9:00 A.M. CALL MEETING TO ORDER – J. Lawson

- Board Attendance / Roll Call (Pages 2 – 5)
- Brown Act Procedures Overview (Page 6)
- Non-Agenda Public Comment

FINANCIALS

- Clean & Safe Program Overview and Narrative (Pages 7 – 10) – P. Rath | INFORMATIONAL
  This item will be to give informational context to the current status of the Clean & Safe Program prior to details related to the FY21 budget.

- Review FY21 Clean & Safe Budget and FY21 Contractors (Pages 11 – 14) – A. Newman, A. Vivas | INFORMATIONAL
  This item details the specific information about the FY21 budget and FY21 contracted services.

- Agenda Public Comment
  This is a time for any members of the public to comment on the coming action item.

- Approve FY21 Clean & Safe Budget and FY21 Contractors (Pages 11 – 14) – J. Lawson | ACTION
  This is the action item to approve the budget for the 2021 fiscal year as well as approve the contracted services for the 2021 fiscal year.

ADJOURN

Agenda can be found at:
https://downtownsandiego.org/clean-and-safe/pbid-meetings-reports/

Topic: DSDP Board of Directors meeting
Time: Apr 28, 2020 09:00 AM Pacific Time (US and Canada)

Join Zoom Meeting
https://zoom.us/j/91701444843

Meeting ID: 917 0144 4843
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+1 301 715 8592 US
+1 312 626 6799 US (Chicago)
+1 646 558 8656 US (New York)
+1 253 215 8782 US

Meeting ID: 917 0144 4843
2020 BOARD OF DIRECTORS

Jessica Abbo
Wells Fargo Bank

Michael Akavan
MA Engineers, Inc.

Ruben Andrews
Graphic Solutions

Terry Arnett
TSA Construction, Inc.

Mary Ball
Scripps Health

Madeleine Baudoin
American Medical Response

Craig Benedetto
California Strategies, LLC

Whitney Benzian
California Apartment Association

Robert Betz
McCarthy Building Companies, Inc.

Greg Bowman
LeBeau Realty & Associates

Betsy Brennan
(President & CEO)
Downtown San Diego Partnership

Casey Brown
The Casey Brown Company

Marjorie Burchett
Crosbie Gliner Schiffman Southard & Swanson

Michael Burton
Flocke & Avoyer Commercial Real Estate

Frank Busic
University Club atop Symphony Towers

Melissa Cameron
Southwest Strategies, LLC

Jeff Cavignac
Cavignac & Associates

Jim Chatfield
JMI Realty

Nikki Clay
The Clay Company, Inc.

Steve Cushman
Cush Enterprises

Natalie Dahl
CBRE

Derek Danziger
Katz & Associates

Perry Dealy
Dealy Development, Inc.

Rodger Dougherty
Kaiser Permanente

Steve Espino
Banner Bank

Jennifer Farnham
PCL Construction Services, Inc.
Angela Merrill Yon  
Boretto+Merrill Consulting, LLC

Dan Michaels  
Stockdale Capital Partners, LLC

Howard Mills  
Rudolph and Sletten, Inc.

Neil Mohr  
Republic Services, Inc.

Christine Moore  
AT&T

Cynthia Morgan-Reed  
Vanst Law

Josh Muse  
Sycuan Band of the Kumeyaay Nation

Michael Nelson  
Kilroy Realty Corporation

Margie Newman  
Intesa Communications Group, LLC

Justine Nielsen  
Procopio

Sumeet Parekh  
(Immediate Past Chair)  
HP Investors, LLC

Sam Patella  
Navarra Properties

Phil Petersen  
Dynalectric San Diego

Matthew Porreca  
LPA, Inc.

