



Board of Directors Meeting

January 25, 2024 – 9:00 -11:30 am

In-person

Hotel Zeppelin, 545 Geary Street, (Peace Room)

MINUTES

In attendance

The following directors and advisory committee chairs were in attendance in person: Don Thomas, Shirley Howard-Johnson, Stephen Brett, J. Timothy Falvey, Julie Taylor, Maxine Papadakis, Kevin Flanagan, Russell Keil Jr., Evan J. Kaizer, Mark Sullivan, Lauren Ellis, Manuela King, Peter Hart, Opio Dupree, 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 Operations, Block by Block), Jason Cherniss (Director of Services), Eva Schouten (Public Realm Associate), Melanie Medina (Executive Assistant), Jessica Chilingirian (Digital Marketing Associate), Zarrina Yousufzai (Finance & HR Associate), Beau Simon (legal counsel).

Guests – Tammy Brock (Property Owner), Benjamin Malmquist (Hotel Zeppelin), Desiree (Hotel Zeppelin), and Lin Huber (Neiman Marcus).

Summary of Actions Taken by the Board of Directors

On November 16, 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 December 2023 as motioned by Julie Taylor and seconded by Tim Falvey.
- **Action:** The Board unanimously approved the November 16, 2023, minutes as motioned by Don Thomas and seconded by Shirley Howard Johnson.
- **Action:** The Board unanimously approved Lin Huber, a new Board member as motioned by Don Thomas and seconded by Wes Tyler.
- **Action:** The Board unanimously approved the revised Union Square Alliance agreement with the Union Square Foundation as motioned by Don Thomas and seconded by Opio Dupree.
- **Action:** The Board unanimously approved the contract with the selected design firm for the Powell Street project as motioned by Evan Kaizer and seconded by Stephen Brett.
- **Action:** The Board unanimously approved the purchase of 80,000 tulips as motioned by Julie Taylor and seconded by Don Thomas.
- **Action:** The Board unanimously approved the unaudited financial report as motioned by Don Thomas and seconded by Mark Sullivan
- **Action:** The Board unanimously approved the budget modification as motioned by Stephen Brett and seconded by Shirley Howard Johnson.
- **Action:** The Board unanimously approved the revision of the pressure washing grant as motioned by Don Thomas and seconded by Mark Sullivan.



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, roll call, and welcome and introduction from Grand Hyatt.

Observing a quorum present, Marisa Rodriguez called the meeting to order at 9:05 a.m. Introductions were made, and roll call was taken. Marisa introduced the Alliance's New Director of Services, Jason Cherniss. Jason provided his background of working with SFPD for 30 years and looks forward to working with the Union Square Alliance.

2. Public Comment

Marisa Rodriguez called for public comment. Hearing none, she proceeded with the agenda. Marisa introduced Benjamin Malmquist, the general manager for the Hotel Zeppelin. Benjamin gave this thanks to the group and noted he will not be able to stay for the meeting, but his colleague Desiree will be present.

3. CEO's report

- Holiday Overview

Marisa informed the Board that there is positive feedback about the Winter Walk activation on Stockton Street between Post Street and O'Farrell. Surrounding restaurants saw sales increase, and foot traffic was up in the district. Marisa noted that next year budgets will be tight, and we will need to get creative with the activation with the funds available.

- JP Morgan Conference

There have been positive reports regarding the JP Morgan conference that took place in early January. There has been a commitment for the conference to occur again in San Francisco for 2025.

- 2024 Board Meeting Schedule

Marisa noted the upcoming scheduled dates for the Board of Director's meeting (4th Thursdays of the odd months – Jan, March, May, July, September) and the November meeting is moved up one week due to Thanksgiving (Nov 21). Calendar holds will be sent out for the year in advance and updated appropriately.

- Executive Committee met on December 14, 2023, and approved:

- Contracts and purchases for Winter Walk
- Letter of Support on compromise on permit process for sign changes on historical buildings
- Additional draw of up to \$500,000 from line of credit

CLOSED SESSION

- Policy revisions for bereavement and vaccination policies
- CFO revised role and consulting clients
- Year-End Bonus and compensation revisions

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



Action: The Board unanimously approved the CEO's report including ratifying the Executive Committee actions from December 2023 as motioned by Julie Taylor and seconded by Tim Falvey.

4. **Action to approve prior meeting minutes of November 16, 2023.**

Marisa directed members to the minutes in their board packet (sent out before meeting). Members reviewed.

Action: The Board unanimously approved the November 16, 2023, minutes as motioned by Don Thomas and seconded by Shirley Howard Johnson.

