the holiday period (part of our Safe Shopper Program), providing almost 10,000 hours of extra police coverage across commercial corridors in City.
 - The Union Square BID Security Camera Program expanded from the initial 22 camera pilot to almost 60 by June 2015 with another 50 camera installations in process by July 2015 and prospects for another 50 installations by December 2015.
- Received 48 video requests since January 2015 from law enforcement and other parties, 10 of which are being used in active investigations.

PUBLIC AFFAIRS

- The Public Affairs Committee met with Supervisor Julie
 Christensen to hear about her goals for District 3 and share with her our vision for a clean, safe and vibrant Union Square.

 The committee also met with Supervisor Mark Farrell to support homeless initiatives he has taken the lead on.
- Continued to advocate for additional police presence with a coalition of other business groups including SF Travel, the SF Chamber, Hotel Council, Committee on Jobs, and other hoteliers. Achieved a win with the Board of Supervisors voting 6-5 to increase police presence to 2200+ officers as a policy statement.
- Stayed current on legislative issues that may have impacted

members such as SFMTA's *Vision Zero* plan, closure of Market Street to private vehicles and other issues.

FINANCE, AUDIT & GENERAL ADMINISTRATION

- Developed multi-year financial plan, and increased assessments by 2.5%, generating additional \$326K of revenues through June 30, 2019.
- Completed 13-14FY audit and received unqualified clean opinion with no adjustments and completed 990 filing with the IRS, 199 with California FTB and RRF-1 with California Attorney General.
 Engaged CPA and began planning for 14-15FY audit.
- Managed Board of Supervisors and Government Audit & Oversight Committee's review of the Union Square BID activities and financial results for FY 10-11, 11-12, 12-13, 13-14 and received high marks for fiscal organization and overall management and reporting.
- Drafted and approved 14-15FY annual budget, mid-year budget modification and drafted 15-16 budget.
- Reviewed banking options and opened new accounts and line of credit and negotiated for zero bank fees. Increased interest income by over 300%.
- Managed all insurance matters including all policy applications, renewals, billings, audits, claims and continually reviewed and audited Union Square BID operations and assessed for insurance coverage and maintained full compliance with all City departments and other stakeholders.
- Managed all grant, sponsorship and donor billings, collecting 100% of all pledges, grants, donations.

STREETSCAPES & BEAUTIFICATION

- Assisted the SF Planning Department's successful Market Street
 Prototype Festival to implement and launch innovative, temporary
 public space installations along Market Street by serving
 as a retail cohort lead, in partnership with the Market Street
 Association and the Yerba Buena Community Benefit District.
- Initiated and completed a draft Public Realm Action Plan, in partnership with the landscape architecture firm RHAA for small-scale, low-cost public realm improvements, articulating overarching design, documenting existing conditions, and outlining concepts for potential projects throughout the district.
- Implemented a 90-day pedestrian counting camera project to determine the feasibility of counters as a mechanism to improve service deployment and efficiencies, evaluate streetscapes









improvement efficacy, measure overall impact of events and programming and benchmark the district against comparable shopping districts.

 Contracted with two new landscape providers responsible for the installation and maintenance of new flower baskets around the cable car turnaround as well as new drought-tolerant plants and a landscaping maintenance plan for the Powell Street Promenade.

MARKETING ACCOMPLISHMENTS

- Continued to run an extremely successful digital marketing program, with over 335K visits to our website this fiscal year, over 51K likes for our Facebook page, and over 3,435 Twitter fans.
- Completely redesigned our newsletter to stay fresh and increase engagement for our member brands. We also grew our list to 3,157 subscribers.
- Our second annual Fall Fashion Fest was a great success with over 700 attendees and over 170 uses of #F3SF on social channels as well as over 30 press hits. Food + Art 2015 was equally well-received with over 950 attendees (2740 RSVPs on Eventbrite), several great press hits (including radio, local print and blogs), and over 200 uses of #SFFoodArt.
- Raised over \$50K in funds for our marketing programs through sponsorship, much of which was put back into our Map & Guide, which was redesigned and reprinted this year. On track to distribute all 60K copies.
- Completed a successful holiday campaign with hundreds of press hits and social media mentions for holiday offerings, Black Friday and Winter Walk SF.

