



ANNUAL REPORT

FY 2021/2022

Discover Polk Community Benefit District

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EXECUTIVE SUMMARY

Discover Polk is a unique Community Benefit District in that seventy-eight percent (78%) of the parcels in the six-block long district are condominiums, and that there are 37 mixed-use buildings with residential rental units above the street level and two single-room occupancy hotels. There are three houses of worship and an eclectic mix of businesses, many of which have been on Polk Street for decades. Incorporated as a 501 (c)(3) in September 2018, Discover Polk CBD (“DPCBD”) was sanctioned by a City agreement on 20 November 2018, and received its first assessments in early January 2019.

During FY21-22 DPCBD focused its resources on two well-defined objectives, which coincidentally aligned themselves to the two halves of the fiscal year: For the first two quarters, DPCBD continued to help the community weather the impacts of the COVID-19 lockdown as it had since March of 2020; And for the second two quarters, we adapted to the new realities of the “post-acute” phase of the pandemic.

From July 1st 2021 to approximately December 31st, DPCBD devoted its time and resources toward streetscape improvements and small-scale, outdoor community events, as well as supporting property owners, merchants, and residents to address the impacts of lockdown.

From approximately January 31st to June 30th 2022, DPCBD saw a return to more “normal” behaviors and community activity. On the positive side, this meant the return of visitors to our streets, customers, and in person gatherings – most notably the launch of our yearly district-wide music festival, Pickin’ on the Polk. On the negative side, the district was forced to come to terms with the lingering effects in street conditions, public safety issues, vandalism, and changes in consumer behavior that appear to be the “new normal” for the foreseeable future.

Overall, FY 21/22 was an opportunity for DPCBD to showcase the neighborhood in a way that was impossible during the previous two years of lockdown.



STATUS AND PROGRESS OF DISTRICT PROGRAMS

MANAGEMENT AND OPERATIONS

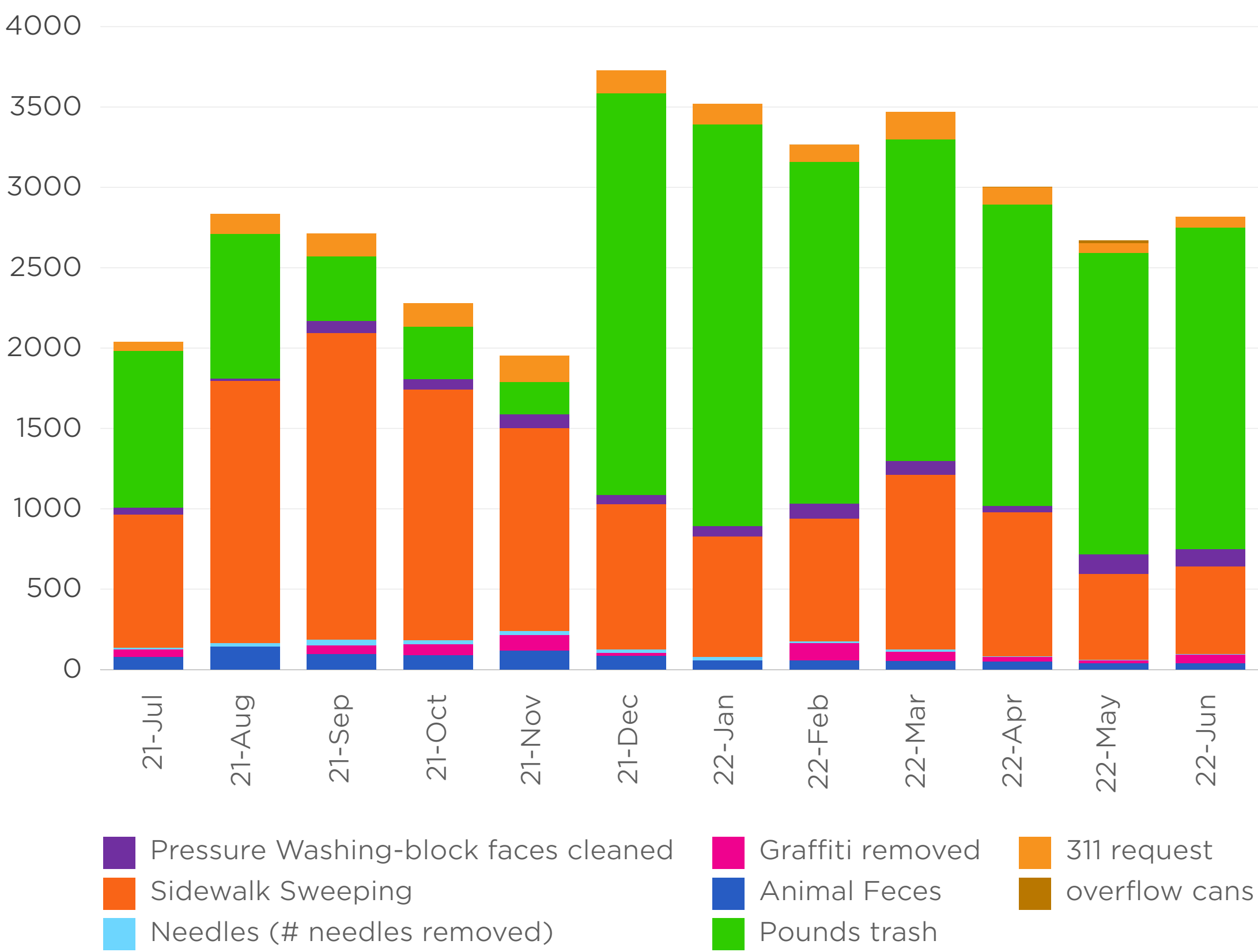
- Board & Staff
 - Accepted the retirement of Gilbert Ho, Tiffany Yang and Annie Yang from the board. Gilbert and Tiffany moved to other cities. Annie finished her Board term and expressed a desire to focus her energy on her career and family.
 - Nominated & elected a new board members, Josie Li and Andre Torrey, as a small business owner and board member at large respectively to serve on the board.
- Operations
 - No significant changes occurred affecting operations in FY 21/22.
 - StreetPlus continued to operate continuously throughout FY 21/22. After the board agreed unanimously to increase starting hourly pay for entry-level cleaning workers, StreetPlus was able to recruit five quality new members in the latter half of the fiscal year and reached (near) full staffing levels for the first time in their contract.

