



the Heart of Jtown Resiliency Fund, Holiday Lights, and money coming in for the website. We have also included the Big Belly grant, sponsorships for Big Belly, and AARP grant that we have applied for, along with the JTF grant we have been promised, and the Safe City items, totaling out to \$1,050,664. Some of these are pending, such as the AARP grant, and bringing in \$500,000 with the Heart of Japantown Resiliency Fund. Those are large amounts listed as expenses and if they are not received then we do not spend them. We are really counting on OEWD plus holiday lighting, and some donations we have already received or will be receiving after June.

Robert Sakai: What gives you confidence the assessment revenue will come in at that level?

Mary Ishisaki: Since these are property taxes and I haven't heard they are being lowered or forgiven, I assume we will be receiving this amount. Looking at the first six months, if it looks like we will not receive the full assessment, then budget version two can be looked at six months down the road and we can re-budget at that point.

Robert Sakai: Does the City have any procedures given this is a fee rather than an assessment. Let's say they receive assessments but the property owner withholds the fee, what happens with the City if a property owner won't pay the fee?

Chris Corgas: These are official assessments, not fees, they are on the property tax bill. If an owner decides they're paying all but their CBD assessment fee, then it's as if they didn't pay the entire property tax bill. If that's the case, then the assessor treats it as an unpaid property tax. You are entitled to every penny from the assessments this year. These are Proposition 218 Special Assessments so they are in the California Constitution. An Executive Order cannot override the state Constitution, you would need another statewide voter initiative to override that. Even if they don't pay FY2021, it would be treated as if you didn't pay your property tax. There will be penalties and reconciliation fees that have to be put on top. So when they do pay, even if it's late, anything tied to the CBD assessment would go directly to the CBD. They understand that 80-90% of the assessments might be coming in dependent on change of ownership, etc., but eventually the money will come in.

Mary Ishisaki: This is what I thought and has always been the case. Even if it hasn't been paid in the first half, it will be in the second half. We will also keep this budget version 2 to look to if things aren't going as well as we hope in the first half of the year. I am suggesting we approve version one and reassess what is going on at the end of November/December to see if we need to make a switch to version 2, and approve version 1 on a to be reviewed in 6 months

basis. I don't know if we can legally do that, Chris, but it makes good sense to look at it this way.

Chris Corgas: That is a fine idea. The budget for coming into a fiscal year rarely matches the actuals at the end of the year. The important thing is the percentage allocations, so I'm not too concerned.

Mary Ishisaki: We also planned for cuts should they be needed, which will take us down a good amount while maintaining our major activities. AVS is covered for the first year of maintenance, for example. We are good to go with version 1 with the plan to reassess in December.

Emily Glick: If we want to move or change line items, can we do that on the fly or only at the six month mark?

Robert Sakai: It depends on what you're looking at, based on the by laws.

Mary Ishisaki: The City only allows us to vary by 10% a year by category. Our categories, not the line items, are budgeted for x dollars each year. We can adjust between the three areas with a 10% maximum variance each year. If it's within a category it's ok, if it's going from one to another, then we're limited at the 10%.

Emily Glick: Got it. We underspent in a lot of areas it seems last year, do we get penalized for that?

Mary Ishisaki: Chris, can you answer that? We do have remainders from last year we spent this year.

Chris Corgas: We have a weird financial system for CBDs based on how the City collects and distributes money. We submit assessment to Controller in August, goes on everyone's property tax bill in November. Some people pay all at once, and most split it between two payments. The first is due December 10<sup>th</sup>, goes to the Controller's office, and is then distributed in January to the CBD. The second one comes in around April, then there's the June/July or July/August payments of people who didn't pay on time, so just a small amount of the budget. By this time, you've received your major payments for the year and the next one is January 2021. This means, you have to budget until the next stream of revenue comes in. There will always be carryforward, which should be about half of the operating expenses for the fiscal year. If you have a contingency and reserve that continues to grow annually and you have more unspent money in the account than is coming in on an annual basis, at that point we have to meet to look at spending down the money. Legally, the carryforward must be provided in the annual report and a rough timeline for how the money will be spent.

Emily Glick: Under Item for income for resiliency fund, is this just a passthrough?

Mary Ishisaki: Yes it's a passthrough.

