



Board of Directors Annual Meeting #2

September 28, 2023 – 9:00 -11:30 am

In-person

Parc 55 San Francisco (55 Cyril Magnin Street), Market Street Room

MINUTES – OPEN MEETING

In attendance

The following directors and advisory committee chairs were in attendance in person: David Lewin, Erik Murray, James Sangiacomo, Jordan Buckley, Russ Keil, Lauren Ellis, Russ Keil Jr., Spencer Sechler, Shirley Howard-Johnson, Stephen Brett, Terry Lewis, J. Timothy Falvey, Clif Clark Julie Taylor, Mark Sullivan, and Wes Tyler.

The following staff and contract service providers were in attendance: Marisa Rodriguez (CEO), Benjamin W. Horne (CFO), Ken Rich (COO), Lance Gorée (Director of Services), Eva Schouten (Public Realm Associate), Melanie Medina (Executive Assistant), Jessica Chilingirian (Digital Marketing Associate), Caitlin Keller (Intern), Beau Simon (Legal Counsel), and Tinea Adams (Block by Block).

Guests – Eric Kim (SFPD), Tiffany Tidwell (AG Jeans), Jackie Hazelwood (OEWD), Sarah Dennis-Phillips (OEWD), Dana Boyd (Phelan Building), Brenna Carrick (Phelan Building), Tom Brock (Lids), Tammy Brock (Lids), Wendy (One Kearny), Blake McCall (Blake Charles Salon), Lin Huber (Nieman Marcus), Audrey Moy (Crime Prevention Specialist), Steven Suen (Biscuits and Blues), Pulkesin Mohan (Taj Campton Place), Michael Feldman (Burberry), Barbara Cartier (CPA), Ming Zhang (Best United Realty), Magdalena Kamber (Bottega Venetta), Patricia Cardenas (PC Investments), John Savage (John's Grill), Kevin Flanagan (Recology), Chip (Block by Block), Tyler Florence (Miller & Lux).

Summary of Actions Taken by the Board of Directors

On September 28, 2023, the Board of Directors took the following actions. No public comment was received prior to any action item:

- **Action:** The Board unanimously approved the CEO's report including ratifying the Executive Committee actions from August 2023 as motioned by Spencer Sechler and seconded by Lauren Ellis.
- **Action:** The Board unanimously approved the July 27, 2023, minutes as motioned by Don Thomas and seconded by Shirley Howard-Johnson.
- **Action:** The Board unanimously approved the agreement with Miller & Lux as motioned by Don Thomas and seconded by Jim Sangiacomo.
- **Action:** The Board unanimously approved Kevin Flanagan as a new Board member to replace Marcus Mirt as motioned by David Lewin and seconded by Don Thomas.
- **Action:** The Board unanimously approved the 2022-2023 Annual Report for submission to the City of San Francisco as motioned by Spencer Sechler and seconded by Don Thomas.
- **Action:** The Board unanimously approved the request to access security cameras during the APEC Conference as motioned by Don Thomas and seconded by Shirley Howard-Johnson.
- **Action:** The Board unanimously approved the action to convene a meeting with members in the vicinity of the proposed San Francisco Events Center as motioned by Spencer Sechler and seconded by Julie Taylor.



- **Action:** The Board unanimously approved the letter of support for SB76 as motioned by Don Thomas and seconded by Spencer Sechler.
- **Action:** The Board unanimously approved the new Block by Block services agreement budget as motioned by Don Thomas and seconded by David Lewin.
- **Action:** The Board unanimously approved the services agreement with Legion for security services for Oct 1, 2023 – Sept 20, 2024, as motioned by Spencer Sechler and seconded by Don Thomas.
- **Action:** The Board unanimously approved the services agreement with AVS for Oct 1, 2023 – Sept 20, 2024, as motioned by Don Thomas and seconded by Russ Keil.
- **Action:** The Board unanimously approved the contract amendment with Dianna Cavagnaro for event planning and management as motioned by Stephen Brett and seconded by Shirley Howard-Johnson.
- **Action:** The Board unanimously approved the audit report for the 22-23FY as motioned by Don Thomas and seconded by Julie Taylor.
- **Action:** The Board unanimously approved the unaudited financial report at 8/31/23 as motioned by Julie Taylor and seconded by Don Thomas.