NEIGHBORHOOD CLEANLINESS

- FY21-22 continued to see higher levels homelessness activity. As customer and residents returned to the streets, however, the overall cleanliness of the streets saw noticeable improvement.
- The StreetPlus team consistently accomplished their cleaning, graffiti abatement, and steam cleaning/power washing goals.
- Three of our five Big Belly trash cans were destroyed by an arsonist, but DPCBD swiftly replaced them with new cans.

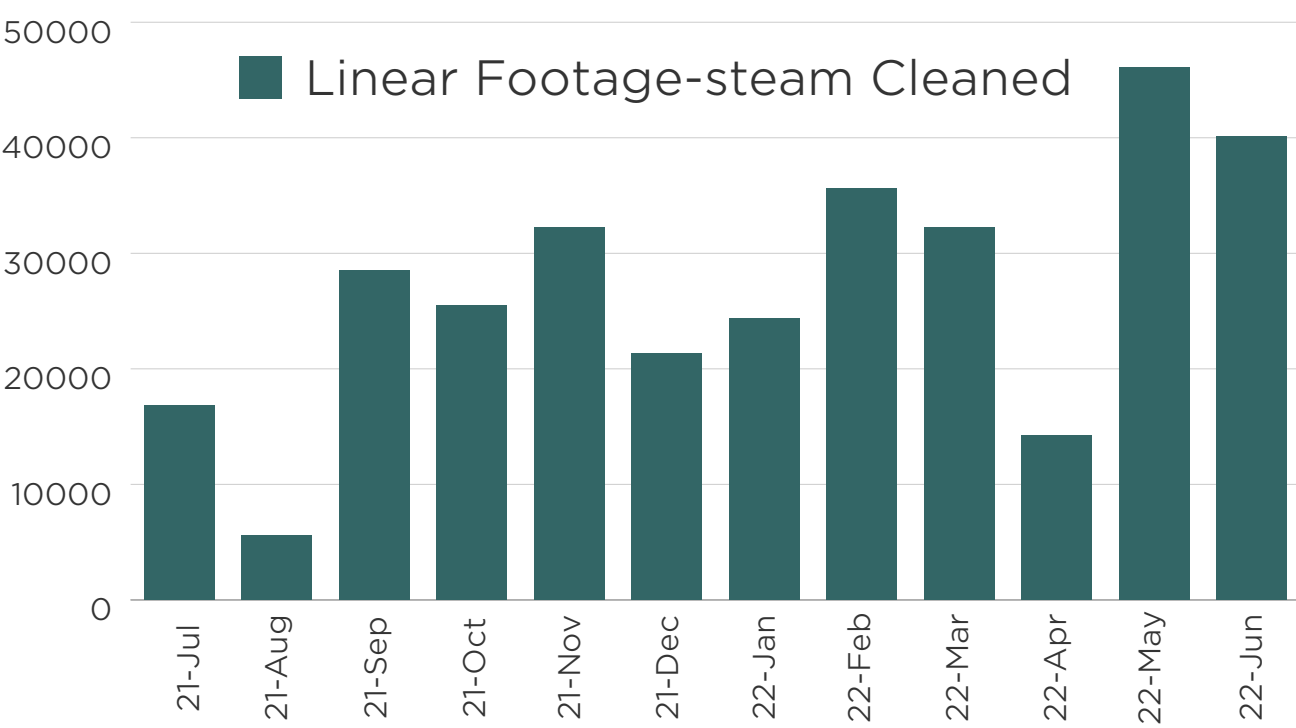
STATUS AND PROGRESS OF DISTRICT PROGRAMS

