

March 1, 2010

Dear Greater Union Square BID Members and Friends:

We are pleased to announce that last month we received the initial installment of property assessment funding and we are now able to fully implement the Greater Union Square Business Improvement District (BID) Management Plan. The purpose of this communiqué is to:

- Provide an update on our implementation progress
- Provide contact numbers for requesting BID services and our staff
- Announce plans to hold an election for our Board of Directors
- Solicit qualified nominees for election to the Board of Directors
- Confirm the formation of seven advisory committees and solicit committee members
- Gather contact information so we may keep you up to date on our work
- Obtain owner permission to remove graffiti from properties within the District

Implementation Progress Report

Management Agreement Approval & Funding for Service Provision: As you know, the renewal and expansion of the Greater Union Square BID was approved by a vote of the property owners and the Board of Supervisors on July 28, 2009. Nearly six months to the date, on January 26, 2010, the Board of Supervisors approved the Management Agreement with the Owner's Association (our Board). The Mayor signed it into law on February 1st and with these approvals, the Controller released the initial installment of assessment funding to the BID the following week enabling us at last to fully implement the Management Plan, our progress for which follows:

Clean & Safe Service Provision: Clean & Safe services comprise approximately 65% of the BID's budget. While awaiting assessment funding, the BID Board secured a line of credit last October and began service delivery during the recent holiday shopping season using the BID's current service provider, MJM Management Group. Following is a recap of the services that have been provided during the interim period while we awaited the initial installment of assessment funding. Since November, the BID has provided service as follows:

- Steam Cleaning - All property owners received at least one sidewalk steam cleaning during November and December. Effective January the staff increased the steam cleaning schedule to two cleanings per month. Steam cleaning takes place at night time Sunday through Thursday
- Community Service Ambassadors - Eight (8) CSA's have been hired and are now visibly present in their red uniform jackets throughout the BID district to assist the public with information and direct them to destinations within the area. The Ambassadors work 7 days a week: M-F from 9 a.m. to 11 p.m. and Sat-Sun from 10 a.m. to 11 p.m.
- 10B Police Officer – The first of two 10B Police Officers has been hired and is on patrol Tuesday – Saturday from 11 a.m. to 9 p.m. His name is Officer Murray Daggs and his services can be requested by calling the dispatch center at 415.781.4456. The second officer will be hired now that we have received funding from the City.

- Graffiti Removal and Other Maintenance Services – Eight (8) people have been hired to clean litter from the sidewalks throughout the BID seven (7) days a week from 6 a.m. to 9 p.m. Among their other duties, this staff will remove graffiti, as authorized by property owners. Please see enclosure for authorization approval.

How to Reach Us

To Request BID Service: The BID Dispatch Center accepts calls 24/7, 365 days a year. To reach the Dispatch Center:

- Call 415.781.4456
- Fax 415.781.4444
- Email cleanandsafe@unionsquarebid.com

When sending an email, remember that a picture is worth a 1,000 words. If you have a photo of the issue for which you need a service call, please attach it to the report.

Management & Administration: Effective January 1, 2010, the Board of Directors hired two staff members as indicated below. Also, as of February 1, 2010 the Board leased office space in the Elkan Gunst Building. Our new principal executive office address is 323 Geary Street, Suite 401, San Francisco, CA 94102. The new BID staff members are:

- Executive Director – Linda Mjellem
Voice: 415-781-7880 Fax: 415-781-0258 Email: Mjellem@msn.com
- Deputy Director – Donna Ficarrotta
Voice: 415-781-7880 Fax: 415-781-0258 Email: donna.usalive@sbcglobal.net

In addition to hiring staff and securing office space, the Board of Directors has:

- Obtained insurance coverage as required by the City and County of San Francisco including Workers Comp, Commercial Liability, Crime Insurance and additionally Directors and Officers and Employment Practices Liability.
- Engaged legal counsel to assist the Board with legal matters related to the renewal and expansion of the BID. Jesse Mainardi of the Sutton Law Firm has assisted with updating the bylaws of the nonprofit running the BID, and reviewing insurance requirements and new contracts with the City and the service provider.
- Retained the financial assistance of Benjamin Horne of Horne Services to work with staff and the Board and will be referred to as our Finance Director.

Current Board of Directors Composition

The Board of Directors is responsible for overseeing the management and operations of the Greater Union Square BID. Currently, the 11-member Board is comprised of the Board members who guided the BID's renewal and expansion process. These directors will continue to serve until a replacing Board is elected. The directors are:

- James C. Flood (Board President)
- Russell D. Keil, Jr. (Treasurer)
- Anson Lee (Secretary)
- Stephen Brett (Brett & Company)
- Louis Meunier (Macy's)
- Heather Almond (Westfield)
- Lisa Kershner (Kimpton Hotels)
- David Nadelman (Grand Hyatt)
- Man J. Kim (Lori's Diner International)
- Wes Tyler (Chancellor Hotel on Union Square)
- Jim Chappell (Member at Large)

New Board of Directors Composition Requirements

To ensure representation and accountability, the Greater Union Square BID Management Plan specifies that the 11-member Board of Directors will consist of the following stakeholder groups:

Four (4) property and/or business owners located in the district representing retail
Four (4) property and/or business owners located in the district representing hotel
Three (3) property and/or business owners located in the district representing other stakeholders (theatre, parking, nightclub, social organizations, restaurant, gallery, residential)

Of the 11-member Board of Directors, at least 20% or three (3) members of the Board must be business owners who do not own property in the district. A mix of large and small property and/or business owners is sought within the Board composition.

