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central market community benefit district

901 Market Street, Suite 490 San Francisco, CA 94103

415.957.5985 | info@central-market.org | central-market.org

CENTRAL MARKET COMMUNITY BENEFIT DISTRICT ANNUAL REPORT 2016



2016 ACHIEVEMENTS

Business Attraction,
Retention & Expansion



Quarterly Recaps



2 Blocks of Art



Clean Team



Safety Summit



Safety Teams



“Be Barrier Beautiful” Barricade Program



Security Camera Program

THE DISTRICT

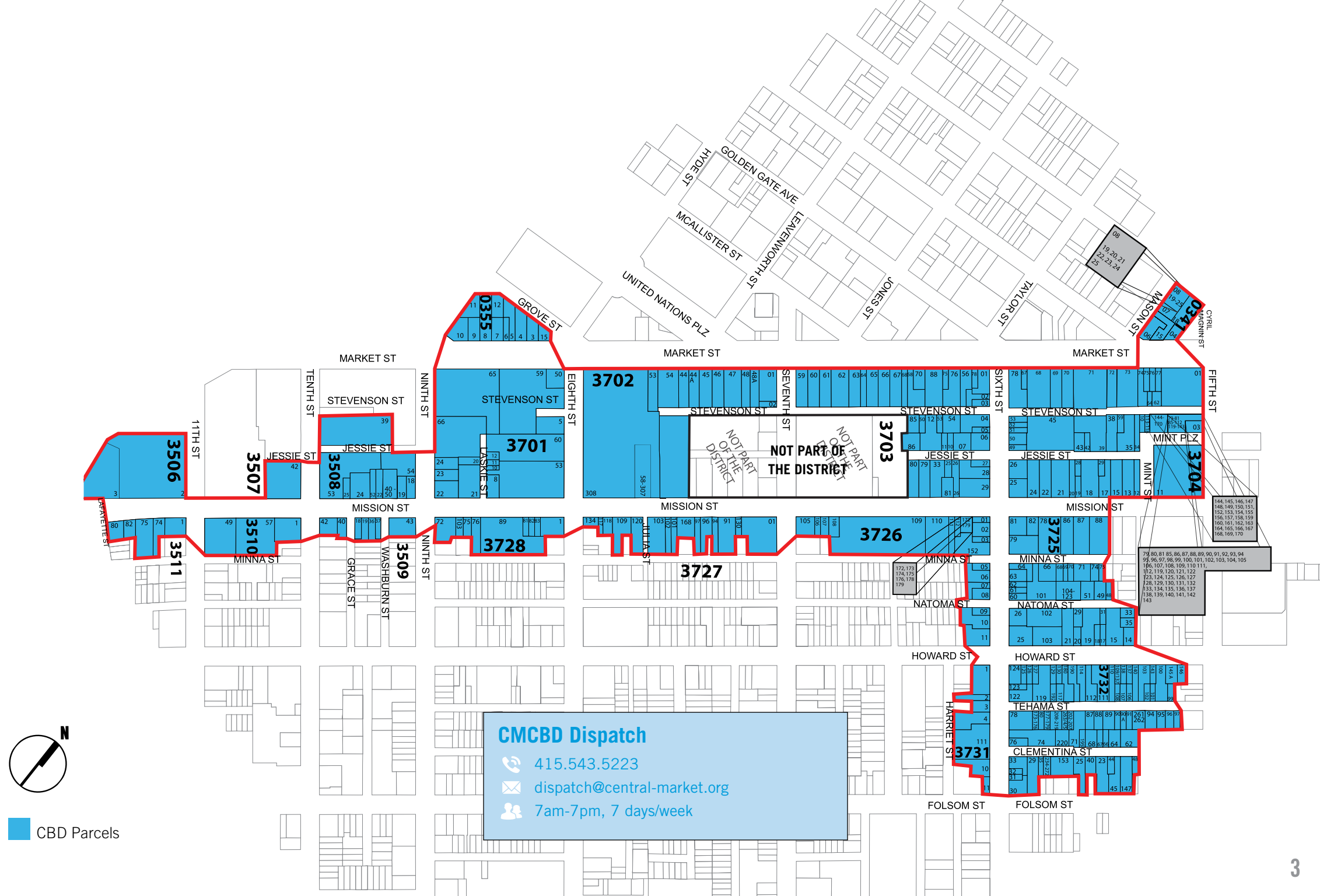
The 98 acres that comprise the Central Market Community Benefit District (CMCBD) include portions of adjacent neighborhoods: Civic Center, SOMA, Tenderloin and Union Square. Home to two of downtown San Francisco's busiest transit stations-Powell Street and Civic Center-early morning commuters, late night theater-goers, residents and international tourists enjoy convenient access to the City's Municipal Railway (Muni) and Bay Area Rapid Transit (BART).

