Chapter Title

Intro paragraph text with some language here and there to explain what this chapter is all about. Right now I think that it is just a bit too large?

Page title & subtitles

Header Text and Paragraph Titles

Body Text of the Union Square Business Improvement District (USBID), our Board of Directors and staff, we present this Annual Report for our tenth year to all Union.

detailed text • other fine prints

By This Person and That Person and All Other People
1

Reflection & Prospect
A renewed sense of...

On behalf of the Union Square Business Improvement District (USBID) and our Board of Directors and staff, we present this Annual Report to all Union Square property owners, businesses, community stakeholders, and the City & County of San Francisco. The following highlights major accomplishments, fiscal health of the organization, the celebratory outcome of our renewal, and a look ahead of what is to come.

From landmark architecture to flagship shopping, the heart of San Francisco’s most imaginative district is covered with Instagram-able moments and hospitality. Union Square is all about discovering the essence of San Francisco.

The legacy of our district is reliant on property owners who continue to invest in the community. Retail is alive in Union Square! We have welcomed Re:store, Golden Goose Deluxe Brand, Zadig & Voltaire, Anne Fontaine, Mephisto, and many more to the area this past year.

Growth of our hospitality industry continues to increase with additional multi-million dollar renovations and distinct menu offerings. Union Square was also host to world renowned musicals and performances like Dear Evan Hansen, The Jungle, and Edward Albee’s Seascape.

We continue to dedicate most of our resources toward cleaning and safety enhancements. The post-renewal budget will reflect a number of new services including 24/7 Member Services/Dispatch and overnight security and camera monitoring. Our organization stands with the City and County of San Francisco to combat the homeless crisis by taking a compassionate approach and outreach to those most vulnerable living on our streets. Our partnerships with other nonprofits have made national news like CNN and CBS. We will continue to find innovative solutions by partnering with our neighbors.

Creating mini destinations by activating our alleys and streets with positive programming remains a top priority of the USBID. Winter Walk welcomed 2.2 million visitors and had an approximate economic impact of $47M during the 2018 holiday season. Winter Walk will continue in 2019 to keep Union Square as the primary holiday destination for the Bay Area.

Finally, we are thrilled to have received a vote of confidence from our property owners who made an unprecedented vote to renew the USBID for another decade. As a result, additional cleaning and safety services and funds for public realm enhancements will begin in November 2019.

All are welcome to the international front door to San Francisco.

Karin Flood
Executive Director

Wes Tyler
Board President
Renewal Finish Line

The USBID is renewed for another 10 years! Thank you everyone for participating in this crucial process for our community. Here’s a recap of how we got to the finish line:

50.37% of the assessed properties were supportive during the petition phase; and 85% of responses received during the ballot phase were supportive of renewal.*

*:Only 30% of the assessed properties (weighted) are needed to move the process to the ballot phase of the renewal.
2019

**Petition Phase**

50.37% of the assessed properties (weighted) were supportive!

Only 30% of the assessed properties (weighted) were needed to move the process to the ballot phase of the renewal.

---

**Ballot Phase**

The City and County of San Francisco Board of Supervisors unanimously voted in support of the USBID’s renewal on July 9, 2019. 85% of ballots returned were in favor of renewal. We are humbled by the immense support of our property owners. Thank you everyone for participating in this crucial process for our community.

**Service Level Maintained • July**

USBID Service level to be maintained from July October immediately after renewal:

- 30 FTE with budget/wages increase
- Security Camera Program to be funded by USBID assessments.
First Expansion of Services • November
First phase of the expansion of USIBD services:

- Additional afternoon and evening ambassadors (5–6 FTE’s)
- Additional evening cleaners (5–6 FTE’s)
- Additional 10B’s with new shift schedules:
  1st 10B from 7 AM–5 PM and
  2nd 10B from 1 PM–11 PM
- 20% wage increase to cleaning and safety staff*
- Zone 1 pressure washing schedule increased from bi-weekly to weekly

Second Expansion of Services • January
Second phase of the expansion of USBID services. These services will be funded by the new assessment budget received in 2020.

