



UNION SQUARE
BUSINESS IMPROVEMENT
DISTRICT

Board of Directors Bi-Monthly Meeting

July 23, 2020 – 9:00 -11:30 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 July 23, 2020 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. 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, Jordan Buckley, J. Timothy Falvey, Shirley Howard-Johnson, Russell D. Keil, Terry Lewis, Corinna Luebbe (Public Affairs Committee Chair), Marcus Mirt, Kelly Powers, 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, Robbie Silver, Chris Boss, Joshua Chan, Zarrina Yousufzai, Eva Schouten, Beau Simon (Cooper, White and Cooper), and Karl Bijan (Block by Block).

Summary of Actions Taken by the Board of Directors

On March 26, 2020, with no public comment received, the Board of Directors took the following actions:

- **Action:** The Board unanimously approved the Executive Director's Report including ratifying the Executive Committee actions from June 25, 2020, as motioned by Don Thomas, and seconded by Kelly Powers.
- **Action:** The Board unanimously approved the Board minutes from May 28, 2020 as motioned by J. Timothy Falvey and seconded by Jim Sangiacomo.
- **Action:** The Board unanimously approved the new Board members as motioned by J. Timothy Falvey and seconded by Don Thomas.
- **Action:** The Board unanimously approved to extend the terms of the Board officers (through September 2020) as motioned by Russell D. Keil Jr. and seconded by Shirley Howard-Johnson.
- **Action:** The Board unanimously approved to move forward with negotiations with the Flood Building for a new operations office as motioned by Don Thomas and seconded by Evan J. Kaizer.

- **Action:** The Board unanimously approved to waive the Union Square Foundation administrative fee from July – December as motioned by Wes Tyler and seconded by Russell D. Keil Jr.
- **Action:** The Board unanimously approved the service changes for 20-21FY (as outlined below) as recommended by the Services Committee as motioned Jim Sangiacomo and seconded by Kelly Powers.
- **Action:** The Board unanimously approved the new maintenance agreement with Applied Video Solutions effective August 1, 2020 as motioned by Julie Taylor and seconded by Kelly Powers.
- **Action:** The Board unanimously approved to engage with J2 for strategy, rebranding and website development so motioned by Wes Tyler and seconded by Maxine Papadakis.
- **Action:** The Board unanimously approved the MOU with MTA for maintenance of Powell Street post construction.
- **Action:** The Board unanimously approved the Unaudited Financial Report at 06/30/2020 as motioned Mark Purdy and seconded by Russell D. Keil Jr. No public comment was received prior to this action.
- **Action:** The Board unanimously approved the 20-21FY budget as motioned by Don Thomas and seconded by Russell D. Keil Jr. No public comment was received prior to this action.
- **Action:** The Board Unanimously approved to support San Francisco Jobs Coalition as motioned by Wes Tyler and seconded by Russell D. Keil Jr.
- **Action:** The Board unanimously approved to support the 420 Sutter development project as motioned by Wes Tyler and seconded by Don Thomas.

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, Wes Tyler, called the meeting to order at 9:04am. Introductions were made.
2. Call for Public Comment – Wes called for public comment. Seeing none, he moved onto the next item.
3. Executive Director’s Report- The following updates were provided:
 - a. **Coronavirus related matters**
 - District opening status
Karin updated the Board that many businesses in the district have reopened. Around 200 businesses have opened with different operations such as indoor shopping, curbside pick-up or by appointment only shopping. Unfortunately, on July 20 the malls, including Westfield had to close again. The USBID staff has returned to the office in staggered shifts and have been doing daily district walks to check on status of district and keep track of who has opened.
 - SBA Loan Received
Karin updated the Board that the SBA loan has been received of \$150,000. It is a 30-year loan with 2.75% interest. Thus far we have received almost all the assessment payments but during these unpredictable times it is good to have extra funding available should we need it later this year.
 - Union Square Gives Back program totals
Josh gave a summary of the Union Square Gives back program. To support local restaurants in the district during the Shelter in Place the USBID purchased a total of 335 meals of 14 different Union Square restaurants and distributed them to 9 organization of first responders and essential workers such as the SFPD, SFFD, Block by Block, grocery and drug store employees and hospitals.
 - Murals
Karin updated the Board that in collaboration with a non-profit organization Paint the Void, murals have been created on boarded up storefronts to beautify the district and share hopeful messaging.