• Statistical Summaries of Services Provided by StreetPlus & Big Belly for FY 21/22



Month	Animal Feces	Graffiti Removed	Needles (# Needles Removed)	Sidewalk Sweeping	Pressure Washing (Block Faces Cleaned)	Pounds Trash	311 Rquests	Overflow Cans
21-Jul	77	49	10	826	45	975	56	0
21-Aug	142	0	22	1629	15	900	126	0
21-Sep	94	57	35	1906	76	400	145	0
21-Oct	87	70	25	1558	68	325	144	0
21-Nov	115	99	24	1264	86	200	163	0
21-Dec	86	15	25	901	57	2500	144	0
22-Jan	56	0	20	750	65	2500	128	0
22-Feb	54	109	12	761	95	2125	110	0
22-Mar	52	57	14	1089	86	2000	171	0
22-Apr	50	27	4	897	38	1875	108	4
22-May	38	17	5	532	123	1875	64	16
22-Jun	39	52	4	547	107	2000	66	0
Total	890	552	200	12660	861	17675	1425	20

Month	Linear Footage-steam Cleaned
21-Jul	16875
21-Aug	5625
21-Sep	28500
21-Oct	25500
21-Nov	32250
21-Dec	21375
22-Jan	24375
22-Feb	35625
22-Mar	32250
22-Apr	14250
22-May	46125
22-Jun	40125
Total	322875



STATUS AND PROGRESS OF DISTRICT PROGRAMS

BRANDING, ACTIVATION & MARKETING

- The Executive Management Team commenced regular meetings of the Marketing & Communications Working Group with the Board.
- The team focused on growing DPCBD's "Master Comms List," releasing regular, monthly newsletters, and building organic growth of DPCBD's social media platforms: Instagram, Facebook, and Twitter.

EVENTS & PLACEMAKING

- Funded and facilitated installation of two large scale murals in partnership with Painting the Void
 - First on Cheese Plus gourmet deli
 - Second on Brownie's Hardware
- Hosted two family-focused events at Helen Wills Park that included face painters, bouncy houses, and balloon-animal-artistes.
 - One of these events was in partnership with the City of SF's Fleet Week Celebration and included the Marine Brass Band which performed on the corner of Polk & Jackson Streets.
 - The other was a holiday event that also included a visit from Santa Claus.
 - Each event attracted over 200 children and families who expressed overwhelming gratitude for free family-focused events in DPCBD.
- Produced and executed the first annual "Pickin' on the Polk" music festival which took place on the Friday and Saturday of Easter Weekend, 2022.

- Showcased bluegrass music with a large portion of other eclectic forms of music.
- Worked directly with production team responsible for Hardly Strictly Bluegrass to execute.
- While the event did involve a small street closure on a single block of Polk Street, most of music was showcased inside our local businesses.
- Event had 18 individual concerts over the course of the two days spread out throughout the district.
- Continued to augment our tree lights throughout the district in partnership with SF Holiday Lighting Pros. Added bistro style lights to significant portions of Polk St. and maintained the current tree lights that were installed in FY20-21.
- Renewed contract for the flag style banners on Polk Street advertising DPCBD's various offerings (e.g. shopping, dining, etc.).