OVERALL

Winter Walk

 The Union Square BID's Streetscapes and Marketing teams designed, branded, promoted, activated and managed the first ever Winter Walk SF. This hugely successful pedestrian pop-up plaza was originally envisioned by Streetscapes Chair Manuela King. It ran along two-blocks of Stockton Street and was activated with food trucks, a projection light art show, carolers, seating and green turf as well as local retail promotions. Intercept surveys conducted with 700+ pedestrians showed overwhelming support for repeating Winter Walk SF next holiday season. Winter Walk SF was also wildly successful digitally with hundreds of social media interactions using #WinterWalkSF and the highest traffic in one month to our website VisitUnionSquareSF.com ever (over 52K visits). The Union Square BID is grateful to the sponsors who made Winter Walk SF possible including Royston Hanamoto Alley and Abey, the SFMTA, Grants for the Arts, Hotel G, Macy's and 7x7 Magazine.

Union Square BID awarded \$3 million grant

- In December, the Union Square BID was awarded a \$3 million donor-advised grant from the Silicon Valley Community Foundation to enhance security in the Union Square area. \$1 million of these funds were allocated toward supplemental SFPD presence during the holiday season while \$2 million will go toward expanding the security camera pilot project in the Union Square district and surrounding areas over the next 2 ½ years.
- The Union Square BID also drafted and provided governance documents and grant budget to Silicon Valley Community
 Foundation allowing organization to receive this generous grant.
 While the Union Square BID is the beneficiary of the majority of these funds, we have also been asked to serve as a fiscal agent for other adjacent commercial neighborhoods who are eligible to receive some funding.

IDA Conference

- The Union Square BID, in partnership with the City of San Francisco and SF Travel, has been selected to host the International Downtown Association (IDA) Conference in San Francisco from September 30-October 2, 2015. Hosting this annual trade conference is an opportunity to:
 - Bring 600-900 downtown professionals to San Francisco to share best practices on urban management issues with other City Officials and downtown managers.
 - Showcase our City, its unique neighborhoods and all that is attractive, innovative and cool.
 - Call to action to both the public and private sectors to solve or make strides toward solving some challenging urban issues.

FINANCIALS

ASSESSMENT METHODOLOGY

The Union Square BID is a 501 (C) 4 non-profit organization and currently the largest of San Francisco's 13 existing property-based Improvement Districts. Well known for its unique mix of world-class shopping, hotels, theatre and restaurants, the Union Square district covers 27 blocks and includes nearly 600 parcels, both publicly and privately owned. Funding for the district is proportionally shared by property owners, who are self-assessed to provide services to supplement those provided by the City. These annual assessments are based on the following variables:

- Linear (sidewalk) frontage
- Building square footage of non-residential properties
- Property usage

Each property owner's assessment is calculated according to the special benefit received from the services provided by the Union Square BID. Accordingly, each property owner is assessed for their proportional special benefit for the following services:

- Cleaning, maintenance and safety services
- Marketing, beautification and streetscape improvements and advocacy (non-residential only)

ASSESSMENT CALCULATION RATE CHART FOR 15-16FY

PROPERTY TYPE	CLEAN & SAFE*	MARKETING / ADVOCACY**
Category 1 less than 2,000 bldg sq ft	\$78.06	\$82.95
Category 2 2,000 - 4,999 bldg sq ft	\$78.06	\$165.89
Category 3 5,000 - 9,999 bldg sq ft	\$78.06	\$552.98
Category 4 10,000 - 29,999 bldg sq ft	\$78.06	\$1,105.96
Category 5 30,000 - 99,999 bldg sq ft	\$78.06	\$1,382.45
Category 6 100,000 or more bldg sq ft	\$78.06	\$5,529.80
Residential Property & Public Property	\$78.06	\$0.00
Hallidie Plaza Parcels (1)	\$3.93***	\$0.00