b. Legal Matters

Karin updated the Board that two lawsuits have been filed against the USBID. One is by a resident which resulted from a noise complaint. Another is due to graffiti covered murals which were painted over by Block by Block with permission of the property owner. One lawsuit has been taken over by the insurance company of Block by Block and the USBID insurance is handling the other, however it might also be turned over to Block by Block. Ben informed the committee that a public records requests have been received in the last month as well regarding the security camera program and usage by the SFPD. The documents have been given to the requestors.

c. Executive Committee met on June 25, 2020 and approved

- Pavement choice and design for Powell Street Improvement Project

Karin updated the Board the Executive Committee agreed on a pavement design for the Powell Promenade Improvement Project which will be discussed in more detail later during this meeting.

- Authorizing Executive Directors and Deputy Director as agents to apply for FEMA grant

Karin updated the Board the Executive Committee approved to appoint Ben and herself as agents to apply for a FEMA grant.

Action: The Board unanimously approved the Executive Director's Report including ratifying the Executive Committee actions from June 25, 2020, as motioned by Don Thomas, and seconded by Kelly Powers. No public comment was received prior to this action.

4. Action to approve prior meeting minutes of May 28, 2020

Action: The Board unanimously approved the Board minutes from May 28, 2020 as motioned by J. Timothy Falvey and seconded by Jim Sangiacomo. No public comment was received prior to this action.

5. Board of Directors open seats discussion and review of nominees and action to approve new Board Members and action to renew term of Board officers for 20-21FY.

The Board was directed to a list of Board Members as three seats are open. The three nominees, Evan J. Kaizer, Maxine a. Papadakis and David Lewin, who were invited to the Board meeting, introduced themselves and briefly explained why they are interested in becoming a Board member. The nominees were excused from the meeting for the Board to discuss their applications. Karin updated the Board that the terms of the Board officers must be renewed.

Action: The Board unanimously approved the new Board members as motioned by J. Timothy Falvey and seconded by Don Thomas. No public comment was received prior to this action.

Action: The Board unanimously approved to extend the terms of the Board officers as motioned by Russell D. Keil Jr. and seconded by Shirley Howard-Johnson. No public comment was received prior to this action.

6. Office space update and discussion and action to approve new lease for operations office effective September 1, 2020.

Karin recused herself from the meeting due to a conflict of interest on this topic. Ben informed the Board that at the beginning of the Shelter in Place landlord Jon Handlery found out that the USBID provides 24/7-hour services which he no longer wants to allow. This forced the USBID to start looking for a new operations office. With the help of Julie Taylor approximately 6 properties were viewed. Ben directed the Board to a summary list of six options. These options were narrowed down to two final options of 312 Sutter and the Flood Building (due to cost and other reasons). Chris Boss gave a summary of the lay-out of both offices as he visited them with Block by Block. A discussion about the conflict of interest and the two offices took place.

Action: The Board unanimously approved to move forward with negotiations with the Flood Building for a new operations office as motioned by Don Thomas and seconded by Evan J. Kaizer. No public comment was received prior to this action.

7. Discussion and **action** regrading Union Square Foundation request to waive administrative fee from July – December 2020.

Ben updated the Board that the Union Square Foundation was set up in 2017 to help fundraise for public realm and streetscapes projects and for Union Square Cares programs. The administrative fees which the Foundation pays to the USBID to organize these events had already been suspended from May – June due to the lack of fundraising events (the Annual Lunch) and other reductions in revenue. As there are also no planned events until at least December, Ben recommends continuing to waive the administrative fee from July – December as not to drain the resource of the Foundation.

Action: The Board unanimously approved to waive administrative fee from July – December as motioned by Wes Tyler and seconded by Russell D. Keil Jr. No public comment was received prior to this action.