COMMERCIAL VACANCIES AS OF JUNE 30, 2021: (SEE ATTACHED AS EXHIBIT A)

- Eight (8) of these have been vacant for between one and six years. Five (5) of these eight (8) units are owned by two (2) property owners, neither of whom appears to be motivated to lease their properties.
- Two (2) of the thirty (30) vacancies have submitted applications to planning and are awaiting initial hearings

STATUS AND PROGRESS OF DISTRICT PROGRAMS

FINANCIAL REPORTING

Statement of Operations (Actual vs. Budget)

for the fiscal year ended June 30, 2022

	Actual	Budget	Variance Positive/ (Negative)
REVENUE AND SUPPORT			
Assessments	635,983	696,640	(60,657)
Fundraising/In-Kind	69,355	33,295	36,060
Interest Income	0	0	0
TOTAL REVENUE AND SUPPORT	705,338	729,935	(24,597)
EXPENSES			
Clean & Safe Program	426,313	497,462	71,149
Beautification & Placemaking	125,709	224,276	98,567
Marketing, Business Support, Etc	137,526	63,953	(73,574)
Administration & Reserve	59,472	68,756	9,284
TOTAL EXPENSES	749,020	854,446	105,426
Change in Net Assets	-43,682	-124,511	80,829
Prior Year Net Assets (Carryover)	806,367	806,367	0
TOTAL NET ASSETS	762,685	681,856	80,829

Statement of Financial Position

As of 06/30/2022

ASSETS

Cash and Cash Equivalents	755,042
Assessment and Other Receivables	36,909
Prepaid Expenses	4,200
Equipment, net	6,879
TOTAL ASSETS	803,030

LIABILITIES & NET ASSETS

LIABILITIES

Accounts Payable	40,344
TOTAL LIABILITIES	40,344

NET ASSETS

Without Donor Restrictions	762,685
With Donor Restrictions	
TOTAL NET ASSETS (CARRYOVER)	762,685
TOTAL LIABILITIES & NET ASSETS	803,030