Emily Glick: And the AARP Grant?

Robert Sakai: This will be covered later in the agenda.

Emily Glick: Do you think we should hold off counting these things until we receive them?

Robert Sakai: Once a budget is board approved we can't change it, so do we need to wait until the six month period to put it back in?

Mary Ishisaki: I generally haven't put in grants until we have received them.

Emily Glick: I think it's cleaner from a budgeting perspective to not include it if we don't have it.

#### C. Squar Milner Financial Review

Mary Ishisaki: This is an assessment, not an audit, of our financials because our budget is below \$500,000. They have looked at our expenses, etc. and been through the necessary paperwork and filings and have approved our accounting system. They believe it meets all the necessary best practices. They note a couple disclaimers with concentrations of risk, the fact we have a large donor for the camera program, they feel it is a risk to have only one large donor. They also felt the outsourced payroll for Block by Block was a large amount and therefore a concentrated risk. However, if we managed this ourselves the expense would likely be even greater. It is mentioned though because it is a risk. I feel we have the money through the assessments to pay for this contract and we raise other money to go along with the assessment money we receive. Hopefully we will also be able to bring in more grants as well. The billing for Squar Milner is \$11,000, other CBDs we polled about this, only Noe Valley responded and their cost is \$7500-8000 for a smaller CBD budget (about \$200k). So percentage-wise for income this is about right. Ocean Avenue and Castro CBD have not yet responded to our inquiry.

#### 4. Japantown CBD SafeCity Program

##### A. Monthly financial and progress report from AVS

Dmitri Shimolin: I will be updating on Phase 4, Phase 5, and also providing some information on recent lootings and how the cameras have been used for those incidents. Phase 4 is our last phase covering the CBD proper. We have run into some roadblocks with the Buchanan Gate trellis, but we are working with SuperMira and Sam Mihara to cover this intersection to meet the property's security needs as well as Japantown. At the end of the week we will have a proposal for review. This completes Phase 4, we are all current on financials. There were no billable services or invoices, everything is now being

provided within the JCBD support program. We're looking to start providing pedestrian traffic analytics this summer as businesses reopen. Update on recent events, we just had a wave of burglaries and vandalism. A recent Chronicle article described how the CBD camera programs have been leveraged. Many storefronts were hit, including at least one in Japantown, however in total CBDs are accounting for something like 600 cameras so footage is being reviewed now. They're able to identify people even with masks on by seeing vehicles and just the bigger picture cameras can provide. Over time, we will also see less crime due to deterrence as the word about the cameras spread. Every camera program has continued to operate 24/7 and footage is shared electronically with SFPD safely and securely with minimal exposure in a timely fashion.

B. Phase 5 Update

Dmitri Shimolin: We've received interest from 1900 Sutter. They happen to be in a hotspot area. We had a productive Zoom meeting with the HOA and conducted a survey and are now working on a design for review for the committee meeting next Tuesday. Two other properties have expressed interest in joining, including a property recently targeted by arson.

C. Video Retrieval Requests for the month of May

Brandon Quan: We didn't have any official requests for the month, but the lack of people in Japantown has allowed the communication between the ambassadors and the merchants to increase. We have been in contact with Soko Hardware for example about a continued biohazard issue. The ambassadors helped identify who the people were and able to talk to them about the issue. While not an official request it helps us understand what's going on in Japantown when we aren't there. RIF SF was looted twice in June, and we were contacted by SFPD for that event. We provided 6-7 hours of footage. We had a fire at 1700-1704 building on Buchanan and Post and did receive a request from SFPD's Arson Task Force.

Robert Sakai: Are there plans to install a new camera at the new crosswalk at Geary and Buchanan?

Brandon Quan: We do have a camera that overlooks that already looking southeast, about where the crosswalk will be. There is no additional plan right now to add cameras at that location. We also have a camera on the backside of Daiso that covers that area.

D. Usage Policy

Brandon Quan: The most recent edits from Claudine are being incorporated and this will be presented at the Safe City Camera meeting on Tuesday. If approved it will be presented at the next board meeting.

E. AVS Service Agreement

Grace Horikiri: Claudine received the service agreement to review and she is in the process of it. Once we get her feedback it will be forwarded to Dmitri for implementation. This has been conditionally approved, but the final will be presented once completed.