Board of Directors Nomination & Election Process

The sitting Board approved the formation of a Nominating Committee to be chaired by the existing Board President. The Committee will consider all nominees, and identify its own nominees according to the criteria laid out below. The Committee will submit a summary of nominees and its recommendations to the Board at the Board meeting prior to the scheduled delivery of ballots to members. The Nominating Committee will consist of representatives from the following sectors of the district: retail, hotel and other stakeholders (theatre, parking, nightclub, social organizations, restaurant, galleries and residential).

BID members are encouraged to make known their interest in serving on the Board by self-nominating and/or proposing other qualified persons for election to the Board. No one may be nominated without his or her consent.

In determining whether or not to recommend that a nominee stand for election to the Board, the Nominating Committee will consider the above criteria for directors per the BID's Management Plan as well as the following factors. Has the nominee:

- Indicated that he or she is willing to actively participate in the work of the BID by attending the bi-monthly Board meetings, by engaging in the Board's role of providing strategic direction and oversight of the Management Plan implementation and by working on at least one of the advisory committees?
- Indicated that he or she is or will become knowledgeable about the BID and the role of the Board by reading the Management Plan and the Bylaws and reviewing the regular communications issued by the BID?
- Indicated that he or she is willing to serve as an ambassador to represent the BID in the community in furtherance of the implementation of the BID's Management Plan?
- Indicated that he or she is willing to support and participate in the BID's special projects such as its annual luncheon?
- Indicated that he or she is willing to serve up to four years on the Board?
- Participated in BID or Union Square Association activities and special projects in the past?
- Been nominated by members representing at least 2% of the voting power of the BID members?
- Been nominated by other members of the BID?

Board of Directors Seeks Members Interested in Serving on its Advisory Committees

At its January 21, 2010 meeting, the Board of Directors voted to establish several Advisory Committees consisting of volunteers from the BID community. The purpose of these committees is to advise the Board and to act as a resource to the Executive Director with respect to the goals and objectives set forth for each committee. The Board also appointed individuals to chair the committees and now seeks volunteers who would like to serve on the committees. Please see the enclosure to sign up and serve on a committee.

Greater Union Square BID Advisory Committees

Finance Committee (Co-Chaired by James C. Flood and Russell D. Keil, Jr.)

This committee will advise with respect to the preparation of the annual budget and financial statements; the administration, collection and disbursement of financial resources of the organization; and, the making of significant financial decisions.

Audit Committee (Co-chaired by Louis Meunier and David Nadelman)

This committee will advise with respect to the BID's financial reporting and disclosure process; its annual financial statements, annual tax return (IRS Form 990) and other financial information provided to the public; its systems of internal controls and the applicable policies and procedures for risk management; and, the hiring, performance and independence of financial auditors.

Services & Public Safety (Co-Chaired by Wes Tyler & Spencer Sechler)

This committee will advise with respect to promoting a clean, safe and vibrant district, ensuring that the area receives its fair share of City services; monitoring the delivery of clean and safe services by the BID's service provider MJM Management Group; and, assessing the degree of property owner satisfaction with the BID's clean and safe programs.

The Services & Public Safety Committee will meet monthly at the Hotel Abri, 8:30–10:00 a.m. on the last Tuesday of the month beginning March 30th.

Marketing, Communications & Programming (Chaired by Dawn Dzedzy)

This committee will advise with respect to maintaining Union Square's standing as one of the City's favorite visitor destinations; creating an awareness of the uniqueness of Union Square (i.e., *San Francisco Starts Here*); promoting the area and the businesses located within it; publishing a *Map & Guide to Union Square*, maintaining a dynamic website; producing free to the public programs at Union Square and at Hallidie Plaza; and, keeping BID members and the public informed about the BID's programs using a variety of communications vehicles including the website, periodic press releases and regular reports to the BID members. This committee also will make recommendations with respect to the selection of professionals to develop materials related to the committee's area of focus. The first meeting of this committee will be on March 17 at which time a regular meeting schedule will be announced.

Beautification & Streetscapes (Chaired by Manuela Anne King)

This committee will advise with respect to identifying and activating projects to demarcate the district, and to beautify and enhance the pedestrian experience of the area. Examples of beautification projects include, but are not limited to hanging flower baskets, banners and way finding signage, better lighting and street furniture. This committee will also help identify grant funding and other sources of revenue that may be available for such projects. This committee's meeting schedule will be confirmed shortly.