STATUS AND PROGRESS OF DISTRICT PROGRAMS

FINANCIAL REPORTING

Budget

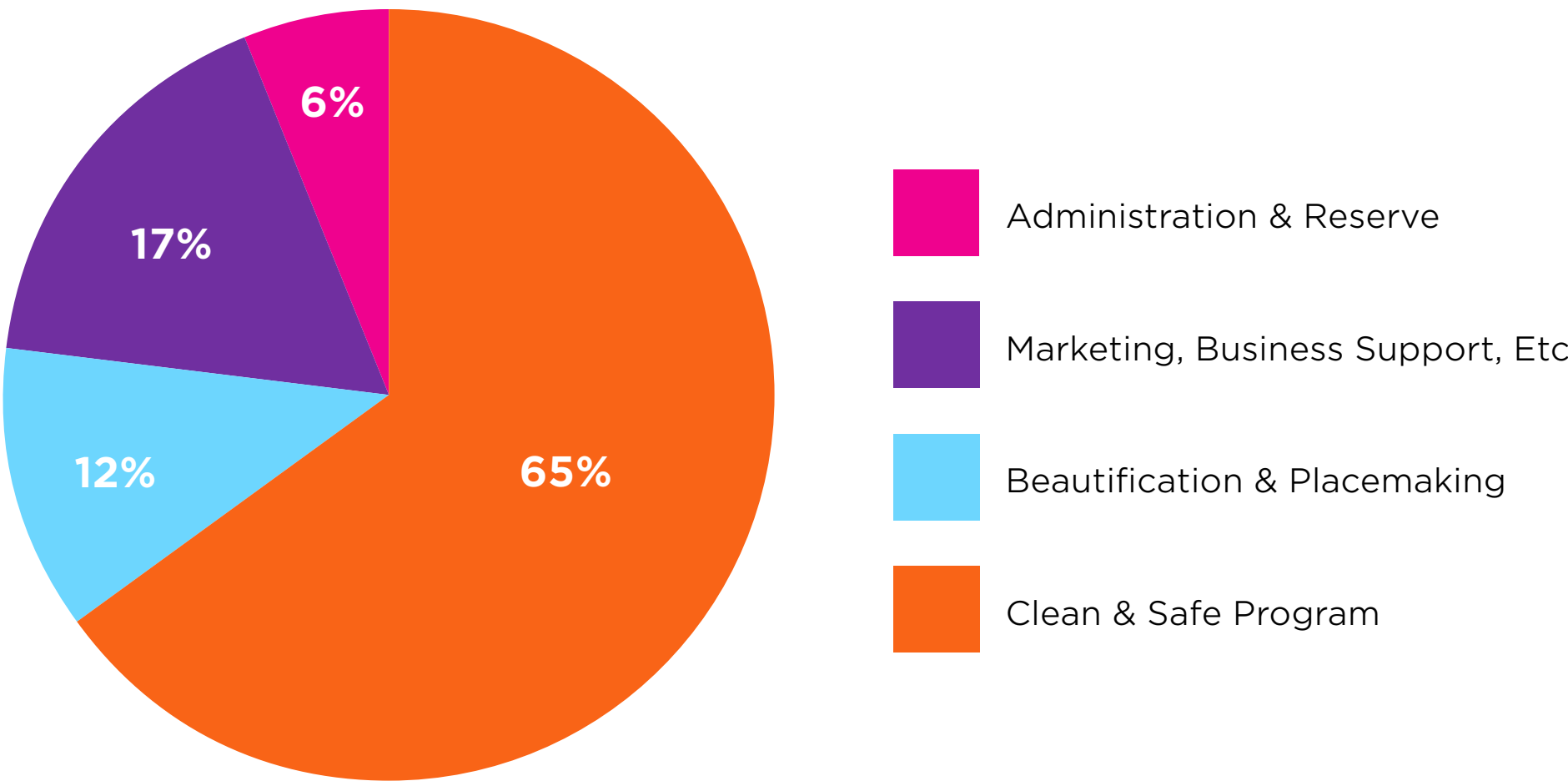
FY 2022-23

REVENUE AND SUPPORT

Assessments	667,001
Fundraising/In-Kind	25,526
Interest Income	0
TOTAL REVENUE AND SUPPORT	692,526

EXPENSES

Clean & Safe Program	552,413
Beautification & Placemaking	106,335
Marketing, Business Support, Etc	145,335
Administration & Reserve	49,766
TOTAL EXPENSES	853,849



STATUS AND PROGRESS OF DISTRICT PROGRAMS

FINANCIAL NOTES

Benchmark 1 – Budget Vs Management Variance

- Revenues and expenses followed very closely to plan for the fiscal year. Assessment revenues were lower than expected due to the COVID-19 crisis but were offset partially by lower-than-expected expenses.

Expense

- Overall expenses for the fiscal year are under budget by \$105,426

Clean & Safe

- Clean & Safe expenses are significantly under the budget by \$71,149 due to understaffing issues at StreetPlus mostly related to the COVID-19 crisis.

Beautification & Placemaking

- Beautification & Placemaking expenses are significantly under budget by \$98,567 due to billing of projects being pushed into FY2022-2023

Marketing & Business Support

- Marketing & Business Support expenses are \$73,574 over the budgeted plan due to expenses for our first annual Pickin' on the Polk music festival (which was included in the budget) being coded as Marketing & Business Support for the sake of our accounting.

Admin & Reserve

- Admin & Reserve expenses are \$9,284 under the budgeted plan.

Carryover Status

- DPCBD has a carryover of \$762,685

Other Notable Items

- DPCBD proceeded with fiscal caution throughout the COVID-19 crisis due to uncertainty on the impact of the pandemic on assessment revenues. Thankfully, the crisis did not impact assessment revenues significantly. The Board of Directors and Executive Management team plan to allocate more of the reserve funds toward meeting the district's objectives in FY2022-2023