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

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

• Operations reports for May & June 2020

Karl summarized the combined statistics of this fiscal year. Including the amount of trash collected, hospitality interactions, graffiti removed, and quality of life issues addressed. He highlighted a few changes made to the services during May and June. To increase the overnight security some ambassadors have been changed from the dayshift to the nightshift, they completed a Maiden Lane beautification project, they are weeding the district and they have created an on the spot reward system to show appreciation to the staff. He also summarized the amazing response of the Block by Block team after the events that took place around May 30-31 after the riots.

• Services evaluation report

Chris informed the Board that before Shelter in Place we started to perform member services evaluations. Evaluation documents were created for hospitality, cleaning, member services, ATLV, pressure washers and overnight security. Eva Schouten, Bri Caspersen, Karen Gagarin and Chris himself performed several evaluations. The results were collected and combined. Chris shared some recommendations such as educating the Ambassadors about locations outside our district (hospitality training), educating pressure washers and ATLV driver to get out of the vehicle to address hot spots, and most importantly increasing supervision (night) to ensure the quality of our services.

• Services changes, options, and agreements for 20-21FY and **actions**:

The following changes to the services levels were suggested to cut down the budget while maintaining the same level of service. These were approved by the Services committee to be recommended to the Board to review.

- To approve revising 10B shifts from 2 – 10-hour shift to 2 – 8-hour shifts while maintaining coverage from 7am – 11pm daily.
- To approve revising Legion overnight patrol from two guards to one (2 nights/week) while maintaining same coverage (ok with additional night time USBID ambassadors).

- To approve Block by Block agreement for 20-21FY and to compliment contract with use of banked hours to help fill in missing shifts and maintain cleanliness in district.

Action: The Board unanimously approved the above-mentioned action items recommended by the Services Committee as motioned Jim Sangiacomo and seconded by Kelly Powers. No public comment was received prior to this action.

- Security Camera updated and action to approve new maintenance agreement with Applied Video Solutions effective August 1, 2020.
Ben updated the Board that a new maintenance agreement with Applied Video Solutions has been put together for the security cameras which is essentially no cost increase from prior year.

Action: The Board unanimously approved the new maintenance agreement with Applied Video Solutions effective August 1, 2020 as motioned by Julie Taylor and seconded by Kelly Powers. No public comment was received prior to this action.

- New Big Belly cans installed.
Ben updated the Board that a total of 10 Big Belly cans had been installed. Six in District 6 and four in District 3. No public comment was received prior to this action.

b. Marketing & Communications – Matthew Coleman

- Newsletter, website, and social media updates.
Rob updated the Board that during the Shelter in Place and during the reopening, Josh and Eva are creating positive messaging which was shared through social media and the newsletter. A social media contests (giving out gift cards purchased from Union Square businesses) also started to support local businesses which will be completed next week.
- Discussion and review of proposal from marketing and branding firm and action to engage firm for strategy, rebranding, and website development.
Rob updated the Board that a rebranding process started prior to Shelter in Place. An RFP was sent out to several design firms from which we received 5-6 proposals. In February/March, an evaluation steering committee narrowed it down to three finalists. Due to Shelter in Place this project was postponed for several months. During this time, the idea for an Economic Recovery Taskforce evolved which will be led by Karin. Ben, Karin, and Rob reached out to the finalist to explain the Economic Recovery Taskforce and to see how (if) they will adapt their process to these challenging times. Having read their new proposals and after the firms presentations, J2 was chosen as the design firm to lead the rebranding of the Union Square BID and Union Square. Alan Jacobson of J2 was introduced and gave a presentation summarizing their values and process and though leadership. J2 was excused from the meeting for the Board to discuss their proposal. Mark Watson, who was the leader of the evaluation steering committee gave a summary of his experience and why J2 stood out from the other design firm and Ben explained the budget for this project (which was included with the budget to be approved later in the meeting).