**5. JCBD Internal Marketing & Communication Updates**

Emily Glick: In terms of PR, we've had some exciting placements. A longer story came out in the Chronicle which was an interesting way to feature the neighborhood and what the merchants are facing. We are grateful that some of the local community members spoke on how they've been keeping their businesses alive. This ties back into the Voices of Japantown campaign which features all generations of the Japantown community and their stories. This will continue on. A press trip is still on the table but we need to see about reopening more before we bring them to get a full trip together. A MarCom meeting is being scheduled to evaluate the existing marketing initiatives based on the new normal. For example, do we still want a physically engaging piece in the Peace Plaza or does that not work anymore? It's also been awhile since we reevaluated the budget. Hoping to put up new banners, double down on what we have, something that's low hanging fruit as outdoor services become more permissible.

Grace Horikiri: Greg Vioria did a survey with the businesses and found they'd like to see more digital marketing, including social media. The CBD has been putting out social media posts to draw attention to Japantown. I posted a mask I purchased at Paper Tree and after that post they made \$200 in sales on their website. We have to be sure to help advertise the businesses along with our own work.

Emily Glick: Maybe we can address in the committee meeting a way to show merchants the website on an iPad, and look more for grants on expanding and maintaining the website. This is a way they don't have to wait for a post to feel more represented.

Mary Ishisaki: You can also do boost posting through Facebook.

**6. Peace Plaza Letter of Support**

Grace Horikiri: Each board member was sent the letter of support from the JCBD for feedback or revisions, and a quorum was reached to approve it. The letter will be sent out at the end of the meeting.

**7. Executive Director Report**

A. COVID-19 Outreach

Grace Horikiri: We still have been very active in our outreach to Jtown small businesses to keep them informed. We have partnered with Greg Vilorio to do daily check ins. The email newsletter has made a huge impact for our own merchants as well as other merchant corridors who have been sharing our information with their constituents because it is so easy to understand. We will continue this outreach. We are planning two webinars: one for retail and one for restaurants given the different reopening guidelines. Assessor Carmen Chu and SF Chamber of Commerce President Rodney Fong will be participating. We will also have DPH and LGPR speak, and hoping SFPD can participate as well. We are still finalizing the date as we wait for more guidelines from the City.

B. The Heart of Jtown Community Town Hall Meeting

Grace Horikiri: A little over 70 people attended and a panel described what recovery efforts are being done. The San Francisco Japantown Foundation announced its arts and nonprofit support fund, JCCCNC and JMA is working on a gift card program, and the Japantown Task Force described its mini grant program with OEWD in which \$1000 was awarded to 21 small businesses. We hope to have a follow up meeting with an update, have created a website and social media page, etc. for contact.

C. CBD Consortium Meeting

Grace Horikiri: The focus of this was the budget and what we are planning to do individually. Other CBDs are also working to draft a smaller budget just in case less money comes in. The CBDs also do a lot of cleaning work and we want to ensure that funding from the city is still there for that.

D. SFPD Small Business Advisory Forum

Grace Horikiri: This meeting focused on the riots and store break ins that were happening. SFPD asked merchants to be sure their alarms and cameras are up to date, be sure emergency contact information is up to date, and keep communication going within the community. Being on this forum has really helped us see what SFPD is going through right now and getting questions from the community answered.

Robert Sakai: There was a question about Picnic in the Plaza. This is a cooperative project between JCCCNC and JMA, with an estimated start date of July 15<sup>th</sup> depending on when limited indoor dining is allowable. There is still a lot of planning going on in what this will entail, it will be open to anybody that buys food from a local restaurant in Japantown.

Kathy Nelsen: Any news on new ambassadors?

Grace Horikiri: We have AI, who is our supervisor, and now we also have

Antonio. He started last week. I also want to give a shoutout to OEWD, especially Chris Corgas, for providing PPE for our ambassadors.

Chris Corgas: I was insistent on the ambassadors being taken care of from the start of this. We were able to get them on the frontline hotel worker program also for housing if they are having to commute long distances into work.

## **8. Staff Updates**

### **A. Crime and Cleaning Report**

Brandon Quan: We have held steady in the amount of crime that has taken place. A small uptick from 31 to 36 but generally speaking we are well below pre-COVID levels. We were in the 80-90 range in crimes per month then. Not for the right reasons, but crime has definitely decreased.

