

Downtown Chula Vista Property-Based Business Improvement District

Annual Planning Report for FY 2023 To the City of Chula Vista



Fiscal Year January 1 - December 31, 2023

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

Downtown Chula Vista
Property Based Improvement District
FY 2023 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 2023 Annual Planning Report represents the seventh 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 2023. 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.

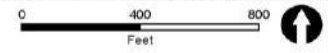
Third Avenue Enhanced: Is defined as all assessable properties with frontage along Third Avenue, between E Street and H Street. These properties will receive a higher frequency of maintenance services than other parcels within the PBID boundary.

The map on the following page illustrates the PBID boundary:



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- Proposed Boundaries for the
 Downtown Chula Vista PBID
- Third Av Enhanced Services
 - District-Wide Boundary
 - Parcels



Downtown Chula Vista

SECTION 3: PBID Assessment Budget

FY January 1 to December 31, 2023 - PBID Assessment Budget:

The following table outlines the PBID maximum assessment budget for FY 2023 with estimated budget expenditures distributed across PBID services. The annual assessment rate was not increased for FY 2023 per TAVA Board annual discretion.

EXPENDITURES	BUDGET	% Of Budget
Civil Sidewalks		
<i>Personnel: Compensation & Benefits</i>	\$150,000	
<i>District Utilities</i>	\$30,000	
<i>Contracted Third-Party Services</i>	\$50,000	
<i>Maintenance & Landscaping Supplies</i>	\$28,500	
Total Civil Sidewalks	\$258,500	32%
District Identity & Placemaking	\$140,100	17 %
Administration		
<i>Administration Expenses</i>	\$83,610	
<i>Outside Contracted Management</i>	\$192,000	
Total Administration	\$275,610	34%
PBID Unallocated	\$22,614.26	3%
Grant-Related Expenditures	\$115,700	14%
Total Expenditures	\$812,524.26	100.0%
REVENUES		
PBID Revenue	\$485,591.64	60%
BID Revenue	\$16,000	2%
Grants	\$115,700	14%
Programs	\$72,000	9%
Carry Forward	\$123,232.62	15%
Total Assessment District Revenues	\$812,524.26	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 2023.

Assessment Rates	Per Sq. Ft. of Lot	Per Linear Foot
Properties along Third Avenue	\$0.092	\$16.792

(Between E and H Streets)

All other properties in the District

\$0.917

\$2.393

*Downtown Chula Vista PBID
Annual Planning Report FY 2023*

Since the re-establishment of the PBID in June of 2016, the TAVA Board of Directors has only increased the assessment rate twice, in 2018 and most recently, in 2021. There was no increase in the assessments for FY 2023.

SECTION 5: Previous Year Surplus / Deficit Revenue

With the previous fiscal year ending on December 31, 2022, the FY 2022 audit and tax return have yet to be completed. At the time of this report, TAVA Income for all programs & operations for FY 2022 was \$880,770 and expenses at \$823,704. TAVA estimates that there will be a \$57,066 revenue carry forward from FY 2022 as associated with the PBID & BID assessment expenses, which is part of the \$123,232 carry forward we account for in the FY2023 Budget Projection. The remaining portion of the FY23 carry forward comes from a \$50,000 County Grant, \$16,166 from Programs and Debit accounts.

SECTION 6: Other Funding Contributions

The City of Chula Vista will contribute baseline service funding in the amount of \$5,729.

Bond Issuance:

No bonds will be issued to finance improvements in 2022.

SECTION 7: PBID Activity, Improvements, and Services

Civil Sidewalks Committee (formerly 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 currently. TAVA utilizes and maintains a web-based electrical irrigation program and repairs the associated in-ground irrigation system and controllers as needed and reserves the option to bring in a third-party contractor to assist in landscaping rehabilitation and maintenance.

Alley Maintenance:

TAVA abates graffiti, debris, and weeds within the alley public right-of-way (as needed) 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 2023, 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.

District Identity & Placemaking Committee (formerly Economic Enhancements)

District Special Events:

Last May 2022, TAVA launched its Third Avenue Village Farmer’s Market which has been running weekly on Sundays on Park Way between Third & Fourth Avenue. TAVA staff expects this program to continue to run weekly in 2023. Additionally, in Q1 2023, TAVA approved a new annual contract with FUSE events to begin organizing a series of special events returning to downtown in 2023. This March 2023, FUSE events will be organizing the Taste of Third event showcasing local businesses and eateries in Downtown Chula Vista. Later this summer, Downtown Chula Vista will also be hosting the annual Lemon Festival in August as well as the Amps & Ales Festival in September. In October, TAVA staff will be organizing the third annual Dia de los Muertos celebration in Memorial Park. Finally, in December, TAVA staff are partnering with City of Chula Vista special events staff to organize the annual Starlight Nights holiday celebration and tree-lighting event.

Increased Public Relations & Social Media Spotlights on Downtown Chula Vista:

Last year, the Third Avenue Village Association contracted with Olive Creative Strategies to begin promoting the Third Avenue commercial corridor as well as the “Downtown Chula Vista” brand as an emerging South Bay destination to live, work and shop. As a result, Downtown Chula Vista has garnered immensely positive media coverage for its local special events and community developments, successfully pairing the district’s rebound with the momentum surrounding the long-anticipated Chula Vista Bayfront Project, which is expected to significantly elevate the City of Chula Vista’s regional profile and appeal. In 2023, TAVA expects to expand the gains achieved with Olive Creative Strategies to further market and promote the Downtown Chula Vista brand and local stakeholders.

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, committee meetings, 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 & services that provides the special benefits necessary for daily operations, maintenance, landscaping, marketing, placemaking, 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 2023 budget does include an unallocated portion of the PBID revenue (approximately \$22,614.26) that is slightly below the conventional 5% contingency.

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.