



## Regular Meeting of the Finance & Audit Advisory Committees

9:00am Thursday, July 17, 2025  
291 Geary Street, Suite 200, San Francisco, CA 94102 or Via Zoom

### Minutes

#### **In Attendance**

**Committee Members:** James Sangiacomo (Trinity Properties), J. Timothy Falvey (Hanford – Freund & Co.), Julie Taylor (Colliers International), Wes Tyler (Chancellor Hotel), Mark Purdy (Grosvenor), Bryant Dawson (Wells Fargo), and Nina Lang (City National Bank).

**Staff:** Marisa Rodriguez (CEO), Benjamin Horne (CFO), Daniela Vasile (COO), Zarrina Yousufzai (Finance & HR Associate), and E. Ryan Santamaria (Intern)

**Guest:** Tammy Brock (Property Owner)

#### **1. Call to order**

Ben called the meeting to order at 9:01 a.m.

#### **2. Public comment**

Ben called for public comment. Tammy Brock requested that documents be sent out to the Committees earlier than the previous day. Ben mentioned that this is the goal of the organization but there have been a lot of changes the staff has been dealing with which have made advance preparation more challenging.

#### **3. Action to approve the March 20 and May 15, 2025, meeting minutes of the Committees.**

Ben shared that the committee must review meeting minutes from both the March 20 and May 15 committee meetings since the Committees did not have quorum.

**Action:** The Committee unanimously approved the March 20 and May 15, 2025, meeting minutes, as motioned by J. Timothy Falvey and seconded by Mark Purdy.

#### **4. Since We Last Met & Updates**

- **Grants and Fundraising Updates (Foundation)**

- a. **RFP226**

Ben and Marisa shared that The City has \$1.5 million for downtown activations for all 4 BIDs to split equally and expects that the RFP226 will be amended for our \$375K share (down from well over a million in prior year). One potential challenge is funding for the Macy's Christmas Tree this upcoming holiday season if Macy's is not willing to do so.



b. RFP230

Ben reminded the committee that this HEART Safety grant would not be renewed and planned to extend the grant by reducing headcount to extend services through December. The City may grant the Alliance and Yerba Buena \$1 million in total to split for Welcome Ambassadors. The Alliance declined to start this program without a firm commitment and documentation from the City.

c. RFP231 (Powell)

Marisa shared that the Powell Street Improvement Project is in its design development phase. The initial plan was for OEWD to continue providing funds to the Alliance through RFP231. A new OEWD Director has been named and Jony Ive and his team have also recently been involved.

However, the Alliance received a notice from the city attorney that OEWD cannot be the organization that contracts this project to the Alliance and that DPW is the only entity that can manage this project. This changed the dynamic and the Alliance will need to advocate in order to continue the community's desired design. OEWD was able to find an existing RFP that they have, that can take on a \$1.2 million design development project so that Field Operations can continue to be paid. Field Operations will now be a subcontractor, and the Alliance will be a subcontract to Field Operations.

Marisa expressed that this project is a top priority for Mayor Daniel Lurie and Ned Segal and was confident that the project would be executed in a timely manner (by 2027). Discussion took place regarding the project budget and funding needs.

d. SFLive

Ben notified the committee that SF Live is in the final stages of the Union Square Stage Improvement Project. Final logistics still need to be sorted such as equipment, insurance, responsibilities after installation, and maintenance. The Alliance hopes that the project can be completed by October and if not, it will have to wait until after the holidays. Ben mentioned that he is pushing for additional funds to be pulled from the contingency in that same grant for future repairs and maintenance of equipment. He also expressed his concern about maintenance and equipment logistics.

e. Larsen

Ben shared that the Alliance would submit an executive summary report to Chris Larsen about his various grants with the Alliance, providing updates on both finances and programmatic achievements from his grant funding.



f. DDC

DDC has pledged to grant \$100,000 to support *Winter Walk* being hosted on Stockton Street. Notably, this will be the first grant that the Alliance has received from the DDC.

