

May 27, 2008

TO: Whom it May Concern

FR: Jerry Hall

RE: Pacific Beach, MAD/BID and Vision Committee

A Maintenance Assessment District (MAD) is being proposed in Pacific Beach. This organization will collect funds assessed from property owners in a large part of the business and residential areas in the cord of PB from Gresham to Mission Blvd. and from Chalcedony to a little beyond Pacific Beach Dr. (see map for full zone descriptions). This assessment district will fund and provide the following improvements/maintenance services:

**Cleaning and Maintenance**

- Litter abatement
- Emptying of private and city trash receptacles
- Sidewalk power washing
- Landscape maintenance
- Large debris removal
- Large item pickup
- Removal of public health and sanitation hazards
- Graffiti removal
- Trip hazards reporting

**Protection Services**

- Safety Ambassadors
- Off Duty Officers

**Special Projects**

This document asks questions as to why exactly a MAD is needed, to the tune of over \$470k/year, to address the above issues.

Here's a summary of reasoning about the pending Maintenance Assessment District (MAD).

1. The existing MAD proposal includes 2,173 parcels which will be assessed. Of these roughly 90% are residential and 10% businesses. By 'residential' I include both condominiums, apartment complexes and similar structures even if they might actually be a 'business' for someone. Using the term 'business' I include traditional business parcels such as retail, hotels, bars and restaurants etc.
2. Discover Pacific Beach (DPB), operators of the current Business Improvement District (BID) for the PB Community Development Corporation (CDC), believe they are representing the community in establishing a MAD for the westernmost areas of PB.

3. Before we take this MAD jump, let us as a community determine:
  - a. If the existing BID budget is being utilized to the best of the BID board's ability and,
  - b. If the MAD assessment amount, and reach into the residential neighborhoods, is fair and balanced.
  
4. There are several questions and concerns including:
  - a. Should all businesses and area homeowners in the MAD area be paying for security and cleanup services when so few of the businesses (i.e. bars and restaurants) are directly or indirectly responsible for so much of the trash, litter and vandalism?
 

Yes, these businesses may not be directly tied to some of these issues but, they attract the people who do them on a much larger scale than other businesses (i.e. bikini/surf/clothing shops and service businesses etc.).
  - b. Should homeowners be paying into the MAD when the only contribution they've made to the overall problems is having property near the BID?
  
5. We can use this moment in time to determine what is best for PB from a community's perspective, including ideas from businesses, homeowners and other residents.

This discussion may have arisen sooner had there been a genuine public discussion on this issue. However, it is questionable if all participants were given a fair shake to learn about the proposed MAD and to have their concerns addressed.

When considering a MAD I do not believe we are not bound to the recommendations being made to the city by the outside engineer's report of March 2008 or the BID. That is, it seems we can request changes to best fit the community's needs.

Assuming the proposed MAD is implemented there are a few questions and suggestions including:

- a. Will we need a full-time administrator for the MAD? Although one is not mentioned in the proposed assessment there is funding (\$60k) allocated to "Administrative" expenses. This money may very well be used by the newly formed MAD board or, the overseeing Discover Pacific Beach Association, to fund such a position.

There are funds (\$43k) allocated for a supervisor and other funds (\$77k) for maintenance personnel already in the budget. Do we really need a full-time supervisor and an administrator to oversee this program? [note: the overseeing body for the Golden Hill MAD or, the Greater Golden Hill Community Development Committee's (GGHCDC) leaders just hired a new staff person without the boards approval.<sup>1</sup>]

Further, wouldn't the existing Discover PB BID be the logical choice to

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<sup>1</sup> San Diego Reader MAD Gets Irate May 21, 2008

seek additional resources, funds, grants and projects for the community; handing them off to the MAD for implementation? Aren't they already in place to seek and deliver such funding? Why would we deconstruct these components of the BID's work at such a great cost (a new assessment)?