Mary Ishisaki: We had 3 assaults in May, can you speak to those? In particular I would like to know if they were seniors. If it's during the daytime then we can do something about it.

Brandon Quan: I don't have specific information right now about those incidents but can follow up and provide an update later. I don't know if I can access the reports but I'll see what information I can find.

Brandon Quan: We have a new ambassador, Antonio Contreras, note his primary language is Spanish. He is an extremely hard worker and we are lucky that we got him. Both he and Al are extremely diligent. Prior to Antonio, we had a floater on the days Al was off to cover all 7 days. In general, stats are holding steady, but there's a slight uptick in sharps and trash. However, all the levels are lower than they were pre-COVID. There were some graffiti incidents but Al and Antonio very on top of it and take care of them pretty quickly. In the past week they've focused a lot on weeding and their beautification work has been very good. Grateful for their attention to detail and their work ethic especially in these times.

### **B. The Heart of Jtown Small Business Resiliency Fund**

Melissa Bailey: We launched the campaign on GoFundMe a little over a week ago, thanks to generous anonymous donations, we reached our goal of \$500,000. We will use a \$10,000 donation received first as a matching grant challenge, then announce the second donation in the same way.

### **C. AARP Community Challenge Grant**

Melissa Bailey: We submitted a AARP Community Challenge Grant, which focuses on making liveable communities for people of all ages with a focus on seniors. They expanded this grant to include COVID-19 response, but they are looking to fund for permanent solutions and installations to improve the community. We request funding for lighting in Buchanan Mall, PPE purchase



for small businesses, and marketing costs related to bringing business back into Japantown once SIP orders are fully lifted. We hear back about the next round at the end of June, early July.

D. Japantown Task Force Updates

Steve Nakajo: Thank you Grace and JCBD for the support to the Peace Plaza. I will defer to Sandy for an update there, but will update on other JTF activities. JTF is still functioning with 3 standing committees: Land Use/Transportation, Cultural Heritage/Sustainability, Peace Plaza. The Cultural District has submitted its general draft to the community at large. It was put on the website last week and is now about 98 pages. We refer to it as the Supplemental Draft CCHES Report, because this document will be summarized to a maximum 30 page report for the City. We found that all the materials and data accumulated required this much documentation around each key area. The CCHES is a 3 year planning grant with the supplemental as a blueprint of Japantown for the eventual formation of a master plan for Japantown. There is a final Town Hall meeting on June 25<sup>th</sup>. The final submittal is targeted for July 20<sup>th</sup>, prior to that the team will take into consideration all the feedback and comments from the Town Hall and edit the final draft with these in consideration. We planned to spend the August recess encouraging the Board of Supervisors, but learned the recess will not be happening and the budget hearings will be happening in October given the pandemic. It is a very modified timeline. I have a few comments. Since the SIP, I have not been to the community much, only a handful of times, so I don't know what's going on outside the information that comes into me like phone calls. Some people are wondering why the bathrooms in the malls are closed, I've also had people comment that the malls are pretty much deserted. The remarks made to me was that anything could happen in there any nobody would be able to do anything about it. The shoe store on Post Street was broken into 3 separate times, including when nothing was in the store. There was a fire in Hemlock Alley as well. I am concerned about fires that might be ignited within the community as we adjust to this new order of life.

Sandy Mori: I want to thank the JCBD Board for the official letter of support. We have been requesting separate individual letters because our strategy is to flood the offices of the Board of Supervisors with support for the Peace Plaza project. It is a \$25 million renovation of the Plaza. The community went through the regular process of design with Rec and Park, DPW, and Japanese architects. We did our due diligence and went through the process, so our project was recommended to be part of a bond on the November ballot. This bond is a \$438 million bond, out of that \$200 million is allocated to public parks