Action: The Board unanimously approved hiring J2 for strategy, rebranding and website development as motioned by Wes Tyler and seconded by Maxine Papadakis. No public comment was received prior to this action.

c. Streetscapes & Public Realm – Manuela King

- New flower baskets on Stockton and plantings on Powell Promenade
Rob updated the Board that new flower baskets on Stockton and new plantings on Powell Promenade had been installed. In addition, a pest deterrent layer was installed to prevent rodents on the Promenade.
- Campton Updates
Rob updated the Board that the neon light art project will have to be placed on a different building in Campton alley as the property owners were no longer responsive and would not sign our license agreement. The artist will have to reevaluate the possible new buildings including 250 Post which belongs to Tad More. This comes with several other challenges such as new electrical work, additional engineering costs and the building is red and black which does not match the art piece.
- Powell Street Improvement Project update and action to approve MOU with MTA for maintenance of Powell Street post construction.
Rob updated the Board that the USBID collaborated with the city on the new pavement design, materials, furniture, and landscaping on the Powell Promenade. The C3R funding may have been used for this project to upgrade the pavement materials however with that funding being uncertain (conversion projects not moving forward) this is no longer an option. The preference of the Streetscapes and Foundation committee went option 3 (for design) which was presented to the Board. A MOU agreement for the city has been drafted with the help of Beau Simon to ensure the USBID will have less costs regarding the maintenance of Powell (such as the City responsible for replacing and fixing street furniture – not the USBID).

Action: The Board unanimously approved the MOU with MTA for maintenance of Powell Street post construction. No public comment was received prior to this action.

d. Finance & Audit – Jim Sangiacomo

- Action to approve the Unaudited Financial Report at 06/30/2020.
Ben directed the Board to the unaudited financial report and summarized it. Overall the USBID had a \$460K surplus from assessments/core operations and an overall surplus of \$451K. The USBID outperformed budget with a large positive spending variance (\$402K). Expenses were in line with management plan. The USBID ended the year with \$2.2mil of reserves which would be used to fund operations from July-October.

Action: The Board unanimously approved the Unaudited Financial Report at 06/30/2020 as motioned Mark Purdy and seconded by Russell D. Keil Jr. No public comment was received prior to this action. No public comment was received prior to this action.

- Discussion and review of budget drafts and action to approve budget draft for the 20-21FY
Ben directed the Board to the budget draft summaries for 20-12FY and summarized them. Overall Ben was projected a small deficit (\$176K) which could be made up if some additional revenue is raised or expenses are managed and negotiated below budget. The budget keeps services basically the same on the street by using the banked hours built up between April-July and keeps the same staffing headcount. Members reviewed the document and asked questions.

Action: The Board unanimously approved the draft of the 20-21FY budget as motioned by Don Thomas and seconded by Russell D. Keil Jr. No public comment was received prior to this action. No public comment was received prior to this action.

e. Public Affairs & Advocacy – Karin Flood

- Union Square Economic Recovery Task Force (formerly vacancy study)
Karin updated the Board about the Economic Recovery Taskforce. The taskforce will meet several times to discuss how to revive Union Square in the short and long term and come away with action items and objectives.
- Discussion and action to support San Francisco Jobs Coalition
Corinna updated the Board that the SF Chamber is leading a Save San Francisco Job Coalition to oppose numerous taxes that the City wants to implement in this time of crisis.

Action: The Board Unanimously approved to support San Francisco Jobs Coalition as motioned by Wes Tyler and seconded by Russell D. Keil Jr. No public comment was received prior to this action.

- Discussion and action to approve support of 420 Sutter development project
Corinna updated the Board that the 420 Sutter development project was presented to the Public Affairs committee. There was some opposition by 450 Sutter who were invited several times to present at the PAC meeting but never took that opportunity. Therefore, the PAC committee chose to support this project as it will bring vibrancy to the block, help to revive Union Square, and provide economic benefits to San Francisco.

Action: The Board unanimously approved to support the 420 Sutter development project as motioned by Wes Tyler and seconded by Don Thomas. No public comment was received prior to this action.

Closed session started at 11:20

9. Executive Committee meeting on June 25, 2020 – closed session and action to ratify Executive Committee action on closed items. Staff and non-Board members left the meeting.

10. Announcements & New Business

- Next Executive Committee Meeting August 27, 2020
- Next Board Meeting September 24, 2020 – 9:00 a.m. Location TBD

11. Adjournment - The meeting was adjourned at 11:35.