- b. A significant amount of the budget (\$136k or 29%) is allocated towards security. This is for both off-duty San Diego Police officers and Ambassadors.

The MAD proposal seeks to fund four off-duty police officers on Fridays and Saturday evenings from 11 p.m. through 3 a.m. They will work on the Garnet Ave./Grand Ave. zone from Mission Blvd. to approximately Gresham St.

'Security Guard Ambassadors' will work only on Tuesdays through Thursdays from 10 a.m. to 5 p.m. in the Mission Blvd. zone only.

[note: These do not seem to be hours that are the peak times and days for nightlife activity. PB has significant amounts of bar-hoppers from Tuesday through Sundays as well as during the weekend daytimes. There is a wide variety of marketing to grow business on Tuesdays (Taco Tuesdays) and Sundays are popular for music and sporting events. The primary security outlined above would be during peak weekend times. I'm not sure why the Ambassador program is scheduled to be implemented on Tuesday-Thursday daytimes, in the Mission Blvd. area zone, other than, in my imagination, to address the few homeless who might be in contact with our daytime visitors?]

- c. Many people are skeptical of the 5% annual increase potential. Also, future assessments can, and most likely will, grow by 5% per year.

The proposed MAD assessment could have a ceiling as to the amount it can raise for the aforementioned work if it is so demanded. Why not remove this clause and put additional funding needs to a re-vote at a future date?

[Note: Mission Beach has a MAD and an assessment ceiling of approximately \$50k/year.]

- d. There is an annual 'Special Projects Fund' (\$60k) in the budget for which the intended use is not detailed. Let's either plan now what these funds are for or, eliminate this line item.
- e. In the section titled "Discussion of Benefit" on page 13 the first sentence states that assessments can only be levied based on the *special benefit* to the property.

On the City of San Diego website<sup>2</sup> they mention that a lighting-pole banner program and seasonal decorations are authorized uses for MAD funds.

How do banners and seasonal decorations help the nearly 2,000 residential properties in the MAD proposal? Also, both such programs are already being maintained by the BID (budgeted at \$17k/year). If

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<sup>2</sup> <http://www.sandiego.gov/park-and-recreation/general-info/mad1.shtml>

the MAD were to take these projects on in the future what would become of the existing BID funds designated for these items? Wouldn't it make more sense to contractually keep these items out of the potential MAD assessment usage? This is because they are promotional-based and not capital improvements, which the MAD seems more aligned to address? [Note: it seems as if banners and decorations were allowed in business districts without BIDs so they would be able to enjoy the benefits of these items.]

- f. What proposed services are really services the City of San Diego *should* be performing? Since PB is a high-traffic destination zone, largely because of its access to the beaches, drawing approximately 6.7 million people each year<sup>3</sup>, doesn't that necessitate the city giving additional resources to our area?

Also, issues such as landscaping and hardscape maintenance, street repairs, lighting maintenance, street sweeping, large-item trash pickup are all items the city has traditionally provided. Why are we now being asked to pay into a MAD that addresses these issues? Items the city could be doing a much better job include:

- i. Repairing sidewalks where trees have uplifted sidewalks (i.e. Henrys, Bayard at Hornblend, Cass at Thomas etc.)
- ii. Improved striping and/or elimination of diagonal parking, along Garnet Ave. to accommodate bicycle traffic.
- iii. Increased enforcement of bicycles riding on the sidewalks.
- iv. Adding additional trash cans in the BID. [Note: Councilmember Falconer is working on adding more trashcans along Garnet Ave.]