The highly-trafficked area requires balancing the needs of the District with a specialized approach, and great attention to detail. From the thorough work of the Clean Team to the attentiveness of the Community Guide Ambassadors, the CMCBD continued its efforts to make the neighborhood a safer, more attractive, more desirable place to be in 2016. It also ensured the City fulfilled its contractual obligation to maintain baseline cleaning, maintenance, and public safety services.

Economic Development efforts resulted in the attraction and retention of new businesses and non-profit organizations, such as Covo and Lighthouse for the Blind; and with several new residential and commercial real estate development projects underway, the CMCBD remains San Francisco's most dynamic property-based improvement district.

Events such as the 6th annual 2 Blocks of Art artwalk spotlighted local businesses, talent and strengths of the CMCBD community while marketing and promotional activities illuminated the District's robust amenities. These efforts were featured throughout the year on the website, via social media and in the Quarterly Recaps.

The following pages contain the year's programming highlights, initiatives and outcomes. Please visit CMCBD's website for more current and in-depth information at central-market.org.





1Am Gallery Facade



Frena Bakery



Paramo Coffee Company

ECONOMIC DEVELOPMENT

Business Attraction, Retention & Expansion

CMCBD worked to bring new businesses to the District. Retail vacancies were regularly posted on CM CBD's website, and available spaces were shown to a number of prospects. In addition to providing free advertising and lease negotiation services for a number of challenging spaces. Existing businesses received assistance for lease renewals and support for physical improvement projects.

New additions in and around the District include:

Retail

- [Covo Cafe](#)
- [Frena](#)
- [Paramo Coffee](#)
- [The Perennial](#)

Office

- [Covo Office](#)
- [Lighthouse for the Blind](#)

2 Blocks of Art

On September 16th, 2 Blocks of Art returned to 6th Street for the sixth straight year. Each year this event brings thousands of people to the 6th Street corridor in support of the many vibrant businesses and local artists in the area. Organized by CM CBD the event featured more than 100 artists showcasing work in storefronts, galleries, restaurants, hotels and small businesses along two blocks of 6th Street from Market to Howard.

In addition to participation from longstanding galleries such as 1AM, Luggage Store and SF Camerawork this year's art walk featured new work by photographer, Janet Delaney, and a sketch con by Sketchpad Gallery. You can read more about the event on [2blocksofart.org](#). View photos from this year on the [2 Blocks of Art Flickr page](#).

Epicenter-SF.org

In February, Epicenter-sf.org, a shared project of the three downtown CBD's and the City, held their first Open House. The event space was donated by The Hall and Equator Coffees provided pastry and teas. Underscoring Epicenter-SF's commitment to promoting Central Market and connecting its stakeholders, attendance was comprised of an eclectic mix of area stakeholders from the business community, the arts and social service organizations, all three downtown CBD's and representatives from City Hall and Supervisor Jane Kim's office.



