Our Mid-Year Review

On behalf of the Union Square Business Improvement District (USBID) and our Board of Directors, we are pleased to present this Mid-Year Report to USBID members, stakeholders, and the City and County of San Francisco. This report highlights our major accomplishments and financial performance from July to December 2020. We welcome your feedback, encourage you to join our efforts, and to visit the district to meet our team members.

While COVID-19 affected our normal way of doing things, the essential services we provide continued: cleaning, safety, marketing, and advocacy. Our businesses remain open, though with reduced capacity and strictly adhering to all city and state health department mandates. The renewed Stay-at-Home order in December put a damper on the holiday season for most retailers, but the Union Square district was a safe outdoor destination for those seeking festive holiday décor and shopping.

New Initiatives Launched

Even through the COVID-19 pandemic, we expanded USBID services with these major projects:

- Added two safety ambassadors to our overnight security program and an additional 30 security cameras in the district;
- Expanded safety, cleaning, and event services to Union Square Park;
- Relaunched 24/7 Member Services with our in-house team and added new technology to link Clean & Safe data and metrics to our property owner database;
- Enhanced decorative holiday lighting with projected snowflakes on buildings surrounding Union Square; and
- Worked with businesses on Ellis Street to activate the street through the Shared Streets program to bring additional customers to the area.
COVID-19 Efforts

While we continued to provide essential services to the community on a daily basis, we launched new initiatives and addressed the economic crisis created by the pandemic through the Union Square Gives Back program, buying meals from Union Square restaurants for first responders and essential workers. In addition, we assembled an Economic Recovery Task Force with stakeholders and City partners to develop strategic initiatives and communication tools to attract and retain businesses in the area as we recover from the COVID-19 pandemic.

Launch of the SFPD Ambassador Program

At the end November, the San Francisco Police Department launched a new SFPD Ambassador program in the USBID. Comprised of civilian retired police officers chosen for their training and experience in community engagement, SFPD’s pilot program aims to be a visible and helpful presence in and around Union Square during the holiday season and beyond. SFPD Community Ambassadors function as departmental liaisons to the USBID to offer visitors and merchants knowledgeable assistance and coordination with city services, crisis intervention and de-escalation, healthy streets operations, and medical interventions that include first aid, CPR and AED use.

District Rebranding Projects

Prior to the COVID-19 pandemic, the Board of the USBID entered into a contract with J2 Design to embark on a comprehensive rebranding project that will elevate Union Square's identity and place within the greater community as an organization, an international destination, and a central gathering place for all. This project is well underway with surveys, interviews and initial workshop completed, and a goal of unveiling the new brand in Summer 2021.
Looking ahead in 2021, we are excited to partner with the City to make physical improvements to Hallidie Plaza, a gateway to the district, and continue the development and rollout of new district branding. We recently brought on a new Director of Marketing and Events to lead the rebranding and retail recovery efforts; Lisa Frisch joined us in December from Downtown Portland Clean and Safe. She has more than 12 years of experience in downtown marketing, retail development, events and activations. The USBID will continue to be a conduit for economic vitality, community dialogue and neighborhood vibrancy, leading the way on economic recovery and revitalization of Union Square as COVID-19 vaccination efforts give way to an eventual return to visitors and workers in the district. We are proud of what we have achieved together in the second half of 2020 considering the worldwide pandemic; we invite you to support our efforts to create a high-value visitor experience in Union Square for all to enjoy.
Services Update

The USBID provides the following services:

- 24/7 Cleaning and Safety Services
- Public Realm and Streetscapes
- Destination Marketing
- Advocacy

24/7 Member Services
Relaunched 24/7 Member Services with our in-house team.

Overnight Security Patrol
Added an additional team to our overnight security program.

Additional Cameras
Thirty additional cameras were installed, bringing the total number of cameras in the district to 430. The USBID thanks the Chris Larsen Fund, an advised fund of the Silicon Valley Community Foundation, for continued funding of this program.

Union Square Park
Began providing Clean and Safe services to Union Square Park, including daytime attendants and cleaners, pressure washing, and Safety Ambassadors.
Measures of Success
July–December 2020

Cleaning

- 156,850 lbs Trash Removed
- 7,440 Hazardous Waste Items Removed
- 453,450 ft Block Frontage Washed

Safety

- 13,861 Quality of Life Incidents Addressed
- 8,230 Incidents Addressed by 10B Officers
- 342 Video Footage Requests
- 120 Public Safety Requests Received
- 4,229 Incidents Addressed by Private Security
- 30 Additional Cameras Installed

Requests

- 2,286 Requests Received
- 10,764 Graffiti Tags Removed
- 10,764 Requests
- 4,229 Quality of Life Incidents
- 342 Video Footage Requests
- 120 Public Safety Requests
Between July and December 2020, the USBID implemented the following programs:

**SFPD Ambassador Program**
Retired officers were hired as ambassadors to provide additional safety and a welcoming presence to the district. The Ambassadors work in pairs Wed.–Sun., from 11 a.m.–9 p.m., with the USBID Member Services team.

**Mural Project and Art Walk**
The USBID continued to partner with Paint the Void to bring colorful murals painted by local artists to Union Square.