David Potter  
JPI Companies

Diana Puetz  
San Diego Padres

Nicole Ramos  
Irvine Company Office Properties

Phil Rath  
(Treasurer)  
Rath Miller, LLC

Daniel Reeves  
Juniper Strategic Advisory

Heather Riley  
Allen Matkins Leck Gamble Mallory & Natsis LLP

Paul Robinson  
Hecht, Solberg, Robinson, Goldberg & Bagley LLP

Manuel Rodriguez  
U.S. Bank

Rana Sampson  
(Secretary)  
Union Bank

Ken Sauder  
Wakeland Housing and Development Corporation

Greg Shields  
Project Design Consultants

Bill Shrader  
Colliers International

Jenner Smith  
Carleton Management, Inc.

Tito Taing  
reproHAUS/signHAUS

Christine Takara  
EMMES Realty Service of California, LLC

Tom Tamar  
City Wide Group of Companies, Inc.

Tomas Urtasun  
Regional Strategies Group, Inc.
Regina Vanderwerff  
Suffolk Construction

Shawn VanDiver  
Deloitte Services LP

Ray Varela  
Carrier Johnson + CULTURE

Deacon Jim Vargas  
Father Joe's Villages

Pedro Villegas  
San Diego Gas & Electric

Michele Vives  
Douglas Wilson Companies

Bess Wakeman  
JLL

Tim Winslow  
Cushman & Wakefield

Jason Wood  
Cisterra Development

John Yeadon  
Grand Hyatt San Diego
COVID-19 Brown Act
Teleconference Compliance Process

Call to Order
• Non-agenda public comment
  ➢ Board chair repeat twice, give 30sec between repeat
  ➢ If public comment, public must state their name before speaking
  ➢ If no public comment, proceed
• Introductions (Chair will communicate introduction process)
  • Board members
  • Community members
  • Staff members
  • Proceed to introduction

Action Items
Before Taking Action
➢ Chairperson must ask the public if they have any questions (repeat twice, give 30sec between repeat)
➢ Chairperson “MUST DO ROLL CALL VOTE” public need to know how everyone voted
• Chairperson must notify community members that only board members can take a motion on action items
• The Chairperson will communicate the action item in detail
• If the chairperson or board member wishes to propose for the action be taken on an agenda item.
• The board member must make a motion by stating his/her name and requesting the motion
• Only one motion may be discussed at a time

A motion goes through the following steps:
1. The maker of the motion asks for recognition by the Chair by stating their name
2. After the individual is recognized, he or she will say “I move that we make a motion to approve or deny…”
3. The Chair will ask if there is a first. The board member must state “I John Doe take first motion to approve or deny…”
4. The Chair will ask if there is a second. The board member must state “I John Doe second the motion to approve or deny…”
5. The Chair will recognize board members who wish to comment on the motion
6. At the end of the discussion period, the Chair will call a consensus on the motion to approve or deny
7. Board members that agree will say “I” and board members that disagree will state their name and “abstain or deny”
8. A majority vote is needed for the motion to pass
9. After the vote, the Chair announces the decision “The motion is carried” or “The motion fails” and states the vote

Adjourn
• A meeting isn't adjourned until the chairperson declares it adjourned and states the time the meeting is adjourn
FY21 Clean & Safe Budget Summary

Downtown San Diego Partnership

Phil Rath
Chair, Clean & Safe
Treasurer, Downtown San Diego Partnership

Justin Apger, Chief Operations Officer
Alonso Vivas, SVP & Executive Director, Clean & Safe

401 B Street
Suite 100
San Diego, CA 92101
downtownsandiego.org
Date: April 28, 2020

**Budget Big Picture**

The FY21 budgeting process has required a new set of assumptions due to COVID-19 impacts. Fortunately, the Clean & Safe (C&S) budget has remained relatively solid due to our primary income generator being property taxes. The collection of property taxes has been positive for April 2020, but the December due date may pose concern and financial impact. We are accommodating this potential loss of revenue by increasing our overall contingency and decreasing expenses by $331,000.