WeWork Civic Center



The Perennial



2 Blocks of Art

MARKETING & PROMOTION

Quarterly Recaps

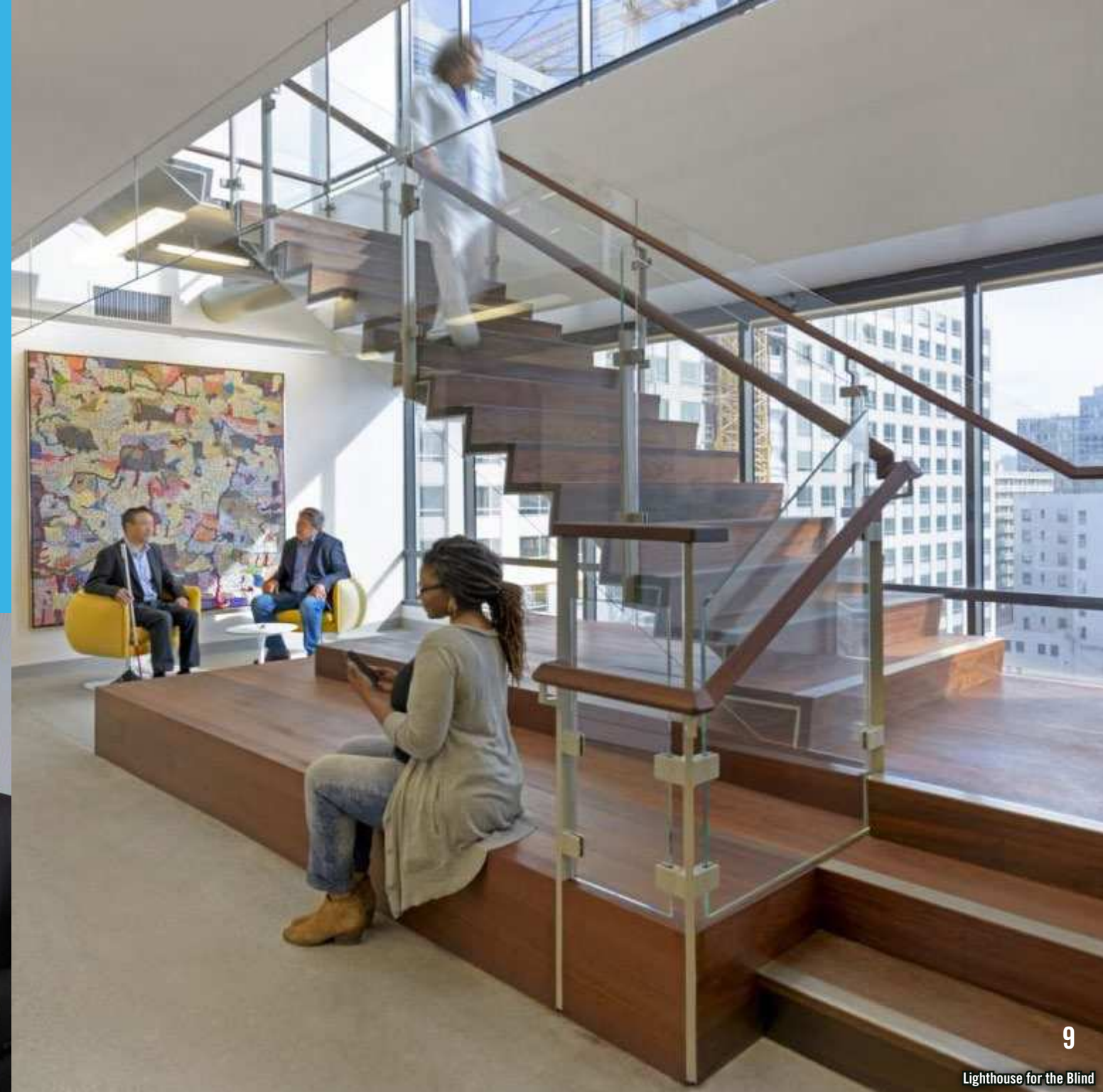
Enhancing information sharing with its many District stakeholders, CMCBD produced quarterly recaps (available on CMCBD's website) highlighting service statistics, information, news, events and achievements in and around the District.

Was your home or business featured in a 2016 Quarterly Recap "District Beauty" section? To find out visit: central-market.org/resources/recaps. To submit a photo for recognition in the District Beauty section please send it via email with a title to: info@central-market.org.