- 24/7 Member Services
- Overnight Security Patrol (10 PM–6 AM)
- Overnight Security Camera Monitoring (10 PM–6 AM)
USBID Services
Cleaning
Public Realm
Destination
Advocacy

PILLARS OF
Cleaning & Safety

Public Realm & Streetscapes

Marketing

Advocacy

THE USBID
Cleaning

563,125 Pounds of Trash Removed
23,016 Hazardous Wastes Removed
22,317 Graffiti Tags Removed
Safety

50,516
Quality of Life Incidents Addressed

11,707
Incidents Addressed by 10B Officers

969
Video Footage Requests
Destination Marketing

We provide connectivity that creates a seamless experience for visitors and locals alike, activating public spaces with popular events that draw crowds and reinforce Union Square’s brand as an international destination.

**Union Square Art+Wine Walk**
We hosted a Art+Wine Walk in the Union Square Area as a way to highlight some of the district’s hidden gems, including boutiques, art galleries, and restaurants!

**Maps and Guides**
The USBID produced a series of maps and guides to showcase businesses & offerings of Union Square.

**Street Banners**
The USBID launched its street banner program to demarcate the district and create a sense of place.
Public Realm & Streetscapes

Winter Walk 2018
Winter Walk SF offers 5 weeks of holiday decor, mobile food and craft beverages curated by Off the Grid, family friendly activities, art, community performances and entertainment, sponsored activations, and 17,000 sqft of open green space. 2.2 million visitors were recorded at Winter Walk 2018; almost 99% of the surveyed attendees would like to see Winter Walk SF every holiday season.

Public Art
The USBID partnered with Australian artists Gillie and Marc to bring Paparazzi Dogs to San Francisco, the first time on the west coast of the United States. Our growing collection of art in the public realm contributes to the dynamic and vibrant experience of visiting the Union Square area.
Advocacy

Cannabis Retail Policy
Provides District guidelines to promote a healthy "good neighbor" policy and standards to store front designs and safety measures. The Cannabis Working Group established a 'luxury zone' to preserve the integrity of flagship businesses.

Retail Environment
The USBID informed San Francisco Planning on the retail environment of Union Square and realistic use of 2nd and 3rd floor spaces through a comprehensive study in partnership with stakeholders.

Holiday Safe Shopper Program
Received $1M grant from the Silicon Valley Community Foundation to add over 10,000+ hours of police patrols throughout the district during the holiday season.

Economic Impact
The USBID completed an economic impact study in 18-19FY, and we’ve discovered that Union Square is made up of less than 1% of the City’s built land area, yet generates over one-third (34%) of citywide sales in general consumer goods!
Assessment Methodology & Financial Statements
HOW PROPERTY ASSESSMENTS ARE CALCULATED

The levy and collection of annual assessments upon property within the Union Square area provides the primary funding source for the improvements, maintenance, and activities carried out by the USBID. Funding for the district is proportionally shared by property owners, who are self-assessed to supplement services provided by the City.

These annual assessments are based on the following variables:
- Linear (sidewalk) frontage
- Building square footage
- Lot square footage
- Type of land use

Each property owner’s assessment is calculated according to the special benefit received from the services provided by the USBID. Accordingly, each property is assessed with their proportional special benefit based upon the various property characteristics and land use type compared to other properties within the district.

In addition to parcel characteristics and land use types, two zones will be implemented within the boundary of the USBID beginning November 2019. The following charts provide a summary of the assessment rate calculations for both Zone 1 and Zone 2. For more information on assessment calculations, please refer to the USBID’s Management Plan.

### Zone 1 Assessment Rate Calculation Charts 19–20FY

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>Rate Per Lot sq ft.</th>
<th>Rate Per Building sq ft.</th>
<th>Rate Per Frontage sq ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Residential Property</td>
<td>$0.43727</td>
<td>$0.06430</td>
<td>$126.15163</td>
</tr>
<tr>
<td>Apartment Property</td>
<td>$0.32795</td>
<td>$0.04822</td>
<td>$94.61372</td>
</tr>
<tr>
<td>Condominium Property</td>
<td>$0.21864</td>
<td>$0.03215</td>
<td>$63.07582</td>
</tr>
<tr>
<td>Public Property</td>
<td>$0.21864</td>
<td>$0.03215</td>
<td>$63.07582</td>
</tr>
</tbody>
</table>