Meeting Notes by Agenda Topic (See Closed Session Minutes for Item 13)

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, roll call, and welcome and introduction to Parc 55.
Observing a quorum present, Marisa Rodriguez called the meeting to order at 9:09 a.m. Introductions made, and roll call taken. Ben thanked Terry Lewis for the hospitality of Parc 55 in hosting the meeting.
2. Public Comment
Marisa Rodriguez called for public comment. There was recognition given to those that rappelled at the TAAF Over the Edge event the previous Saturday.
3. CEO's report
 - APEC (November 12-18) and Dreamforce
Marisa shared that the city would hold an October 18th press conference to provide logistical information surrounding APEC. There are no street closures planned for Union Square during APEC at this time. The Macy's Christmas tree will be put up before APEC with a private press opening. The Tyler Florence pop-up kiosks are also expected to open before APEC on November 1st. The Ice rink will also go up November 1st. Mark Sullivan shared information from the SF Travel Board meeting, noting that www.apec2023sf.com is the best place to go for up-to-date information and that the city is expecting 40,000 visitors.

Marisa remarked on the success of the Dreamforce conference earlier in the month, as the city looked cleaner and more vibrant as Union Square received more visitors.
 - IDA Conference – Chicago, October 2023.
Marisa reminded the committee that Ben, Ken, Jessica, and herself will be attending the IDA Conference in Chicago from October 4-6 with Ben, Ken, and Marisa speaking on a variety of panels.
 - Chris Larsen grant and Hudson Pacific potential grant.



As Market Street has been an internal area of focus for the Alliance, the Alliance has spoken to a number of potential sources for additional clean & safe funding. Chris Larsen will provide a financial contribution to ensure regular power washing of the Market Street area for the next two years.

Hudson Pacific, a property owner near Market Street, is also interested in immediate-term Hallidie plaza improvements. Ken noted that the Alliance will be able to confirm their contribution within the next week, as APEC is fast approaching.

- John's Grill Anniversary October 4th.
John's Grill will host their 115th Anniversary Event on October 4th from 11-2pm, closing down Ellis Street for live music and performances, free food, and giveaways. This is open to the public.
- Broker Committee October 18 and Safe Shopper November 7.
The Broker Committee will meet on October 18 to familiarize brokers with the Vistry platform and discuss market conditions and other matters.

The Annual Safe Shopper meeting will take place on November 7th, date pending the Mayor's press conference.

- Executive Committee met on August 24, 2023, and approved:
 - Union Square Foundation Services agreement
 - Block by Block and Legion Amendments for July and August 2023
- CLOSED SESSION
- New positions and transitions

Action to accept the Executive Director's report including ratifying the Executive Committee actions from August 2023.

Action: The Board unanimously approved the CEO's report including ratifying the Executive Committee actions from August 2023 as motioned by Spencer Sechler and seconded by Lauren Ellis.

4. **Action** to approve prior meeting minutes of July 27, 2023.
Marisa directed members to the minutes in their board packet (sent out in advance of meeting). Members reviewed.
Action: The Board unanimously approved the July 27, 2023, minutes as motioned by Don Thomas and seconded by Shirley Howard-Johnson.

5. **Introduction to Central Station Captain Ja Han Eric Kim.**

The new Central Station Captain Eric Kim introduced himself to the attendees and detailed his background with the San Francisco Police Department. He emphasized the importance of Union Square to the police department and his intention to collaborate with Lt. Hall to serve the district.

6. **Introduction and discussion with Sarah Dennis Phillips, Executive Director Office of Economic and Workforce Development regarding Union Square cafes and Winter Walk and possible action to approve agreement with Miller & Lux.**



Sarah Dennis Phillips introduced herself to the committee as the new OEWD Executive Director. She noted that the Alliance has received OEWD funding for Powell Street improvements. She explained the additional funding that the Alliance would receive through an OEWD grant, as they would serve as the fiscal agent for the opening of the Miller & Lux pop-up kiosks and receive additional funding for Winter Walk 2023. Dennis-Phillips also updated attendees on the status of the Vacant & Vibrant pop-up program, noting that press will begin next week as all the pop-ups have soft launched. The next phase of the program will include the Union Square area.

Action: The Board unanimously approved the agreement with Miller & Lux as motioned by Don Thomas and seconded by Jim Sangiacomo.

7. Introduction and discussion with Tyler Florence.

This item was discussed at the end of the meeting, as Tyler presented his vision for the two park cafes after all items had finished.

8. Board of Directors updates and discussion and action to approve Kevin Flanagan as new Board member to replace Marcus Mirt.