5. **Board of Directors updates and discussion and action to approve Lin Huber a new Board member.**

Marisa directed the Board's attention to Lin Huber, General Manager of Neiman Marcus. Lin gave an overview of her previous experience in retail (with Neiman Marcus) in Canada and relocated to the Bay Area in 2023 as she has personal and professional ties to the community. Lin then stepped away from the meeting to allow the Board to discuss her position on the Board. The Board discussed Lin's input and impact if she were to join the Union Square Alliance Board of Directors.

Action: The Board unanimously approved Lin Huber, a new Board member as motioned by Don Thomas and seconded by Wes Tyler.

6. **Review and action to approve revised Union Square Alliance agreement with the Union Square Foundation.**

Ben provided a summary of the agreement between the Union Square Alliance and the Union Square Foundation. The grant and other funds flow through the Foundation while the Alliance executes the projects and provides management and administration for the Foundation. With the additional grant funds, it has required additional staff time leading to adjustments to the management fee between the two organizations. With the City's focus on economic recovery in Union Square, events and activations funded by the grants have become more crucial than ever, thus necessitating an increase in staff time.

Tim Falvey and Shirley Howard Johnson recused themselves from the vote as they serve as Board Members on the Foundation Board.

Action: The Board unanimously approved the revised Union Square Alliance agreement with the Union Square Foundation as motioned by Don Thomas and seconded by Opio Dupree.

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

a. Marketing & Communications (Mark Sullivan)

• **Holiday Recap**

Before giving a recap of the holidays, Mark Sullivan noted the increase of participation in the marketing committee from 12 participants to 30. He thanked Jessica Chilingierian for her hard work and the Alliance team for their support.

Mark then provided a summary of the holidays through social media impressions. Winter Walk attendees were encouraged to take a 3-minute survey indicating how they heard about the



event, their overall experience, and their feedback. 33.55% heard about Winter Walk via social media, 28.39% stumbled upon the activation while visiting Union Square, 21.94% found us through word of mouth, 9.6% attended it in previous years and were excited to return, 1.94% of visitors work or live in the area. 90.4% of people said they would return to Winter Walk. The consensus was a positive experience with the décor and entertainment/activities being the favorite parts of the activation.

It was noted that the Salvation Army and the SFSPCA saw the highest number in donations this holiday season with their presence on Winter Walk.

- Social media and other updates

During the holiday season, there was an increase of followers across our social media channels. Facebook had over 7M impressions, Instagram saw an uptick of 48% of followers with over 700k impressions, Tik Tok followers increased by 53%, and LinkedIn followers increased by 7%.

- Bloom 2024!

Bloom 2024 has begun its planning of events and installations. The goal for Union Square in Bloom is to cultivate a new tradition to beautify and create a 'sense of place' with floral displays through the district and in partnership with our members, attract and welcome residents, workers, and visitors to the heart of San Francisco, and create a cohesive theme across the district by collaborating and executing these installs as a community.

A best practices guide has been created and floral designers can be chosen from a list the Alliance has compiled. A positive participation for Bloom includes having a Bloom cocktail that will be added to a passport. Discussion took place regarding the low efforts but significant impact a simple floral installation can have for a business. Lauren Ellis shared her experience with the economic purchase of florals on Etsy and the impact it has on her storefront.

Tulip Day is also returning this year on March 9th. The Alliance will be the one to manage this year's event.

b. Streetscapes and Public Realm (Manuela King)

- Powell Street Design Firm RFP update and **action** to approve contract with selected design firm. Manuela informed the Board that an RFP for the Powell Street Promenade project was released in November 2023. A committee was formed to choose a design firm for the project, which chose Site Labs and Field Operations. Given the budget constraints, the Alliance is actively managing expectations regarding the project's scope and feasibility. A press release was issued to announce the selection of these firms. Field Operations, known for their work on the High Line in New York, and Site Lab, a local firm with expertise in the area and previous involvement in projects such as the tunnel tops in the Presidio, were chosen for their respective strengths. Also, a series of community meetings will take place over the next few months for community input on the project.

Action: The Board unanimously approved the contract with the selected design firm for the Powell Street project as motioned by Evan Kaizer and seconded by Stephen Brett.

- Tulip Day discussion and possible **action** to approve purchase of 80,000 tulips (with delivery) With the Alliance managing the upcoming Tulip Day event, we need to purchase the tulips for the give-a-way. To make this purchase feasible, a reallocation of funds from various grants was



necessary. To address this, the Alliance convened with the Foundation Board to secure pre-approval for the necessary adjustments to the grants before submitting to City.

Action: The Board unanimously approved the purchase of 80,000 tulips as motioned by Julie Taylor and seconded by Don Thomas.

