



# Yerba Buena Community Benefit District – Mid-Year Report

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*July-December 2018*

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## Executive Summary

We are pleased to submit this mid-year report outlining our accomplishments and financial status for the first six months of the 2018-2019 fiscal year.

We kicked off our ten-year anniversary celebration in January 2019 at our Annual Meeting. We are proud of the accomplishments outlined in this report and our overall progress since operations began in 2009. Our Board of Directors continues to demonstrate outstanding leadership and commitment to the organization. They participate in six standing committees (Executive, Community Benefit Fund, Finance, Marketing, Services, and Streets & Public Space) and two ad hoc committees (Audit and Nominating). The Nominating Committee recently completed its work of bringing four (4) new institutions and two (2) new residents onto the YBCBD Board of Directors. New board officers and committee chairs were also recently elected. We also continue to increase non-board participation on committees and working groups, involving more than 18 community members on various committees and working groups.

The organization has been extremely busy the first six months of FY19 including approval of the second edition of the Yerba Buena Street Life Plan – an updated vision and guide to improve our neighborhood’s public spaces; a new neighborhood marketing campaign to promote the neighborhood and scheduled to be unveiled in 2019; a District 6 Candidate Forum co-hosted with the Central Market Community Benefit District prior to the November 2018 election; a Yerba Buena activity hub with musical performances, activities and neighborhood information at the first Sunday Streets in SOMA in August; finalizing plans and securing funding for improvements to Annie North Plaza at Market Street; producing the 8<sup>th</sup> Annual Yerba Buena Night in October for thousands of residents and visitors; sponsoring the first *Yerba Buena at the Giants* game to help neighborhood residents connect with each other; expanding our Clean Team with two new members; adding a second Social Services Specialist to our services team; finalizing plans to install 20 more Bigbelly trash receptacles; addressing cigarette litter by installing and maintaining nine (9) cigarette butt recycling receptacles; securing another unmodified opinion for our most recent audit; and awarding \$76,250 in grants to community organizations to expand public art, build community, enhance public safety, and improve our streetscapes.

While much has been accomplished over the first ten years of our existence – including securing renewal in 2015 for 15 years – much remains to be done. We look forward to working in partnership with the City of San Francisco to improve the quality of life for those who live, work, and visit Yerba Buena.

## Status and Progress of Programs

Highlights of our accomplishments for the first six months of the 2018-2019 fiscal year are outlined below.

## Management & Operations

- Board & Staff
  - Elected 6 new board members in January 2019; renewed terms of 4 current board members, and elected new officers and committee chairs.
  - Board elections occurred at the YBCBD Annual Meeting on January 22, 2019. All property owners received invitations to the Annual Meeting and public turnout was strong. Newly-sworn in District 6 Supervisor Matt Haney attended the Annual Meeting, shared his priorities for his first term as Supervisor and responded to questions from the Board and Community.
  - Continued to stay abreast of new developments in the neighborhood and their overall impact.
  - YBCBD Staff continue to be involved in leadership positions with many community and City organizations, including The Yerba Buena Gardens Conservancy (a nonprofit formed to oversee and manage Yerba Buena Gardens), Moscone Expansion, Tourism Improvement District, Southern Station Community Police Advisory Board, and Better Market Street Citizen’s Advisory Council, just to name a few.
  - Produced the tenth YBCBD Annual Report (FY17-18) with the theme of “Yerba Buena: It’s All Here” and mailed it to all property owners in the district.
- Finance and Fund Development
  - Completed the ninth organizational annual audit and received an unmodified opinion.
  - Exceeded our fundraising goal of \$165,270 by \$100,952 (raised \$266,222).
  - Conducted a review of organizational investments.
  - Conducted a review of organizational insurance.
  - Prepared five-year budget projections.