^{*}per linear street foot **per assessor's parcel ***per lot square footage

FINANCIAL RESULTS 2014-2015FY

FUNDS	BUDGET	ACTUAL	VARIANCE	DETAILS
Special Assessment Funds	\$3,264,634	\$3,279,352	\$14,718	Collected \$15K of interest and penalties
Other Funds	\$150,740	\$3,295,263	\$3,144,523	SVCF Grant (\$3mil) and other grants, fundraising
TOTAL FUNDS	\$3,415,374	\$6,574,615	\$3,159,241	Large positive revenue variance due to SVCF grant and other fundraising
EXPENSES	BUDGET	ACTUAL	VARIANCE	DETAILS
Clean & Safe	\$2,547,186	\$2,306,902	\$240,284	Under budget on contractors/staffing, no trash pilot, social services delayed start, security camera funds
Marketing, Advocacy, Beautification, Streetscape Improvements	\$608,216	\$585,975	\$22,241	Winterwalk and holiday related expenses over budget but staffing, streetscapes, advocacy under
Management & Administration	\$527,403	\$539,349	\$(11,946)	
Other assessment/core funds	\$27,800	\$25,914	\$1,886	
Contingency & Reserve	\$326,423	\$0	\$326,423	All items budgeted
TOTAL ASSESSMENT EXPENSES	\$4,037,028	\$3,458,140	\$578,888	Overall postive spending variance
SVCF Grant	\$0	\$1,056,644	\$(1,056,644)	SVCF Grant expenses - including holiday safe shopper program and security camera expansion
Other Grants & Non-Assessment Funds	\$33,000	\$117,069	\$(84,069)	Raised additional funds and had higher related expenses with expansion
TOTAL EXPENSES	\$4,070,028	\$4,631,853	\$561,825	More expenses than budgeted due to SVCF grant
NET SURPLUS FOR 14-15FY	\$(654,654)	\$1,942,762	\$2,597,416	Large positive variance from budget mainly due to SVCF grant revenue

JULY 2014 - JUNE 2015 STATEMENT OF FINANCIAL POSITION

ASSETS

Cash \$3,582,792 Receivables (Net) \$368,436 \$32,511 Other Current Assets Furniture & Equipment (Net) \$273,509

TOTAL ASSETS \$4,257,248

LIABILITIES & NET ASSETS

Accounts Payable & Accrued Expenses \$380,661 **Unrestricted Net Assets** \$1,861,834 Temporarily Restricted Net Assets \$2,014,752

TOTAL LIABILITIES & NET ASSETS \$4,257,248

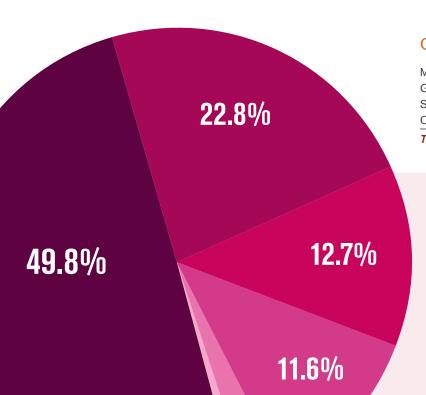
JULY 2015 - JUNE 2016 BUDGET

INCOME

TOTAL INCOME	\$3,683,688	100%	
Fundraising & Other	\$337,665	9%	
Assessment Revenue	\$3,346,023	91%	

EXPENSES

TOTAL EXPENSES	\$5,550,119	100%	
Other Grants & Funds	\$334,253	6%	
SVCF Grant Expenses	\$1,629,680	29%	
TOTAL ASSESSMENT EXPENSES	\$3,589,186		_
Management & Administration	\$676,972	12%	
Streetscapes & Events	\$602,343	11%	
Marketing, Advocacy,			
Clean & Safe	\$2,306,871	42%	



CARRY OVER FUNDS FROM 2014-2015FY

TOTAL CARRY OVER FUNDS 2014-2015	\$3,876,587
Other Restricted/Designated Funds	\$215,469
SVCF	\$1,943,356
General Fund/Contingency	\$1,510,589
Management & Administration	\$207,173

\$2,306,902 CLEAN AND SAFE

MARKETING, ADVOCACY, BEAUTIFICATION, STREETSCAPE IMPROVEMENTS

MANAGEMENT & ADMINISTRATION

OTHER ASSESMENT/CORE FUNDS

CONTINGENCY & RESERVE

TOTAL ASSESMENT EXPENSES:

\$3,458,140

SVCF GRANT_

\$1,056,644

OTHER GRANTS & NON-ASSESSMENT FUNDS.

