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UNION SQUARE BUSINESS IMPROVEMENT DISTRICT
EXECUTIVE COMMITTEE MEETING

MINUTES

April 23, 2020 – 9:00 AM
Virtual Meeting Via Zoom

In Attendance

Members and Committee Chairs: Board President, Wes Tyler; Immediate Past Board President, Stephen Brett; Board Secretary, Mark Purdy; Board Treasurer, Julie Taylor; Marketing Chair, Matthew Coleman; Streetscapes Chair, Manuela Anne King; Public Affairs & Advocacy Chair, Corinna Luebbe; Finance Chair, Jim Sangiacomo; Audit Chair, Russell D. Keil Jr; and Services & Public Safety Chair, Don Thomas.

Staff and Guest Attendees: Karin Flood (Executive Director), Benjamin Horne (Deputy Director), Rob (Director of Marketing & Public Realm), Bri Caspersen (Senior Project Coordinator), and Eva Schouten (Intern)

Summary of Actions Taken by the Committee (not including closed portion of meeting)

No public comment was received before any of the following action items.

- **Action:** The committee unanimously approved the meeting minutes of February 27, 2020, as motioned by Don Thomas and seconded by Julie Taylor.
- **Action:** The Committee unanimously approved applying for the employee retention tax credit program as motioned by Don Thomas and seconded by Julie Taylor.
- **Action:** The committee unanimously approved applying for the SBA loan up to \$1mil as motioned by Don Thomas and seconded by Julie Taylor
- **Action:** The committee unanimously approved to close the BofA accounts and open a WF credit card as motioned by Wes Tyler and seconded by Mark Purdy
- **Action:** The committee unanimously approved to suspend the administrative fee charge to the Union Square Foundation for April – June 2020 as motioned by Mark Purdy and seconded by Matthew Coleman.

Meeting Notes by Agenda Topic

1. Call to Order

Karin Flood called the meeting to order at 9:07am.

2. Public Comment

Karin called for public comment. Hearing none, she moved to the next agenda item.

3. Announcements & new business – The following highlights and updates were provided:

a. Powell Streetscape project

Karin updated the committee that Powell Streetscapes Project is moving forward, and construction is scheduled to begin January 2022. The BID has been working closely with City staff on the design for the project and is now in conversation about a partnership agreement (MOU) for elevated designed elements and maintenance after the project is completed. A discussion regarding the costs followed.

b. Operations office search

Karin, Ben, and Julie viewed potential new office locations last week and Karin provided a summary of the search. A discussion followed about different sites and options.

c. Minutes posted on website

Karin updated the committee that the minutes from meetings (once approved) have been posted on the website.

d. Potential Affiliate Members

Ben updated the committee that he has been in contact with the property owners of the small block at Market and Mason St that are very interested in joining the USBID as affiliate members. A discussion about pursuing this followed.

e. Annual Lunch/Holiday Fundraiser Thursday December 10, 2020 at 6pm

Karin updated the committee that the combined Annual Lunch/Holiday Fundraiser event, will take place Thursday December 10th, 2020 at 6pm (assuming we are able). Rob is negotiating the contract with the Westin at this time.

4. Action to approve the minutes of the February 27, 2020 meeting

No public comment was received.

Action: The committee reviewed the minutes including the closed session minutes distributed by Ben and unanimously approved the meeting minutes of February 27, 2020, as motioned by Don Thomas and seconded by Julie Taylor.

5. Coronavirus relief options explored to date

- a) Federal, State and Local and **action** to approve applying for employee retention
Karin updated the Committee that the BID has submitted applications to several COVID-19 relief programs. Ben summarized all the application and their status as shown on the chart handout. A discussion on which one to move forward with followed. Ben outlined that there had been delays from Wells Fargo on applying for the PPP loan and it was uncertain if the USBID would receive and that a more sure choice (although only a 1/3 of the possible funds as compared to PPP) was applying for the Employee Retention Tax Credit.

No public comment was received.

Action: The Committee unanimously approved applying for employee retention tax credit program as motioned by Don Thomas and seconded by Julie Taylor.

- b) Grants
Karin informed the committee that the BID has been applying to grants, including one to the San Francisco Foundation for a \$25,000 grant for the BBB staff bonuses and as advised by the committee, they will also look into the Salesforce grants for non-profits.
- c) Insurance
Ben informed the committee that he has been attending Marcum webinars regarding relief programs and insurance. He was advised to file for a business interruption claim for the security costs spent to keep the building open. He will also pursue a reduction in costs and credit for other policies where the risk has significantly decreased as well.