Our assessment revenue of $9,959,186 was derived through examining the average delinquency rate for the most impactful fiscal years of property tax assessments (FY08, FY09 & FY10). The average delinquency rate during this time was 3.8%, so we are budgeting 4.7% to anticipate COVID-19 impacts appropriately.

The total revenue increase from FY20 to FY21 is 3.5% versus our average increase of 5%. This represents an approximately 3.2% mandatory living wage increase for our staff as well as a small percentage for general inflation. We felt increasing at a modest 3.5% was prudent given our current environment.

**Overall Budget Summary**

<table>
<thead>
<tr>
<th>Overall Budget Summary</th>
<th>FY 21 Budget</th>
<th>FY 20 Budget</th>
<th>FY20 Forecasted Actuals</th>
<th>FY21 $ Favorable/(Unfavorable) Against Actuals</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessments</td>
<td>$ 9,793,808.26</td>
<td>$ 9,385,115.72</td>
<td>$ 9,273,841.89</td>
<td>$ 519,966.37</td>
<td>5%</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$ 45,434.00</td>
<td>$ 81,254.00</td>
<td>$ 73,696.78</td>
<td>(28,262.78)</td>
<td>-62%</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$ 4,430,417.03</td>
<td>$ 4,712,785.90</td>
<td>$ 4,541,471.98</td>
<td>(111,054.95)</td>
<td>-3%</td>
</tr>
<tr>
<td>Beautification</td>
<td>$ 745,796.17</td>
<td>$ 558,757.87</td>
<td>$ 560,522.15</td>
<td>185,274.02</td>
<td>25%</td>
</tr>
<tr>
<td>Safety &amp; Homeless Outreach</td>
<td>$ 2,773,684.71</td>
<td>$ 2,599,676.99</td>
<td>$ 2,179,519.91</td>
<td>594,164.80</td>
<td>21%</td>
</tr>
<tr>
<td>Admin</td>
<td>$ 942,898.67</td>
<td>$ 819,549.98</td>
<td>$ 814,076.28</td>
<td>128,822.39</td>
<td>14%</td>
</tr>
<tr>
<td>CEP</td>
<td>$ 333,210.14</td>
<td>$ 344,045.84</td>
<td>$ 354,066.20</td>
<td>(20,856.06)</td>
<td>-6%</td>
</tr>
<tr>
<td>Other</td>
<td>$ 610,308.99</td>
<td>$ 431,553.14</td>
<td>$ 431,553.14</td>
<td>178,755.85</td>
<td>29%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$ 9,836,315.71</td>
<td>$ 9,466,369.72</td>
<td>$ 8,881,209.66</td>
<td>955,106.05</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Net Surplus (Deficit)</strong></td>
<td>$ -</td>
<td>$ -</td>
<td>$ 466,329.01</td>
<td>(466,329.01)</td>
<td></td>
</tr>
</tbody>
</table>
Expense Details & Impacts

Service Levels

The following represent the FY21 service levels versus FY20:

- Pressure washing: 14% increase
- Security: 8% increase
- Maintenance: 0% increase/decrease
- Tree trimming: 15% decrease

Our proactive steps for financial & operational stability include:

- We anticipate a carry forward balance of $466,329.01 **We will not see this until Jan FY21 and it may change due to delinquencies.**
- DSDP is proactively engaging the City to discuss a reduction in the FY21 Admin Fee
- We are in the process of securing a line of credit for emergency purposes only
- We are working with Economic Development to identify a date and process for requesting FY19 and FY20 carryforward, providing additional capital so we can build a modest cash reserve
- Salaries: Reduction in leadership salaries and pay freeze for all employees not within the City’s living wage
- In March, we adjusted FY20 services in the event of a high delinquency rate in FY21 to slowly build cash reserves