Golden Brick Award

Each year CMCBD honors an individual with its prestigious Golden Brick Award. The 2016 recipient was none other than the charismatic Gianluca Legrottaglie. Gianluca operates two successful small businesses serving our District: 54 Mint and Montesacro. Both restaurants were started from scratch in completely raw spaces, and in incredibly challenging locations. Both are now vibrant and thriving destination restaurants.

We also thank Gianluca for his fundraising and philanthropic efforts (locally and abroad); and for his tireless efforts to support CMCBD goals through advocacy and community organizing. The 2016 Golden Brick Award was presented to Gianluca (pictured left) by the Consul General of Italy - Lorenzo Ortona (pictured right) at this year's CBD Holiday Party.

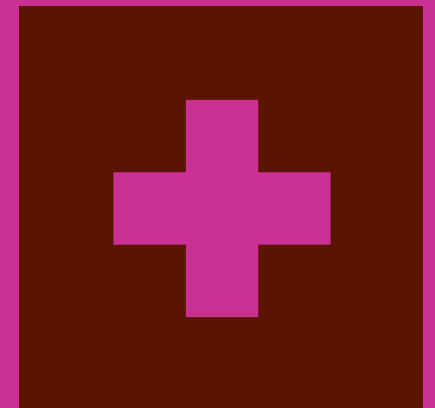




9,169
Camping &
Trespassing
Interventions



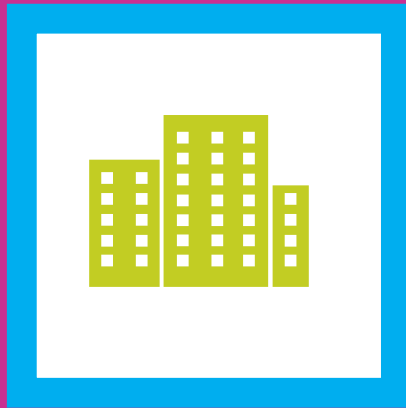
5,450
Needles
Disposed



5,873
Graffiti Tags
Removed



855
Social Service
Interventions



3,139
Directions
and Referrals



6,002
Human / Animal
Waste
Clean-Ups



FINANCIALS

Assessment Methodology

The method of apportioning benefit to parcels within the District reflects the proportional special benefit assigned to each property from the District services, activities and improvements based upon the various property characteristics for each parcel as compared to other properties within the District. Given that the special benefits provided by the District services, activities, and improvements focus on cleanliness, maintenance, safety, and economic development, it was determined that property linear street frontage, lot square footage, building square footage, and land use are the most appropriate parcel factors. Each parcel's linear street frontage, lot square footage, building square footage, and land use have been used as the primary assessment variables for the benefit point calculation and assignment of parcel factors. Details of the annual assessment calculation are in the District Management Plan at central-market.org.

2016 CMCBD Budget & Balance Sheet

INCOME:	BUDGET	ACTUAL
Assessments	\$1,305,538	\$1,484,513
Non-Assessment Income: Fundraising/ In-kind	\$351,000	\$468,712
Interest Income	\$100	\$80
Total Income	\$1,656,638	\$1,953,305

EXPENSE:	BUDGET	ACTUAL
Cleaning and Maintenance	\$376,188	\$357,089
Public Safety	\$490,386	\$469,084
Management and Economic Development	\$365,605	\$332,301
Non-Assessment Expense: Fundraising/ In-kind	\$275,560	\$444,984*
Total Expense	\$1,507,739	\$1,603,458

ASSETS:		
Cash and Cash Equivalents		\$1,611,095
Accounts Receivable		\$68,408
Total Assets		\$1,679,503

LIABILITIES:		
Accounts Payable		\$82,112
Accrued Expenses		\$46,173
Deferred Revenue		\$906,263
Total Liabilities		\$1,034,548

NET ASSETS:		
Unrestricted		\$644,955
Total Net Assets		\$644,955
Total Liabilities & Net Assets		\$1,679,503

CARRY OVER:		
Contingency & Reserve		\$393,425
Net Assets		\$251,530
Total Carry Over		\$644,955

*Includes 2016 Carry Over Expenses (\$22,736)