6. Union Square BID related coronavirus changes and updates

- a) **Assessment payment and financial projects and possible action to approve for SBA loan for \$1mil**

Two thirds of the anticipated assessment payment came in today (about \$1mil/short). Staff is expecting there will be some delinquencies because the due date for property taxes was extended and penalties for late payments have been waived. Ben summarized the total results of 19-20FY and reserves. He will provide a full report and projection at the end of May during the Finance Committee and Board of Directors meetings. Due to the shortfall of payment and due to the declining economy it is advised to pursue additional credit resources in case future assessment payments (June and August) do not make up the shortfall.

No public comment was received.

Action: The committee unanimously approved applying for the SBA loan up to \$1mil as motioned by Don Thomas and seconded by Julie Taylor

- b) **Closing of BofA accounts and action to approve opening WF credit card**

Ben informed the committee that the last grants which were held in the BofA accounts have been used (in 2018). The Board had previously voted to move banking services to Wells Fargo (in 2015). But the BofA accounts were kept open due to the annual receipt of Holiday Safe

Shopper. The BofA accounts will be closed when the Wells Fargo credit card account is approved and a credit card is issued.

No public comment was received.

Action: The committee unanimously approved to close the BofA accounts and open a WF credit card as motioned by Wes Tyler and seconded by Mark Purdy

c) DST contract termination

Karin updated the committee that the contract with DST has been terminated 2 months before it was officially scheduled to end. This was due to declining metrics (lack of employment conversions) as well as their unilateral decision to suspend services (but asking for full compensation). A discussion followed about next steps and possible partnerships for the *Union Square Cares* program.

d) Campton Place activation project

Bri informed the committee that the Campton Place activation is moving forward. Instead of a daily closure and activation, it will be a monthly event series due to restrictions from the permit and operational logistics and costs of doing an everyday closure. The application will be revised and resubmitted with an updated plan by the end of this month.

e) New program initiatives for businesses

Rob informed the committee of the new program initiatives for businesses.

- 1) In collaboration with nropy, data is being collected via survey to show the economic impact of COVID-19 as on the businesses in the district. This data can help when applying for grants and relief, and it will reflect the needs of the businesses and how the USBID can support them and advocate to City officials as needed.
- 2) \$4,000 in gift certificates to several stores and restaurants were purchased to be given away through weekly social media contests which will launch next week.
- 3) A food give-away program (*Union Square Gives Back*) has started last week where lunches from the open restaurants in the district are purchased by the USBID and provided to first responders such as the BBB staff, SFPD, SFFD and medical workers and other essential workers.

f) Website and Marketing

Eva updated the committee that the website is being revised to more clearly show the COVID-19 initiatives the USBID is taking at this time and any adjustments to service schedules. In addition, the directory has been updated to show open businesses. Rob updated the committee that the rebranding process has been postponed to July or September depending on how the current situation evolves.

g) Potential service adjustments and possible action to reduce services effective June 1, 2020

Due to the current circumstances, 15-20% of the Block by Block services is down due to decreased staffing and some staff calling off sick or not showing up. The BID is considering lowering the amount of services provided with a 30-day notice. Ben summarized 3 options in

ways to lower the services. Due to the reductions and the instructions by the USBID to not replace staff positions that quit or are terminated and the second order not to use backup labor to fill shifts, a large bank of hours should be built up by year end. A discussion followed but at this time no changes to service were needed.

h) Member services transition timing

Considering the uncertain times and having to move offices now, staff is delaying the member services transition to in-house from July 1, 2020 to January 1, 2021. A discussion followed.

i) Union Square Foundation and action to suspend admin fee charge for April – June 2020

Ben proposed the administrative fee the BID charges the Union Square Foundation for April – June 2020 is suspended, except for billing for grants or other revenue received. This is needed as the fundraising (no Annual Lunch) has definitely been decreased and the Foundation will not be able to pay for administrative services (\$6K/month) beyond a certain point. A discussion followed. It is also likely that the fee will have to be suspended for the 20-21FY.

No public comment was received.

Action: The committee unanimously approved to suspend the administrative fee charge to the Union Square Foundation for April – June 2020 as motioned by Mark Purdy and seconded by Matthew Coleman.

Closed session started at 10:25

7. Upcoming meetings

- a. Board Meeting May 28, 2020
- b. Next Executive Committee Meeting – June 25, 2020