Ben reminded the Board of Board Member training on December 12, open to any Board members and the need to submit their annual conflict-of-interest forms. Ben notified the Board of Cammy Blackstone and Marcus Mirt's resignations from the Board. He thanked them for their many years of service and generosity. He then presented Kevin Flanagan's Board Member application as the new Board representative from Recology. The Board asked questions regarding the importance and length of Recology's representation on the Board and the in-kind services Recology provides for the district.

Action: The Board unanimously approved Kevin Flanagan as a new Board member to replace Marcus Mirt as motioned by David Lewin and seconded by Don Thomas.

9. Discussion, review and action to approve 2022-2023 Annual Report for submission to City of San Francisco.

Ben presented a draft of the Alliance's Annual Report that details the projects of the Alliance for the 22-23FY. Some of the major projects included; the RFP for services, cleaning and safety services statistics, public realm and streetscape improvement projects, marketing and events, and advocacy work. The report also includes the Alliance's security camera policy, financial reports (that are the same as the audit results) budget and donor information, subcontractor information, Board members, and Alliance staff. The Alliance is required to submit the Annual report yearly to the City of San Francisco.

Action: The Board unanimously approved the 2022-2023 Annual Report for submission to the City of San Francisco as motioned by Spencer Sechler and seconded by Don Thomas.

10. Discussion and possible action regarding request to access security cameras during APEC conference. Marisa presented the Board with a request from the Secret Service for live access to the Alliance's camera network during the APEC Conference as a precautionary measure. She noted that there could be privacy concerns, but that Supervisor Peskin seemed to agree that this was a matter of national security. The



Board asked questions regarding the process for the Secret Service requesting past footage after potential incidents.

Action: The Board unanimously approved the request to access security cameras during the APEC Conference as motioned by Don Thomas and seconded by Shirley Howard-Johnson.

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

a. Public Affairs & Advocacy (Erik Murray)

- Discussion and action to convene meeting with members in the vicinity of the proposed San Francisco Events Center.

The Public Affairs Committee hosted a presentation from Gensler at their last meeting that included a preliminary feasibility study of the San Francisco Events Center (Women's Soccer Stadium) in the place of Westfield. Marisa noted that there are many possibilities for the San Francisco Centre area but that a venue for 20,000 visitors could be exciting for Downtown. Attendees expressed that this project would need major developer involvement and a large corporate sponsor, concerns about construction limiting the area in a similar manner to the Central subway construction and what will happen to the space in the interim before a long-term plan is decided. There was some consensus among the Board that the feasibility study should be made more widely available to understand whether the project warrants further discussion.

Action: The Board unanimously approved the action to convene a meeting with members in the vicinity of the proposed San Francisco Events Center as motioned by Spencer Sechler and seconded by Julie Taylor.

- Discussion, review and action to approve signing on to support of SB76 (music venue license: entertainment zones: consumption.).

Marisa introduced SB76, a piece of proposed California State legislation authored by Senator Weiner that would allow for designated outdoor entertainment zones, allowing the sale of alcoholic beverages outdoors.

Action: The Board unanimously approved the letter of support for SB76 as motioned by Don Thomas and seconded by Spencer Sechler.

- Broker Committee October 18 and economic development updates.

Minimal economic development updates were given as they will be addressed later in the Streetscapes updates and were discussed during Sarah Dennis-Phillips's time. There will be a broker committee on October 18.

b. Services & Public Safety (Don Thomas)

- Union Square Park and Bigbelly updates

Ben provided updates on the park services provided by the Alliance, as the Alliance was previously contracted in 2020 to provide 12 hours of an ambassador and 4 hours of power washing to the park daily, but as of August 1, the Alliance will only provide security (8 hours) and hospitality/safety (8 hours) for the park. Men At Work has been contracted by the city to provide cleaning services to the park and will power wash.



Ben informed the committee on the status of the Bigbelly program, as the Alliance has 47 Bigbelly cans throughout the district. There have been recent issues concerning Bigbelly vandalism and locking issues with Recology staff and broken locks. Board members reiterated these concerns, expressing that the trash from the Bigbelly will often pollute the surrounding area if they are cleaned improperly and not locked.

