On behalf of the Union Square Business Improvement District (Union Square BID) Board of Directors and Staff, we are pleased to present this Annual Report to our stakeholders and the City and County of San Francisco. As we begin a new fiscal year, we are hopeful that by working together to keep Union Square clean, safe and vibrant and continuing to invest in the area, we will create a better experience for everyone working and visiting here.

Under the past leadership of Board President Russell D. Keil, Jr., we accomplished much and certainly ended the calendar year on a high note. Just before Thanksgiving, we launched Winter Walk SF – a pop-up pedestrian plaza on Stockton Street, which was a huge success. This project was originally envisioned by our Streetscapes Chair, Manuela King, to mitigate the impacts of the Central Subway construction and take advantage of the holiday moratorium and put into action by our Marketing and Streetscapes teams.

In 2014-2015, the Union Square BID also focused on continuous improvement of our Ambassador and Cleaning services. The Union Square BID engaged with Block by Block, a new service provider, on February 1, 2015. You may have noticed that we now have Safety and Hospitality Ambassadors in different red uniforms to identify their specific roles. A new white truck with the Union Square BID’s logo and URL is now on duty and responding to maintenance requests. After six short months, Block by Block is off to a great start.

In the next year, you will be seeing even more exciting projects in Union Square. Among them, we will be hosting the annual International Downtown Association (IDA) conference from September 30-October 2, 2015. The Union Square BID’s aim is to have the district sparkle as we invite 600-900 international downtown professionals to tour Union Square and San Francisco. A plan to redesign the Union Square BID’s website is also in the works so that we may continue to have a dynamic, trendsetting online presence that will help draw visitors to our district.

The attached reports provide a detailed list of accomplishments, financial results and a summary of the clean and safe service numbers for the period of July 2014–June 2015. As always, I encourage you to contact us or any member of our staff if you have any additional questions.

Sincerely,

Karin Flood
Executive Director

Stephen Brett
Board President
2014-2015 ACCOMPLISHMENTS

SERVICES & PUBLIC SAFETY

• Evaluated district conditions on a regular basis and advocated to City departments for improvements.
• Conducted RFP for service provider, evaluated proposals and selected new service provider, Block by Block. Negotiated new contract starting February 1, 2015.
• Contracted with a dedicated Services Manager to oversee and assist Block by Block with the transition of services for the district. The Services Manager oversaw and managed the transition of the SFPD 10B program and assisted the service provider with scheduling and district information and contacts. Services Manager also managed logistics and installations for security camera program.
• Hired social services caseworker through the San Francisco Homeless Outreach Team, dedicated to the Union Square BID area. Connected numerous individuals in need with social services and resources.
• Received $3 million grant from a donor advised fund of the SF Chamber, Hotel Council, Committee on Jobs, and other coalition of other business groups including SF Travel, the SF Planning Department, the City’s Office of Economic and Workforce Development, SFMTA, Grants for the Arts, the Yerba Buena Community Benefit District, and the San Francisco Arts Commission.