and we are a part of that. We are trying to convince the supervisors to not go below the \$25 million so the whole project can be covered. Many other competing projects are happening, so we are trying to convince all 11 supervisors to support this. We need 9, but our goal and strategy is to gain all 11. Members of the community who live in their districts or know them personally are asked to send in letters of support to help encourage this strategy. Supervisor Sandra Lee Fewer is in charge of the budgeting committee so we are working most on her support. We have support from supervisors so far, including Dean Preston our District 5 supervisor. We are working on the other 5 and we have a good opportunity and chance to get their support. If they hear from the community and others who support the project, the better. The other information I would like to share is that the JTF is putting together another ad-hoc committee on the Japan Center Malls. This will be a committee with people experienced in real estate and development. It will be 11-12 people, and like with the Peace Plaza, it will be co-chaired by myself and Paul Osaki. We will have different expertise to look at a strategy about what is going to happen between Laguna and Fillmore and Post and Geary. We will be communicating with all the property owners. Over the years they have changed, and things have been broken up into smaller pieces. We have heard that 3D is not going to sell and wants to be a part of Japantown. All of the committee meetings will be open to the public, and everything brought up has to be approved by the JTF Board. Nothing goes forward without director approval.

**9. Nomination of Board President (action item)**

Motion: Mary Ishisaki; Second: Jerry Ono

Robert Sakai: The nomination committee met and discussed who a good candidate would be, and a unanimous decision was made to recommend Emily Glick as president of the JCBD. I am opening this up to any discussion after which we will make a motion to approve Emily. Emily has been a productive member of our board for a long time and that was the recommendation of the nominating committee and the officers.

Kathy Nelsen: Emily has demonstrated a commitment and good leadership skills, and the things we are looking for. I am happy about this.

**10. Discussion and possible action items for future meetings**

Robert Sakai: We will have a slate for election in the July board meeting. Please address any questions or comments to the officers or Grace.

**11. General public comment\***

Sandy Mori: I have a question. I heard last week the Hotel Buchanan is going to be a hotel for the homeless. I think we as a community need to be knowledgeable and aware of this. I want to know what support services will be there for this population.

Emily Glick: The short version is that the City has been organized in establishing “Vulnerable Population” sites, and have been working to establish security and other safety protocols. SFPD and SFFD did an assessment and the hotel will have 4 guards on site and an additional City team of nonprofit support staff and nurses. The population will be people that are in the shelter system already that need more distancing that isn’t provided in shelters. People who are homeless and medically at risk are eligible. They are either advanced age or have a chronic illness that puts them at higher risk. They are able to stay and come and go as they need, but it’s been noticed that people generally don’t leave much. Some will be going to job interviews, looking for housing, etc. They are not likely to be what we envision homeless people to be. There will be an interior smoking area to reduce curb presence and crowding. There will be people doing temperature and wellness checks, and anyone positive or symptomatic will be removed to a positive location site. This was an agreement made with the hotel owner that terminates September 30<sup>th</sup> depending on the occupancy rates being seen in San Francisco. The population will likely include ADA and elderly, and we will be at the longer end of the spectrum. The average shelter stay is 3-4 months but we may see some stay longer. The plan is to cycle these people into more permanent housing in order to move people on the wait lists into the program. The goal is transitioning to a more safe and stable situation. There are currently almost 40 total sites in the City at the moment for a combination of needs. There could be some positive effects if the staff on site go out to eat, etc. This will be an influx of 15 or so people every shift 24/7. We do not know exactly what type of population will be placed here yet. There will be approximately 120 rooms used, and the numbers depend on how many people per room.

Sandy Mori: Are meals provided as part of this program?

Emily Glick: Yes. We have a catering company that comes in and unloads breakfast, lunch, and dinner. However, they are permitted to come and go so they could purchase food and other things in the neighborhood. The City is trying to do as much as possible to keep them in place and limit spread.

## **12. Adjournment (action item)**

Motion: Rob Malone; Second: Kathy Nelsen

**Next JCBD Board Meeting:** Wednesday, July 8 , 6:00 P.M. at the National Japanese American Citizens League Headquarters Building (1765 Sutter St., San Francisco, CA 94115). Should the Shelter in Place Order be extended, board meeting will be conducted on ZOOM and login information will be included in the agenda.

\*General Public Comment: Members of the public may address the Board for up to two minutes with respect to each item on the agenda, and may speak up to two minutes regarding matters not on the agenda during general public comment.

Meeting materials distributed to the JCBD Board members are available for inspection and copying during regular office hours at the Japanese American Citizens League Building, 1765 Sutter Street, 2nd Floor, prior to the meetings.