

Downtown Chula Vista

Property-Based Business Improvement District

Annual Planning Report for FY 2021 To the City of Chula Vista



Fiscal Year January 1 - December 31, 2021

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*Prepared pursuant to the State of California
Property and Business Improvement District Law of 1994*

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Property Based Improvement District
FY 2021 Annual Planning Report to the City of Chula Vista**

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SECTION 1: Introduction

The DOWNTOWN CHULA VISTA PROPERTY-BASED BUSINESS IMPROVEMENT DISTRICT NO. 2016-122 (boundaries depicted on page 4) was successfully renewed by the Chula Vista City Council and approved by district property owners on June 14, 2016 for an additional ten-year period from January 1, 2017 through December 31, 2026. The district is managed by The Third Avenue Village Association (TAVA), which has overseen the operations of the PBID and its funding since January 1, 2002.

Prepared in accordance with the State of California Property and Business Improvement District law of 1994, Streets and Highways Code section 36650, the 2021 Annual Planning Report represents the fifth year of program operations within the current ten-year term. The PBID's activities and improvements aim to improve and convey special benefits to properties located within the defined downtown Chula Vista, providing services beyond the basic services provided by the City of Chula Vista.

SECTION 2: PBID Boundary

There are no proposed changes to the PBID boundaries for 2021. The PBID encompasses approximately a 16-block area along the Third Avenue commercial corridor, bounded by E Street to the north, Church Avenue to the east, Landis Avenue to the west and I Street to the south. It also includes one block on F Street that includes the City of Chula Vista central library and police station.

Within the PBID boundary, there are two distinct benefit zones for the maintenance programs and activities. It was determined that the properties located on Third Avenue required maintenance services more frequently than the properties in the PBID located to the east and west of Third Avenue. Described below are the benefit zones.

District-Wide Maintenance: Is defined as all assessable properties within the PBID boundary. All parcels in the PBID boundary will receive the same base level of maintenance services.

Third Avenue Enhanced: Is defined as all assessable properties with frontage along Third Avenue, between E Street and H Street. These properties will receive a higher frequency of maintenance services than other parcels within the PBID boundary.

The map on the following page illustrates the PBID boundary



SECTION 3: PBID Assessment Budget

FY January 1 to December 31, 2021 - PBID Assessment Budget:

The following table outlines the PBID maximum assessment budget for FY 2021 with estimated budget expenditures distributed across PBID services. The annual assessment rate was not increased for FY 2021 per TAVA Board action on August 5, 2020 and in accordance with the State of California Property and Business Improvement District law of 1994.

EXPENDITURES	BUDGET	% of Budget
Environmental Enhancements		
<i>Clean & Safe, Homeless, Beautification</i>	\$145,759	31.0%
<i>Third Avenue Additional Maintenance</i>	\$24,838	5.0%
Total Environment	\$170,597	36.5%
Economic Enhancements	\$153,207	33.0%
Administration	\$142,365	30.5%
PBID Reserve	\$0	0.0%
Total Expenditures	\$466,169	100.0%
REVENUES		
Assessment Revenues	\$462,469	98.8%
General Benefit Revenues	\$5,457	1.2%
Total Assessment District Revenues	\$467,926	100.0%

SECTION 4: Method of Financing

Financing is provided by the levy of special annual assessments upon the real property for which the services and activities are provided. These assessments are not a tax for the general benefit of the City.

Assessment Calculation:

As previously stated, the PBID activities are segregated into two benefit zones; those parcels that front Third Avenue and those that do not. Annual assessments are based upon an allocation of program costs and a calculation of lot square footage and street frontage.

The table below reflects the assessments for FY 2021.

Assessment Rates	Per Sq. Ft. of Lot	Per Linear Foot
Properties along Third Avenue (between E and H Streets)	\$0.092	\$16.792
All other properties in the District	\$0.917	\$2.393

Since the re-establishment of the PBID in June of 2016, the TAVA Board of Directors has only increased the assessment rate once. There was a 3% increase in the assessment for FY 2018.

SECTION 5: Previous Year Surplus / Deficit Revenue

With the previous fiscal year ending on December 31, 2020, the FY 2020 audit and tax return have yet to be completed. At the time of this report, TAVA estimates that there will be a \$12,000 revenue deficit from FY 2020 as associated with the PBID. During FY 2020, the TAVA Board of Directors engaged the services of a professional public relations and marketing firm to promote the district during the current unprecedented pandemic. Promotion and district awareness was increased extensively via social media platforms, online magazines, and through televised stories regarding the economic challenges of the district and the tenants of the property owners. This necessary expense added an unplanned expense of \$37,500. A final audit report will be provided to the City of Chula Vista upon completion.

SECTION 6: Other Funding Contributions

The City of Chula Vista will contribute baseline service funding in the amount of \$5,457.

Bond Issuance:

No bonds will be issued to finance improvements in 2021.

SECTION 7: PBID Activity, Improvements, and Services

Environmental Enhancements

Public Safety:

TAVA works closely with the Chula Vista Police Department to educate property owners on the safety and trespass programs that support property owners in the prevention of property crimes and to mitigate trespassing when the owner is not present. Through the rapid removal of graffiti tags, vandals become discouraged as their tags cannot bring them notoriety amongst their followers nor identify an area associated with a specific gang.