FINANCE, AUDIT & GENERAL ADMINISTRATION

• Developed multi-year financial plan, and increased assessments by 2.5%, generating additional $238K in revenues through June 30, 2019.
• Completed 13-14FY audit and received unqualified clean opinion with no adjustments and completed 950 filing with the IRS, 199 with California FTB and RRF-1 with California Attorney General. Engaged CPA and began planning for 14-15FY audit.
• Managed Board of Supervisors and Government Audit & Oversight Committee’s review of the Union Square BID activities and financial results for FY 10-11, 11-12, 12-13, 13-14 and received high marks for fiscal organization and overall management and reporting.
• Drafted and approved 14-15FY annual budget, mid-year budget modification and drafted 15-16 budget.
• Reviewed banking options and opened new accounts and line of credit and negotiated for zero bank fees. Increased interest income by over 300%.
• Managed all insurance matters including all policy applications, renewals, billings, audits, claims and continually reviewed and audited Union Square BID operations and assessed for insurance coverage and maintained full compliance with all City departments and other stakeholders.
• Managed all grant, sponsorship and donor billings, collecting 100% of all pledges, grants, donations.
• Assisted the SF Planning Department’s successful Market Street Prototype Festival to implement and launch innovative, temporary public space installations along Market Street by serving as a retail cohort lead, in partnership with the Market Street Association and the Yerba Buena Community Benefit District.
• Initiated and completed a draft Public Realm Action Plan, in partnership with the landscape architecture firm RHAA for small-scale, low-cost public realm improvements, articulating overarching design, documenting existing conditions, and outlining concepts for potential projects throughout the district.
• Implemented a 90-day pedestrian counting camera project to determine the feasibility of counters as a mechanism to improve service deployment and efficiencies, evaluate streetscapes improvement efficacy, measure overall impact of events and programming and benchmark the district against comparable shopping districts.
• Contracted with two new landscape providers responsible for the installation and maintenance of new flower baskets around the cable car turnaround as well as new drought-tolerant plants and a landscaping maintenance plan for the Powell Street Promenade.

MARKETING ACCOMPLISHMENTS

• Continued to run an extremely successful digital marketing program, with over 339K visits to our website this fiscal year, over 51K flos for our Facebook page, and over 3,435 Twitter fans.
• Completely redesigned our newsletter to stay fresh and increase engagement for our member brands. We also grew our list to 3,157 subscribers.
• Our second annual Fall Fashion Fest was a great success with over 700 attendees and over 170 uses of #F3SF on social channels as well as over 30 press hits. Food + Art 2015 was equally well-received with over 950 attendees (2740 RSVPs on Eventbrite), several great press hits (including radio, local print and blogs), and over 200 uses of #SFFoodArt.
• Raised over $50K in funds for our marketing programs through sponsorship, much of which was put back into our Map & Guide, which was redesigned and reprinted this year. On track to distribute at 60K copies.
• Completed a successful holiday campaign with hundreds of press hits and social media mentions for holiday offerings, Black Friday and Winter Walk SF.

STREETSCAPES & BEAUTIFICATION

• The Union Square BID, in partnership with the City of San Francisco and the SFMTA, was awarded a $3 million grant from San Francisco from September 30-October 2, 2015. Hosting this annual trade conference is an opportunity to:
  • Bring 600-900 downtown professionals to San Francisco to share best practices on urban management issues with other City Officials and downtown managers.
  • Showcase our City, its unique neighborhoods and all that is attractive, innovative and cool.
  • Call to action – to both the public and private sectors to solve or make strides toward solving some challenging urban issues.
**FINANCIAL RESULTS 2014-2015FY**

**FUNDS**
- Special Assessment Funds: $3,264,634
- Other Funds: $150,740
- **TOTAL FUNDS**: $3,415,374

**EXPENSES**
- Clean & Safe: $2,547,186
- Marketing, Advocacy, Beautification, Streetscape Improvements: $3,159,241
- Other Assessment/Core Funds: $326,423
- Contingency & Reserve: $326,423
- **TOTAL ASSESSMENT EXPENSES**: $3,589,186

**CARRY OVER FUNDS FROM 2014-2015FY**
- Management & Administration: $207,173
- General Fund/Contingency: $1,510,589
- SVCF: $1,943,356
- Other Restricted/Designated Funds: $215,469
- **TOTAL CARRY OVER FUNDS 2014-2015**: $3,876,587

**LIABILITIES & NET ASSETS**
- Accounts Payable & Accrued Expenses: $380,661
- Unrestricted Net Assets: $1,861,834
- Temporarily Restricted Net Assets: $2,014,762
- **TOTAL LIABILITIES & NET ASSETS**: $4,257,248

**ASSESSMENT METHODOLOGY**
The Union Square BID is a 501 (C) 4 non-profit organization and currently the largest of San Francisco’s 13 existing property-based Improvement Districts. Well known for its unique mix of world-class shopping, hotels, theatre and restaurants, the Union Square district covers 27 blocks and includes nearly 600 parcels, both publicly and privately owned. Funding for the district is proportionally shared by property owners, who are self-assessed to provide services to supplement those provided by the City. These annual assessments are based on the following variables:

- Linear (sidewalk) frontage
- Building street foot of non-residential properties
- Property usage
- Each property owner’s assessment is calculated according to the special benefits provided by the services provided by the Union Square BID. Accordingly, each property owner is assessed for their proportional benefit for the following services:
  - Cleaning, maintenance and safety services
  - Marketing, beautification and streetscape improvements and advocacy (non-residential only)

**ASSESSMENT CALCULATION RATE CHART FOR 15-16FY**

<table>
<thead>
<tr>
<th>PROPERTY TYPE</th>
<th>CLEAN &amp; SAFE*</th>
<th>MARKETING / ADVOCACY**</th>
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<td>Category 1</td>
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<td>less than 2,000 bldg sq ft</td>
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<tr>
<td>5,000 - 9,999 bldg sq ft</td>
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<td>$552.98</td>
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<td>Category 4</td>
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<tr>
<td>10,000 - 29,999 bldg sq ft</td>
<td>$78.06</td>
<td>$1,105.96</td>
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<td>Category 5</td>
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<tr>
<td>30,000 - 99,999 bldg sq ft</td>
<td>$78.06</td>
<td>$1,382.45</td>
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<tr>
<td>Residential Property</td>
<td>$78.06</td>
<td>$5,529.80</td>
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<tr>
<td>Public Property</td>
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<tr>
<td>Hallidie Plaza Parcels (1)</td>
<td>$3.93***</td>
<td>$0.00</td>
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*per linear street foot  **per assessor's parcel  ***per lot square footage

**JULY 2014 - JUNE 2015 STATEMENT OF FINANCIAL POSITION**

**ASSETS**
- Cash: $5,892,792
- Receivables (Net): $368,436
- Other Current Assets: $32,011
- Furniture & Equipment (Net): $273,509
- **TOTAL ASSETS**: $4,257,248

**INCOME**
- Assessment Revenue: $3,346,023 (91%)
- Fundraising & Other: $397,865 (9%)
- **TOTAL INCOME**: $3,843,888 (100%)

**EXPENSES**
- **TOTAL EXPENSES**: $5,550,119 (100%)
- Clean & Safe: $2,547,186 (49.8%)
- Marketing, Advocacy, Beautification, Streetscaping & Events: $3,159,241 (57.2%)
- Other Assessment/Core Funds: $326,423 (5.9%)
- Management & Administration: $676,972 (12.2%)
- **TOTAL ASSESSMENT EXPENSES**: $3,589,186 (64.2%)

**JULY 2015 - JUNE 2016 BUDGET**
- **TOTAL EXPENSES**: $3,458,140 (100%)
- Clean & Safe: $2,306,871 (67.1%)
- Marketing, Advocacy, Beautification, Streetscaping & Events: $1,056,644 (30.0%)
- Other Assessment/Core Funds: $25,914 (0.8%)
- Management & Administration: $676,972 (19.6%)
- **TOTAL ASSESSMENT EXPENSES**: $3,056,752 (88.8%)

**FINANCIALS**

**FLYER**

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- **TOTAL CARRY OVER FUNDS 2014-2015**: $3,876,587

**EXPIRES**

**MARKETING, ADVOCACY, BEAUTIFICATION, STREETSCAPES IMPROVEMENTS**
- $1,056,752

**MANAGEMENT & ADMINISTRATION**
- $1,943,356

**OTHER ASSESSMENT/CORE FUNDS**
- $1,510,589

**CONTINGENCY & RESERVE**
- $215,469

**TOTAL ASSESSMENT EXPENSES**: $3,458,140

**SVCF GRANT**: $4,631,853

**NET SURPLUS FOR 14-15 FY**
- **$4,631,853**

**TOTAL EXPENSES**
- **$4,257,248**
## INTERACTIONS 2014-2015

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### CITY BEAUTIFICATION

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### SIDEWALK SAFETY & DPW ISSUES