- Banking and LOC renewal update

Ben updated that the LOC is still waiting for final approval from the underwriter. The Alliance is unsure when LOC will be renewed. Nina requested Ben for details so that she may reach out internally at CNB and get an update.

- Insurance broker RFP

Zarrina explained that the Alliance is planning to do an insurance broker RFP as they have not done so since 2019 and the insurance market has gone through tremendous change and challenges. Zarrina has started discussions with other firms and has begun drafting an RFP document.

- Strategic Planning and Renewal of the USBID

Ben shared that he and Ken collaborated on a rough draft of the RFP to send to potential strategic planning consultants. This project would also help launch the process for the renewal of the organization which will take place between 2027 and 2029. Once the budget and RFP is approved by the Board of Directors, the Alliance plans for an RFP to be sent out in early October.

- Service Provider Audit and Financial Audit

Ben reminded that the Alliance decided to move forward with executing a service provider audit, essentially reviewing their billing and comparing them to their payroll registers, and then reconciling the two.

Block by Block's contract is complex and considering there have been many leadership changes over the past fiscal year, the Alliance hired a CPA firm as the third-party auditor. The financial audit has started, and the team hopes to complete it in August.

**5. Assessment payment and receivables review at June 30, 2025.**

Zarrina stated that the Alliance received their third assessment payment of ~\$47,000 which leaves receivables of \$51,000 for the 24-25 fiscal year. In total, there is still \$64,000 that the Alliance has yet to receive from all previous fiscal years, which is less than 1% of their annual assessments. Ben mentioned that there are complications regarding assessment payment reporting and receivables.

**6. Action to accept the Unaudited Financial Reports of June 30, 2025, for recommendation to the Board of Directors.**



Ben reviewed the financial reports and stated that the Alliance ended the year with a small surplus of ~\$71K. It was reported that the Alliance had an overall positive budget variance of ~\$49K, as well as the revenue generation being \$400,000 above budget and the total positive assessment related variance of \$316K. Additionally, administrative expenses were under budget while clean & safe and marketing were slightly above budget. Furthermore, there was an Other Funds negative revenue variance and a positive spending variance, that resulted in a \$267K negative variance. As for expenses amongst functional areas, 75% was clean and safe expenses, 13% marketing, and 12% administration with reserves at \$2.4 million at the end of the fiscal year.

**Action:** The committee unanimously approved the action to accept the unaudited financial reports of June 30, 2025, for recommendation to the Board of Directors, as motioned by J. Timothy Falvey and seconded by James Sangiacomo.

**7. Review of draft budget 25-26FY budget memo and drafts and action to make recommendation to Board to approve 25-26FY budget.**

Ben started by saying that they are presenting essentially a break even budget (with a small deficit of \$55K). Ben stated that the first half of the year consisted of 60-65% of the budget. Most notably, marketing was about \$450,000 higher due to several sponsorships with Lyft and JP Morgan Chase and others that are anticipated. Grants and other fund expenses are down considerably because of the reduction in grants from The City. In terms of payroll, there were no staffing changes, no increases, no new benefits. As for Block by Block and Legion, the Alliance included a small increase of 3% since they want to maintain the competitiveness of recruiting clean and safe team members. Additionally, there were service reductions for the safety grant and the Alliance plans on pulling back on their security deployment to assessment levels. Discussion took place regarding the executive summary and the monthly budget for the organization.

**Action:** The committee unanimously approved to make the recommendation to Board to approve 25-26FY budget, as motioned by Mark Purdy and seconded by Julie Taylor.

**8. Next meetings & events**

- Bloom & Bubbles Bar Crawl – July 19 6-10pm
- Board Meeting (Annual Meeting) July 24, 2025, at 9:00 a.m. (Taj Campton)
- Executive Committee Meeting August 28, 2025, at 9:00 a.m.
- Finance & Audit Committee Next Meeting – September 18, 2025, at 9:00 a.m.

**9. Adjourned: 10:04 a.m.**