Year-Over-Year Budget History

<table>
<thead>
<tr>
<th>C&amp;S Revenue and Expenses</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20 (projected)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenses</td>
<td>$7,287,191.61</td>
<td>$8,166,380.72</td>
<td>$8,026,653.02</td>
<td>$8,449,656.46</td>
</tr>
<tr>
<td>% Growth YOY</td>
<td>5.80%</td>
<td>12.1%</td>
<td>-1.7%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$7,444,058.00</td>
<td>$7,790,971.00</td>
<td>$8,213,112.00</td>
<td>$8,696,676.00</td>
</tr>
<tr>
<td>% Growth YOY</td>
<td>8.6%</td>
<td>4.7%</td>
<td>5.4%</td>
<td>5.9%</td>
</tr>
</tbody>
</table>
Summary

Monitoring this budget on a monthly or bi-monthly basis will be crucial for us to be able to enforce accountability related to spending and the potential impact of December’s property tax deadline. This process will allow us to understand trends and other deviations that may impact future operations and demonstrate transparency by sharing findings from this regular monitoring. We will continue to use our Clean & Safe Board for reporting this information as well as the finance committee of the DSDP Board.
### FY21 Budget

#### Downtown San Diego Clean and Safe

<table>
<thead>
<tr>
<th>Revenue</th>
<th>CEP</th>
<th>City Center</th>
<th>Columbia</th>
<th>Gaslamp</th>
<th>East Village</th>
<th>Cortez</th>
<th>Marina</th>
<th>TOTAL*</th>
<th>94.90%</th>
<th>17.48%</th>
<th>7.49%</th>
<th>17.02%</th>
<th>33.34%</th>
<th>6.89%</th>
<th>9.41%</th>
<th>100.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY21 Revenue</td>
<td>$487,965.04</td>
<td>$1,745,935.81</td>
<td>$754,047.77</td>
<td>$1,697,246.89</td>
<td>$3,309,049.47</td>
<td>$896,130.43</td>
<td>$495,386.84</td>
<td>$9,839,242.26</td>
<td>11</td>
<td>15,167.01</td>
<td>54,299.23</td>
<td>23,452.36</td>
<td>52,784.38</td>
<td>10,921.44</td>
<td>28,746.60</td>
<td>306,004.43</td>
</tr>
<tr>
<td>General Benefit (Non-Assessment)**</td>
<td>$125,891.21</td>
<td>118,075.91</td>
<td>30,536.27</td>
<td>32,971.94</td>
<td>17,370.00</td>
<td>6,700,174.19</td>
<td>$1,697,246.89</td>
<td>$3,309,049.47</td>
<td>$896,130.43</td>
<td>495,386.84</td>
<td>9,839,242.26</td>
<td>11</td>
<td>15,167.01</td>
<td>54,299.23</td>
<td>23,452.36</td>
<td>52,784.38</td>
</tr>
<tr>
<td>** 31.17% of Budgeted Amount and is based on value and not actual cost. The broader budget categories may be adjusted by up to fifteen percent (15%) of the total. There is no limitation on the reallocation of funds between individual line budget.</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
## FY21 General Benefit Breakdown

<table>
<thead>
<tr>
<th>FY21 General Benefit</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Tax</td>
<td>$23,254.00</td>
</tr>
<tr>
<td>Water Feature</td>
<td>$15,000.00</td>
</tr>
<tr>
<td>Grants (County, Bank of America, Housing Commission)</td>
<td>$1,126,000.00</td>
</tr>
<tr>
<td>In-Kind Work (Pro-bono Legal, Public Service Announcements)</td>
<td>$81,000.00</td>
</tr>
<tr>
<td>Meeting Room Rental Value</td>
<td>$2,000.00</td>
</tr>
<tr>
<td><strong>Total Projected General Benefit Funding</strong></td>
<td><strong>$1,247,254.00</strong></td>
</tr>
<tr>
<td><strong>Required 3.11% General Benefit Funding</strong></td>
<td><strong>$309,730.70</strong></td>
</tr>
<tr>
<td><strong>Variance</strong></td>
<td><strong>$937,523.30</strong></td>
</tr>
</tbody>
</table>
Following is a summary of our negotiated rates with the Clean & Safe contractors for FY21. Negotiated rates are provided for review and approval by the Downtown San Diego Partnership’s Clean & Safe Board, and Board of Directors.