- Review operations report July and August 2023
Tinea presented the operations report from July and August 2023. The report included introducing the committee to Block by Block's new West Coast District Vice President, Chip recognizing Wayne Alexis and Greg Garrett as the Ambassadors of the Month from July and August, respectively, and Legion, Men at Work, and Block by Block's collaboration in returning one of the hearts in the Square to its proper positioning. The committee echoed Tinea's praise for Wayne. Tinea noted that July was almost fully staffed but that the staffing was down 9.53% in August due to losing staff, but that Block by Block will be fully staffed by the following week. The Board expressed their appreciation for Ambassador Wayne, as they have seen him working hard throughout the district. The Board and staff also expressed their appreciation for Tinea and the work she has done in the district and leading the clean and safe team during a challenging period.
- Discussion and review of Block-by-Block services agreement action to approve new agreement.
Ben and Ken informed attendees of the organizational transition of the Member Services team from the Alliance to Block by Block. Member services staff, phone number, and services will remain the same and Lance will transition to Block by Block and manage all the services contracted with Block by Block. Lance will transition in mid-October and the Member Services team will transition at the end of October.

With the move of Member Services to Block by Block, the Alliance will develop a new Block by Block services agreement. A new agreement is in process. Ben presented the committee with a contract analysis comparing the old Block by Block budget with the new contract's budget. The new contract will incorporate the 21 previous amendments to the Block-by-Block contract, incorporates Member Services into the Block-by-Block budget, and increases the rates of all Block-by-Block staff pay by 3%.

Action: The Board unanimously approved the budget for Block-by-Block services for Oct 1, 2023 – Sept 20, 2024, and empowered the Alliance staff and legal counsel to complete a new services agreement as motioned by Don Thomas and seconded by David Lewin.

- Discussion and review of Legion services agreement and action to approve an agreement for security services for Oct 1, 2023 – Sept 20, 2024.
Ben presented an updated Legion services agreement for October 2023 to September 2024. Legion was selected as part of the RFP and has a 5-10% rate of unfilled shift as opposed to 30% at other security companies. The contract's major changes include increasing pay by \$1 an hour for guard staff, raising holiday pay to double the standard rate, promoting one of the staff members to a team lead at an additional rate, shifting Legion to the District 360 platform, and introducing bikes to improve response times.

Action: The Board unanimously approved the services agreement with Legion for security services for Oct 1, 2023 – Sept 20, 2024, as motioned by Spencer Sechler and seconded by Don Thomas.



- Discussion and review of AVS services agreement and action to approve new agreement for October 1, 2023 – September 30, 2024.

Ben introduced the new AVS agreement that would begin on October 1, providing maintenance and repair for the Alliance's security cameras. He explained that the Alliance is receiving a significant discount of 50% and is saving approximately 20% as well by purchasing 180 hours of on-site service up front. Half of the contract (\$45,394.46) will be paid at signing and the other half (\$45,394.46) will be due at the end of January.

Action: The Board unanimously approved the services agreement with AVS for Oct 1, 2023 – Sept 20, 2024, as motioned by Don Thomas and seconded by Russ Keil.

c. Marketing & Communications (Mark Sullivan)

- Union Square SF Live performances and grant updates.

Mark updated the Board on the previous Marketing Committee activity, as the Alliance has started a Union Square marketers Slack to improve communications and hosted 2 Networking Happy Hours as part of the Summer Music Series. Mark updated the Board on the success of the SF Live pilot program, as there have been 17 concerts thus far with 500-1000 attendees per concert and supporting five entertainment venues. The Alliance is already working with OEWD to find venue partners for 2024, as the 2024 program will continue with 6 large concerts from April to September.

- Social Media and other updates

Jessica updated the Board on the Alliance's social media presence including Instagram hitting 11k followers, reaching 200 followers on Tik Tok, and the success of LinkedIn for spreading newsworthy stories about the Alliance.

- Holiday planning, sponsorships, and Holiday Fundraiser – save the date!

Eva updated the Board on the Alliance's plans for Winter Walk, as the Alliance is planning for a 10-day activation on Stockton Street from December 14-24 that will include 2-blocks of pedestrian-only space for food trucks, a bar garden, live music, and other activations. Eva and Jessica encouraged the Board to reach out to their networks regarding Winter Walk sponsorships. The Alliance holiday fundraiser tentative date is Friday, December 8th.

- Bloom 2023 and Bloom 2024 Planning

Mark provided updates on Bloom 2023 in anticipation of Bloom's conclusion in mid-October. There were 33 Bloom locations and 30 Bloom beverages at different venues and a number of notable social media impressions. The Bloom to Harvest 2023 Final Concert as well as the Harvest Wine, Spirits and Art Walk will take place on October 14th. Mark encouraged the Board to take down their Blooms after this if they participated and start getting ready for the holidays. The Alliance aims to launch Bloom on Saturday, March 23rd next year.

d. Streetscapes and Public Realm (Manuela King)

- SF Economic Recovery Grant and related projects

Eva discussed the three Amendments to RFP 224, as the original grant included funding for Winter Wanderland 2022. The first Amendment included funding for Bloom, Union Square Plaza furniture, 2023 Holidays, Winter Wanderland, and an intercept study/RFI for Hallidie Plaza. The second Amendment included funding for the Powell Street improvements project. The most recent amendment includes funding for the Alliance to serve as the fiscal agent for the Tyler Florence Union Square Park kiosk pop-ups and for Winter Walk 2023.



