

July 10, 2021

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Subject: Investigation of a new "Greater Hillcrest Community Benefit District"

Hillcrest is at a turning point. It is time to decide if we want to keep Hillcrest as it is, or confront the issues facing every neighborhood in the City of San Diego. Homelessness is rampant, the police will not respond unless there is a threat to human life, and trash is littering our streets and sidewalks. Many neighborhoods in San Diego have recognized that City services will not address these issues, and have adopted their own Maintenance Assessment Districts. Hillcrest property owners must now join together to form a "Clean and Safe" program to propel our community into the future as a safe, fun, and clean place to come and eat, shop, and spend time.

Key property owners and retailers have stepped forward and contributed to the formation of the **Greater Hillcrest Community Benefit District** (often called a Maintenance Assessment District). This property-based assessment district funds special benefit services over and above what the City of San Diego provides in the public rights of way. Over the last several years we have undertaken a variety of steps to create this district. In January 2020, a property owner steering committee formed and a survey of property owners was completed; in December 2020, a compromise was brokered with the advocates of the "West End" district (which has been folded into this proposal); and in March 2021, New City America (special consultants responsible for many districts throughout the state) was hired to create a management plan and assessment proposal.

The proposed district will be set up for two specific reasons: Clean and Safe. Security patrols throughout the neighborhood will respond to people conducting antisocial behavior on the sidewalks of the district. This behavior drives away customers and riddles our sidewalks with litter and trash. Regular steam cleaning of sidewalks throughout the district will provide a consistent and clean environment. Customers and visitors to our neighborhood need to see that Hillcrest is clean, free of trash, and cares about their welfare while visiting and spending their money with us.

I want you to be a part of this transformation and work with us to make this happen. Unlike some other MADs, we want ours to be very specific and have low overhead. We want all the money we collect to be spent only on what we need the most. This is why we will limit the administration costs in our district to 10% of the budget, considerably less than the average of 30% spent by other neighborhoods. 90% will go to the cleaning and safety we so badly need. In order to do this, we will work with the Hillcrest Business Association to administer the contracts we decide on, and handle the day-to-day operations of implementing our plan. The district will

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be managed exclusively by the property owners, so we need your input and participation now. The Hillcrest Business Association has done an excellent job of managing an existing district on the west side for the last 15 years. Now we must expand and increase the services there and in the Greater Hillcrest area to meet the challenges of today.

Now is your chance to weigh in on the plan. Please visit the website www.greaterhillcrestcommunitybenefitdistrict.com to review the plan and see what services are proposed. You can also calculate your assessment for these services. This website provides all the information you need to understand the proposal and weigh in. Now is the time to contribute to the discussion concerning the district.

We would also like to invite you to a **Special Community Meeting** to discuss the proposed district, hear your feedback, and get your questions answered. Our consultant and city staff will be in attendance. The meeting will occur on August 5, 2021 at the Joyce Beers Community Center at 3900 Vermont St at 5pm. Please RSVP to info@hillcrestbia.org to let us know if you'll make it.

Once the final draft is approved, the Mayor's office will be petitioned to adopt the district and City Council would then authorize a mailed-ballot procedure according to State law. Final approval of the district requires a majority supportive vote of the "weighted" property owners. "Weight" is defined as the proportion of the assessment paid into the district by each owner. According to the State constitution, all property owners, whether public, ecumenical, non-profit/tax-exempt, or residential, must pay into the district if they are receiving benefits.

Upon a successful weighted vote, the district can be established and each parcel in the district will be assessed an annual fee through their property tax bills. We anticipate that this whole process will be carried out in the Fall of this year and culminate in a vote of the property owners December of 2021.

We all have the same goals: make Hillcrest the premier neighborhood to visit and spend time. You might question why we need to raise and spend this money. The real question is "can we afford NOT to do this".

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Pete Katz', is written over a light blue circular stamp.

Pete Katz, Greater Hillcrest CBD Chair