## Cleaning & Streetscape Improvements

- Neighborhood Cleanliness
  - YBCBD Clean Team continues to work 365 days a year to address graffiti, sweeping and steam cleaning sidewalks, cleaning and weeding tree wells, painting poles, mail boxes and fire plugs, monitoring public trash receptacles and reporting large items to the City for removal.
  - Added two additional members to the Clean Team.
  - Continued implementation of performance measures for neighborhood cleanliness.
  - Collaborate with the Department of Public Health and Department of Homelessness to address homelessness and the street population in the neighborhood. Supported the opening of a Navigation Center at 680 Bryant Street focused on housing for the homeless in SoMa.
  - Completed a services trend analysis report, analyzing YBCBD services over time to better understand neighborhood issues and create solutions to improve neighborhood safety and cleanliness, and presented the findings at our Annual Board Meeting.

- Streetscape Improvements
  - Continued to maintain 9 Bigbelly SMART waste receptacles and finalized a plan to add up to 20 additional Bigbelly SMART waste receptacles to the neighborhood by the end of the fiscal year.
  - Installed 9 cigarette butt recycling receptacles at institutions who requested them and plan on installing additional receptacles as requested.
  - Secured board approval of the second edition of the Yerba Buena Street Life Plan – a living document to guide the next 10 years of street and public realm improvements in Yerba Buena – following months of community engagement with Yerba Buena stakeholders.
  - Collaborated with the Department of Public Works and adjacent property owners on the redesign of the public plaza at Annie and Market streets and secured funding for the project. Construction is expected to be completed before the end of the fiscal year.
  - Actively participated in the following City-led safety and streetscape projects:
    - 2<sup>nd</sup> Street Improvement Project
    - Folsom-Howard Streetscape Project
    - 5<sup>th</sup> Street Improvement Project
    - Better Market Street
    - 3<sup>rd</sup> Street Transit and Safety Project
    - Central Subway

## **Safety & Security**

- Neighborhood Safety
  - Worked with our SFPD Bike Patrol Officer 12 hours a day to address quality of life issues.
  - Continued to work with the Department of Homelessness and Supportive Housing to align the efforts of our two Social Services Specialists, who focus on connecting people living on district streets to available services.
  - YBCBD Community Guides continue to work 365 days a year to connect those who need help with services, report areas that need to be cleaned, provide directions and information about the neighborhood, and serve as an additional set of eyes for the community to report safety issues.
  - Provided a letter of support for the new Navigation Center at 680 Bryant.
  - Participated in a neighborhood safety and security group to discuss issues, trends, etc.
  - Continued to track community service requests through our mobile app, YBCBD Assist, and other ways to contact Dispatch, including phone, text, email, and on the YBCBD website.
  - Participated in the Clean Safe Civil Coalition (San Francisco Travel) and the CleanSafe365 Coalition (Hotel Council) to better advocate and implement solutions to keep the City cleaner and safer.
- Neighborhood Support
  - Attended numerous Homeowners Association meetings and coordinated additional constituent meetings to discuss YBCBD services and address specific concerns.

- Community Guides and Clean Team members added extra focus around Moscone and hotels during large conferences.

## **Branding, Activation & Marketing**

### ▪ Communications

- Produced and distributed two (2) quarterly newsletters, mailed to property owners and delivered to apartment buildings in the neighborhood.
- Produced six (6) monthly e-newsletters of both YBCBD and neighborhood events and activities to 700 subscribers.
- Produced the tenth YBCBD Annual Report with the theme, *Yerba Buena: It's All Here*. The report was mailed to all property owners in the district and posted online.
- In partnership with SFMTA, created bus ads to promote Yerba Buena Night.
- Recognized individuals and organizations for their contributions to the Yerba Buena neighborhood through the second annual Yerba Buena Community Excellence Awards.
- Continue to distribute “Welcome Packets” to new residents and businesses.