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### NON-EMERGENCY & EMERGENCY SITUATIONS

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### GRAND TOTALS

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### FOOTNOTES

- Meet and greets with merchants increased in May 2015 due to outreach associated with the Union Square BID’s Food + Art event. In addition, Hospitality and Safety Ambassadors began engaging in more check-ins with hotels and storefronts along the district’s perimeter.
- Sleepers/Campers figures increased substantially starting in February due to an increased focus on quality of life issues by the Union Square BID, in addition to the hiring a new Safety Ambassador to report these issues. June experienced a drop due to the loss of a Safety Team Lead and two Safety Ambassadors.
- Public assistance figures in June dipped due to the loss of two Safety Ambassadors, including a Team Lead. Though these positions are expected to be short-term back-filled.
2014-2015 BOARD OF DIRECTORS

OFFICERS
PRESIDENT
Russell D. Keil, Jr. • The Keil Companies
TREASURER
J. Timothy Falvey • Hanford-Freund & Company
SECRETARY
James Sangiacomo • Trinity Properties

DIRECTORS
Stephen Brett • Brett & Company
Kevin Carroll/ Kelly Powers • Hotel Council of San Francisco
Thomas Carroll • Tiffany & Co
James Chappell • Planning Consultant
James C. Flood • Flood Corporation
Shirley Howard-Johnson • Entertainment & Arts Consultant
Michael Jokovich • Grand Hyatt San Francisco
Man J. Kim • Lori’s Diner International
Jon Kimball • The Westin St. Francis
Ellen Magnin Newman • Ellen Newman Associates
Louis Meunier • Retail Consultant
Tad Moore • 250 Post Street LP
Alan Morrell • Neiman Marcus
Betsy Nelson • Macy’s
Maurice Quillen • Recology
Ellen Richard • A.C.T.

2015 MANAGEMENT
EXECUTIVE DIRECTOR
Karin Flood
DIRECTOR OF MARKETING
Jeani Hunt-Gibbon
DIRECTOR OF STRATEGIC INITIATIVES
Claude Imbault
CONTRACT SERVICES MANAGER
Randall Scott
CONTRACT FINANCE MANAGER
Benjamin Horne
CONTRACT SERVICE PROVIDER
Block-by-Block

SERVICES

2015 MANAGEMENT
EXECUTIVE DIRECTOR
Karin Flood

2015 MANAGEMENT
DIRECTOR OF MARKETING
Jeani Hunt-Gibbon

2015 MANAGEMENT
DIRECTOR OF STRATEGIC INITIATIVES
Claude Imbault

2015 MANAGEMENT
CONTRACT SERVICES MANAGER
Randall Scott

2015 MANAGEMENT
CONTRACT FINANCE MANAGER
Benjamin Horne

2015 MANAGEMENT
CONTRACT SERVICE PROVIDER
Block-by-Block

SERVICES OVERVIEW
HOSPITALITY AMBASSADORS
7:30AM – 10:30PM (7 days a week)

SAFETY AMBASSADORS
5:30AM – 11:00PM (7 days a week)

CLEANING AMBASSADORS
7:00AM – 7:30AM (7 days a week)

DISPATCH SERVICES
7:00AM – 7:30PM (7 days a week)

10B SFPD OFFICER
10 hours daily

PRESSURE WASHING
All sidewalks – twice monthly

GRAFFITI REMOVAL
As needed, with property owner’s authorization

ADVOCACY
To represent the district on clean, safe, quality of life and business issues

MARKETING
To ensure Union Square’s standing as a dynamic, world-class destination

STREETSCAPES AND BEAUTIFICATION
To support, promote, and implement public realm improvements throughout the district
UNION SQUARE BUSINESS IMPROVEMENT DISTRICT

323 GEARY STREET, SUITE 203 SAN FRANCISCO, CA 94102
TEL (415) 781-7880 FAX (415) 781-0258
FOR DISPATCH SERVICES CALL (415) 781-4456

VISITUNIONSQUARESF.COM