DESCRIPTION AND STATUS OF EACH CONTRACT TO PROVIDE PROGRAMS/SERVICES

StreetPlus

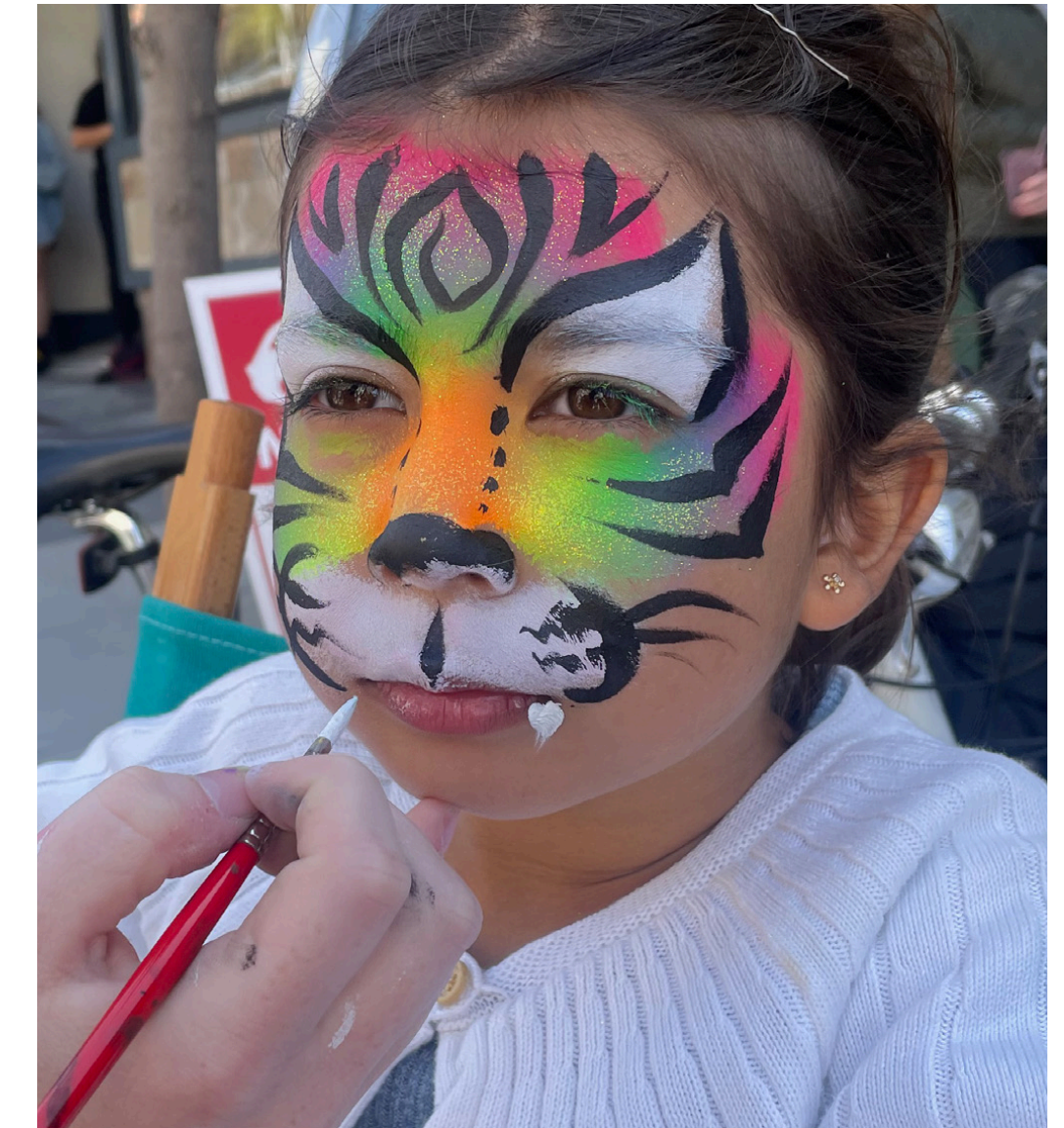
DPCBD entered its first year of an automatic one (1) year Maintenance and Hospitality Services agreement extension on dated December 1, 2021 with StreetPlus. StreetPlus has been consistently meeting its prescribed qualitative and quantitative goals despite suffering from major staffing issues due to the COVID-19 crisis.

Executive Management Team (Tonic Nightlife Group)

There were no changes to the Executive Management Team or their contract.

Social Media & Marketing Manager

There were no changes to the Social Media Management Contract.



PREVIEW OF FY 2022/2023

DPCBD will focus its efforts in the next fiscal year toward making tangible improvements to the streetscape, growing our events (Halloween Event, Holiday Event, and Pickin' on the Polk music festival), and addressing issues around public safety.