- Union Square Plaza and Hallidie Plaza Updates

Additional tables and chairs have been ordered for Union Square Plaza and they should be received soon. As for the Union Square stage, a contract is currently being refined for the installation of a sound system, streamlining the process for hosting music acts at future events and making it more attractive for future events. Hallidie Plaza currently still has snowflakes attached to the bistro lights that will be replaced with flowers for Bloom. City Fabrik has shown interest in supporting Hallidie Plaza financially to improve the area.

c. Finance & Audit (Jim Sangiacomo)

- Action to accept the Unaudited Financial Reports of December 2023.

Ben summarized the unaudited financial reports for December 2023. The organization experienced an operating surplus due to the receipt of the first assessment payment in late December. Overall, the organization surpassed the budget expectations, with a positive budget variance of \$352K. The assessments/core operations exceeded budget by \$304K, mainly attributed to lower expenses in clean and safe services and increased revenues. There's a positive Other Revenues variance of \$42K, although some grants face delays. Net assets stand at \$2.5mil, with a cash balance of \$3.8mil as of 12/31/23. Additionally, the organization paid off the \$1mil line of credit on 1/2/2024.

Action: The Board unanimously approved the unaudited financial report as motioned by Don Thomas and seconded by Mark Sullivan.

- Action to approve budget modification for Jan-June 2024

Each January, Ben modifies the budget to reflect a forecasted revenue increase of approximately \$38K. The approved budget now includes higher expenses for clean and safe services due to salary and equipment cost increases from Block by Block. Other modifications include salary allocations, slight marketing expense increases, more funds for public realm maintenance, reduced administrative expenses, and the inclusion of grants totaling about \$113K, including the Community Challenge Grant and the Bigbelly grant (RFP 228). Despite the original budget showing a deficit of around \$11K, the adjusted projections now indicate a surplus of \$164K at year end, resulting in a positive adjustment of about \$175K.

Action: The Board unanimously approved the budget modification as motioned by Stephen Brett and seconded by Shirley Howard Johnson.

d. Public Affairs & Advocacy (Erik Murray)

- PAC 2024 Topics

The committee met and discussed what advocacy measures should be focused on for 2024. After reviewing the strategic plan and seeing what was accomplished in 2023, the committee



agreed to focus on creating a homelessness outreach taskforce, a police substation that encompasses the convention center and Union Square, further exploring valet parking, a high focus on tenant recruitment, and tax incentives focused around the private sector and office to residential. It was noted that 2024 is an election year and the importance of who is voted into office and what local propositions that are passed.

- Strategic Plan

The public affairs committee met and reviewed the advocacy measures accomplished in 2023 that aligned with the strategic plan. This included completing an RFP for Clean & Safe services to improve overall quality and visibility of service delivery for members including security, cleaning, trash collection, and pressure washing, advocating with SFMTA to secure regular cleaning (power washing) schedule, security services, and locked gates at night, continued security and police presence by maintaining a Mobile Command Van unit, updating City zoning regulations to eliminate upper floor uses and create adaptive uses, and explored valet parking.

- e. Services & Public Safety (Don Thomas)

- Review operations report November and December 2023.

Lance reported out the November and December 2023 operations reports. Block by Block assisted with event support during the holiday season, including the ice rink load in, Macy's Great Tree, and Winter Walk. Lance noted that Block by Block has expanded its services for event support which will no longer require a third-party vendor for services like forklift driving. This will save between 40%-60% of costs. Lance highlighted Greg Garrett as ambassador of the month for his dedication, reliability, and positive example he sets for the other ambassadors. Additionally, a new feature in the ops report includes a Q&A session with Block-by-Block staff to gain insights into improvement areas. Discussion took place regarding the difference between banked hours and overtime.

Legion saw an increase in sit and lie issues during the holiday season. Discussion was had regarding the miscellaneous calls being tracked in the report and a general uptick of homeless individuals citywide.

- Master Services Agreement update and **action** to approve revision of the pressure washing grant services.

As a result of a communication errors, the grant intended to fund two years of additional pressure washing services was mistakenly quoted for one year only by Block by Block. The budget is currently undergoing revision to address this difference (dropping the service level from 4x per week to 2x per week under the grant).

Action: The Board unanimously approved the revision of the pressure washing grant as motioned by Don Thomas and seconded by Mark Sullivan.

- Project Updates: Bigbelly, Member Services Texting

A district wide audit of the BigBellys is currently underway. The findings thus far are that about 90% of the Bigbellys need maintenance. The Alliance applied for a grant from OEWD that would support \$50K for maintenance. The Alliance team will work with Block by Block and Bigbelly to get quotes to repair and will initiate repairs.



8. Announcements & New Business

Upcoming meetings were reviewed by Marisa.

- Executive Committee February 22, 2024, at 9:00am
- Chinese New Year Parade February 24, 2024 at 5pm
- Union Square in Bloom Launch Event- March 23, 2024
- Next Board Meeting March 28, 2024 – 9:00 a.m. (location TBD)
- Annual Luncheon- Save the Date- Friday, May 3, 2024