**Tree Trimming - neighborhoods**
Aztec Landscaping provides Tree trimming services in all six neighborhoods, excluding the trees along the MTS line. Aztec Landscaping increased the per-tree cost from $65 to $66.63 due to the projected increase of 2.3% living wage.

**Action Item 1:** Staff recommendation is to offer Aztec Landscaping the FY21 tree trimming contract for the neighborhoods with the requested increase rate. Service levels will be decreased 15% compared to FY20.

<table>
<thead>
<tr>
<th>Service</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tree Trimming</td>
<td>$80,340</td>
<td>$69,894</td>
</tr>
<tr>
<td>Trees Trimmed</td>
<td>1,236</td>
<td>1,049</td>
</tr>
</tbody>
</table>

**Water Feature Maintenance**
California Aquatics provides general maintenance services to Children’s Pond five days a week. California Aquatics contract contemplates no change in cost for the same level of service.

**Action Item 3:** Staff recommendation is to offer California Aquatics the FY21 water feature maintenance contract.

<table>
<thead>
<tr>
<th>Service</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Feature Maintenance</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>Service Level</td>
<td>5 days per week</td>
<td>2-3 days per week</td>
</tr>
</tbody>
</table>

**Pressure Washing**
Aztec Landscaping provides services in five neighborhoods. Aztec Landscaping contract contemplates an increase of 2.3% in service rates for FY21 due to the anticipated increase in living wage as well as additional services. FY20 rate $45.30-$47.00 a sidewalk to FY21 rate of $46.43-$48.18 a sidewalk.

**Action Item 4:** Staff recommendation is to offer AZTEC Landscaping the FY21 pressuring washing contract with the requested increase. Service levels will be increased by 13% compared to FY20.

<table>
<thead>
<tr>
<th>Service</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pressure Washing</td>
<td>$683,020</td>
<td>$791,534</td>
</tr>
<tr>
<td>Sidewalks</td>
<td>14,740</td>
<td>16,664</td>
</tr>
</tbody>
</table>
**Pressure Washing**
South Bay Pressure Washing provide services to the Gaslamp neighborhood. South Bay Pressure Washing contract does not contemplates an increase in service rates for FY21, however we will be adding deep cleaning to 48 sidewalks at $200 a sidewalk. FY21 rate of $50.00 a sidewalk.

*Action Item 4: Staff recommendation is to offer South Bay the FY21 pressuring washing contract with the requested increase. Service levels will be increased by 1% compared to FY20.*

<table>
<thead>
<tr>
<th>Service</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pressure Washing</td>
<td>$161,200</td>
<td>$170,100</td>
</tr>
<tr>
<td>Sidewalks</td>
<td>3,224</td>
<td>3,258</td>
</tr>
</tbody>
</table>

**Safety/Security**
Allied Universal Service provides security patrols of all six neighborhoods. We plan to decease the level of service, due to bringing six security positions in-house, however our overall security patrol hours are increasing 8% to 90,245 hours. The cost per hour of service from Allied has increased by 2.8% to accommodate the projected living wage increase, equipment repairs and increase to insurance claims.

*Action Item 5: Staff recommendation is to offer Universal Protection Service the FY21 security contract with the requested increase. Service levels for security will be the same compared to FY20. Contracted amount will decrease by 8%.*

<table>
<thead>
<tr>
<th>Service</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety Services</td>
<td>$1,987,552</td>
<td>$1,850,495</td>
</tr>
<tr>
<td>Annual Hours</td>
<td>83,616</td>
<td>75,685</td>
</tr>
</tbody>
</table>

**Contract Amount including oversight from Account Manager, and 2.5 FTE Supervisors is a total of: $2,082,623.76 vs $2,267,480 FY20 Contract**