Management & Operations

- StreetPlus
 - Work to achieve and maintain full staffing levels
 - Compile statistically significant data on cleanliness issues to better inform decisions by the Board and Executive Management Team on allocation of resources and advocacy

Clean & Safe

- Increase the number of graffiti abatement authorizations for private properties
- Hire a StreetPlus security “ambassador” to monitor safety issues, collaborate with the police in conjunction with the Executive Management Team, and provide outreach to unhoused members of the community to help them find services and shelter.
- Subsidize private cameras for businesses in crime/vandalism “hot spots” in the district that the DPCBD Executive Management Team can access to provide footage to the police and DA’s office.
- Add more Big Belly trash cans to the district

Marketing & Communications

- Grow communications list across all channels and increase engagements
- Build “historical archive” of written, photographed, and filmed material of district for use in further communications
- Contract with professional content developers (e.g. photographers, videographers, etc.) to upgrade online materials

Streetscape & Events

- Plan and execute three district-wide events: Halloween, Holiday, and Pickin' on the Polk Festival
- Install hanging flower boxes at intersections throughout the district
- Add murals in conjunction with Painting the Void to large blank walls with landlord/business authorization



EXHIBIT A – SUMMARY OF COMMERCIAL VACANCIES

APN	ADDRESS	USE	SQFT	FORMER USE	OWNER
0643-003	1529 Polk St.	Commercial	1600	Sofa Store	Smith-Brennan Properties LLC
0644-016	1540 Polk St	Residential Hotel (Mixed Use)	900	Dry cleaner (Anytime)	Wai-Man Lee
0574-018	1548 Broadway	Residential (Mixed Use)	2500	SignoGraphics	David Lipshultz
0643-001	1553 Polk St	Commercial	950	retail	Housser Family Trust
0621-013	1610 Polk St	Residential (mixed Use)	1000	salon	1688 Sacrametno Street LLC
0598-013	1629 Jakson St	Residential (mixed Use)	800	na	Wong Family LVG TR
0598-013	1631 Jackson St	Residential (mixed Use)	800	na	Wong Family LVG TR
0622-002	1639 Polk St	Residential (mixed Use)	1400	retail (panchos)	Tooran G Khayam-Bashi
0621-022	1640 Polk St	Commercial	8330	Grocery (Big Apple)	Joe & Annie Eng
0574-011	1648 Pacific Ave	Office Building	3000	Retail	1648 Pacific LLC
0574-012	1650 Pacific Ave	Commercial	7,762	TRX Gym/Corp	Griffith 1995 Credit Shelter
0595-008	1675 Pacific	Light Industrial	3,000	Car Repair	2050 Van Ness LLC
0619-005	1701 Polk St	Residential (mixed Use)	650	retail (Smith)	Wai-Man Lee
0619-005	1713 Polk St	Residential (mixed Use)	1103	florist	Wai-Man Lee
0619-002	1735 Polk St	Mix Flat & Store	5227	Restaurant	Nguyen Venture LLC
0620-019	1738 Polk St	Residential (mixed Use)	1680	Modern Design	Devpac LLC
0597-015	1800 Polk St	Residential (mixed Use)	1900	It's a Grind (coffee Shop)	Raymond Li Tom
0598-014/015	1801 Polk St	Commercial Condo	2100	Dry Cleaners	Polk/Washington Association LLC
0597-015	1804 Polk St	Residential (mixed Use)	800	Fregosi Paints	Raymond Li Tom
0619-150	1810 Van Ness Ave	Commercial Condo	2583	Gym	Channers Inc
0597-054	1812 Polk St	Commercial Condo		na	Karina Vaysman
0598-001	1841 Polk St	Commercial	1165.5	California Cowboy	Julian M Hersch Trust
0597-029	1850 Polk St	Commercial Condo	2000	Town School Closet	1850 Polk Street Properties
0619-012	1860 Van Ness Ave	Residential (mixed Use)	1179	n/a	WVN Association
0596-021	1906 Polk St	Commercial	1030	optometrist (Potsinelli)	Peter Gumina
0596-022	1920 Polk St	Commercial	1600	Frame-O-Rama	Peter Gumina
0598-010A	1946 Van Ness Ave	Industrial	7405	Bakery	1946 Van Ness Avenue LLC
0595-005	2000 Van Ness Ave	Office Building	1965	retail	H E I R Property Holdings LLC
0573-012	2060 Polk St.	Residential Hotel (Mixed Use)	525	cleaners	Raymond G & Loraine J Choy
0574-005	2023 Polk St	Residential (mixed Use)	1400	n/a	Rose Wing Properties
0573-011	2030 Polk St.	Residential Hotel (Mixed Use)			Karen Quon Revocable Trust
0595-008	2050 Van Ness Ave	Commerical	12242	Restaurant	2050 Van Ness LLC
0573-012	2056 Polk St	Residential Hotel (Mixed Use)	800	retail (cris consignment)	Raymond G & Lorraine Choy