Maintenance Services:

The TAVA Clean & Safe Team provides enhanced maintenance and landscape services within the Third Avenue Village PBID. The services provided by TAVA assures the property owners and the City of Chula Vista that the district will be maintained at a level beyond the basic services provided by the City of Chula Vista. For TAVA to effectively approach the maintenance issues facing the district, a multi-dimensional approach has been developed consisting of the elements and at the frequency stated below. TAVA's commitment to provide maintenance services to the district are also outlined in the Third Avenue Village Agreement and Encroachment Permit for Maintenance Services Between the City of Chula Vista and the Third Avenue Village Association entered June 14, 2016.

Sidewalk Maintenance:

Uniformed personnel remove litter, debris, and refuse from sidewalks and trash receptacles within the District, as well as clean all hardscape, benches, and bus stops.

Landscape Maintenance:

Public landscape areas within the Third Avenue Service Area are maintained and replanted by TAVA staff and a professional landscape company. TAVA utilizes and maintains a web-based

electrical irrigation program and repairs the associated in-ground irrigation system and controllers as needed.

Alley Maintenance:

TAVA abates graffiti, debris, and weeds within the alley public right-of-way and reports illegal dumping to private property owners so that they can have the item(s) removed by Republic Services if applicable.

Graffiti Removal:

The Clean Team removes graffiti from painted surfaces (not brick or windows) up to 12' by painting, using environmentally safe solvents, and pressure washing. TAVA's goal is to remove all tags within 48 hours of notification.

Sidewalk Pressure Washing:

The Third Avenue Service Area is to have all sidewalks pressure washed quarterly through a professional company. The high use areas will be cleaned by TAVA on an as-needed basis. However, during state mandated drought years, pressure washing may not be permitted.

Activity	District-Wide Service Area	Third Avenue Service Area
Sidewalk Sweeping	Weekly	Daily
Power Washing Sidewalks	None	Quarterly (4 times per year)
Graffiti removal	As Needed	As Needed
Landscape & Plantings	None	Daily
Irrigation	None	As Needed
Alley Cleaning	Weekly	Weekly

Homeless Outreach:

Reducing homelessness, providing the homeless with resources, and reducing disruptive behavior from street populations is a top priority among district property and business owners. In 2021, TAVA's staff will continue to work closely with Chula Vista's Public Works Department and the Chula Vista Police Department's Homeless Outreach Team to collaboratively inform the homeless population of resources and alternatives to occupying private business properties.

Economic Enhancements

Economic Development:

With the unexpected economic consequences of the COVID-19 pandemic, the property owners and their tenants will continue to need the collaborative support of TAVA, the City of Chula Vista's Economic Development and Development Services Departments. Although the economic goal for the first two quarters of 2021 will be to retain as many businesses as possible, TAVA has renewed its investment to utilizing the professional marketing and public relations company Alternative Strategies to revive the district back to prosperity. The services of Alternative Strategies will provide significant member and district promotion on social media, online magazines, blogs, as well as through televised news stories and print media that circulate throughout all of San Diego County. Property and business owners will benefit from the marketing of TAVA's signature events, the Taste of Third, Avenue, Amps, & Ales, Lemon Festival, and the fall season's Villains in the Village.

Considering that there may be limitations to event production and the number of attendees, TAVA is preparing alternatives to provide promotion while adhering to the mandates that are related to the current pandemic.

Investor Marketing:

During 2021, TAVA will position the Third Avenue Village district as San Diego County's future dining, retail, and entertainment destination. With multiple urban development projects currently in progress along with Chula Vista's Bayfront development, investors will be able to envision the future vitality of the district.

Communication Services:

In FY 2021 TAVA will update its website focusing on assuring that it is ADA compliant with continued information regarding the pandemic, financial grants, and government programs for members. TAVA will continue its production of monthly member and public newsletters, increased social media outreach to the public that projects a creative and positive business image in the media.

Advocacy, Administration and Reserve

Advocacy:

The TAVA provides member advocacy that allows downtown property owners to project a unified voice and elevate their influence in policies and issues that affect the central business district. TAVA will continue to provide member resources via its website, workshops, and its professional staff. Each year, TAVA refers and introduces existing and potential members to Chula Vista's Development Services and Economic Development Departments regarding development questions within the district.

Administration:

The PBID finances the professional staff that provides the services necessary for daily operations, maintenance, landscaping, economic development implementation, and advocacy on behalf of the district. Funds are allocated to office and support services such as bookkeeping, legal consultation, office rent, insurance, and office equipment.

Reserve:

When year-end finances allow a 5.0% operating reserve is allocated as a contingency for any payment delinquencies and/or unforeseen budget adjustments. The FY 2021 budget does not include the allocation as an expense. If year-end finances allow, the TAVA Board will determine the amount to place into reserve. Currently TAVA holds \$120,000 in operational reserve to be utilized for expenses within the first quarter of the calendar year when disbursement of assessment revenue is delayed.

SECTION 8: City of Chula Vista Base Level Services

The City of Chula Vista has established and documented the base level of pre-existing City services. The PBID does not replace any pre-existing general City services.

SECTION 9: Duration and Governance

Duration:

The PBID has a ten-year term commencing January 1, 2017 through December 31, 2026. Any major modifications or new or increased assessments during the term of the district that are not consistent with the provisions of the original Management District Plan will require a new mail ballot process.

District Governance:

The owner's association Third Avenue Village Association (TAVA) manages the Downtown Chula Vista PBID as established by the Chula Vista City Council. The current PBID term is from January 1, 2017 to December 31, 2026.