**Ellis Shared Streets**
The USBID partnered with the SFMTA and John’s Grill to bring the Shared Streets Program to Union Square, offering live entertainment and programming in the street.

**Rebranding and Visitor Survey**
In an effort to inform our future rebranding project, surveys were distributed to visitors and stakeholders to identify their perception of Union Square.
# Financials

## Statement of Financial Position

**as of December 31, 2020**

### Assets

<table>
<thead>
<tr>
<th>Asset</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$2,792,306</td>
</tr>
<tr>
<td>Receivables (Net)</td>
<td>$281,877</td>
</tr>
<tr>
<td>Prepaids &amp; Deposits</td>
<td>$380,951</td>
</tr>
<tr>
<td>Fixed Assets (Net)</td>
<td>$411,842</td>
</tr>
<tr>
<td><strong>Total Assets (Net)</strong></td>
<td><strong>$3,866,975</strong></td>
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### Liabilities and Net Assets

**LI ABILITIES**

<table>
<thead>
<tr>
<th>Liability</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable &amp; Accrued Expenses</td>
<td>$949,610</td>
</tr>
<tr>
<td>Line of Credit and Loans Payable</td>
<td>$283,590</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>$66,896</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$1,300,096</strong></td>
</tr>
</tbody>
</table>

**NET ASSETS**

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporarily Restricted Net Assets</td>
<td>$69,020</td>
</tr>
<tr>
<td>Unrestricted Net Assets</td>
<td>$2,497,860</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$2,566,880</strong></td>
</tr>
</tbody>
</table>

**Total Liabilities & Net Assets**

| **Total Liabilities & Net Assets** | **$3,866,975** |
Financials (cont.)

Budget Comparison • Assessment & Core Operations
July–December YTD 2020

Revenue & Carry Over

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carry over used from fiscal year 19–20FY¹</td>
<td>$ 2,200,303</td>
<td>$ 2,200,303</td>
<td>$ -</td>
</tr>
<tr>
<td>Assessment Income²</td>
<td>$ 3,458,658</td>
<td>$ 2,285,835</td>
<td>$ 1,172,823</td>
</tr>
<tr>
<td>Other Income³</td>
<td>$ 201,486</td>
<td>$ 318,145</td>
<td>$(116,659)</td>
</tr>
<tr>
<td>Total Income</td>
<td>$ 3,660,144</td>
<td>$ 2,603,980</td>
<td>$ 1,056,164</td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean &amp; Safe⁴</td>
<td>$ 2,409,935</td>
<td>$ 2,548,056</td>
<td>$ 138,121</td>
</tr>
<tr>
<td>Public Realm, Marketing, Events &amp; Advocacy⁵</td>
<td>$ 448,165</td>
<td>$ 432,321</td>
<td>$(15,844)</td>
</tr>
<tr>
<td>Management &amp; Administration</td>
<td>$ 446,539</td>
<td>$ 453,775</td>
<td>$ 7,236</td>
</tr>
<tr>
<td>Total Assessment Expenses</td>
<td>$ 3,304,639</td>
<td>$ 3,434,152</td>
<td>$ 129,513</td>
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</tbody>
</table>

Net Surplus (Deficit)

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Surplus (Deficit)</td>
<td>$ 355,505</td>
<td>$ (830,172)</td>
<td>$ 1,185,677</td>
</tr>
</tbody>
</table>

Total Assessment Expenses
July–December 2020

1. Used for core operations from July–November 2020.
2. Assessment collections higher than expected.
3. PPP Loan not forgiven yet.
4. Unable to use banked hours and other savings.
5. More holiday décor—snowflakes projection.
## Financials (cont.)

### Budget Comparison • Total Results (Including Grants & Other Funds)

**July–December YTD 2020**

#### Revenue and Carry Over

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carry over used from fiscal year 19–20FY(^1)</td>
<td>$2,279,538</td>
<td>$2,279,538</td>
<td>$ -</td>
</tr>
<tr>
<td>Assessment Income(^2)</td>
<td>$3,458,658</td>
<td>$2,285,835</td>
<td>$1,172,823</td>
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<tr>
<td>Other Income(^3)</td>
<td>$427,224</td>
<td>$474,083</td>
<td>$(46,859)</td>
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<tr>
<td><strong>Total Income</strong></td>
<td><strong>$3,885,882</strong></td>
<td><strong>$2,759,918</strong></td>
<td><strong>$1,125,964</strong></td>
</tr>
</tbody>
</table>

#### Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean &amp; Safe</td>
<td>$2,600,265</td>
<td>$2,635,384</td>
<td>$35,119</td>
</tr>
<tr>
<td>Public Realm, Marketing, Events &amp; Advocacy</td>
<td>$514,604</td>
<td>$507,321</td>
<td>$(7,283)</td>
</tr>
<tr>
<td>Management &amp; Administration</td>
<td>$483,673</td>
<td>$491,866</td>
<td>$8,193</td>
</tr>
<tr>
<td><strong>Total Assessment Expenses</strong></td>
<td><strong>$3,598,542</strong></td>
<td><strong>$3,634,571</strong></td>
<td><strong>$36,029</strong></td>
</tr>
</tbody>
</table>

#### Net Surplus (Deficit)\(^4\)

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Surplus</td>
<td>$287,340</td>
<td>$(874,653)</td>
<td>$1,161,993</td>
</tr>
</tbody>
</table>

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1. Used for operations from July–November and for grant expenses.
2. Assessment collections higher than projected.
3. PPP Loan not forgiven yet.
4. Overall positive surplus due to spending less and higher collections.
Financials (cont.)