- Powell Street funding and improvement project.
The Alliance is on schedule for the Powell Street improvements project and will be hiring a project consultant in the coming weeks after interviewing four potential owner's representatives. They will begin the process of finding a designer for the schematic design phase in 2024 during which the Streetscapes committee will begin meeting monthly.
- Alley lighting project
The anchor points for the Elwood lighting project are installed and the lights will be installed soon. Campton Alley is waiting for one more property owner's approval.
- Holiday décor, activations and Winter Walk and possible action to approve contract amendment with Dianna Cavagnaro for event planning and management.
Snowflakes in Maiden Lane, at Hallidie Plaza and on the elevator shaft, on the Cable Car turnaround poles, and on the Promenade will be installed from Nov 8 - Feb 1. There will also be a decorated Cable Car from Nov 1 – Jan 1. Due to the increase in scope for this year's Winter Walk because of a last-minute increase in city funding, the Alliance will need to hire additional staff for event planning and management in order to have the activation planned on time. The Alliance has chosen to continue working with Dianna Cavagnaro, who currently serves the Alliance as a consultant, so her Winter Walk services will be an amendment to her current contract.

Action: The Board unanimously approved the contract amendment with Dianna Cavagnaro for event planning and management as motioned by Stephen Brett and seconded by Shirley Howard-Johnson.

e. Finance & Audit (Jim Sangiacomo)

- Review, discussion, and action to approve audit report for the 22-23FY.
Ben presented the audit report from the 22-23FY. The Alliance's audit for the 22-23FY was conducted in August and September by Kathryn Harris and Brad Levine from Perotti & Carrade. Their opinion of the audit was that all financial statements were presented fairly and the changes in net assets and cash flows for the year ended in accordance with generally accepted accounting principles. They described the result of the audit as very similar to the previous audit apart from an additional operating lease liability and an operating right-of-use asset. They noted risks of material misstatement in risk of fraud and cash disbursements and revenue that are present with all organizations. There were no difficulties encountered performing the audit, no misstatements, and no disagreements with management. The audit revealed no deficiencies in internal control.

Action: The Board unanimously approved the audit report for the 22-23FY as motioned by Don Thomas and seconded by Julie Taylor.

- Action to approve the Unaudited Financial Report at 8/31/23.
The Union Square Alliance has an overall operating deficit for the fiscal year of \$1.06mil (as the organization spends down the prior year reserves before receiving our first assessment payment in December). The organization outperformed the budget by \$51K (approved budget had a deficit of \$1.12mil). It is projected that the organization will end FY 23-24 with a \$38K surplus. The assessments/core operations outperformed budget by \$54K due to expenses being under budget in clean and safe (\$46K) and additional revenues generated (\$26K). Marketing expenses were slightly over budget (\$10K) due to unexpected repairs and administrative expenses were slightly over



budget (\$7k) largely due to timing differences with the budget which should even out in future months. There is a large Other Revenues negative variance (\$186K) due to timing differences and delays with the Powell grant as well as the Community Challenge grant which is on hold. The Larsen lighting grant and security camera projects continue to face delays due in part to challenges with property owner permissions. The organization spent less on Other Funds (\$183K) leaving a small negative variance (\$3K). The USBID assessment operation expenses were near management plan levels with 72% on clean & safe (includes sec cam), 13% on marketing and 15% on admin. Net assets (reserves) are at \$920k and cash balance was \$1.097mil on 8/31/23.

Action: The Board unanimously approved the Unaudited Financial report at 8/31/23 as motioned by Julie Taylor and seconded by Don Thomas.

12. Announcements & New Business

Upcoming meetings were reviewed by Marisa.

- Bloom Finale and *Bloomies*, October 14, 2023.
- Next Executive Committee Meeting October 26, 2023 – 9:00am
- Safe Shopper – November 7, 2023 (TBC)
- Next Board Meeting November 16, 2023 – 9:00 am (TBD)
- Holiday Fundraiser (save the date) – December 8, 2023, 6pm.

End of Open Session (see closed session minutes for items 13).