### ▪ Neighborhood Identity and Branding

- Continued to update and market the neighborhood website, [www.visityerbabuena.org](http://www.visityerbabuena.org).
- Developed a new neighborhood promotional campaign with local design firm Creative: MINT, expected to roll out in early 2019.

### ▪ Neighborhood Events and Connections

- Produced the 8<sup>th</sup> Annual Yerba Buena Night on October 13, 2018 – an evening of free music and performance with thousands of people attending.
- Continued to offer a monthly neighborhood walking tour called Hidden San Francisco.
- Sponsored *Yerba Buena at the Giants* game for neighborhood residents on August 28, 2018.
- Helped organize and participated in the first Sunday Streets in SoMa. We engaged numerous neighborhood groups to participate, including the Children’s Creativity Museum, California Historical Society, and the Museum of the African Diaspora. The YBCBD also tabled and engaged with residents and visitors to educate the community about our services and helped organize activities like free face-painting for kids and a music stage.
- Co-hosted a D-6 Candidate Forum with the Central Market Community Benefit District, inviting neighborhood constituents to hear from candidates Matt Haney, Christine Johnson, and Sonja Trauss. Heather Knight from the San Francisco Chronicle moderated the event.

### ▪ Community Benefit Fund

- The YBCBD conducts two grant cycles per year. Grant guidelines and applications were distributed to area nonprofits in both July 2018 and December 2018, and posted on both the YBCBD and neighborhood websites.
- Funding continues to be targeted for public art projects, greening/streetscape improvements, community engagement, and public safety enhancements.

- So far this fiscal year a total of \$76,250 has been awarded to eight (8) nonprofit organizations working to improve the neighborhood. Total granted since the inception of the Fund is \$1,369,000 to 41 nonprofit organizations

### **Other Accomplishments**

- Active participation and/or leadership positions with the:
  - The Yerba Buena Gardens Conservancy
  - Better Market Street Citizen’s Advisory Council
  - Clean, Safe, Civil Coalition
  - CleanSafe365 Coalition
  - San Francisco CBD Consortium
  - Southern Station Community Police Advisory Board
  - Tourism Improvement District Board
  - Yerba Buena Culture Cabinet
  - Yerba Buena Alliance
  - Yerba Buena Neighborhood Consortium
  - Vision Zero Coalition

### **Statistical Summary of Services Provided – July 1, 2018 to November 30, 2018**

- Cleaning Services Provided – 21,331
- Public Safety Services Provided – 3,769
- Pounds of Trash Removed – 176,550
- Graffiti and Stickers Removed – 587
- Linear Frontage Steam Cleaned – 1,185,785
- Commercial Vacancies as of January 22, 2019 – 15 commercial/retail vacancies (down from 26 in 2018); data gathered from CoStar and field observations and only includes commercial retail properties with 1,000 or more available square feet.

<b>Commercial/Retail Vacancies in Yerba Buena - as of January 31, 2019</b>					
	<b>Address</b>	<b>Use</b>	<b>Vacant Square Feet</b>	<b>Former Use</b>	<b>Owner</b>
1	601-605 Market St	Commercial/Retail	10,000	Joseph A. Bank	SD Commercial
2	685 Market St	Commercial/Retail	12,232	Jeffrey's Toys	Brookfield Office Properties, Inc.
3	705 Market St	Commercial/Retail	4,150	Copy Central	703 Market Street, LLC
4	767 Market St	Commercial/Retail	11,519	Candytopia	VII MP
5	646-650 Mission St	Commercial/Retail	2,800	Unknown	DB Meyers
6	817 Mission St	Commercial/Retail	Unknown	Unknown	SFMTA – 5 <sup>th</sup> and Mission Garage
7	62 2 <sup>nd</sup> Street	Commercial/Retail	1,300	B&M Mei Sing Restaurant	Benny and Mo Ying Lee Trust
8	198 2 <sup>nd</sup> St	Commercial/Restaurant	Unknown	Umbria	2 <sup>nd</sup> & Howard 88 LLC
9	30 3 <sup>rd</sup> Street	Commercial/Retail	Unknown	Unknown	26 3 <sup>rd</sup> Street, LLC
10	606-612 Howard St	Commercial/Office/Retail	9,689	Unknown	Lightner Property Group
11	855 Howard St	Commercial/Restaurant	12,000	Buca di Bepo	Yadegar J & V Living Trust
12	893-895 Folsom Street	Mixed Use/Retail	8,254	Elite Audio Systems	Market Street Property Management
13	657 Harrison Street	Light Industrial	12,000	Supperclub	Cresleigh Homes
14	665 Harrison Street	Light Industrial	9,000	Unknown	Cresleigh Homes
15	681 Harrison Street	Light Industrial	2,645	Unknown	John Zappettini
		<b>Known Retail Vacant Square Feet</b>	<b>95,589</b>		