Budget and Forecast
Budget for January–June 2021 and Forecast for 20–21FY

Revenue & Carry Over

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves (Carry Over) from December 2020</td>
<td>$2,566,880</td>
<td>$2,279,540</td>
</tr>
<tr>
<td>Assessment Income*</td>
<td>$2,562,076</td>
<td>$6,020,734</td>
</tr>
<tr>
<td>Other Income</td>
<td>$630,086</td>
<td>$1,057,310</td>
</tr>
<tr>
<td>Total Income</td>
<td>$3,192,162</td>
<td>$7,078,044</td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean &amp; Safe</td>
<td>$2,732,680</td>
<td>$5,332,945</td>
</tr>
<tr>
<td>Public Realm, Marketing, Events &amp; Advocacy</td>
<td>$563,000</td>
<td>$1,077,604</td>
</tr>
<tr>
<td>Management &amp; Administration</td>
<td>$466,607</td>
<td>$950,280</td>
</tr>
<tr>
<td>Total Assessment Expenses</td>
<td>$3,762,287</td>
<td>$7,360,829</td>
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</tbody>
</table>

Net Surplus (Deficit)

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Surplus (Deficit)</td>
<td>$(570,125)</td>
<td>$(282,785)</td>
</tr>
</tbody>
</table>

Projected Reserves (Carry Over) 6/30/21

<table>
<thead>
<tr>
<th></th>
<th>Budget</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Reserves (Carry Over) 6/30/21</td>
<td>$1,996,755</td>
<td>$1,996,755</td>
</tr>
</tbody>
</table>

Total Assessment Expenses
Forecast for 20–21 FY

- **Mgmt. & Admin.** 13%
- **Public Realm, Marketing, Events, & Advocacy** 15%
- **Clean & Safe** 72%

*These statements are interim and have not been audited, reviewed or compiled by a CPA. They are the representation of the financial status of the operation according to the USBID management.*
USBID Subcontractors

Between July and December 2020, the USBID contracted with the following partners to provide services on various projects as per the Union Square Management Plan:

**Bigbelly**
Produces, installs, and services 37 smart trash receptacles in the area.

**Block by Block**
Provides USBID core services, including but not limited to cleaning, safety, pressure washing, and Member Services dispatch prior to being brought in-house.

**Legion Security**
Provides overnight security services.

**Applied Video Solutions (AVS)**
Installs/maintains security camera network.

**SFPD 10B Program**
Provides uniformed police officers 20 hours daily.

**J2 Design**
Branding firm that is leading the brand refresh project including initial research and findings.

**Allbay Landscaping**
Responsible for maintaining landscaping on Powell Street Promenade and hanging baskets on Powell and Maiden Lane.

**The Christmas Light Pros of SF**
Oversees holiday lighting design, implementation, and maintenance on lighting display and trees in Union Square Park and trees on Powell Street.

**David Perry and Associates, Inc.**
Provides strategic communication and public relations support.
USBID Board

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

Shirley Howard-Johnson
Arts Consultant

Maxine A. Papadakis, MD
President, 150 Powell HOA

Stephen Brett
Principal, Brett & Company

Evan J. Kaizer
President/CEO, Sieroty Hotel Inc.

Michael G. Petricca
VP of Campus Safety, Academy of Art

Jordan Buckley
VP of Operations, Paramount Hotels, Inc.

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

Kelly Powers
Director, Hotel Council SF

Matthew Coleman
Salon Manager, Harry Winston

David Lewin
GM, Grand Hyatt

James Sangiacomo
Principal, 233 Post Street LP

J. Timothy Falvey
SVP, Hanford-Freund & Company

Terry Lewis
GM, Hilton Union Square San Francisco

Spencer Sechler
Director of Business Development, REEF

Phil Ginsburg
GM, SF Recreation & Parks

Corinna Luebbe
GM, Taj Campton Place

Don Thomas
VP, Board of Directors, Club Donatello

Leah Fuhrman Heil
Westfield San Francisco Centre

Marcus Mirt
District Manager, Recology
USBID Staff

Karin Flood
Executive Director

Benjamin Horne
Deputy Director

Chris Boss
Director of Services

Lisa Frisch
Director of Marketing and Events

Joshua C.W. Chan
Sr. Project Coordinator

Zarrina Yousufzai
Administrative Coordinator

Karen Gagarin
Member Services Lead

Eva Schouten
Intern

Kelvin Burt
Member Services Rep.

Rachel Lewis
Member Services Rep.

Block by Block
CLEAN AND SAFE SERVICES PROVIDER

Karl Bijan
Operations Director

Freddy Anderson
Operations Supervisor