\$4,631,853 TOTAL EXPENSES

INTERACTIONS 2014-2015

TOURIST AND MERCHANT INTERACTIONS

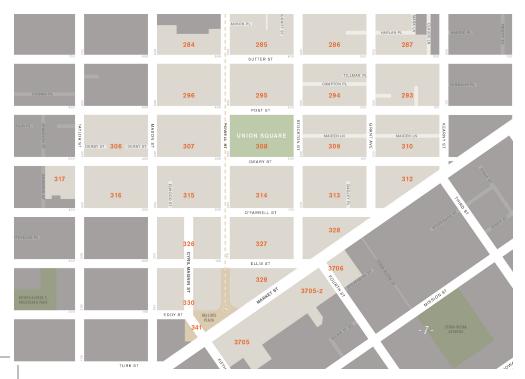
TOTALS	4891	5118	3502	3517	4568	5083	2070	7793	11359	10674	15972	10162	84709
Meet & Greets with Merchants	822	827	651	583	589	504	826	239	143	142	1806	655	7787
Directions	4069	4291	2851	2934	3979	4579	1244	7554	11216	10532	14166	9507	76922
	2014 JUL	AUG	SEP	OCT	NOV	DEC	2015 JAN	FEB	MAR	APR	MAY	JUN	TOTALS

PUBLIC ASSISTANCE

TOTALS	1293	856	1105	1117	1344	1050	1188	3256	4167	3924	4857	1945	26102
Mentally Disturbed	16	15	5	29	21	16	34	157	279	236	284	33	1125
Noise Complaints (Amplified Sound)	20	25	23	30	38	29	75	141	194	161	184	104	1024
Illegal Vending: Observed & Contacted	23	18	20	34	28	34	28	104	150	229	225	84	977
Drunk & Disorderly	25	23	20	17	16	23	38	238	441	365	371	85	1662
Sleepers/Campers/25 MPC Issues	1001	608	930	905	1134	846	797	1338	1679	1557	2281	1139	14215
Aggressive Panhandling	208	167	107	102	107	102	216	1278	1424	1376	1512	500	7099
	2014 JUL	AUG	SEP	OCT	NOV	DEC	2015 JAN	FEB	MAR	APR	MAY	JUN	TOTALS

CITY BEAUTIFICATION

TOTALS	1283	1253	1062	1317	1181	1496	1534	1637	2001	1612	2068	1965	18409
Scrub Requests	694	569	646	784	557	362	429	257	265	241	201	146	5151
Sweep Requests	230	253	202	317	347	606	694	281	259	246	189	104	3728
Overflowing Trashcans Leveled	141	267	121	175	97	233	57	188	253	245	302	377	2456
Graffiti Removed: Stickers & Flyers	26	17	10	17	61	24	142	678	808	417	868	814	3882
Graffiti Removed: Paint	192	147	83	24	119	271	212	233	416	463	508	524	3192
	2014 JUL	AUG	SEP	OCT	NOV	DEC	2015 JAN	FEB	MAR	APR	MAY	JUN	TOTALS



FOOTNOTES

- Meet and greets with merchants increased in May 2015 due to outreach associated with the Union Square BID's Food + Art event. In addition, Hospitality and Safety Ambassadors began engaging in more check-ins with hotels and storefronts along the district's perimeter.
- Sleepers/Campers figures increased substantially starting in February due to an increased focus on quality-of-life issues by the Union Square BID, in addition to the hiring a new Safety Ambassador to report these issues. June experienced a drop due to the loss of a Safety Team Lead and two Safety Ambassadors.
- Public assistance figures in June dipped due to the loss of two Safety Ambassadors, including a Team Lead, though these positions are expected to be shortly back-filled.



