



UNION SQUARE
BUSINESS IMPROVEMENT
DISTRICT

Board of Directors Bi-Monthly Meeting / Annual Meeting

May 27, 2021 – 9:00 -11:00 am
Virtual Communication via Zoom

MINUTES

PURSUANT TO FIVE DAYS NOTICE, a meeting of the Board of the Union Square Business Improvement District (USBID) was held at 9:00am on May 27, 2021, through the virtual communication system Zoom.

PUBLIC NOTICE of the meeting was posted at the Main Library and on the USBID's website; notice and documents were sent to Board members via email and were available upon request. Following is a record of those in attendance and the meeting minutes by agenda topic.

In attendance

The following directors and advisory committee chairs were in attendance: Cammy Blackstone, Stephen Brett, Jordan Buckley, J. Timothy Falvey, Shirley Howard-Johnson, Evan J. Kaizer, Russell D, Keil Jr., Manuela King (Streetscapes and Public Realm Committee Chair), David Lewin, Terry Lewis, Corinna Luebbe (Public Affairs Committee Chair), Maxine Papadakis, Mark Purdy (Secretary), Jim Sangiacomo (Finance Committee Chair), Julie Taylor (Treasurer), Don Thomas (Services Committee Chair), and Wes Tyler (President).

The following staff and contract service providers were in attendance: Karin Flood, Benjamin W. Horne, Chris Boss, Lisa Frisch, Zarrina Yousufzai, Eva Schouten, Karl Bijan (Block by Block) and Rich Mongarro (Block by Block).

Guests: Christine Torrington, August Gilbert, Julie Le, G. Lee Fitzgerald, Chris Corgas, Benjamin Duverge, Anna Zych, Tammy Brock, Angie Clifton, Pamela Garvey, and Garry Cox.

Summary of Actions Taken by the Board of Directors

On March 25, 2021, the Board of Directors took the following actions:

- **Action:** The Board unanimously accepted the Executive Director's report including the Executive Committee actions from April 22, 2021, as motioned by Wes Tyler, and seconded by Shirley Howard-Johnson. Public comment was received prior to the action by Tammy Brock who shared her opposition to the letter of support for SF Carts new mobile food options.
- **Action:** The Board unanimously approved the Board minutes from March 25, 2021, as motioned by Evan J. Kaizer and seconded by Mark Purdy. No public comment was received prior to this action.
- **Action:** The Board unanimously approved Mark Sullivan and Judith Shahvar as Board Members and approve the full Board slate and officers for member voting as motioned by Jim Sangiacomo and seconded by Russell D. Keil Jr. No public comment was received prior to this action.

- **Action:** The Board unanimously approved the revised bylaws as motioned by Don Thomas and seconded by Corinna Luebbe. No public comment was received prior to this action.
- **Action:** The Board unanimously accepted the second PPP loan as motioned by Evan J. Kaizer and seconded by Mark Purdy. No public comment was received prior to this action.
- **Action:** The Board unanimously approved engaging Marcum to do audit and tax returns as motioned by Corinna Luebbe and second Shirley Howard-Johnson. No public comment was received prior to this action.
- **Action:** The Board unanimously approved the unaudited financial reports from April 2021 as motioned by Don Thomas and seconded by Russell D. Keil Jr. No public comment received prior to action.
- **Action:** The Board unanimously approved to raise the assessment rate by 5% for the 21-22FY as motioned by Russell D. Keil Jr. and seconded by seconded by Stephen Brett. Public comment was received prior to this action. One District Member did not agree on raising the assessment rate.

Meeting Notes by Agenda Topic

The following notes supplement the actions taken by the Board and provide further information on agenda topics where no action was requested or taken.

1. Call to Order - Observing a quorum present, Karin Flood, called the meeting to order at 9:04am. Introductions made, and roll call taken.
2. Call for Public Comment – Karin Flood called for public comment. Seeing none, she moved onto the next item.
3. Executive Director’s Report- The following updates were provided:
 - a. **District Status**
San Francisco has moved to the Bright Yellow Tier. Hotels are reopening including the Clift hotel and the Hilton San Francisco Union Square and more activity is happening in the District.
 - b. **Executive Director Announcement**
Karin announced that she will be stepping down as the Executive Director (ED). A hiring committee will be put together. The goal is to have a new ED in place by October before the Holiday Season.
 - c. **Central Subway station completion**
The central subway line is coming in 2022 however the exterior of the station will be open to visitors soon.
 - d. **Mayor’s Budget announcements**
On May 25, Mayor London Breed announced her requested budget for 21-22FY year. This includes budget for additional ambassadors for Downtown (and Union Square) and funding for art and activations projects in the public spaces (such as Union Square).
 - e. **Office Move – Saturday 05/29**
The admin office will move this weekend to 291 Geary Street, the phone system of the admin office will be down temporarily around noon on Friday but should be restored by Saturday. Member Services will not be disrupted and are available 24/7.
 - f. **Executive committee met on April 22, 2021, and approved**
 - Letter of support for SF Carts new mobile food options (Starbucks)
 - Letter of support to extend Proposition H measures to Union Square
 - Letter of support for 48 Stockton and I Magnin Building developments
 - Hiring of new intern (closed session)