## Summary Financial Data

We do not expect any significant deviations from our approved FY19 annual budget.

	Actuals thru 12.31.18	Year-To-Date Budget
<b>REVENUE</b>		
Assessments	\$ 3,072,671.00	\$ 3,049,986.00
Fundraising	\$ 36,923.00	\$ 103,120.00
Interest Income	\$ 11,663.00	\$ 3,750.00
Carryover from Previous Years	\$ .00	\$ 495,067.00
<b>TOTAL REVENUE</b>	<b>\$ 3,121,257.00</b>	<b>\$ 3,651,923.00</b>
<b>EXPENSE</b>		
Management & Operations	\$ 183,902.00	\$ 235,501.00
Cleaning & Streetscape Improvements	\$ 452,583.00	\$ 782,392.00
Safety & Security	\$ 608,158.00	\$ 811,579.00
Branding, Activation & Marketing	\$ 243,676.00	\$ 296,458.00
<b>TOTAL EXPENSE</b>	<b>\$ 1,488,319.00</b>	<b>\$ 2,125,930.00</b>
<b>NET GAIN/(LOSS)</b>	<b>\$ 1,632,938.00</b>	<b>\$ 1,525,993.00</b>

## Financial Notes

### Revenue

- While our non-assessment revenue is low at this point of the year, we fully expect to hit our budget numbers by the end of the fiscal year. We've already secured \$88,000 in January and expect another \$75,000 in February; plus a \$30,000 OEWD grant to expand the number of Bigbelly waste receptacles in the district.

### Expense

- Management & Operations
  - Expenses are running slightly lower than projected for a variety of reasons. The Hearst Corporation's project of turning the office building into a boutique hotel is taking longer than anticipated – thus we've had significant rent and office moving cost savings. Legal costs are running less than projected and we also had a staff person on unpaid leave for a couple of months.
- Cleaning & Streetscape Improvements
  - Expenses are significantly lower than projected primarily related to Streetscape Improvement projects. We expect significant increases in the 2<sup>nd</sup> half of the year though are projecting to be under budget by an estimated \$140,000.
- Safety & Security
  - We are under budget primarily related to the cancellation of a \$117,000 contract for additional SFPD 10B officer coverage. We anticipate ending the year about \$150,000 under budget.



- Branding, Activation & Marketing
  - Expenses are slightly under budget though we expect to be close to budget by the end of the year.

#### Carryover Status

- We began Fiscal Year 2019 with a carryover balance of \$4.3 million.
- As part of our budgeting process each year, we develop 5-year budget projections in order to anticipate costs and to monitor carryover.
- Our current 5-year budget projections reflect a gradual spending of carryover funds, reducing the amount of carryover to approximately \$50,000 by the end of FY24.
- Our Finance Committee works to maintain a minimum balance of 8-months operating expense as carryover – an amount of \$2.8 million for FY19.