### Zone 2 Assessment Rate Calculation Charts 19–20FY

<table>
<thead>
<tr>
<th>Land Use Type</th>
<th>Rate Per Lot sq ft.</th>
<th>Rate Per Building sq ft.</th>
<th>Rate Per Frontage sq ft.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Residential Property</td>
<td>$0.34982</td>
<td>$0.05144</td>
<td>$100.92131</td>
</tr>
<tr>
<td>Apartment Property</td>
<td>$0.26236</td>
<td>$0.03858</td>
<td>$75.69098</td>
</tr>
<tr>
<td>Condominium Property</td>
<td>$0.17491</td>
<td>$0.02572</td>
<td>$50.46065</td>
</tr>
<tr>
<td>Public Property</td>
<td>$0.17491</td>
<td>$0.02572</td>
<td>$50.46065</td>
</tr>
</tbody>
</table>
## 18–19FY Financial Results—Assessment and Core Operations*

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Assessment Revenue</td>
<td>$3,658,079</td>
<td>$3,670,175</td>
<td>$12,096</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$246,524</td>
<td>$768,029</td>
<td>$521,505</td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td><strong>$3,904,603</strong></td>
<td><strong>$4,438,204</strong></td>
<td><strong>$533,601</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean &amp; Safe</td>
<td>$2,733,945</td>
<td>$2,840,645</td>
<td>$(106,700)</td>
</tr>
<tr>
<td>Streetscape, Advocacy, Marketing &amp; Events</td>
<td>$600,267</td>
<td>$817,452</td>
<td>$(217,185)</td>
</tr>
<tr>
<td>Management &amp; Administration</td>
<td>$722,948</td>
<td>$620,676</td>
<td>$102,272</td>
</tr>
<tr>
<td><strong>Total Assessment Expenses</strong></td>
<td><strong>$4,057,160</strong></td>
<td><strong>$4,278,773</strong></td>
<td><strong>$(221,613)</strong></td>
</tr>
<tr>
<td>Surplus (Deficit) for Assessment Operations</td>
<td><strong>$(152,557)</strong></td>
<td>$159,431</td>
<td>$311,988</td>
</tr>
</tbody>
</table>

## 18–19FY Financial Results Total Operations (Including Grants)

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Assessment Revenue</td>
<td>$3,658,079</td>
<td>$3,670,175</td>
<td>$12,096</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$709,304</td>
<td>$2,097,482</td>
<td>$1,388,178</td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td><strong>$4,367,383</strong></td>
<td><strong>$5,765,657</strong></td>
<td><strong>$1,400,274</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean &amp; Safe</td>
<td>$2,733,945</td>
<td>$2,840,645</td>
<td>$(106,700)</td>
</tr>
<tr>
<td>Streetscape, Advocacy, Marketing &amp; Events</td>
<td>$600,267</td>
<td>$817,452</td>
<td>$(217,185)</td>
</tr>
<tr>
<td>Management &amp; Administration</td>
<td>$722,948</td>
<td>$620,676</td>
<td>$102,272</td>
</tr>
<tr>
<td><strong>Total Assessment Expenses</strong></td>
<td><strong>$4,057,160</strong></td>
<td><strong>$4,278,773</strong></td>
<td><strong>$(221,613)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Grant and Funds</th>
<th>Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>SVCF Grants &amp; Other</td>
<td>$469,214</td>
<td>$1,438,101</td>
<td>$(968,887)</td>
</tr>
<tr>
<td>Other Grants &amp; Non-Assessment Funds</td>
<td>$426,936</td>
<td>$297,674</td>
<td>$129,262</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$4,953,310</strong></td>
<td><strong>$6,014,548</strong></td>
<td><strong>$1,061,238</strong></td>
</tr>
<tr>
<td>Change Net Assets—Surplus (Deficit)</td>
<td><strong>$(585,927)</strong></td>
<td><strong>$(246,891)</strong></td>
<td><strong>$339,036</strong></td>
</tr>
</tbody>
</table>

*Save Shopper 2018 & Security Camera program.*
### JULY '18–JUNE '19 STATEMENT OF FINANCIAL POSITION*

#### Assets

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$1,805,601</td>
</tr>
<tr>
<td>Receivables (Net)</td>
<td>$76,695</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>$114,447</td>
</tr>
<tr>
<td>Furniture &amp; Equipment (Net)</td>
<td>$146,278</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$2,143,021</strong></td>
</tr>
</tbody>
</table>

#### Liabilities

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable &amp; Accrued Expenses</td>
<td>$328,656</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>$23,675</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$352,331</strong></td>
</tr>
</tbody>
</table>

#### Net Assets

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Without Donor Restrictions</td>
<td>$1,731,437</td>
</tr>
<tr>
<td>With Donor Restrictions</td>
<td>$59,253</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$1,790,690</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities &amp; Net Assets</strong></td>
<td><strong>$2,143,021</strong></td>
</tr>
</tbody>
</table>