Action: The Board unanimously accepted the Executive Director’s report including the Executive Committee actions from April 22, 2021, as motioned by Wes Tyler, and seconded by Shirley Howard-Johnson. Public comment was

received prior to the action from a District Member who opposed the action and commented that the carts should be forced to pay a BID assessment and they take away business from district merchants.

4. **Action to approve prior meeting minutes of March 25, 2021**

Karin directed members to the minutes sent out ahead of the meeting and shared on the Zoom meeting. Ben summarized the action items taken during the prior meeting and reviewed the minutes draft.

Action: The Board unanimously approved the Board minutes from March 25, 2021, as motioned by Evan J. Kaizer and seconded by Mark Purdy. No public comment was received prior to this action.

5. **Board of Director open seats discussion and review of nominee and action to approve new Board Members:**

The Board slate was presented. The open seats, Board officers and open committee chairs were discussed. Mark Purdy will become the new President, Don Thomas will become Vice President and Corinna Luebbe will be the Secretary. Julie Taylor will remain Treasurer. Mark Sullivan from Neiman Marcus and Judith Shahvar from Westfield both completed applications to become a Board member which were presented and discussed.

Action: The Board unanimously approved Mark Sullivan and Judith Shahvar as Board Members and approved the slate for mailing to the members including the officers (listed above) as motioned by Jim Sangiacomo and seconded by Russell D. Keil Jr. No public comment was received prior to this action.

6. **Bylaws**

The revised Bylaws were presented and summarized. They have been reviewed by legal counsel. Ben highlighted the major revisions including formal formation of Executive Committee and adding Vice President position.

Action: The Board unanimously approved the revised bylaws as motioned by Don Thomas and seconded by Corinna Luebbe. No public comment was received prior to this action.

7. **To Receive the BID's Advisory Committee reports and to take action to approve several Committee recommendations:**

a. **Services & Public Safety – Don Thomas**

• **Member Services, District 360, and stats updates**

A new Member Services representative has been hired; this is an ongoing process. Joshua Chan has changed positions from Marketing support to Services Support including Member Services. A new database system has been put in place; District 360. Due to the transition, there were some glitches with data entry by the Clean and Safe team and other technological challenges. Most of the issues have been resolved and the data appears to be comparable to previous periods.

• **Operations reports for March and April 2021**

The operations reports of March and April were summarized and reviewed by Karl Bijan. There was an increase in illegal dumping (due to more store openings) and additional projects such as Ellis slow street events. With San Francisco reopening, the data shows cleaning requests and hospitality interactions are increasing. Karl highlighted several items from the reports and members reviewed and discussed.

• **Evaluation results and service contract recommendations**

The evaluation results were shared and summarized. Overall, the evaluations showed a B/B-. Recommendations include increasing the Legion security team with a new shift of 2-10pm and reducing the Block-by-Block ambassador staffing levels (at this same time) and increasing the cleaning ambassadors staffing levels to ensure that service levels (per management plan) are maintained..

b. **Marketing & Communications – Lisa Frisch**

• **PR and social media updates**

The Union Square BID has received many media requests regarding safety concerns. Through social media we have been sharing the message that Union Square is open, safe, and clean by posting beautiful pictures of the district and featuring open businesses. Through a Facebook social media program by the City, we hope to hire a social media intern for 20h a week for 6 months. 3 months are subsidized by the city.

- Virtual Annual Lunch results

On May 6, the Virtual Annual Fundraiser took place. It was a successful first virtual event. The Union Square Foundation raised \$40K gross with approximately \$8K in expenses.

- Rebranding project update

Physical realm elements will be the first to reflect the new brand (approved by Board in March). The designs of the new street pole banners, Terracycle labels and Bigbelly wraps were presented. In collaboration with Union Square Coffee at Union Square Park the design firm has created custom window wraps in the new brand that will cover the vacant space windows in the Park. Letterhead and business cards and name change will be implemented by July 2021.

c. Streetscapes & Public Realm – Manuela King

- Union Square Park Cafes and activations

The next five Saturdays (June) from 12-5pm starting this weekend there will be music performances at Union Square Park (permitted by Rec and Park). The Cafes are open.