## **Description and Status of Each Contract to Provide Programs/Services**

### **Streetplus/MJM Management Group, Inc.**

- In December 2015 we signed a five-year agreement with MJM Management Group, Inc. In June 2017, MJM sold part of their business to Streetplus, a national firm, and our MJM agreement was assigned to Streetplus. Terms and conditions of the agreement remained the same, however as part of the transition, MJM will remain involved with the YBCBD and Streetplus for a period of two years. Streetplus is a national service provider for CBDs and BIDs with a specialty in urban environments. Streetplus is responsible for providing cleaning and community guide services throughout the district, along with the Social Services Specialist. Services are provided 365 days a year from 6:00am to midnight. The YBCBD meets monthly with Streetplus and MJM to discuss how to continually improve services.

### **San Francisco Police Department**

- The YBCBD contracted with the San Francisco Police Department to engage 10B police officers as of July 1, 2009. In July 2018, we increased the daily hours of our Bike Patrol Officer from 10 to 12 hours a day, 365 days a year. Police officers are on bicycle to better cover the entire neighborhood and work in conjunction with Streetplus and the Community Guides. YBCBD representatives meet monthly with SFPD to discuss issues and how to improve services.

### **Profile Strategies**

- We have worked with Profile Strategies since 2009 on public relations and marketing efforts. They serve as our media expert and contact, are instrumental in developing mailings to property owners, and provide public relations services.

## Preview of 2019

### Management & Operations

- Board
  - Conduct board officer, committee chair, and new director orientation including training on The Brown Act.
- Finance and Fund Development
  - Prepare mid-year forecast for FY19.
  - Prepare the FY20 budget.
  - Prepare updated 5-year budget projections.
  - Continue to seek funding for organizational initiatives.
  - Meet and exceed our non-assessment revenue requirement.
  - Complete another audit and secure an unmodified opinion.
  - Conduct two funding cycles for the Community Benefit Fund.
  - Monitor all current Benefit Fund grantees and continue with site visits.
- Other
  - Continue active participation and/or leadership roles in the San Francisco CBD Consortium, Moscone Expansion Strategic Advisory Group, Better Market Street Citizen’s Advisory Committee, Southern Station Community Police Advisory Board, Tourism Improvement District Board, Clean-Safe-Civil Coalition, CleanSafe365 Coalition, Yerba Buena Culture Cabinet, and The Yerba Buena Gardens Conservancy.

### Cleaning & Streetscape Improvements

- Implement projects stemming from the new Yerba Buena Street Life Plan and continue to obtain community input to prioritize streetscape enhancements in the neighborhood.
- Continue installation of public art throughout the neighborhood.
- Install high-visibility graphic crosswalks at six (6) neighborhood intersections.
- Install up to 20 additional Bigbelly smart waste receptacles by the end of the fiscal year and continue to maintain the nine existing receptacles in the neighborhood.
- Complete changes to the public plaza at Annie and Market streets.
- Install five (4) Yerba Buena Benches along Second Street as part of DPW’s Second Street Project.
- Continue quarterly measurements of neighborhood cleanliness.
- Continue posting reports and cleaning schedules on the YBCBD website.

### Safety & Security

- Develop and implement initiatives from the new Yerba Buena Street Life Plan to improve the safety of those walking, biking, and driving through the neighborhood, in collaboration with the Streets & Public Space Committee.
- Continue tracking reports through the five (5) ways to access services.

### Branding, Activation & Marketing

- Plan and present the ninth annual Yerba Buena Night in 2019 and increase financial support for the event.
- Sponsor another *Yerba Buena at the Giants* game in 2019.

- Redesign and relaunch the neighborhood website, [www.visityerbabuena.org](http://www.visityerbabuena.org).
- Redesign neighborhood banners and place some banners outside the neighborhood.
- Produce a video walking tour of public art in the district.
- Continue our Hidden San Francisco monthly guided walking tour of the district.
- Continue to grow a greater presence on social media.
- Continue to conduct site visits and monitoring of all Community Benefit Fund grantees.