SIDEWALK SAFETY & DPW ISSUES

TOTALS	471	351	211	251	223	240	295	711	1021	750	648	335	5507
Cardboard	390	245	118	113	102	142	103	595	927	476	269	177	3657
Safety Hazards & Extreme Vandalism	36	49	42	61	46	41	22	16	14	42	22	3	394
Illegal Dumping: 311 and BID Calls	45	57	51	77	75	57	170	100	80	232	357	155	1456
	2014 JUL	AUG	SEP	OCT	NOV	DEC	2015 JAN	FEB	MAR	APR	MAY	JUN 7	TOTALS

NON-EMERGENCY & EMERGENCY SITUATIONS

	2014						2015						
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN 7	TOTALS
Arrests	5	13	5	3	2	9	15	0	13	6	6	3	80
Non-Emergency & 10B Officer	638	674	787	913	854	764	411	115	157	221	143	28	5705
911 Calls (10B & SFPD)	0	0	0	0	2	1	3	13	6	6	10	12	53
Fights & Assaults	2	0	0	2	0	0	10	5	3	2	9	1	34
Theft & Shoplifting	9	20	0	4	11	7	12	4	0	2	3	6	78
Vehicular Accidents	0	1	1	2	0	0	4	1	0	0	4	2	15
Fires & Fire Alarms	1	1	0	0	1	1	2	1	1	0	1	0	9
TOTALS	655	709	793	924	870	782	457	139	180	237	176	52	5974

GRAND TOTALS 8,593 8,287 6,673 7,126 8,186 8,651 5,544 13,536 18,728 17,197 23,721 14,459 140,701

FOOTNOTES

[•] Non-Emergency incidences dropped in June due to the rescheduling of 10B officers from three evening shifts (1:00 pm – 11:00 pm) to day shifts (8:00 am – 6:00 pm), seven days a week, to address the very large number of non-compliant street persons sleeping in doorways and building alcoves. Rescheduling the Union Square BID 10B officer hours earlier in the day resulted in the substantial reduction of non-emergency calls made to SFPD.

2014-2015 BOARD OF DIRECTORS

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Don Thomas • Club Donatello Homeowners Association Wes Tyler • Chancellor Hotel on Union Square

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Stephen Brett • Brett & Company

SERVICES & PUBLIC SAFETY

Wes Tyler • Chancellor Hotel on Union Square

STREETSCAPES & BEAUTIFICATION

Manuela Anne King • Royston, Hanamoto, Alley & Abey



SERVICES

2015 MANAGEMENT

EXECUTIVE DIRECTOR

Karin Flood

DIRECTOR OF MARKETING

Jeani Hunt-Gibbon

DIRECTOR OF STRATEGIC INITIATIVES

Claude Imbault

CONTRACT SERVICES MANAGER

Randall Scott

CONTRACT FINANCE MANAGER

Benjamin Horne

CONTRACT SERVICE PROVIDER

Block-by-Block





SERVICES OVERVIEW

HOSPITALITY AMBASSADORS

7:30AM - 10:30PM (7 days a week)

SAFETY AMBASSADORS

5:30AM - 11:00PM (7 days a week)

CLEANING AMBASSADORS

5:30AM to 8:30PM (M - F)

7:00AM to 8:30PM (S - S)

DISPATCH SERVICES

7:00AM - 7:30PM (7 days a week)

10B SFPD OFFICER

10 hours daily

PRESSURE WASHING

All sidewalks - twice monthly

GRAFFITI REMOVAL

As needed, with property owner's authorization

ADVOCACY

To represent the district on clean, safe, quality of life and business issues

MARKETING

To ensure Union Square's standing as a dynamic, worldclass destination

STREETSCAPES AND BEAUTIFICATION

To support, promote, and implement public realm improvements throughout the district



UNION SQUARE BUSINESS IMPROVEMENT DISTRICT

323 GEARY STREET, SUITE 203 SAN FRANCISCO, CA 94102 TEL (415) 781-7880 FAX (415) 781-0258 FOR DISPATCH SERVICES CALL (415) 781-4456

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