Public Affairs & Advocacy (Chaired by J. Timothy Falvey)

This committee will advise with respect to advocacy for public policies that ensure the economic vibrancy of Union Square businesses as well as an environment that is both conducive to business and welcoming to all those who visit, work and live in San Francisco. Such an environment would lead to job creation, economic vitality and increased sales that contribute to the City's tax revenue base.

The Public Affairs & Advocacy Committee will meet monthly in the conference room at the Ellis/O'Farrell Garage from 8:30-10:00 am on the second Tuesday beginning March 9th.

What's Next and How to Get Involved

The Greater Union Square BID will be greater than the sum of its parts to the extent that members care about and get involved in the work of the BID. There are many ways to participate in our work. For example, one might:

- Attend our Board of Directors meetings. The Board meetings are held bi-monthly on the third Thursday from 10-11:30 a.m. (locations will vary). All Board meetings are publically noticed in advance and the meeting agendas will be posted at the Public Library and on the BID's website www.unionsquarebid.com. In addition, we will confirm our weekly meeting calendar in our electronic Monday Report. (If you would like to receive an email notification of the Board meetings please email Linda Mjellem at Mjellem@msn.com.) The 2010 meeting schedule follows:

- January 21
- March 18
- May 20
- July 15
- September 16
- November 18

- Volunteer to serve on the Board of Directors
- Volunteer to participate on one of our Advisory Committees
- Attend and support our special events

NOTE: Please hold the date for our Annual Luncheon to be held on **Friday, April 30th** atop the historic Westin St. Francis on the Imperial Floor. This will be one of our major fundraisers for the year. Invitations will be mailed later this month.

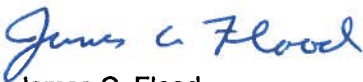
- Communicate your concerns and suggestions to staff (415.781.7880)
- Report service needs to the BID's Dispatch Center (415.781.4456)

We Need Your Help

In order to keep you informed, we would like to obtain your contact information and/or that of your designee for BID matters. We have enclosed a form to collect contact information as well as to confirm your interest in serving on one of our advisory committees or the Board of Directors. Please complete and return this form in the enclosed envelope by March 17th.

In the meantime, we look forward to working with you for the benefit of the Greater Union Square area and all who live, work or visit here.

Sincerely,



James C. Flood
Board President



Linda D. Mjellem
Executive Director

Enclosure



Member & Volunteer Information

Join us in our mission to enhance the experience of the Greater Union Square area to assure a beautiful, clean, safe and welcoming experience by all who visit, work or live here to assure that Union Square remains a top visitor destination, that businesses flourish here and in turn contribute to the City's revenue base.

PLEASE RETURN THIS FORM BY MARCH 17, 2010

PROPERTY INFORMATION

Please note: property address and contact information below:

BID Property Address _____

City/State/Zip Code _____

Parcel Number _____

Owner Name: _____

Primary Contact

Name _____

Title _____

Address _____

(if different from property address)

City/State/Zip Code _____

Direct Phone _____

Email _____

Mobile Number () _____

Fax () _____

Property Manager or Alternate Contact

Name _____

Title _____

Address _____

(if different from property address)

City/State/Zip Code _____

Direct Phone _____

Email _____

Mobile Number () _____

Fax () _____

Graffiti Removal Authorization

Our goal is to remove graffiti from Union Square private and public properties within 24 hours of its appearance. May we have your permission to remove graffiti from your property?

Yes No, I will remove it within 24 hours

Signed _____

Please print name here: _____

VOLUNTEER INFORMATION

ADVISORY COMMITTEES

I would like to serve on one or more of the BID's Advisory Committees as indicated below:

- Beautification and Streetscapes
- Clean and Safe Services
- Marketing, Communications and Programming
- Public Affairs and Advocacy

BOARD OF DIRECTORS

I would like to serve on the Board of Directors. Please check all of the following that apply. As a nominee I:

- Own property located within the BID
- Am a business owner in the BID
- Represent Retail, Hotel or Other Commercial (please encircle one of the preceding types of businesses)
- Am willing to actively participate in the work of the BID
- Am knowledgeable about the role of the BID Board
- Have reviewed the BID's Management Plan
- Will become familiar with the BID's Bylaws
- Would willingly serve as an ambassador to represent the BID in the community
- Will support the BID's special projects like its annual luncheon
- Would agree to serve up to four years
- Have participated in activities and projects to benefit the Union Square area (see attached for details)
- Am supported in my self-nomination by other property owners in the BID (see attached for details)
- Please attach any additional information you would like considered in support of your nomination

NOMINEE NAME: _____

Direct Phone _____

For Administrative Use

- Update Membership Records and FileMaker Pro
- Update Monday Report Distribution List
- Refer to Committee Chairperson(s)
- Refer to Nominating Committee