- Hallidie Improvements and updates

A \$140K grant from the City has been awarded (contract pending) to the USBID to make improvements at Hallidie Plaza including new planters, landscaping, signage, a mural, and furniture. The Mayor has requested an additional \$1mil for 21-22FY for Hallidie Plaza for further improvements and programming. We are partnering with Urban Space to explore the feasibility of a food market concept at Hallidie Plaza. The USBID has bi-weekly meetings with OEWD to check status.

- Ellis Street

We partnered with John's Grill to help organize their events with Smuin Ballet. Their last event took place on May 23. All shared space permits citywide were extended through the end of December. There are currently no future events scheduled on Ellis Street.

- Maiden Lane

The gate repair project from Stockton to Grant has been complete allowing the gates to remain open in the correct position with anchors in pavement. The second phase from Grant and Kearny will occur in July. New street furniture reflecting the colors of the new brand is being put out on the Lane daily. The plan to create a ground mural has been postponed due to construction that will take place. Preliminary conversation has started with McCalls and our event producer to have small food/drink offerings in Maiden Lane as an extension of the Park.

d. Finance & Audit – Jim Sangiacomo

- Banking update and RFP

Wells Fargo has announced that they will be transferring the USBID back to a San Francisco Relationship Manager in July. Due to this the RFP will be postponed.

- Action to accept PPP round 2 funding \$146,300

The first PPP loan has been forgiven in full. The second PPP loan application was originally rejected but the second application has been accepted and \$146,300 received on May 8.

Action: The Board unanimously accepted the second PPP as motioned by Evan J. Kaizer and seconded by Mark Purdy. No public comment was received prior to this action.

- **Action to approve engaging Marcum to do audit and tax return**
The engagement letters were presented and summarized. The audit report will be shared in September to the Finance Committee and Board.

Action: The Board unanimously approved engaging Marcum to do audit and tax returns as motioned by Corinna Luebbe and second Shirley Howard-Johnson. No public comment was received prior to this action.

- **Action to approve the unaudited Financial Report at 4/30/21**
Ben directed the committee to the April 30, 2021, financial reports and gave an overview. The second assessment payment was received (\$2.54mil). The assessment/core operations have a \$1mil surplus through April. The assessment operations had a positive spending variance (\$276K) due to clean and safe expenses being less than budgeted and other expenses being mostly under budget. The first PPP loan was forgiven in late Feb (\$134K); however, the second PPP loan was received in May but was budgeted in Feb (creating negative revenue variance of \$117K). Union Square Park services expenses (\$196K) and revenues (\$224K) were not budgeted until January. The Hallidie grant will be booked mostly in 21-22FY. Net assets (reserves) are at \$3.1mil and cash balance was \$3,187 at 4/30/21. Members reviewed statements and discussed.

Action: The Board unanimously approved the unaudited financial reports from April as motioned by Don Thomas and seconded by Russell D. Keil Jr. No public comment received prior to action.

- **Review draft 21-22FY budget and action on assessment rate for 21-22FY**
The draft 21-22FY budget was shared and summarized. Ben noted that the presented budget has a \$700K deficit. Ben reminded members that costs are increasing (labor) and that no increase in the assessment was made for the 20-21FY. If assessments were not increased, service cuts would need to be made to keep pace with the growing costs of labor. Discussion took place about the budget and increasing the assessment rate by 5%.

Action: The Board unanimously approved to raise the assessment rate by 5% as motioned by Russell D. Keil Jr. and seconded by seconded by Stephen Brett. Public comment was received prior to this action. One District Member in attendance did not agree raising the assessment rate.

e. Public Affairs & Advocacy – Corinna Luebbe

- **Union Square Economic Recovery Task Force report**
The final meeting with the Economic Recovery Task Force took place on May 13. During the final meeting, a recap of the 2020-2021 meetings took place and discussions took place about what the priorities were moving forward. The main topics were increasing safety and cleanliness and activating the public spaces and the report was reviewed and is finalized.
- **Cable Car Return**
Karin advocated for the Cable Cars to return during the press conference with Mayor London Breed on May 25. The current starting date is September with limited services.
- **Other legislative issues**
Karin summarized on-going conversations about the extension of the shared streets program and the extension of Proposition H.

8. Announcements & New Business

- Next Executive Committee Meeting – June 24, 2021 – 9:00am
- Next Board Meeting – July 22, 2021 – 9:00 a.m.

9. Adjournment - The meeting was adjourned at 11:06am