*Audited financial reports available upon request. Contact Deputy Director Ben Horne at Ben@UnionSquareBID.com for more information.
## JULY ’19–JUNE ’20 BUDGET

### Income

<table>
<thead>
<tr>
<th>Income</th>
<th>Amount</th>
<th>Income (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment Revenue</td>
<td>$ 6,015,354</td>
<td>89%</td>
</tr>
<tr>
<td>Fundraising &amp; Other</td>
<td>$ 710,427</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>$ 6,725,781</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Assessments</th>
<th>As. Exp. (%)</th>
<th>Tot. Exp. (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean &amp; Safe</td>
<td>$ 4,430,206</td>
<td>73%</td>
<td>69%</td>
</tr>
<tr>
<td>Streetscapes, Advocacy, Marketing &amp; Events</td>
<td>$ 762,638</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>Management &amp; Administration</td>
<td>$ 824,595</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Total Assessment Expenses</strong></td>
<td>$ 6,017,439</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Other Grants &amp; Funds</td>
<td>$ 379,622</td>
<td></td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$ 6,397,061</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

### CARRY OVER FUNDS FROM 18–19FY

| General Fund/Contingency (Jul–Oct ’19 Operations)                      | $ 1,731,437  |
| Total Assessment & Service Area Funds                                 | $ 1,731,437  |
| Other Restricted/Designated Funds                                     | $ 59,253     |
| **Total Carry Over Funds**                                            | $ 1,790,690  |

### TOTAL ASSESSMENT EXPENSES

19–20FY

- **Mgmt. & Admin.** 14%
- **Streetscapes, Advocacy, Marketing & Events** 13%
- **Clean & Safe** 73%

### USBID RESERVES

June 30, 2019

- **Other Restricted/Designated Funds** $59,253
- **Tot. Assessment & Service Area Fund** $1,731,437

---

2018–2019 ANNUAL REPORT | 20
5

USBID Board of Directors & Staff
BOARD OFFICERS

Wes Tyler • Board President
GM, Chancellor Hotel on Union Square

Julie Taylor • Treasurer
Executive VP, Colliers International

Mark Purdy • Secretary
SVP & GM, Grosvenor Americas

ADVISORY COMMITTEE CHAIRS

Russell D. Keil, Jr. • Audit
President, The Keil Companies

Matthew Coleman • Marketing
Salon Manager, Harry Winston

Don Thomas • Services
VP, Board of Directors, Club Donatello

James Sangiacomo • Finance
Principal, 233 Post Street LP

Corinna Luebbe • Public Affairs
GM, Taj Campton Place

Manuela King • Streetscapes
President, RHAA Landscape Architects

BOARD OF DIRECTORS

Cammy Blackstone
Director, External Affairs, AT&T

Leah Fuhrman Heil
VP, Westfield San Francisco Centre

Kelly Powers
Director, Hotel Council SF

Stephen Brett
Principal, Brett & Company

Shirley Howard-Johnson
Arts Consultant

James Sangiacomo
Principal, 233 Post Street LP

Spencer Sechler
Director, Business Development
Imperial Parking, LLC.

Matthew Coleman
Salon Manager, Harry Winston

Jon Kimball
GM, Westin St. Francis Hotel

Minna Tao
GM, Recology

J. Timothy Falvey
SVP, Hanford-Freud & Company

Russell D. Keil, Jr.
President, The Keil Companies

Don Thomas
VP, Board of Directors, Club Donatello

James C. Flood
President, Flood Corporation

Richard Leider
Chief Financial Officer, Anvil Builders

Tad Moore
Principal, 250 Post Street LP

Phil Ginsburg
GM, SF Recreation & Parks

Terry Lewis
GM, Hilton SF Union Square & Parc55

Rodrick Graham
VP, Store Manager, Macy's
STAFF OF THE USBID

Karin Flood
Executive Director

Benjamin Horne
Deputy Director

Robbie Silver
Director of Marketing & Public Realm

Chris Boss
Director of Services

Joshua C.W. Chan
Project Coordinator

Brianna Caspersen
Project Coordinator

CLEAN AND SAFE SERVICES PROVIDED BY BLOCK BY BLOCK

Karl Bijan
Operations Director

Freddy "Raven" Anderson
Operations Supervisor