- g. It seems there are a few areas where special attention is needed, which the city has been having a hard time or, is not responsible for, maintaining. These could be easily handled by the existing BID. Do we need a MAD to address these issues? They include:
- i. Sidewalk steam cleaning.
  - ii. Filling tree wells with either a substrate or a decorative grill.
  - iii. A subsidy program to help businesses put window film, to mitigate vandalism damage, on their storefronts. This film eliminates the extremely high replacement costs with a lower cost for film replacement.
  - iv. Maintaining the existing trees. Many of the trees we planted are being trimmed by businesses as they are young and block store signage. This may be due to the type of trees we allowed to be planted. Also, many trees are going to suffer big problems as they mature because of this improper trimming. Might it be more prudent to replace those damaged trees with more suitable types? The BID is now spending a lot of money each year (\$10k) watering trees that may very well be lost causes.
- h. As a community, let's look at the Discover PB BID budget and see where common budget items are currently being allocated. Looking at adding a MAD without looking at the BID budget is potentially

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<sup>3</sup> City of San Diego Lifeguard beach visitor counts (2006) <http://www.enjoypb.com/wordpress/wp-admin/documents/sdlg/Stats2006final.xls>

troubling as it is allowing redundancy and it may be needlessly taxing homeowners and BID property owners.

6. Certain members of the community, including some on various groups including the PB Town Council, Discover PB, Planning Committee, Beach Alcohol Task Force as well as other volunteers have been proposing a tool called a Conditional Use Permit (CUP) with a Deemed Approved Ordinance (DAO) clause.

This is a tool to help communities raise funds from alcohol licensees whereby the funds would be strictly allocated to issues relating to their industry.

The model being proposed is currently successfully deployed in Ventura County (CA). In the City of Ventura the CUP/DAO pays for an Alcohol Beverage Control (ABC) trained police officer who works solely on alcohol-related issues in their community. This includes sitting with potential licensees and selecting from many of about 300 conditions (i.e. must clean graffiti outside, pick up cigarette butts, close at 12 a.m., serve 50% of their gross receipts in food etc.). This officer also coordinates all enforcement activity, using outside resources if necessary. They are responsible for working with the bars and restaurants to develop security plans which will help mitigate potential crime problems. This program is funded by bars and restaurants by pooling their contributions. I understand an average bar in Ventura city pays approximately \$1,700 per year. Other uses of the funds include programs-administration and marketing, maintaining the area's cleanliness, funding for additional security staff or, anything the coordinating group decides.

Benefits of this CUP/DAO program include:

- a. Bars know the rules as they have worked them out specifically tailored to their business (no city enforcement or state-law vagaries)
- b. Residents are included in the process. This allows the city and enforcement officials to hear and address concerns immediately.
- c. Bars actually pay for the services that they have a large part in creating the need for, such as sidewalk cleaning, trash pickup and graffiti removal etc.

Some responsible alcohol licensees do a good job of maintaining their environment however, the city and state are critically under-funded for their alcohol enforcement needs.

7. Lastly, one of the most important elements of this entire MAD discussion is just that, a discussion. The public, including BID-member businesses, residents and those affected by the impending MAD assessment all deserve to be heard, and have their opinions respected. Their arguments need to be used to tailor the proposed MAD assessment so that most everyone's concerns are addressed.

There has been a disturbing pattern of lack-of-communication when it comes to issues such as the proposed MAD assessments. Another example of a major communication issue is the parking meter 'solution' being fed the community, largely by the BID and funded by the City BID Council. This is yet another fund raising scheme which was to fund the very cleaning and beautification issues the MAD proposal is said to be funding.

This lack of communication with the larger community needs to be addressed.

Should we tolerate being steam-rolled into every fund-raising scheme that is proposed without a thorough community discussion and consensus-gathering process?

By clicking the following link you'll find the current Discover Pacific Beach budget in the native format. You'll also find an analysis of this budget in an alternative display where I differentiated between income, administrative, promotion and cleaning expenses. This budget was submitted to the City for the next fiscal year but, has not yet been approved by the DPB board. We can work with the DPB board over the next few weeks, especially at this important time of the MAD assessment consideration, to be sure that all the concerns outlined above, and others not yet presented, are addressed.

Thank you for your consideration.