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

SA 66 - Central Market		2016								
Service Category/Budget Line	Management Plan Budget	Management Plan Budget	Amt. from Gen. Benefit (if applicable)	% of Budget	FY 2016 Budget	General Benefit Dollars	FY 2016 Assessment Budget	% of Budget	Variance	Source
SA 66 - Central Market CBD - Public Safety		\$ 431,382.73		35.20%	\$ 490,386.00			36.41%	1.21%	
SA 66 - Central Market CBD - Cleaning and Maintenance		\$ 352,000.00		28.72%	\$ 376,188.00			27.93%	-0.79%	
SA 66 - Central Market CBD - Management and Economic Development		\$ 300,885.66		24.55%	\$ 365,605.00			27.15%	2.60%	
SA 66 - Central Market CBD - Contingency and Reserve		\$ 141,165.24		11.52%	\$ 114,678.00			8.51%	-3.01%	
SA 66 - Central Market CBD - General Benefit					\$ -					
					\$ -					
TOTAL	\$ -	\$ 1,225,433.63		99.99%	\$ 1,346,857.00	\$ -	\$ -	100.00%		

BENCHMARK 2: General Benefit Requirement

3.68%

\$

Revenue Sources	FY 2016 Actuals	% of actuals	Source
Assessment Revenue	\$ 1,484,513.00		
Total Assessment (Special Benefit) Revenue	\$ 1,484,513.00	76.00%	
Contributions and Sponsorships			
Grants			
Donations			
Interest Earned	\$ 80.00		
Earned Revenue			
Other	\$ 468,712.00		
Total Non-Assessment (General Benefit) Revenue	\$ 468,792.00	24.00%	
Total	\$ 1,953,305.00	100.00%	

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

SA 66 - Central Market		FY 2016											
Service Category/Budget Line	FY 2016 Budget	Amount from Assessment	Amt. from Gen. Benefit (if applicable)	% of Budget (Assessment)	% Budget (Total Budget)	Actuals	Amount from Assessment	Amount from General Benefit	% of Actuals (Assessment)	% of Actuals (Total Budget)	Variance (Assessment)	Variance (Total Budget)	Source
SA 66 - Central Market CBD - Public Safety	\$ 490,386.00	\$ -	\$ -		36.41%	\$ 469,084.00	\$ -	\$ -		35.85%		-0.56%	
SA 66 - Central Market CBD - Cleaning and Maintenance	\$ 376,188.00	\$ -	\$ -		27.93%	\$ 357,089.00	\$ -	\$ -		27.29%		-0.64%	
SA 66 - Central Market CBD - Management and Economic Development	\$ 365,605.00	\$ -	\$ -		27.15%	\$ 332,301.00	\$ -	\$ -		25.39%		-1.75%	
SA 66 - Central Market CBD - Contingency and Reserve	\$ 114,678.00	\$ -	\$ -		8.51%	\$ 150,137.00	\$ -	\$ -		11.47%		2.96%	
SA 66 - Central Market CBD - General Benefit		\$ -	\$ -			\$ -	\$ -	\$ -					
	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -					
	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -					
TOTAL	\$ 1,346,857.00	\$ -	\$ -		100.00%	\$ 1,308,611.00	\$ -	\$ -		100.00%			

BENCHMARK 4: Whether CBD 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

FY 2016 Carryover Disbursement	\$ -	Source	Spenddown Timeline
Assessment	\$ 175,901.76		
Contingency & Reserve	\$ 150,136.84		
General Benefit (Non-Assessment)	\$ 46,544.44		
General Project Total	\$ 372,583.04		
Special Assessment Project			
SA 66 - Central Market CBD - Public Safety	\$ 96,270.88		
SA 66 - Central Market CBD - Cleaning and Maintenance	\$ 79,630.88		
SA 66 - Central Market CBD - Management and Economic Development	\$ -		
SA 66 - Central Market CBD - Contingency and Reserve	\$ -		
SA 66 - Central Market CBD - General Benefit	\$ -		
	\$ -		
	\$ -		
Special Project Total	\$ 175,901.76		
Total Designated Amount for FY 2016	\$ 175,901.76		